Alliant Energy
Year-End 2023 Earnings
February 16, 2024 – Final

CONFERENCE CALL OPERATOR:
Thank you for holding and welcome to Alliant Energy's year-end 2023 earnings conference call. At this time, all lines are in a listen-only mode. Today's conference call is being recorded. I would now like to turn the call over to your host, Susan Gille, Investor Relations Manager at Alliant Energy.

Susan Gille:

Good morning. I would like to thank all of you on the call and the web cast for joining us today. We appreciate your participation.

With me here today are John Larsen, Executive Chairman, Lisa Barton, President and CEO, and Robert Durian, Executive Vice President and CFO. Following prepared remarks by John, Lisa, and Robert, we will have time to take questions from the investment community.

We issued a news release last night announcing Alliant Energy's fourth quarter and year-end financial results. This release, as well as an earnings presentation, will be referenced during today's call, and are available on the investor page of our website at www.alliantenergy.com.

Before we begin, I need to remind you that the remarks we make on this call and our answers to your questions include forward-looking statements. These forward-looking statements are subject to risks that could cause actual results to be materially different. Those risks include, among others, matters discussed in Alliant Energy's news release issued last night and in our filings with the Securities and Exchange Commission. We disclaim any obligation to update these forward-looking statements.

In addition, this presentation contains references to non-GAAP financial measures. References to adjusted earnings exclude non-GAAP adjustments as well as net temperature impacts. The reconciliation between non-GAAP and GAAP measures are provided in the earnings release which is available on our website.

At this point, I will turn the call over to John.

JOHN LARSEN:
Thank you, Susan. Hello everyone and thank you for joining us.

2023 was another successful year.

Our adjusted earnings of 2 dollars and 88 cents, which excludes temperature impacts and non-GAAP adjustments continued to deliver on our 5 to 7% "Long-Term Growth" expectations.

We take exceptional pride - in delivering on our Purpose, To Serve Customers and Build Stronger Communities and consistently achieving our earnings growth objectives.

As we look back at 2023, I'm proud we can say:

- Once again, we achieved EPS growth of at least five percent, our 14th straight year of delivering on that objective.
- We increased our dividend with 2023 marking the 20th straight year of dividend increases.
- We successfully executed on one of the largest capital expenditure programs in our history.
- And– as of the end of 2023, nearly 30 percent of our electric distribution system is now underground, improving reliability and reducing operating expenses.

I will now highlight a few of our many 2023 accomplishments and then turn it over to Lisa and Robert to provide details on our 2023 regulatory operating and financial results.

Throughout 2023, our team demonstrated their dedication and resilience as we faced a dynamic economic environment and weather-related challenges, while also successfully advancing our customer-focused investments.

We made notable progress on our generation investments. An example is the progress we made in Wisconsin on our utility scale solar projects. As of today, over 90% of our solar investments are complete and in operation and we expect to be at 100% complete later this spring.

We believe these strategic investments enhance customer value by providing access to zero-cost fuel resources and diversify our energy mix and supports our local economies through new jobs and tax revenues.

In addition, our wind and solar investments generate renewable tax credits that provide even more benefits to our customers. In 2023 we executed agreements to transfer those credits improving our cashflow and providing us greater flexibility in our financing plans.

Our technology investments and undergrounding efforts place Alliant Energy among the top performers for electric reliability when compared to peer U.S. utilities. Through

these investments we are better positioned to provide our customers with the high level of reliability they expect.

Reflecting on the past year - and with my tenure as CEO concluding as of year-end 2023, I wish to express my profound pride in all our employees who consistently embody our Purpose and values. Each and every day our employees bring our Purpose-Driven strategy to life, serving our customers, and helping to build stronger communities.

- I am proud to acknowledge the outstanding contributions of our engineers whose work to innovate - and advance our industry will be celebrated next week during National Engineers Week.
- I'd like to thank our customer service team for - consistently going above and beyond as they assist our customers.
- And send a sincere Thank You to our dedicated crews and support staff for their unwavering commitment to excellence and for being the driving force behind our operating success.

In closing, I would like to extend one more congratulations to Lisa. Her thoughtful leadership, care for the customer, and industry knowledge will guide Alliant Energy into the next phase of its journey. I look forward to collaborating with her and the team for continued success in 2024.

Now, I'll hand over the call to Lisa.

LISA BARTON:
Thank you, John. I am honored for the opportunity to build on your legacy of growth and exceptional service to the communities we are so privileged to serve. As I reflect on 2023, I am appreciative of our employees, for their ongoing determination and commitment to serving our customers and strengthening our communities.

I'll begin by building on John's comments about our notable progress on our generation transformation in Wisconsin where we recently brought eight solar projects online a huge milestone. We are currently leveraging the sun in Wisconsin to fuel nearly 900 megawatts for customers, this will increase to nearly 1.1 gigawatts this spring when our final Wisconsin solar project becomes operational.

Coupled with our plans to bring 400 megawatts of solar on-line in Iowa this year, by year-end nearly 1,500 of additional megawatts of the energy our customers use will be from a clean, zero-fuel-cost energy resources.

In addition to our utility-scale solar investments, we continue to partner with local businesses and communities interested in hosting solar projects. Our customer-hosted projects help local businesses achieve their clean energy goals, while our community

solar projects provide all customers with affordable options to participate the solar revolution.

In Cedar Rapids our Community Solar Garden is fully operational and will soon be generating bill credits for all solar block purchasers. Our Janesville Solar Garden in Wisconsin now has an anchor tenant, JP Cullen, and construction is set to begin this spring. We have additional customer-hosted projects underway and expect they'll be operational before summer.

We made great progress on our clean energy transformation in 2023. We retired the last coal unit at Lansing, which had dutifully served our customers and communities for nearly 50 years. The retirement reduces O&M costs and advances us toward a cleaner, more efficient and cost-effective energy mix.

At the same time, we continue to see the frequency and duration of outages in our service footprint steadily decline, a 20-year trend that we expect will continue as we continue focusing on improving reliability and system resilience to meet the expectations of the customers we serve.

We began the process to repower the Franklin County wind project in Iowa, to increase the efficiency of our fleet. This investment will provide our customers with many more years of production tax credits.

On the environmental front, we completed closure work at 29 surface impoundments across 10 sites, eliminating all Alliant Energy ash ponds in Iowa and Wisconsin.

With these 2023 accomplishments, coupled with our planned investments in dispatchable gas generation, battery storage, and wind repowering, we are well on our way of enabling a successful and responsible clean energy transition while assuring we are addressing our system resiliency needs.
Looking forward, we continue to plan for the future by evolving and refining our Clean Energy Blueprint, taking into account dynamic economic developments, evolving energy technologies and emerging needs of the communities we serve. It is a necessary step as we look to balance our energy mix, create greater grid reliability, ensure customer affordability, and address MISO's resource adequacy needs.

2023 was a record year for us for economic development activities with more than 130 megawatts of announced new load across our footprint primarily in the manufacturing sector. With a capital investment of approximately 3.8 billion dollars, these projects are expected to create more than 4,000 new local jobs. Going forward, we will continue to pursue opportunities for new customer growth at our industrial parks as we strive to build and support stronger communities.

Our strong customer and community focus were contributing factors in recently being named a Top Utility by Business Facilities Magazine, for the fourth year in a row. Alliant Energy received a number of recognitions this past year. A few of them, including ones that focus on our employee's dedication to creating a welcoming and inclusive workplace are highlighted on Slide 5.

Earlier this week we announced the retirement of Terry Kouba, President of IPL. In early March, Terry will be celebrating his 43rd year with the company and has been a thoughtful, respected, and customer focused leader of our Iowa operations.

As we celebrate Terry's well-deserved retirement, we are advancing our succession plan by appointing May Farlinger to the position of President of IPL effective May 1st. May has spent her career at Alliant Energy serving in several leadership roles. We are confident in her abilities to lead our dedicated team of professionals in Iowa.

As we move forward in 20-24, I have every confidence we will continue to take the required actions to meet our customer needs and deliver on investor expectations. We are well-positioned to quickly adapt to a dynamic environment as we execute our strategy for generating clean, reliable and affordable energy.

At this time, I will turn the call over to Robert.

ROBERT DURIAN:
Thanks Lisa. Good morning, everyone.

Yesterday, we announced 2023 adjusted earnings of 2 dollars and 88 cents per share compared to adjusted earnings of 2 dollars and 73 cents per share in 2022. This represents a 5-point 5 percent increase in earnings consistent with our long-term earnings growth target of 5 to 7%. Adjusted earnings exclude the impacts of both non-recurring adjustments and temperatures. As a reminder, we do not manage our business to offset the positive or negative impacts of temperatures on sales we manage our business to deliver long-term consistency and enable operational efficiency.

The adjusted earnings year-over-year increase was primarily due to higher revenue requirements and AFUDC from capital investments including the progress by our teams on our solar projects in Wisconsin and Iowa, and lower operating and maintenance expenses at IPL and WPL resulting from our employees focus on cost controls. These positive drivers were partially offset by higher financing, and depreciation expenses associated with our customer-focused capital expenditure programs.

The 2023 results we are sharing today are a result of our consistent efforts to manage through and mitigate on-going inflationary pressures. We're extremely proud that our 2023 O&M expenses were approximately 30 million dollars less than 2022, allowing us

to help offset the negative impacts on earnings from rising financing and depreciation expenses.

Year over year sales changes in 2023 were largely impacted by temperature changes. Net temperature impacts decreased Alliant Energy's earnings by approximately 6 cents per share in 2023. In comparison, net temperatures increased Alliant Energy earnings in 2022 by 7 cents per share.

Temperature normalized electric sales to retail customers were relatively flat in 2023 when compared to 2022. We experienced growth in number of residential customers, as well as plant expansions, in Wisconsin. However, these positive drivers were offset by lower electric sales to industrial customers in Iowa due to plant closures and maintenance outages.

Turning to cashflows, 2023 cashflows from operations increased by almost 400 million dollars when compared to 2022. This substantial increase was primarily due to the timing of WPL's fuel-related cost recoveries and monetization of approximately 100 million dollars of tax credits in December. This increase resulted in a material increase in our key cash flow metrics in 2023. I am also pleased to report that our investing cashflows in 2023 aligned with our projected capital expenditures set at the beginning of the year due to the successful execution of our key construction projects.

Turning to 2024, we are positioned for another year of consistent 5 to 7 percent growth in adjusted earnings per share. We are affirming our 2024 earnings guidance range of two dollars and ninety-nine cents to three dollars and thirteen cents per share. Our efforts to support customer value, by making smart investments in our future, and controlling operating costs while receiving constructive regulatory outcomes support our ability to consistently deliver solid financial results.

Our financing plans for 2024 include 1 point 7 billion dollars of new debt largely to finance our investments in renewable and battery projects and support refinancing 800-million-dollars in debt maturities this year. We also expect to raise approximately 25 million dollars in equity under our DRIP plan and receive approximately 120 million dollars from the sales of partial interests in West Riverside. In addition, we expect to generate and transfer more than 200 million dollars of renewable tax credits in 2024 to reduce financing needs.

With the implementation of our new solar projects and the repowering of our older vintage wind facilities, we anticipate the increased production tax credits and reduced fuel costs will help offset the impact of additional renewable rate base, rendering these new investments cost-effective solutions for our customers. This will result in long-term benefits for our customers and long-term value for our shareowners.

Our customers experienced the benefits of a diverse generation portfolio in 2023, as the average retail electric rates declined for our Iowa customers due to lower fuel costs.

And in Wisconsin, we ended the year in an over collected position for fuel costs when compared to the 2023 monitoring level. As a result, we plan to refund 34 million dollars back to our Wisconsin retail electric customers in the future.

We also continue to be well-positioned to capture additional benefits for our customers from the Inflation Reduction Act and other government programs. These additional benefits include applying for lower cost federal funding and infrastructure grants including a grant from the DOE for long-duration storage in Wisconsin. We are also maximizing tax benefits by meeting tax credit adder requirements, and continued monetization of tax credits, which materially improves our cashflows and credit metrics, as well as reduces our future financing needs.

Finally, I will highlight our regulatory initiatives in progress as well as those regulatory filings we plan to initiate in 2024.

We filed rate reviews in both states in 2023 -- and received a written order in December for the Wisconsin rate review with new rates effective January first of this year.

In Iowa, our electric and gas rate review Is proceeding as expected, with a decision anticipated in the third quarter of this year. The IUB recently finalized the procedural schedule -- it is included on Slide 11.

We have two additional pending proceedings in Wisconsin -

- We requested authority to increase the efficiency, capacity, and reliability of our Neenah and Sheboygan Falls gas generating units
- And, we filed a joint application to sell an additional 125 megawatts of the West Riverside facility to WEC Energy and Madison Gas and Electric.

We are anticipating decisions from the PSCW on both of these applications by the end of the second quarter.

Turning to our planned regulatory filings in 2024. We expect to make regulatory filings in both Iowa and Wisconsin for additional renewables and dispatchable resources following our routine, continuous modeling updates of the Clean Energy Blueprint. We expect these projects will enhance reliability, further diversify our energy resources and meet customer energy needs.

We very much appreciate the continued support of our company and look forward to meeting with many of you in the coming months.

At this time, I will turn the call back over to the operator to facilitate the question-and-answer session.

CONFERENCE CALL OPERATOR:

Thank you, Mr. Durian. At this time, the company will open up the call to questions from members of the investment community.

(OPERATOR PROVIDES INSTRUCTIONS ON HOW TO ASK A QUESTION)

(Q&A SESSION)

CONFERENCE CALL COORDINATOR/OPERATOR:
Ms. Gille, there are no further questions at this time.

Susan Gille:
With no more questions, this concludes our call. A replay will be available on our investor website.

Thank you for your continued support of Alliant Energy and feel free to contact me with any follow-up questions.

The accompanying conference call script includes forward-looking statements. These forward-looking statements can be identified as such because the statements include words such as "believe," "will," "plan," "plans," "planned," "expect," "expected," "approximately," "forward," "anticipate," or other words of similar import. Similarly, statements that describe future financial performance, including earnings guidance and earnings growth, and plans or strategies, including our investment plans, construction plans, financing plans and regulatory plans, are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those currently anticipated. Actual results could be affected by the following factors, among others:

- the direct or indirect effects resulting from cybersecurity incidents or attacks on Alliant Energy, IPL, WPL, or their suppliers, contractors and partners, or responses to such incidents;
- the impact of customer- and third party-owned generation, including alternative electric suppliers, in IPL's and WPL's service territories on system reliability, operating expenses and customers' demand for electricity;
- economic conditions in IPL's and WPL's service territories;
- the impact of energy efficiency, franchise retention and customer disconnects on sales volumes and operating income;
- the impact that price changes may have on IPL's and WPL's customers' demand for electric, gas and steam services and their ability to pay their bills;
- changes in the price of delivered natural gas, transmission, purchased electricity and delivered coal, particularly during elevated market prices, and any resulting changes to counterparty credit risk, due to shifts in supply and demand caused by market conditions, regulations and Midcontinent Independent System Operator, Inc.'s (MISO's) seasonal resource adequacy process;
- IPL's and WPL's ability to obtain adequate and timely rate relief to allow for, among other things, the recovery of and/or the return on costs, including fuel costs, operating

costs, transmission costs, capacity costs, deferred expenditures, deferred tax assets, tax expense, interest expense, capital expenditures, and remaining costs related to electric generating units (EGUs) that may be permanently closed and certain other retired assets, decreases in sales volumes, earning their authorized rates of return, and the payments to their parent of expected levels of dividends;

- the ability to obtain deferral treatment for the recovery of and a return on prudently incurred costs in between rate reviews;
- the ability to obtain regulatory approval for construction projects with acceptable conditions;
- the ability to complete construction of renewable generation and storage projects by planned in-service dates and within the cost targets set by regulators due to cost increases of and access to materials, equipment and commodities, which could result from tariffs, duties or other assessments, such as any additional tariffs resulting from U.S. Department of Commerce investigations into and any decisions made regarding the sourcing of solar project materials and equipment from certain countries, labor issues or supply shortages, the ability to successfully resolve warranty issues or contract disputes, the ability to achieve the expected level of tax benefits based on tax guidelines, project costs and the level of electricity output generated by qualifying generating facilities, and the ability to efficiently utilize the renewable generation and storage project tax benefits for the benefit of customers;
- WPL's ability to obtain adequate and timely rate relief to allow for the recovery of and/or the return on costs of solar generation projects that exceed initial cost estimates;
- the impacts of changes in the tax code, including tax rates, minimum tax rates, adjustments made to deferred tax assets and liabilities, and changes impacting the availability of and ability to transfer renewable tax credits;
- the ability to utilize tax credits generated to date, and those that may be generated in the future, before they expire, as well as the ability to transfer tax credits that may be generated in the future at adequate pricing;
- disruptions to ongoing operations and the supply of materials, services, equipment and commodities needed to construct solar generation, battery storage and electric and gas distribution projects, which may result from geopolitical issues, supplier manufacturing constraints, labor issues or transportation issues, and thus affect the ability to meet capacity requirements and result in increased capacity expense;
- inflation and higher interest rates;
- the future development of technologies related to electrification, and the ability to reliably store and manage electricity;
- federal and state regulatory or governmental actions, including the impact of legislation, and regulatory agency orders and changes in public policy;
- employee workforce factors, including the ability to hire and retain employees with specialized skills, impacts from employee retirements, changes in key executives, ability to create desired corporate culture, collective bargaining agreements and negotiations, work stoppages or restructurings;
- disruptions in the supply and delivery of natural gas, purchased electricity and coal;
- weather effects on utility sales volumes and operations;
- changes to the creditworthiness of, or performance of obligations by, counterparties with which Alliant Energy, IPL and WPL have contractual arrangements, including participants in the energy markets and fuel suppliers and transporters;

- the impact of penalties or third-party claims related to, or in connection with, a failure to maintain the security of personally identifiable information, including associated costs to notify affected persons and to mitigate their information security concerns;
- impacts that terrorist attacks may have on Alliant Energy's, IPL's and WPL's operations and recovery of costs associated with restoration activities, or on the operations of Alliant Energy's investments;
- any material post-closing payments related to any past asset divestitures, including the transfer of renewable tax credits and the sale of Whiting Petroleum, which could result from, among other things, indemnification agreements, warranties, guarantees or litigation;
- continued access to the capital markets on competitive terms and rates, and the actions of credit rating agencies;
- changes to MISO's resource adequacy process establishing capacity planning reserve margin and capacity accreditation requirements that may impact how and when new and existing generating facilities, including IPL's and WPL's additional solar generation, may be accredited with energy capacity, and may require IPL and WPL to adjust their current resource plans, to add resources to meet the requirements of MISO's process, or procure capacity in the market whereby such costs might not be recovered in rates;
- issues associated with environmental remediation and environmental compliance, including compliance with all environmental and emissions permits and future changes in environmental laws and regulations, including the Coal Combustion Residuals Rule, Cross-State Air Pollution Rule and federal, state or local regulations for greenhouse gases emissions reductions from new and existing fossil-fueled EGUs under the Clean Air Act, and litigation associated with environmental requirements;
- increased pressure from customers, investors and other stakeholders to more rapidly reduce greenhouse gases emissions;
- the ability to defend against environmental claims brought by state and federal agencies, such as the U.S. Environmental Protection Agency and state natural resources agencies, or third parties, such as the Sierra Club, and the impact on operating expenses of defending and resolving such claims;
- the direct or indirect effects resulting from breakdown or failure of equipment in the operation of electric and gas distribution systems, such as mechanical problems and explosions or fires, and compliance with electric and gas transmission and distribution safety regulations, including regulations promulgated by the Pipeline and Hazardous Materials Safety Administration;
- issues related to the availability and operations of EGUs, including start-up risks, breakdown or failure of equipment, availability of warranty coverage and successful resolution of warranty issues or contract disputes for equipment breakdowns or failures, performance below expected or contracted levels of output or efficiency, operator error, employee safety, transmission constraints, compliance with mandatory reliability standards and risks related to recovery of resulting incremental operating, fuel-related and capital costs through rates;
- impacts that excessive heat, excessive cold, storms, wildfires, or natural disasters may have on Alliant Energy's, IPL's and WPL's operations and construction activities, and recovery of costs associated with restoration activities, or on the operations of Alliant Energy's investments;
- Alliant Energy's ability to sustain its dividend payout ratio goal;

- changes to costs of providing benefits and related funding requirements of pension and other postretirement benefits plans due to the market value of the assets that fund the plans, economic conditions, financial market performance, interest rates, timing and form of benefits payments, life expectancies and demographics;
- material changes in employee-related benefit and compensation costs, including settlement losses related to pension plans;
- risks associated with operation and ownership of non-utility holdings;
- changes in technology that alter the channels through which customers buy or utilize Alliant Energy's, IPL's or WPL's products and services;
- impacts on equity income from unconsolidated investments from changes in valuations of the assets held, as well as potential changes to ATC LLC's authorized return on equity;
- impacts of IPL's future tax benefits from Iowa rate-making practices, including deductions for repairs expenditures, allocation of mixed service costs and state depreciation, and recoverability of the associated regulatory assets from customers, when the differences reverse in future periods;
- current or future litigation, regulatory investigations, proceedings or inquiries;
- reputational damage from negative publicity, protests, fines, penalties and other negative consequences resulting in regulatory and/or legal actions;
- the direct or indirect effects resulting from pandemics;
- the effect of accounting standards issued periodically by standard-setting bodies;
- effective tax rate;
- the ability to successfully complete tax audits and changes in tax accounting methods with no material impact on earnings and cash flows.

Without limitation, the expectations with respect to 2024 earnings guidance, long-term earnings growth objective, and the clean energy transition, including solar generation development plans and battery storage projects, financing plans and regulatory plans in this script are forward-looking statements and are based in part on certain assumptions made by Alliant Energy, some of which are referred to in the forward-looking statements. Alliant Energy cannot provide any assurance that the assumptions referred to in the forward-looking statements or otherwise are accurate or will prove to be correct. Any assumptions that are inaccurate or do not prove to be correct could have a material adverse effect on Alliant Energy's ability to achieve the estimates or other targets included in the forward-looking statements. The statements included herein, including forward-looking statements, are made as of the date hereof and Alliant Energy undertakes no obligation to update publicly such statements to reflect subsequent events or circumstances.