ALLIANT ENERGY CORP
Form 10-Q
November 07, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2013

or

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission File Number	Name of Registrant, State of Incorporation, Address of Principal Executive Offices and Telephone Number	IRS Employer Identification Number
1-9894	ALLIANT ENERGY CORPORATION (a Wisconsin corporation) 4902 N. Biltmore Lane Madison, Wisconsin 53718 Telephone (608) 458-3311	39-1380265
1-4117	INTERSTATE POWER AND LIGHT COMPANY (an Iowa corporation) Alliant Energy Tower Cedar Rapids, Iowa 52401 Telephone (319) 786-4411	42-0331370
0-337	WISCONSIN POWER AND LIGHT COMPANY (a Wisconsin corporation) 4902 N. Biltmore Lane Madison, Wisconsin 53718 Telephone (608) 458-3311	39-0714890

This combined Form 10-Q is separately filed by Alliant Energy Corporation, Interstate Power and Light Company and Wisconsin Power and Light Company. Information contained in the Form 10-Q relating to Interstate Power and Light Company and Wisconsin Power and Light Company is filed by each such registrant on its own behalf. Each of Interstate Power and Light Company and Wisconsin Power and Light Company makes no representation as to information relating to registrants other than itself.

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes x No ¨

Indicate by check mark whether the registrants have submitted electronically and posted on their corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit and post such files). Yes x No ¨

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, non-accelerated filers, or smaller reporting companies. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

	Large Accelerated Filer	Accelerated Filer	Non-accelerated Filer	Smaller Reporting Company Filer
Alliant Energy Corporation	x			
Interstate Power and Light Company			x	
Wisconsin Power and Light Company			x	

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

Number of shares outstanding of each class of common stock as of September 30, 2013:

Alliant Energy Corporation	Common stock, $0.01 par value, 110,943,669 shares outstanding
Interstate Power and Light Company	Common stock, $2.50 par value, 13,370,788 shares outstanding (all of which are owned beneficially and of record by Alliant Energy Corporation)
Wisconsin Power and Light Company	Common stock, $5 par value, 13,236,601 shares outstanding (all of which are owned beneficially and of record by Alliant Energy Corporation)

Table of Contents

TABLE OF CONTENTS

Table of Contents

Table of Contents

DEFINITIONS

The following abbreviations or acronyms used in this Form 10-Q are defined below:

Abbreviation or Acronym	Definition
2012 Form 10-K	Combined Annual Report on Form 10-K filed by Alliant Energy, IPL and WPL for the year ended Dec. 31, 2012
AFUDC	Allowance for funds used during construction
Alliant Energy	Alliant Energy Corporation
AROs	Asset retirement obligations
ATC	American Transmission Company LLC
ATR Act	American Taxpayer Relief Act of 2012
CA	Certificate of Authority
CAA	Clean Air Act
CAIR	Clean Air Interstate Rule
Cash Balance Plan	Alliant Energy Cash Balance Pension Plan
CDD	Cooling degree days
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CO2	Carbon dioxide
Columbia	Columbia Energy Center
Corporate Services	Alliant Energy Corporate Services, Inc.
Court	U.S. District Court for the Western District of Wisconsin
CRANDIC	Cedar Rapids and Iowa City Railway Company
CSAPR	Cross-State Air Pollution Rule
DAEC	Duane Arnold Energy Center
DCP	Deferred Compensation Plan
DNR	Department of Natural Resources
Dth	Dekatherm
Eagle Point	Eagle Point Solar
Edgewater	Edgewater Generating Station
EEP	Energy Efficiency Plan
EGU	Electric generating unit
EPA	U.S. Environmental Protection Agency
EPB	Emissions Plan and Budget
EPS	Earnings per weighted average common share
ERISA	Employee Retirement Income Security Act of 1974
FERC	Federal Energy Regulatory Commission
FTR	Financial transmission right
Fuel-related	Electric production fuel and energy purchases
GAAP	U.S. generally accepted accounting principles
GHG	Greenhouse gases
HDD	Heating degree days
IPL	Interstate Power and Light Company
IRS	Internal Revenue Service
ITC	ITC Midwest LLC
IUB	Iowa Utilities Board
Kewaunee	Kewaunee Nuclear Power Plant
MACT	Maximum Achievable Control Technology

Marshalltown	Marshalltown Generating Station
MDA	Management’s Discussion and Analysis of Financial Condition and Results of Operations
MGP	Manufactured gas plant

Table of Contents

Abbreviation or Acronym	Definition
MidAmerican	MidAmerican Energy Company
MISO	Midcontinent Independent System Operator, Inc.
MPUC	Minnesota Public Utilities Commission
MVPs	Multi-Value Projects
MW	Megawatt
MWh	Megawatt-hour
NAAQS	National Ambient Air Quality Standards
Nelson Dewey	Nelson Dewey Generating Station
NOV	Notice of Violation
NOx	Nitrogen oxide
NSPS	New Source Performance Standards
NYSE	New York Stock Exchange
OCA	Iowa Office of Consumer Advocate
PPA	Purchased power agreement
PSCW	Public Service Commission of Wisconsin
PSD	Prevention of Significant Deterioration
RACT	Reasonably Available Control Technology
Receivables Agreement	Receivables Purchase and Sale Agreement
Resources	Alliant Energy Resources, LLC
Riverside	Riverside Energy Center
RMT	RMT, Inc.
RTO	Regional Transmission Organization
SCR	Selective catalytic reduction
SEC	Securities and Exchange Commission
SIP	State implementation plan
SO2	Sulfur dioxide
SSR	System Support Resource
U.S.	United States of America
Whiting Petroleum	Whiting Petroleum Corporation
WPL	Wisconsin Power and Light Company
XBRL	Extensible Business Reporting Language

Table of Contents

FORWARD-LOOKING STATEMENTS

Statements contained in this report that are not of historical fact are forward-looking statements intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified as such because the statements include words such as “expect,” “anticipate,” “plan” or other words of similar import. Similarly, statements that describe future financial performance or plans or strategies are forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, such statements. Some, but not all, of the risks and uncertainties of Alliant Energy, IPL and WPL that could materially affect actual results include:

- federal and state regulatory or governmental actions, including the impact of energy, tax, financial and health care legislation, and of regulatory agency orders;
- IPL’s and WPL’s ability to obtain adequate and timely rate relief to allow for, among other things, the recovery of operating costs, fuel costs, transmission costs, deferred expenditures, capital expenditures, and remaining costs related to generating units that may be permanently closed, earning their authorized rates of return, and the payments to their parent of expected levels of dividends;
- the ability to continue cost controls and operational efficiencies;
- the impact of WPL’s retail electric and gas base rate freeze in Wisconsin through 2014;
- weather effects on results of utility operations, including impacts of temperature changes in IPL’s and WPL’s service territories on customers’ demand for electricity and gas;
- the impact of the economy in IPL’s and WPL’s service territories and the resulting impacts on sales volumes, margins and the ability to collect unpaid bills;
- the impact of energy efficiency, franchise retention and customer owned generation on sales volumes and margins;
- developments that adversely impact Alliant Energy’s, IPL’s and WPL’s ability to implement their strategic plan, including unanticipated issues with new emission controls equipment for various coal-fired electric generating facilities of IPL and WPL, IPL’s construction of its proposed natural gas-fired electric generating facility in Iowa, IPL’s and WPL’s transmission upgrade projects, WPL’s potential generation investment, Resources’ selling price of the electricity output from its 100 MW Franklin County wind project, the potential decommissioning of certain generating facilities of IPL and WPL, and the pending sales of IPL’s electric and gas distribution assets in Minnesota;
- issues related to the availability of generating facilities and the supply and delivery of fuel and purchased electricity and the price thereof, including the ability to recover and to retain the recovery of purchased power, fuel and fuel-related costs through rates in a timely manner;
- the impact that price changes may have on IPL’s and WPL’s customers’ demand for utility services;
- issues associated with environmental remediation and environmental compliance, including compliance with the Consent Decree between WPL, the Sierra Club and the EPA, future changes in environmental laws and regulations, and litigation associated with environmental requirements;
- the ability to defend against environmental claims brought by state and federal agencies, such as the EPA, or third parties, such as the Sierra Club;
- the ability to recover through rates all environmental compliance and remediation costs, including costs for projects put on hold due to uncertainty of future environmental laws and regulations;
- the direct or indirect effects resulting from terrorist incidents, including physical attacks and cyber attacks, or responses to such incidents;
- 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;

3

Table of Contents

- impacts of future tax benefits from deductions for repairs expenditures and mixed service costs and temporary differences from historical tax benefits from such deductions that are included in rates when the differences reverse in future periods;
- any material post-closing adjustments related to any past asset divestitures, including the sale of RMT;
- continued access to the capital markets on competitive terms and rates, and the actions of credit rating agencies;
- inflation and interest rates;
- changes to the creditworthiness of counterparties with which Alliant Energy, IPL and WPL have contractual arrangements, including participants in the energy markets and fuel suppliers and transporters;
- issues related to electric transmission, including operating in RTO energy and ancillary services markets, the impacts of potential future billing adjustments and cost allocation changes from RTOs and recovery of costs incurred;
- unplanned outages, transmission constraints or operational issues impacting fossil or renewable generating facilities and risks related to recovery of resulting incremental costs through rates;
- any liabilities arising out of the alleged violation of ERISA by the Cash Balance Plan and Alliant Energy’s ability to successfully pursue appropriate appeals with respect to any such liability;
- current or future litigation, regulatory investigations, proceedings or inquiries;
- Alliant Energy’s ability to sustain its dividend payout ratio goal;
- employee workforce factors, including changes in key executives, collective bargaining agreements and negotiations, work stoppages or restructurings;
- impacts that storms or natural disasters in IPL’s and WPL’s service territories, including floods, droughts and forest or prairie fires, may have on their operations and recovery of, and rate relief for, costs associated with restoration activities;
- the impact of distributed generation, including alternative electric suppliers, in IPL’s and WPL’s service territories on system reliability, operating expenses and customers’ demand for electricity;
- access to technological developments;
- material changes in retirement and benefit plan costs;
- the impact of performance-based compensation plans accruals;
- the effect of accounting pronouncements issued periodically by standard-setting bodies;
- the impact of changes to production tax credits for wind projects;
- the impact of adjustments made to deferred tax assets and liabilities from state apportionment assumptions;
- the ability to utilize tax credits and net operating losses generated to date, and those that may be generated in the future, before they expire;
- the ability to successfully complete tax audits, changes in tax accounting methods, including changes required by new tangible property regulations, and appeals with no material impact on earnings and cash flows; and
- factors listed in MDA, and in Item 1A Risk Factors in the 2012 Form 10-K.

Alliant Energy, IPL and WPL each assume no obligation, and disclaim any duty, to update the forward-looking statements in this report.

Table of Contents

PART I. FINANCIAL INFORMATION
ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
ALLIANT ENERGY CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
	(dollars in millions, except per share amounts)			
Operating revenues:				
Utility:				
Electric	$798.1	$815.3	$2,043.4	$2,000.3
Gas	39.8	46.8	310.5	263.9
Other	17.4	12.2	52.4	39.7
Non-regulated	11.3	13.3	37.9	39.7
Total operating revenues	866.6	887.6	2,444.2	2,343.6
Operating expenses:				
Utility:				
Electric production fuel and energy purchases	205.4	221.6	542.5	550.4
Purchased electric capacity	58.6	84.0	167.6	216.2
Electric transmission service	110.5	94.9	313.8	255.7
Cost of gas sold	14.3	17.7	181.2	141.1
Other operation and maintenance	156.3	144.7	453.7	432.6
Non-regulated operation and maintenance	3.1	3.7	8.4	8.6
Depreciation and amortization	92.1	83.6	277.4	247.4
Taxes other than income taxes	24.9	23.7	74.3	73.5
Total operating expenses	665.2	673.9	2,018.9	1,925.5
Operating income	201.4	213.7	425.3	418.1
Interest expense and other:				
Interest expense	42.5	38.3	127.6	115.8
Equity income from unconsolidated investments, net	(11.1)	(10.4)	(32.7)	(30.4)
Allowance for funds used during construction	(8.5)	(5.8)	(21.1)	(14.4)
Interest income and other	(0.6)	(0.7)	(1.7)	(2.4)
Total interest expense and other	22.3	21.4	72.1	68.6
Income from continuing operations before income taxes	179.1	192.3	353.2	349.5
Income taxes	17.6	39.3	40.2	83.8
Income from continuing operations, net of tax	161.5	153.0	313.0	265.7
Income (loss) from discontinued operations, net of tax	(1.3)	1.7	(4.9)	(2.3)
Net income	160.2	154.7	308.1	263.4
Preferred dividend requirements of subsidiaries	2.6	4.0	15.3	11.9
Net income attributable to Alliant Energy common shareowners	$157.6	$150.7	$292.8	$251.5
Weighted average number of common shares outstanding (basic) (000s)	110,783	110,768	110,775	110,747
Weighted average number of common shares outstanding (diluted) (000s)	110,785	110,779	110,780	110,763
Earnings per weighted average common share attributable to Alliant Energy common shareowners (basic and diluted):				
Income from continuing operations, net of tax	$1.43	$1.34	$2.69	$2.29
Income (loss) from discontinued operations, net of tax	(0.01)	0.02	(0.05)	(0.02)

Net income	$1.42	$1.36	$2.64	$2.27
Amounts attributable to Alliant Energy common shareowners:				
Income from continuing operations, net of tax	$158.9	$149.0	$297.7	$253.8
Income (loss) from discontinued operations, net of tax	(1.3)	1.7	(4.9)	(2.3)
Net income attributable to Alliant Energy common shareowners	$157.6	$150.7	$292.8	$251.5
Dividends declared per common share	$0.47	$0.45	$1.41	$1.35

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

ALLIANT ENERGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2013	December 31, 2012
	(in millions)	
ASSETS		
Property, plant and equipment:		
Utility:		
Electric plant in service	$9,228.4	$9,070.7
Gas plant in service	901.4	878.4
Other plant in service	521.6	506.2
Accumulated depreciation	(3,689.3)	(3,513.0)
Net plant	6,962.1	6,942.3
Construction work in progress:		
Columbia Energy Center Units 1 and 2 emission controls (WPL)	247.9	130.4
Ottumwa Generating Station Unit 1 emission controls (IPL)	124.8	73.7
George Neal Generating Station Units 3 and 4 emission controls (IPL)	106.6	66.9
Other	222.9	147.8
Other, less accumulated depreciation	21.0	21.2
Total utility	7,685.3	7,382.3
Non-regulated and other:		
Non-regulated Generation, less accumulated depreciation	251.4	258.6
Alliant Energy Corporate Services, Inc. and other, less accumulated depreciation	204.7	197.1
Total non-regulated and other	456.1	455.7
Total property, plant and equipment	8,141.4	7,838.0
Current assets:		
Cash and cash equivalents	17.7	21.2
Accounts receivable, less allowance for doubtful accounts:		
Customer	78.1	94.9
Unbilled utility revenues	64.7	81.4
Other	188.6	209.4
Production fuel, at weighted average cost	105.2	103.1
Materials and supplies, at weighted average cost	71.1	63.1
Gas stored underground, at weighted average cost	44.2	37.7
Regulatory assets	60.3	83.5
Deferred income tax assets	131.2	170.2
Other	119.0	129.8
Total current assets	880.1	994.3
Investments:		
Investment in American Transmission Company LLC	268.3	257.0
Other	56.4	62.0
Total investments	324.7	319.0
Other assets:		
Regulatory assets	1,535.9	1,528.9
Deferred charges and other	99.1	105.3
Total other assets	1,635.0	1,634.2
Total assets	$10,981.2	$10,785.5

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

ALLIANT ENERGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED) (Continued)

	September 30, 2013	December 31, 2012
	(in millions, except per share and share amounts)	
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Alliant Energy Corporation common equity:		
Common stock - $0.01 par value - 240,000,000 shares authorized;110,943,669 and 110,987,400 shares outstanding	$1.1	$1.1
Additional paid-in capital	1,506.9	1,511.2
Retained earnings	1,767.3	1,630.7
Accumulated other comprehensive loss	(0.8)	(0.8)
Shares in deferred compensation trust - 222,415 and 216,030 shares at a weighted average cost of $34.87 and $33.61 per share	(7.8)	(7.3)
Total Alliant Energy Corporation common equity	3,266.7	3,134.9
Cumulative preferred stock of Interstate Power and Light Company	200.0	145.1
Noncontrolling interest	1.8	1.8
Total equity	3,468.5	3,281.8
Cumulative preferred stock of Wisconsin Power and Light Company	—	60.0
Long-term debt, net (excluding current portion)	3,104.8	3,136.6
Total capitalization	6,573.3	6,478.4
Current liabilities:		
Current maturities of long-term debt	48.4	1.5
Commercial paper	237.3	217.5
Accounts payable	368.7	339.3
Regulatory liabilities	174.9	189.7
Other	223.5	272.0
Total current liabilities	1,052.8	1,020.0
Other long-term liabilities and deferred credits:		
Deferred income tax liabilities	2,063.9	1,934.2
Regulatory liabilities	662.7	726.4
Pension and other benefit obligations	356.6	364.0
Other	271.9	262.5
Total long-term liabilities and deferred credits	3,355.1	3,287.1
Commitments and contingencies (Note 12)		
Total capitalization and liabilities	$10,981.2	$10,785.5

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

ALLIANT ENERGY CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the Nine Months Ended September 30,	
	2013	2012
	(in millions)	
Cash flows from operating activities:		
Net income	$308.1	$263.4
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	277.4	247.9
Other amortizations	29.1	41.3
Deferred taxes and investment tax credits	92.2	85.6
Equity income from unconsolidated investments, net	(32.7)	(30.4)
Distributions from equity method investments	26.6	25.7
Other	(14.1)	(8.4)
Other changes in assets and liabilities:		
Accounts receivable	(12.8)	50.9
Sales of accounts receivable	10.0	(85.0)
Regulatory assets	(14.4)	(73.5)
Regulatory liabilities	(74.9)	5.0
Deferred income taxes	75.4	90.5
Other	(26.8)	(12.7)
Net cash flows from operating activities	643.1	600.3
Cash flows used for investing activities:		
Construction and acquisition expenditures:		
Utility business	(524.4)	(412.7)
Alliant Energy Corporate Services, Inc. and non-regulated businesses	(35.9)	(106.3)
Proceeds from Franklin County wind project cash grant	62.4	—
Other	(15.3)	1.3
Net cash flows used for investing activities	(513.2)	(517.7)
Cash flows used for financing activities:		
Common stock dividends	(156.2)	(149.6)
Preferred dividends paid by subsidiaries	(8.9)	(11.9)
Payments to redeem cumulative preferred stock of IPL and WPL	(211.0)	—
Proceeds from issuance of cumulative preferred stock of IPL	200.0	—
Proceeds from issuance of long-term debt	—	75.0
Net change in commercial paper	34.8	17.6
Other	7.9	16.0
Net cash flows used for financing activities	(133.4)	(52.9)
Net increase (decrease) in cash and cash equivalents	(3.5)	29.7
Cash and cash equivalents at beginning of period	21.2	11.4
Cash and cash equivalents at end of period	$17.7	$41.1
Supplemental cash flows information:		
Cash paid (refunded) during the period for:		
Interest, net of capitalized interest	$128.5	$115.6
Income taxes, net of refunds	($9.7)	($0.8)
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$100.5	$123.8

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

INTERSTATE POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
	(in millions)			
Operating revenues:				
Electric utility	$457.6	$456.6	$1,137.4	$1,070.7
Gas utility	24.6	29.6	180.9	149.2
Steam and other	12.2	11.5	37.4	37.2
Total operating revenues	494.4	497.7	1,355.7	1,257.1
Operating expenses:				
Electric production fuel and energy purchases	110.9	116.7	282.5	272.8
Purchased electric capacity	42.7	42.1	120.3	119.1
Electric transmission service	80.0	67.3	226.0	175.7
Cost of gas sold	9.3	12.9	103.2	80.5
Other operation and maintenance	90.5	86.4	264.2	257.1
Depreciation and amortization	47.6	47.3	142.8	141.1
Taxes other than income taxes	13.4	13.0	40.9	39.5
Total operating expenses	394.4	385.7	1,179.9	1,085.8
Operating income	100.0	112.0	175.8	171.3
Interest expense and other:				
Interest expense	19.6	19.5	58.9	58.8
Allowance for funds used during construction	(5.8)	(2.1)	(14.3)	(5.3)
Interest income and other	—	—	(0.2)	(0.2)
Total interest expense and other	13.8	17.4	44.4	53.3
Income before income taxes	86.2	94.6	131.4	118.0
Income tax benefit	(26.4)	(11.9)	(37.4)	(6.6)
Net income	112.6	106.5	168.8	124.6
Preferred dividend requirements	2.6	3.2	13.7	9.4
Earnings available for common stock	$110.0	$103.3	$155.1	$115.2

Earnings per share data is not disclosed given Alliant Energy Corporation is the sole shareowner of all shares of IPL's common stock outstanding during the periods presented.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

INTERSTATE POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2013	December 31, 2012
	(in millions)	
ASSETS		
Property, plant and equipment:		
Electric plant in service	$4,902.3	$4,815.2
Gas plant in service	451.8	441.4
Steam and other plant in service	299.0	289.1
Accumulated depreciation	(2,014.3)	(1,930.7)
Net plant	3,638.8	3,615.0
Construction work in progress:		
Ottumwa Generating Station Unit 1 emission controls	124.8	73.7
George Neal Generating Station Units 3 and 4 emission controls	106.6	66.9
Other	131.5	82.8
Other, less accumulated depreciation	19.8	19.8
Total property, plant and equipment	4,021.5	3,858.2
Current assets:		
Cash and cash equivalents	6.3	4.5
Accounts receivable, less allowance for doubtful accounts	130.1	95.0
Income tax refunds receivable	30.0	14.9
Production fuel, at weighted average cost	70.6	75.2
Materials and supplies, at weighted average cost	39.6	33.3
Gas stored underground, at weighted average cost	25.3	17.2
Regulatory assets	33.4	47.6
Deferred income tax assets	75.7	79.3
Other	38.9	24.6
Total current assets	449.9	391.6
Investments	17.9	17.6
Other assets:		
Regulatory assets	1,182.6	1,170.3
Deferred charges and other	21.9	19.3
Total other assets	1,204.5	1,189.6
Total assets	$5,693.8	$5,457.0

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

INTERSTATE POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED) (Continued)

	September 30, 2013	December 31, 2012
	(in millions, except per share and share amounts)	
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Interstate Power and Light Company common equity:		
Common stock - $2.50 par value - 24,000,000 shares authorized; 13,370,788 shares outstanding	$33.4	$33.4
Additional paid-in capital	1,122.9	1,037.8
Retained earnings	507.4	448.0
Total Interstate Power and Light Company common equity	1,663.7	1,519.2
Cumulative preferred stock	200.0	145.1
Total equity	1,863.7	1,664.3
Long-term debt, net (excluding current portion)	1,336.4	1,359.5
Total capitalization	3,200.1	3,023.8
Current liabilities:		
Current maturities of long-term debt	38.4	—
Commercial paper	—	26.3
Accounts payable	195.1	163.2
Accounts payable to associated companies	53.3	29.3
Regulatory liabilities	116.6	130.1
Other	113.9	119.9
Total current liabilities	517.3	468.8
Other long-term liabilities and deferred credits:		
Deferred income tax liabilities	1,161.0	1,087.3
Regulatory liabilities	513.8	571.3
Pension and other benefit obligations	120.2	122.9
Other	181.4	182.9
Total other long-term liabilities and deferred credits	1,976.4	1,964.4
Commitments and contingencies (Note 12)		
Total capitalization and liabilities	$5,693.8	$5,457.0

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

INTERSTATE POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the Nine Months Ended September 30,	
	2013	2012
	(in millions)	
Cash flows from operating activities:		
Net income	$168.8	$124.6
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	142.8	141.1
Other	1.2	(3.8)
Other changes in assets and liabilities:		
Accounts receivable	(53.0)	(2.6)
Sales of accounts receivable	10.0	(85.0)
Regulatory assets	(9.8)	(57.7)
Regulatory liabilities	(68.3)	(27.5)
Deferred income taxes	71.0	88.9
Other	(3.0)	(5.6)
Net cash flows from operating activities	259.7	172.4
Cash flows used for investing activities:		
Utility construction and acquisition expenditures	(274.3)	(194.6)
Other	(15.5)	(16.5)
Net cash flows used for investing activities	(289.8)	(211.1)
Cash flows from financing activities:		
Common stock dividends	(95.7)	(91.6)
Preferred stock dividends	(8.3)	(9.4)
Capital contributions from parent	90.0	80.0
Payments to redeem cumulative preferred stock	(150.0)	—
Proceeds from issuance of cumulative preferred stock	200.0	—
Net change in commercial paper	(11.3)	42.9
Other	7.2	20.0
Net cash flows from financing activities	31.9	41.9
Net increase in cash and cash equivalents	1.8	3.2
Cash and cash equivalents at beginning of period	4.5	2.1
Cash and cash equivalents at end of period	$6.3	$5.3
Supplemental cash flows information:		
Cash paid (refunded) during the period for:		
Interest	$60.9	$58.5
Income taxes, net of refunds	$10.7	($11.3)
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$57.4	$69.2

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

12

Table of Contents

WISCONSIN POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
	(in millions)			
Operating revenues:				
Electric utility	$340.5	$358.7	$906.0	$929.6
Gas utility	15.2	17.2	129.6	114.7
Other	5.2	0.7	15.0	2.5
Total operating revenues	360.9	376.6	1,050.6	1,046.8
Operating expenses:				
Electric production fuel and energy purchases	94.5	104.9	260.0	277.6
Purchased electric capacity	15.9	41.9	47.3	97.1
Electric transmission service	30.5	27.6	87.8	80.0
Cost of gas sold	5.0	4.8	78.0	60.6
Other operation and maintenance	65.8	58.3	189.5	175.5
Depreciation and amortization	42.7	35.8	129.0	104.8
Taxes other than income taxes	10.6	9.9	30.7	31.7
Total operating expenses	265.0	283.2	822.3	827.3
Operating income	95.9	93.4	228.3	219.5
Interest expense and other:				
Interest expense	21.2	19.7	63.8	59.6
Equity income from unconsolidated investments	(11.1)	(10.5)	(32.7)	(31.2)
Allowance for funds used during construction	(2.7)	(3.7)	(6.8)	(9.1)
Total interest expense and other	7.4	5.5	24.3	19.3
Income before income taxes	88.5	87.9	204.0	200.2
Income taxes	27.2	31.2	64.7	75.5
Net income	61.3	56.7	139.3	124.7
Preferred dividend requirements	—	0.8	1.6	2.5
Earnings available for common stock	$61.3	$55.9	$137.7	$122.2

Earnings per share data is not disclosed given Alliant Energy Corporation is the sole shareowner of all shares of WPL’s common stock outstanding during the periods presented.

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

WISCONSIN POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	September 30, 2013	December 31, 2012
	(in millions)	
ASSETS		
Property, plant and equipment:		
Electric plant in service	$4,326.1	$4,255.5
Gas plant in service	449.6	437.0
Other plant in service	222.6	217.1
Accumulated depreciation	(1,675.0)	(1,582.3)
Net plant	3,323.3	3,327.3
Leased Sheboygan Falls Energy Facility, less accumulated amortization	72.4	77.0
Construction work in progress:		
Columbia Energy Center Units 1 and 2 emission controls	247.9	130.4
Other	91.4	65.0
Other, less accumulated depreciation	1.2	1.4
Total property, plant and equipment	3,736.2	3,601.1
Current assets:		
Cash and cash equivalents	6.6	0.7
Accounts receivable, less allowance for doubtful accounts:		
Customer	70.6	83.3
Unbilled utility revenues	64.7	81.4
Other	41.9	48.5
Production fuel, at weighted average cost	34.6	27.9
Materials and supplies, at weighted average cost	29.7	28.5
Gas stored underground, at weighted average cost	18.9	20.5
Regulatory assets	26.9	35.9
Deferred income tax assets	44.9	85.6
Other	49.5	56.4
Total current assets	388.3	468.7
Investments:		
Investment in American Transmission Company LLC	268.3	257.0
Other	19.2	19.6
Total investments	287.5	276.6
Other assets:		
Regulatory assets	353.3	358.6
Deferred charges and other	51.3	57.6
Total other assets	404.6	416.2
Total assets	$4,816.6	$4,762.6

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

WISCONSIN POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED) (Continued)

	September 30, 2013	December 31, 2012
	(in millions, except per share and share amounts)	
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Wisconsin Power and Light Company common equity:		
Common stock - $5 par value - 18,000,000 shares authorized; 13,236,601 shares outstanding	$66.2	$66.2
Additional paid-in capital	959.0	959.2
Retained earnings	608.1	557.6
Total Wisconsin Power and Light Company common equity	1,633.3	1,583.0
Cumulative preferred stock	—	60.0
Long-term debt, net (excluding current portion)	1,323.5	1,331.5
Total capitalization	2,956.8	2,974.5
Current liabilities:		
Current maturities of long-term debt	8.5	—
Commercial paper	143.4	86.6
Accounts payable	117.9	126.4
Accounts payable to associated companies	20.8	13.2
Regulatory liabilities	58.3	59.6
Accrued taxes	11.2	28.3
Other	59.2	71.4
Total current liabilities	419.3	385.5
Other long-term liabilities and deferred credits:		
Deferred income tax liabilities	885.4	844.1
Regulatory liabilities	148.9	155.1
Capital lease obligations - Sheboygan Falls Energy Facility	95.7	99.1
Pension and other benefit obligations	156.8	159.7
Other	153.7	144.6
Total long-term liabilities and deferred credits	1,440.5	1,402.6
Commitments and contingencies (Note 12)		
Total capitalization and liabilities	$4,816.6	$4,762.6

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

Table of Contents

WISCONSIN POWER AND LIGHT COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the Nine Months Ended September 30,	
	2013	2012
	(in millions)	
Cash flows from operating activities:		
Net income	$139.3	$124.7
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	129.0	104.8
Other amortizations	21.9	32.7
Deferred taxes and investment tax credits	71.6	89.3
Equity income from unconsolidated investments	(32.7)	(31.2)
Distributions from equity method investments	26.6	25.7
Other	(5.4)	(8.9)
Other changes in assets and liabilities:		
Accounts receivable	28.0	9.9
Income tax refunds receivable	3.5	(22.3)
Regulatory assets	(4.6)	(15.8)
Regulatory liabilities	(6.6)	32.5
Accrued taxes	(17.1)	0.3
Other	2.7	(2.1)
Net cash flows from operating activities	356.2	339.6
Cash flows used for investing activities:		
Utility construction and acquisition expenditures	(250.1)	(218.1)
Other	(2.3)	5.6
Net cash flows used for investing activities	(252.4)	(212.5)
Cash flows used for financing activities:		
Common stock dividends	(87.2)	(84.1)
Preferred stock dividends	(0.6)	(2.5)
Payments to redeem cumulative preferred stock	(61.0)	—
Net change in commercial paper	56.8	(25.7)
Other	(5.9)	(1.3)
Net cash flows used for financing activities	(97.9)	(113.6)
Net increase in cash and cash equivalents	5.9	13.5
Cash and cash equivalents at beginning of period	0.7	2.7
Cash and cash equivalents at end of period	$6.6	$16.2
Supplemental cash flows information:		
Cash paid (refunded) during the period for:		
Interest	$65.9	$63.1
Income taxes, net of refunds	($0.6)	$7.9
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$39.2	$45.0

The accompanying Combined Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

16

Table of Contents

ALLIANT ENERGY CORPORATION
INTERSTATE POWER AND LIGHT COMPANY
WISCONSIN POWER AND LIGHT COMPANY

COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(a) General - The interim unaudited condensed consolidated financial statements included herein have been prepared by Alliant Energy, IPL and WPL pursuant to the rules and regulations of the SEC. Accordingly, certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted, although management believes that the disclosures are adequate to make the information presented not misleading. These financial statements should be read in conjunction with the financial statements and the notes thereto included in Alliant Energy's, IPL's and WPL's latest combined Annual Report on Form 10-K.

In the opinion of management, all adjustments, which unless otherwise noted are normal and recurring in nature, necessary for a fair presentation of the results of operations, financial position and cash flows have been made. Results for the nine months ended September 30, 2013 are not necessarily indicative of results that may be expected for the year ending December 31, 2013. A change in management's estimates or assumptions could have a material impact on Alliant Energy's, IPL's and WPL's respective financial condition and results of operations during the period in which such change occurred. Certain prior period amounts in the Condensed Consolidated Financial Statements and Combined Notes to Condensed Consolidated Financial Statements have been reclassified to conform to the current period presentation for comparative purposes. Unless otherwise noted, the notes herein have been revised to exclude discontinued operations and assets and liabilities held for sale for all periods presented.

(b) Regulatory Assets and Regulatory Liabilities -
Regulatory assets were comprised of the following items (in millions):

	Alliant Energy		IPL		WPL	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Tax-related	$813.6	$770.7	$783.6	$746.2	$30.0	$24.5
Pension and other postretirement benefits costs	525.2	549.2	267.9	279.3	257.3	269.9
AROs	66.9	62.4	38.8	38.6	28.1	23.8
Emission allowances	30.0	30.0	30.0	30.0	—	—
Derivatives	26.8	40.2	6.9	16.3	19.9	23.9
Environmental-related costs	26.0	34.9	21.8	30.3	4.2	4.6
Other	107.7	125.0	67.0	77.2	40.7	47.8
	$1,596.2	$1,612.4	$1,216.0	$1,217.9	$380.2	$394.5

Regulatory liabilities were comprised of the following items (in millions):

	Alliant Energy		IPL		WPL	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Cost of removal obligations	$415.7	$408.7	$275.8	$268.0	$139.9	$140.7
IPL's tax benefit riders	288.8	355.8	288.8	355.8	—	—
Energy conservation cost recovery	58.1	55.1	12.6	10.0	45.5	45.1
IPL's electric transmission assets sale	24.3	32.5	24.3	32.5	—	—

Commodity cost recovery	7.0	17.7	1.1	5.2	5.9	12.5
Other	43.7	46.3	27.8	29.9	15.9	16.4
	$837.6	$916.1	$630.4	$701.4	$207.2	$214.7

Tax-related - Alliant Energy's and IPL's tax-related regulatory assets are generally impacted by certain property-related differences at IPL for which deferred tax is not recorded in the income statement pursuant to Iowa rate-making principles. Deferred tax amounts are recorded to regulatory assets, along with the necessary revenue requirement tax gross-ups. During

17

the nine months ended September 30, 2013, Alliant Energy's and IPL's tax-related regulatory assets increased primarily due to qualifying repair expenditures at IPL.

Derivatives - In accordance with IPL's and WPL's fuel and natural gas recovery mechanisms, prudently incurred costs from derivative instruments are recovered from customers in the future after any losses are realized and gains from derivative instruments are refunded to customers in the future after any gains are realized. Based on these recovery mechanisms, the changes in the fair value of derivative liabilities/assets resulted in comparable changes to regulatory assets/liabilities on the Condensed Consolidated Balance Sheets for the nine months ended September 30, 2013. Refer to Note 11 for additional details of derivative assets and derivative liabilities.

IPL's tax benefit riders - Alliant Energy's and IPL's "IPL's tax benefit riders" regulatory liabilities in the above table decreased $67 million during the nine months ended September 30, 2013 due to the following items:

Electric tax benefit rider - In January 2011, the IUB approved an electric tax benefit rider proposed by IPL, which utilizes regulatory liabilities to credit bills of Iowa retail electric customers beginning in February 2011 to help offset the impact of rate increases on such customers. These regulatory liabilities are related to tax benefits from tax accounting method changes for repairs expenditures, allocation of mixed service costs and allocation of insurance proceeds from floods in 2008. IPL utilized $59 million of regulatory liabilities to credit Iowa retail electric customers' bills during the nine months ended September 30, 2013.

Gas tax benefit rider - In November 2012, the IUB approved a gas tax benefit rider proposed by IPL, which utilizes regulatory liabilities to credit bills of Iowa retail gas customers beginning in January 2013 to help offset the impact of rate increases on such customers. These regulatory liabilities are related to tax benefits from tax accounting method changes for repairs expenditures, allocation of mixed service costs and allocation of insurance proceeds from floods in 2008. IPL utilized $8 million of regulatory liabilities to credit Iowa retail gas customers' bills during the nine months ended September 30, 2013.

Refer to Note 4 for additional details regarding IPL's tax benefit riders.

Other - Based on the PSCW's July 2012 order related to WPL's 2013/2014 test period Wisconsin retail electric and gas rate case, WPL was authorized to recover previously incurred costs associated with the acquisition of a 25% ownership interest in Edgewater Unit 5 and proposed clean air compliance plan projects. As a result, Alliant Energy and WPL recorded a $5 million increase to regulatory assets, and a $5 million credit to "Utility - Other operation and maintenance" in their Condensed Consolidated Statements of Income during the nine months ended September 30, 2012.

(c) Utility Property, Plant and Equipment -
Proposed Sales of IPL's Minnesota Electric and Natural Gas Distribution Assets - In September 2013, IPL signed a definitive agreement to sell its Minnesota electric distribution assets to Southern Minnesota Energy Cooperative, a combined group of various neighboring electric cooperatives. Also in September 2013, IPL signed a definitive agreement to sell its Minnesota natural gas distribution assets to Minnesota Energy Resources Corporation, a subsidiary of Integrys Energy Group, Inc. Proceeds from the sales are expected to be approximately $128 million in aggregate, subject to customary closing adjustments. The proceeds are expected to reduce Alliant Energy's and IPL's financing requirements. Pending all necessary federal and state regulatory approvals, including the MPUC, FERC and the IUB, the transactions are expected to be concluded in the second half of 2014.

The sales price of the assets expected to be sold, which primarily consist of property, plant and equipment, and working capital items, is expected to result in a modest gain. Any after-tax gain realized from the transaction may be subject to refund to IPL's customers. As of September 30, 2013, IPL's assets and liabilities included in the sale agreements did not meet the criteria to be classified as held for sale due to uncertainties in the regulatory approval process. The operating results of IPL's Minnesota electric and natural gas distribution businesses did not qualify as discontinued operations as of September 30, 2013.

The electric distribution asset sales agreement includes a wholesale power supply agreement between IPL and Southern Minnesota Energy Cooperative, which is subject to FERC approval. The agreement contains a five-year termination notice, which may not be given until the fifth anniversary of the effective date of the agreement, resulting in a minimum term of 10 years. The agreement remains in effect unless notice to terminate is provided by either party. This wholesale power supply agreement includes standardized pricing mechanisms that are detailed in IPL's current tariffs accepted by FERC through wholesale rate case proceedings. The tariffs include an annual true-up process for actual costs incurred. IPL's current return

Table of Contents

on common equity authorized by FERC related to its wholesale electric rates is 10.97%. As a result of IPL's requirement to supply electricity to Southern Minnesota Energy Cooperative under the wholesale power supply agreement, the sale of the electric distribution assets is not expected to have a significant impact on IPL's current generation plans.

(d) Comprehensive Income - For the three and nine months ended September 30, 2013 and 2012, Alliant Energy had no other comprehensive income; therefore, its comprehensive income was equal to its net income and its comprehensive income attributable to Alliant Energy common shareowners was equal to its net income attributable to Alliant Energy common shareowners for such periods. For the three and nine months ended September 30, 2013 and 2012, IPL and WPL had no other comprehensive income; therefore, their comprehensive income was equal to their net income and their comprehensive income available for common stock was equal to their earnings available for common stock for such periods.

(2) UTILITY RATE CASES
WPL's Wisconsin Retail Electric and Gas Rate Case (2013/2014 Test Period) - In July 2012, WPL received an order from the PSCW authorizing WPL to implement a decrease in annual base rates for WPL's retail gas customers of $13 million effective January 1, 2013, followed by a freeze of such gas base rates through the end of 2014. The order also authorized WPL to maintain customer base rates for its retail electric customers at their current levels through the end of 2014. The order included provisions that require WPL to defer a portion of its earnings if its annual return on common equity exceeds certain levels during 2013 or 2014 and allows WPL to request a change in retail base rates during this period if its annual return on common equity falls below a certain level. As of September 30, 2013, Alliant Energy and WPL did not record any material deferred amounts for these provisions.

IPL's Iowa Retail Gas Rate Case (2011 Test Year) - In May 2012, IPL filed a request with the IUB to increase annual rates for its Iowa retail gas customers. IPL's request included a proposal to reduce customer bills utilizing a gas tax benefit rider over a three-year period by approximately $36 million in aggregate. In conjunction with the filing, IPL implemented an interim retail gas rate increase of $9 million, or approximately 3%, on an annual basis, effective June 4, 2012. In November 2012, the IUB approved a settlement agreement between IPL, the OCA and the Iowa Consumers Coalition related to IPL's request, resulting in a final increase in annual rates for IPL's Iowa retail gas customers of $11 million, or approximately 4%, effective January 10, 2013. The parties and the IUB also agreed to IPL's proposed gas tax benefit rider. Refer to Note 1(b) for additional details on IPL's gas tax benefit rider.

IPL's Iowa Retail Electric Rate Case (2009 Test Year) - In February 2013, the IUB issued an order allowing IPL to recognize a revenue requirement adjustment of $24 million for the year ended December 31, 2013 related to certain tax benefits from tax accounting method changes. The revenue requirement adjustment is recognized through the energy adjustment clause as a reduction of the credits on IPL's Iowa retail electric customers' bills from the electric tax benefit rider. For the three and nine months ended September 30, 2013, Alliant Energy and IPL recognized $7 million and $18 million, respectively, of the revenue requirement adjustment resulting in increases to electric revenues on their Condensed Consolidated Statements of Income.

WPL's Retail Fuel-related Rate Filing (2014 Test Year) - In July 2013, WPL filed a request with the PSCW to increase annual rates for WPL's retail electric customers by $31 million, or approximately 3%, to reflect anticipated increases in retail fuel-related costs in 2014. WPL currently expects a decision from the PSCW regarding this rate filing by the end of 2013.

WPL's Retail Fuel-related Rate Filing (2013 Test Year) - In December 2012, WPL received an order from the PSCW authorizing an annual retail electric rate decrease of $29 million, or approximately 3%, effective January 1, 2013 to reflect anticipated decreases in retail fuel-related costs in 2013 compared to the fuel-related cost estimates used to determine rates for 2012. WPL’s 2013 fuel-related costs will be subject to deferral if they fall outside an annual bandwidth of plus or minus 2% of the approved annual forecasted fuel-related costs. As of September 30, 2013, Alliant Energy and WPL did not record any material amounts for refunds anticipated to be paid to WPL’s retail electric customers.

WPL’s Retail Fuel-related Rate Filing (2012 Test Year) - Retail fuel-related costs incurred by WPL in 2012 were lower than retail fuel-related costs used to determine rates for such period resulting in an over-collection of fuel-related costs for 2012 of approximately $17 million (including $11 million outside the approved range for 2012 recorded in “Regulatory liabilities” on Alliant Energy’s and WPL’s Condensed Consolidated Balance Sheets as of December 31, 2012). In August 2013, WPL received an order from the PSCW to refund $12 million, including interest, to its retail electric customers for these over-collections, which WPL completed in September 2013.

Table of Contents

(3) RECEIVABLES

(a) Sales of Accounts Receivable - IPL maintains a Receivables Agreement whereby it may sell its customer accounts receivables, unbilled revenues and certain other accounts receivables to a third-party financial institution through wholly-owned and consolidated special purpose entities. The transfers of receivables meet the criteria for sale accounting established by the transfer of financial assets accounting rules. In exchange for the receivables sold, IPL receives cash proceeds from the third-party financial institution and deferred proceeds recorded in "Accounts receivable" on Alliant Energy's and IPL's Condensed Consolidated Balance Sheets.

As of September 30, 2013 and December 31, 2012, IPL sold $229.8 million and $198.4 million aggregate amounts of receivables, respectively. IPL's maximum and average outstanding cash proceeds, and costs incurred related to the sales of accounts receivable program for the three and nine months ended September 30 were as follows (in millions):

	Three Months		Nine Months	
	2013	2012	2013	2012
Maximum outstanding aggregate cash proceeds (based on daily outstanding balances)	$155.0	$150.0	$170.0	$160.0
Average outstanding aggregate cash proceeds (based on daily outstanding balances)	132.7	95.0	132.5	124.2
Costs incurred	0.3	0.4	1.0	1.1

The attributes of IPL's receivables sold under the Receivables Agreement were as follows (in millions):

	September 30, 2013	December 31, 2012
Customer accounts receivable	$158.8	$118.2
Unbilled utility revenues	70.9	77.4
Other receivables	0.1	2.8
Receivables sold	229.8	198.4
Less: cash proceeds (a)	140.0	130.0
Deferred proceeds	89.8	68.4
Less: allowance for doubtful accounts	2.9	1.6
Fair value of deferred proceeds	$86.9	$66.8
Outstanding receivables past due	$22.0	$16.1

(a) Changes in cash proceeds are presented in "Sales of accounts receivable" in operating activities in Alliant Energy's and IPL's Condensed Consolidated Statements of Cash Flows.

Additional attributes of IPL's receivables sold under the Receivables Agreement for the three and nine months ended September 30 were as follows (in millions):

	Three Months		Nine Months	
	2013	2012	2013	2012
Collections reinvested in receivables	$481.1	$522.9	$1,407.4	$1,334.7
Credit losses, net of recoveries	3.9	3.0	7.8	7.3

Refer to Note 8(b) for discussion of IPL's issuance of $250 million of senior debentures in October 2013. A portion of the proceeds from the issuance was used by IPL to reduce cash proceeds received from the third-party financial institution under its sales of accounts receivable program.

(b) Franklin County Wind Project Cash Grant - In accordance with the American Recovery and Reinvestment Act of 2009, Alliant Energy filed an application with the U.S. Department of the Treasury in February 2013 requesting a cash grant for a portion of the qualifying project expenditures of the Franklin County wind project that was placed into service in December 2012. In March 2013, Alliant Energy received the proceeds from the cash grant, resulting in a $62.4 million decrease in “Accounts receivable - other” on its Condensed Consolidated Balance Sheets during the nine months ended September 30, 2013. The grant proceeds were used by Alliant Energy to reduce short-term borrowings incurred during the construction of the wind project.

Table of Contents

(4) INCOME TAXES

Income Tax Rates - The provision for income taxes for earnings from continuing operations is based on an estimated annual effective income tax rate that excludes the impact of significant unusual or infrequently occurring items, discontinued operations or extraordinary items. The overall income tax rates shown in the following table for the three and nine months ended September 30 were computed by dividing income tax expense (benefit) by income from continuing operations before income taxes.

	Alliant Energy		IPL		WPL	
Three Months Ended September 30	2013	2012	2013	2012	2013	2012
Statutory federal income tax rate	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %
IPL's tax benefit riders	(12.9)	(10.3)	(38.9)	(34.2)	—	—
Production tax credits	(7.7)	(5.5)	(10.6)	(8.6)	(6.6)	(4.3)
Effect of rate-making on property-related differences	(6.2)	(4.7)	(16.5)	(11.2)	(1.4)	(1.1)
Other items, net	1.6	5.9	0.4	6.4	3.7	5.9
Overall income tax rate	9.8 %	20.4 %	(30.6 %)	(12.6 %)	30.7 %	35.5 %

	Alliant Energy		IPL		WPL	
Nine Months Ended September 30	2013	2012	2013	2012	2013	2012
Statutory federal income tax rate	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %	35.0 %
IPL's tax benefit riders	(12.6)	(11.0)	(37.8)	(34.5)	—	—
Production tax credits	(7.7)	(6.0)	(10.4)	(8.6)	(6.9)	(5.5)
Effect of rate-making on property-related differences	(5.9)	(4.3)	(16.1)	(10.6)	(0.8)	(1.5)
State apportionment change due to planned sale of RMT	—	4.3	—	6.9	—	3.5
Other items, net	2.6	6.0	0.8	6.2	4.4	6.2
Overall income tax rate	11.4 %	24.0 %	(28.5 %)	(5.6 %)	31.7 %	37.7 %

IPL's tax benefit riders - Alliant Energy's and IPL's effective income tax rates include the impact of reducing income tax expense with offsetting reductions to regulatory liabilities as a result of implementing the tax benefit riders. Refer to Note 1(b) for additional details of IPL's tax benefit riders.

Production tax credits - Alliant Energy has three wind projects that are currently generating production tax credits: WPL's 68 MW Cedar Ridge wind project, which began generating electricity in late 2008; IPL's 200 MW Whispering Willow - East wind project, which began generating electricity in late 2009; and WPL's 200 MW Bent Tree - Phase I wind project, which began generating electricity in late 2010. For the three and nine months ended September 30, production tax credits (net of state tax impacts) resulting from these wind projects are included in the table below (in millions). Production tax credits for Bent Tree - Phase I and Whispering Willow - East increased for the three- and nine-month periods primarily due to higher levels of electricity output generated by the wind projects.

	Three Months		Nine Months	
	2013	2012	2013	2012
Cedar Ridge (WPL)	$0.6	$0.7	$2.9	$3.0
Bent Tree - Phase I (WPL)	2.2	1.8	9.2	6.0
Subtotal (WPL)	2.8	2.5	12.1	9.0
Whispering Willow - East (IPL)	2.3	2.0	10.3	8.7
	$5.1	$4.5	$22.4	$17.7

Effect of rate-making on property-related differences - Alliant Energy's and IPL's effective income tax rates are impacted by certain property-related differences for which deferred tax is not recognized in the income statement pursuant to rate-making principles, substantially all of which relates to IPL. The primary factor contributing to the increase in the current tax benefits recorded for the effect of rate-making on property-related differences during the three and nine months ended September 30, 2013 was repair expenditures at IPL.

Table of Contents

State apportionment change due to planned sale of RMT - Alliant Energy, IPL and WPL utilize state apportionment projections to record their deferred tax assets and liabilities each reporting period. Deferred tax assets and liabilities for temporary differences between the tax basis of assets and liabilities and the amounts reported in the condensed consolidated financial statements are recorded utilizing currently enacted tax rates and estimates of future state apportionment rates expected to be in effect at the time the temporary differences reverse. These state apportionment projections are most significantly impacted by the estimated amount of revenues expected in the future from each state jurisdiction for Alliant Energy's consolidated tax groups, including both its regulated and its non-regulated operations. In the first quarter of 2012, Alliant Energy, IPL and WPL recorded $15 million, $8 million and $7 million, respectively, of deferred income tax expense due to changes in state apportionment projections caused by the planned sale of Alliant Energy's RMT business.

Deferred Tax Assets and Liabilities - For the nine months ended September 30, 2013, Alliant Energy's and WPL's current deferred tax assets decreased $39.0 million and $40.7 million, respectively. The decrease in current deferred tax assets reflects a decrease in the estimated amount of net operating losses expected to be utilized in the next 12 months primarily due to the extension of bonus depreciation deductions in the first quarter of 2013 with the enactment of the ATR Act in January 2013.

For the nine months ended September 30, 2013, Alliant Energy's, IPL's and WPL's non-current deferred tax liabilities increased $129.7 million, $73.7 million and $41.3 million, respectively. These increases were primarily due to property-related differences resulting from bonus depreciation deductions and the effect of rate-making on property-related differences recorded during the nine months ended September 30, 2013. Alliant Energy's and WPL's increases were partially offset by the decrease of certain deferred tax assets discussed above, which decreased Alliant Energy's and WPL's non-current deferred tax liabilities.

Carryforwards - At September 30, 2013, tax carryforwards and associated deferred tax assets and expiration dates were estimated as follows (dollars in millions):

Alliant Energy	Carryforward Amount	Deferred Tax Assets	Earliest Expiration Date
Federal net operating losses	$775	$266	2029
State net operating losses	753	39	2018
Federal tax credits	161	159	2022
		$464	

IPL	Carryforward Amount	Deferred Tax Assets	Earliest Expiration Date
Federal net operating losses	$344	$118	2029
State net operating losses	189	10	2018
Federal tax credits	49	48	2022
		$176	

WPL	Carryforward Amount	Deferred Tax Assets	Earliest Expiration Date
Federal net operating losses	$321	$110	2029
State net operating losses	177	9	2018
Federal tax credits	54	53	2022
		$172	

Uncertain Tax Positions - In 2013, statutes of limitations will expire for Alliant Energy's, IPL's and WPL's tax returns in multiple state jurisdictions. The expiration of the statutes of limitations will not have any impact on Alliant Energy's, IPL's and WPL's uncertain tax positions in 2013. As of September 30, 2013, Alliant Energy, IPL and WPL do not expect to have material changes to their unrecognized tax benefits during the next 12 months.

(5) BENEFIT PLANS

(a) Pension and Other Postretirement Benefits Plans -

Net Periodic Benefit Costs (Credits) - The components of net periodic benefit costs (credits) for Alliant Energy’s, IPL’s and WPL’s sponsored defined benefit pension and other postretirement benefits plans for the three and nine months ended September 30 are included in the tables below (in millions). In the “IPL” and “WPL” tables below, the defined benefit

Table of Contents

pension plans costs represent those respective costs for IPL's and WPL's bargaining unit employees covered under the qualified plans that are sponsored by IPL and WPL, respectively, as well as amounts directly assigned to each of IPL and WPL related to IPL's and WPL's current and former non-bargaining employees who are participants in the Alliant Energy and Corporate Services sponsored qualified and non-qualified defined benefit pension plans. In the "IPL" and "WPL" tables below, the other postretirement benefits plans costs (credits) represent costs (credits) for IPL and WPL employees, respectively.

Alliant Energy	Defined Benefit Pension Plans				Other Postretirement Benefits Plans			
	Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012
Service cost	$3.9	$3.3	$11.8	$10.0	$1.5	$1.7	$4.7	$5.2
Interest cost	12.3	13.0	36.8	38.9	2.1	2.6	6.3	7.7
Expected return on plan assets	(18.5)	(17.2)	(55.5)	(51.6)	(2.0)	(1.9)	(6.0)	(5.7)
Amortization of prior service cost (credit)	0.1	0.1	0.2	0.2	(3.0)	(3.0)	(8.9)	(9.0)
Amortization of actuarial loss	9.0	8.3	27.1	24.9	1.3	1.6	3.7	4.7
	$6.8	$7.5	$20.4	$22.4	($0.1)	$1.0	($0.2)	$2.9

IPL	Defined Benefit Pension Plans				Other Postretirement Benefits Plans			
	Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012
Service cost	$2.2	$1.8	$6.5	$5.6	$0.8	$0.7	$2.2	$2.2
Interest cost	5.7	6.1	17.1	18.1	0.9	1.1	2.7	3.3
Expected return on plan assets	(8.8)	(8.2)	(26.4)	(24.5)	(1.4)	(1.3)	(4.2)	(3.9)
Amortization of prior service cost (credit)	—	—	0.1	0.1	(1.6)	(1.5)	(4.7)	(4.7)
Amortization of actuarial loss	3.8	3.6	11.4	10.6	0.6	0.9	2.0	2.7
	$2.9	$3.3	$8.7	$9.9	($0.7)	($0.1)	($2.0)	($0.4)

WPL	Defined Benefit Pension Plans				Other Postretirement Benefits Plans			
	Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012
Service cost	$1.5	$1.3	$4.4	$3.9	$0.6	$0.7	$1.8	$2.1
Interest cost	5.2	5.4	15.5	16.2	0.8	1.0	2.5	3.1
Expected return on plan assets	(8.0)	(7.5)	(23.9)	(22.3)	(0.4)	(0.3)	(1.0)	(1.0)
Amortization of prior service cost (credit)	0.1	0.2	0.3	0.3	(0.9)	(1.0)	(2.9)	(2.9)
Amortization of actuarial loss	4.2	3.9	12.8	11.8	0.5	0.6	1.5	1.7
	$3.0	$3.3	$9.1	$9.9	$0.6	$1.0	$1.9	$3.0

Corporate Services provides services to IPL and WPL and, as a result, IPL and WPL are allocated pension and other postretirement benefits costs (credits) associated with Corporate Services employees. The following table includes the allocated qualified and non-qualified pension and other postretirement benefits costs (credits) associated with Corporate Services employees providing services to IPL and WPL for the three and nine months ended September 30 (in millions):

	Pension Benefits Costs				Other Postretirement Benefits Costs (Credits)			
	Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012
IPL	$0.4	$0.4	$1.4	$1.4	($0.1)	$—	($0.2)	$0.1
WPL	0.4	0.4	1.1	1.0	(0.1)	0.1	(0.2)	0.1

Table of Contents

Estimated Future and Actual Employer Contributions - Estimated and actual funding for the qualified and non-qualified defined benefit pension and other postretirement benefits plans for 2013 are as follows (in millions):

	Estimated for Calendar Year 2013			Actual Through September 30, 2013		
	Alliant Energy	IPL	WPL	Alliant Energy	IPL	WPL
Defined benefit pension plans (a)	$2.3	$0.8	$0.2	$2.0	$0.7	$0.2
Other postretirement benefits plans	3.0	—	3.0	2.0	—	2.0

(a) Alliant Energy sponsors several non-qualified defined benefit pension plans that cover certain current and former key employees of IPL and WPL. Alliant Energy allocates pension costs to IPL and WPL for these plans. In addition, IPL and WPL amounts reflect funding for their non-bargaining employees who are participants in the Alliant Energy and Corporate Services sponsored qualified and non-qualified defined benefit pension plans.

Cash Balance Plan - Refer to Note 12(c) for discussion of a class-action lawsuit filed against the Cash Balance Plan in 2008.

401(k) Savings Plans - A significant number of Alliant Energy, IPL and WPL employees participate in defined contribution retirement plans (401(k) savings plans). For the three and nine months ended September 30, costs related to the 401(k) savings plans, which are partially based on the participants' level of contribution, were as follows (in millions):

	Alliant Energy				IPL (a)				WPL (a)			
	Three Months		Nine Months		Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
401(k) costs	$4.7	$4.4	$14.7	$14.1	$2.4	$2.4	$7.6	$7.4	$2.1	$2.0	$6.5	$6.2

(a) IPL's and WPL's amounts include allocated costs associated with Corporate Services employees.

(b) Equity-based Compensation Plans - A summary of compensation expense and the related income tax benefits recognized for share-based compensation awards for the three and nine months ended September 30 was as follows (in millions):

	Alliant Energy				IPL				WPL			
	Three Months		Nine Months		Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Compensation expense	$4.0	$0.1	$8.6	$3.8	$2.0	$0.1	$4.4	$2.0	$1.7	$0.1	$3.7	$1.7
Income tax benefits	1.6	—	3.5	1.5	0.8	—	1.8	0.8	0.7	0.1	1.5	0.7

As of September 30, 2013, total unrecognized compensation cost related to share-based compensation awards was $7.2 million, which is expected to be recognized over a weighted average period of between 1 and 2 years. Share-based compensation expense is recognized on a straight-line basis over the requisite service periods and is primarily recorded in "Utility - Other operation and maintenance" in the Condensed Consolidated Statements of Income.

Performance Shares and Units - Alliant Energy assumes it will make future payouts of its performance shares and units in cash; therefore, performance shares and units are accounted for as liability awards.

Performance Shares - A summary of the performance shares activity was as follows:

	2013	2012

	Shares (a)	Shares (a)
Nonvested shares, January 1	145,277	236,979
Granted	49,093	45,612
Vested (b)	(54,430)	(111,980)
Forfeited	—	(25,334)
Nonvested shares, September 30	139,940	145,277

24

Table of Contents

(a) Share amounts represent the target number of performance shares. Each performance share's value is based on the price of one share of Alliant Energy's common stock at the end of the performance period. The actual number of shares that will be paid out upon vesting is dependent upon actual performance and may range from zero to 200% of the target number of shares.

(b) In 2013, 54,430 performance shares granted in 2010 vested at 197.5% of the target, resulting in payouts valued at $4.8 million, which consisted of a combination of cash and common stock (4,177 shares). In 2012, 111,980 performance shares granted in 2009 vested at 162.5% of the target, resulting in payouts valued at $8.0 million, which consisted of a combination of cash and common stock (6,399 shares).

Performance Units - A summary of the performance unit activity was as follows:

	2013 Units (a)	2012 Units (a)
Nonvested units, January 1	64,969	42,996
Granted	22,201	24,686
Vested (b)	(19,760)	—
Forfeited	(1,498)	(878)
Nonvested units, September 30	65,912	66,804

(a) Unit amounts represent the target number of performance units. Each performance unit's value is based on the closing price of one share of Alliant Energy's common stock on the grant date of the award. The actual payout for performance units is dependent upon actual performance and may range from zero to 200% of the target number of units.

(b) In 2013, 19,760 performance units granted in 2010 vested at 197.5% of the target, resulting in cash payouts valued at $1.3 million.

Fair Value of Awards - Information related to fair values of nonvested performance shares and units at September 30, 2013 by year of grant were as follows:

	Performance Shares			Performance Units		
	2013 Grant	2012 Grant	2011 Grant	2013 Grant	2012 Grant	2011 Grant
Nonvested awards	49,093	45,612	45,235	21,935	23,226	20,751
Alliant Energy common stock closing price on September 30, 2013	$49.55	$49.55	$49.55			
Alliant Energy common stock closing price on grant date				$47.58	$43.05	$38.75
Estimated payout percentage based on performance criteria	103%	100%	130%	103%	100%	130%
Fair values of each nonvested award	$51.04	$49.55	$64.42	$49.01	$43.05	$50.38

At September 30, 2013, fair values of nonvested performance shares and units were calculated using a Monte Carlo simulation to determine the anticipated total shareowner returns of Alliant Energy and its investor-owned utility peer groups. Expected volatility was based on historical volatilities using daily stock prices over the past three years. Expected dividend yields were calculated based on the most recent quarterly dividend rates announced prior to the measurement date and stock prices at the measurement date. The risk-free interest rate was based on the three-year U.S. Treasury rate in effect as of the measurement date.

Table of Contents

Performance-contingent Restricted Stock - A summary of the performance-contingent restricted stock activity was as follows:

	2013		2012	
	Shares	Weighted Average Fair Value	Shares	Weighted Average Fair Value
Nonvested shares, January 1	211,651	$32.42	301,738	$32.60
Granted	49,093	47.58	45,612	43.05
Vested (a)	—	—	(65,172)	32.56
Forfeited (b)	(101,822)	23.67	(70,527)	39.93
Nonvested shares, September 30	158,922	42.71	211,651	32.42

(a) In 2012, 65,172 performance-contingent restricted shares granted in 2010 vested because the specified performance criteria for such shares were met.

(b) In 2013 and 2012, 101,822 and 65,516 performance-contingent restricted shares granted in 2009 and 2008, respectively, were forfeited because the specified performance criteria for such shares were not met. The remaining forfeitures during 2012 were primarily caused by retirements and terminations of participants.

Performance Contingent Cash Awards - A summary of the performance contingent cash awards activity was as follows:

	2013 Awards	2012 Awards
Nonvested awards, January 1	59,639	46,676
Granted	39,530	36,936
Vested (a)	—	(21,605)
Forfeited	(1,413)	(1,533)
Nonvested awards, September 30	97,756	60,474

(a) In 2012, 21,605 performance contingent cash awards granted in 2010 vested, resulting in cash payouts valued at $0.9 million.

(6) COMMON EQUITY

Common Share Activity - A summary of Alliant Energy’s common stock activity was as follows:

Shares outstanding, January 1, 2013	110,987,400
Equity-based compensation plans (Note 5(b))	(23,374)
Other	(20,357)
Shares outstanding, September 30, 2013	110,943,669

Dividend Restrictions - As of September 30, 2013, IPL’s amount of retained earnings that were free of dividend restrictions was $507 million. As of September 30, 2013, WPL’s amount of retained earnings that were free of dividend restrictions was $32 million for the remainder of 2013.

Restricted Net Assets of Subsidiaries - As of September 30, 2013, the amount of net assets of IPL and WPL that were not available to be transferred to their parent company, Alliant Energy, in the form of loans, advances or cash dividends without the consent of IPL’s and WPL’s regulatory authorities was $1.2 billion and $1.6 billion, respectively.

Capital Transactions with Subsidiaries - For the nine months ended September 30, 2013, IPL received capital contributions of $90.0 million from its parent company. For the nine months ended September 30, 2013, IPL and

WPL each paid common stock dividends of $95.7 million and $87.2 million, respectively, to its parent company.

Table of Contents

(7) REDEEMABLE PREFERRED STOCK

IPL - In March 2013, IPL issued 8,000,000 shares of 5.1% cumulative preferred stock and received proceeds of $200 million. The proceeds were used by IPL to redeem its 8.375% cumulative preferred stock, reduce commercial paper classified as long-term debt by $40 million and for other general corporate purposes. Alliant Energy and IPL incurred $5 million of issuance costs related to this transaction, which were recorded as a reduction of “Additional paid-in capital” on Alliant Energy’s and IPL’s Condensed Consolidated Balance Sheets during the nine months ended September 30, 2013. On or after March 15, 2018, IPL may, at its option, redeem the 5.1% cumulative preferred stock for cash at a redemption price of $25 per share plus accrued and unpaid dividends up to the redemption date.

The articles of incorporation of IPL contain a provision that grants the holders of its 5.1% cumulative preferred stock voting rights to elect two members of IPL’s Board of Directors if preferred dividends equal to six or more quarterly dividend requirements (whether or not consecutive) are in arrears. Such voting rights would not provide the holders of IPL’s preferred stock control of the decision on redemption of IPL’s preferred stock and could not force IPL to exercise its call option. Therefore, IPL’s 5.1% cumulative preferred stock is presented in total equity on Alliant Energy’s and IPL’s Condensed Consolidated Balance Sheets in a manner consistent with noncontrolling interests.

In March 2013, IPL redeemed all 6,000,000 outstanding shares of its 8.375% cumulative preferred stock for $150 million plus accrued and unpaid dividends to the redemption date. Alliant Energy and IPL recorded a $5 million charge during the nine months ended September 30, 2013 related to this transaction in “Preferred dividend requirements” in their Condensed Consolidated Statements of Income.

WPL - In March 2013, WPL redeemed all 1,049,225 outstanding shares of its 4.40% through 6.50% cumulative preferred stock for $61 million plus accrued and unpaid dividends to the redemption date. Alliant Energy and WPL recorded a $1 million charge during the nine months ended September 30, 2013 related to this transaction in “Preferred dividend requirements” in their Condensed Consolidated Statements of Income.

Refer to Note 10 for information on the fair value of cumulative preferred stock.

(8) DEBT

(a) Short-term Debt - Information regarding commercial paper classified as short-term debt and back-stopped by Alliant Energy’s, IPL’s and WPL’s credit facilities was as follows (dollars in millions):

September 30, 2013	Alliant Energy (Consolidated)	Parent Company	IPL	WPL
Commercial paper:				
Amount outstanding	$237.3	$93.9	$—	$143.4
Weighted average remaining maturity	1 day	2 days	N/A	1 day
Weighted average interest rates	0.2%	0.2%	N/A	0.1%
Available credit facility capacity (a)	$697.7	$206.1	$235.0	$256.6

	Alliant Energy		IPL		WPL	
Three Months Ended September 30	2013	2012	2013	2012	2013	2012
Maximum amount outstanding (based on daily outstanding balances)	$284.1	$185.3	$—	$19.5	$165.4	$35.6
Average amount outstanding (based on daily outstanding balances)	$228.8	$133.0	$—	$1.3	$140.9	$11.9
Weighted average interest rates	0.2 %	0.4 %	N/A	0.4 %	0.2 %	0.3 %
Nine Months Ended September 30						
Maximum amount outstanding (based on daily outstanding balances)	$284.1	$185.3	$26.3	$35.4	$165.4	$35.6

Average amount outstanding (based on daily outstanding balances)	$197.2	$100.2	$1.7	$7.2	$113.4	$13.3
Weighted average interest rates	0.2 %	0.4 %	0.4 %	0.4 %	0.2 %	0.3 %

Table of Contents

(a) Alliant Energy's and IPL's available credit facility capacities reflect outstanding commercial paper classified as both short- and long-term debt at September 30, 2013. Refer to Note 8(b) for further discussion of $65 million of commercial paper outstanding at September 30, 2013 classified as long-term debt on Alliant Energy's and IPL's Condensed Consolidated Balance Sheets.

(b) Long-term Debt - As of September 30, 2013, $65 million of commercial paper was recorded in "Long-term debt, net" on Alliant Energy's and IPL's Condensed Consolidated Balance Sheets due to the existence of long-term credit facilities that back-stop this commercial paper balance, along with Alliant Energy's and IPL's intent and ability to refinance these balances on a long-term basis. As of September 30, 2013, this commercial paper balance had a remaining maturity of 2 days and a 0.25% interest rate.

In October 2013, IPL issued $250 million of 4.7% senior debentures due 2043. The proceeds from the issuance were used by IPL to reduce cash proceeds received from its sales of accounts receivables program, reduce commercial paper classified as long-term debt and for general working capital purposes.

(9) INVESTMENTS

Unconsolidated Equity Investments - Equity (income) loss from Alliant Energy's and WPL's unconsolidated investments accounted for under the equity method of accounting for the three and nine months ended September 30 was as follows (in millions):

	Alliant Energy				WPL			
	Three Months		Nine Months		Three Months		Nine Months	
	2013	2012	2013	2012	2013	2012	2013	2012
ATC	($10.8)	($10.4)	($31.7)	($30.6)	($10.8)	($10.4)	($31.7)	($30.6)
Other	(0.3)	—	(1.0)	0.2	(0.3)	(0.1)	(1.0)	(0.6)
	($11.1)	($10.4)	($32.7)	($30.4)	($11.1)	($10.5)	($32.7)	($31.2)

Summary financial information from the unaudited financial statements of ATC for the three and nine months ended September 30 was as follows (in millions):

	Three Months		Nine Months	
	2013	2012	2013	2012
Operating revenues	$160.4	$150.3	$464.3	$450.1
Operating income	82.9	81.5	247.1	240.0
Net income	62.7	60.5	184.5	177.9

(10) FAIR VALUE MEASUREMENTS

Fair Value of Financial Instruments - The carrying amounts of Alliant Energy's, IPL's and WPL's current assets and current liabilities approximate fair value because of the short maturity of such financial instruments. Carrying amounts and the related estimated fair values of other financial instruments were as follows (in millions):

	Alliant Energy		IPL		WPL	
September 30, 2013	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:						
Derivative assets (Note 11)	$36.8	$36.8	$31.5	$31.5	$5.3	$5.3
Deferred proceeds (sales of receivables) (Note 3(a))	86.9	86.9	86.9	86.9	—	—
Capitalization and liabilities:						
Long-term debt (including current maturities) (Note 8(b))	3,153.2	3,553.6	1,374.8	1,553.8	1,332.0	1,541.9
Cumulative preferred stock (Note 7)	200.0	169.5	200.0	169.5	—	—

Derivative liabilities (Note 11)	27.1	27.1	6.7	6.7	20.4	20.4

Table of Contents

December 31, 2012	Alliant Energy Carrying Amount	Alliant Energy Fair Value	IPL Carrying Amount	IPL Fair Value	WPL Carrying Amount	WPL Fair Value
Assets:						
Derivative assets (Note 11)	$26.2	$26.2	$17.5	$17.5	$8.7	$8.7
Deferred proceeds (sales of receivables) (Note 3(a))	66.8	66.8	66.8	66.8	—	—
Capitalization and liabilities:						
Long-term debt (including current maturities) (Note 8(b))	3,138.1	3,860.5	1,359.5	1,679.9	1,331.5	1,713.3
Cumulative preferred stock (Note 7)	205.1	212.6	145.1	151.8	60.0	60.8
Derivative liabilities (Note 11)	40.4	40.4	16.1	16.1	24.3	24.3

Valuation Hierarchy - Fair value measurement accounting establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy and examples of each are as follows:

Level 1 - Pricing inputs are quoted prices available in active markets for identical assets or liabilities as of the reporting date. As of September 30, 2013, Level 1 items included IPL’s 5.1% cumulative preferred stock. As of December 31, 2012, Level 1 items included IPL’s 8.375% cumulative preferred stock and WPL’s 4.50% cumulative preferred stock.

Level 2 - Pricing inputs are quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets or liabilities in markets that are not active as of the reporting date. As of September 30, 2013 and December 31, 2012, Level 2 items included certain of IPL’s and WPL’s non-exchange traded commodity contracts and substantially all of the long-term debt instruments. Level 2 items as of December 31, 2012 also included the remainder of WPL’s cumulative preferred stock.

Level 3 - Pricing inputs are unobservable inputs for assets or liabilities for which little or no market data exist and require significant management judgment or estimation. As of September 30, 2013 and December 31, 2012, Level 3 items included IPL’s deferred proceeds, and IPL’s and WPL’s FTRs and certain non-exchange traded commodity contracts.

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

Valuation Techniques -
Derivative assets and derivative liabilities - Alliant Energy, IPL and WPL periodically use derivative instruments for risk management purposes to mitigate exposures to fluctuations in certain commodity prices and transmission congestion costs, and maintain risk policies that govern the use of such derivative instruments. As of September 30, 2013 and December 31, 2012, Alliant Energy’s, IPL’s and WPL’s derivative instruments were not designated as hedging instruments and included the following:

Risk management purpose	Type of instrument
Mitigate pricing volatility for:	
Electricity purchased to supply customers	Electric swap and physical purchase contracts (IPL and WPL)

Fuel used to supply natural gas-fired electric generating facilities	Natural gas swap and physical purchase contracts (IPL and WPL) Natural gas options (WPL)
Natural gas supplied to retail customers	Natural gas options and physical purchase contracts (IPL and WPL) Natural gas swap contracts (IPL)
Fuel used at coal-fired generating facilities	Coal physical purchase contract with volumetric optionality (IPL and WPL)
Optimize the value of natural gas pipeline capacity	Natural gas physical purchase and sale contracts (IPL and WPL) Natural gas swap contracts (IPL)
Manage transmission congestion costs	FTRs (IPL and WPL)

Table of Contents

IPL’s and WPL’s swap, option and physical forward commodity contracts were non-exchange-based derivative instruments and were valued using indicative price quotations from a pricing vendor that provides daily exchange forward price settlements, from broker or dealer quotations, from market publications or from on-line exchanges. The indicative price quotations reflected the average of the bid-ask mid-point prices and were obtained from sources believed to provide the most liquid market for the commodity. IPL and WPL corroborated a portion of these indicative price quotations using quoted prices for similar assets or liabilities in active markets and categorized derivative instruments based on such indicative price quotations as Level 2. IPL’s and WPL’s commodity contracts that were valued using indicative price quotations based on significant assumptions such as seasonal or monthly shaping and indicative price quotations that could not be readily corroborated were categorized as Level 3. IPL’s and WPL’s swap, option and physical forward commodity contracts were predominately at liquid trading points. IPL’s and WPL’s FTRs were valued using monthly or annual auction shadow prices from relevant auctions and were categorized as Level 3. Refer to Note 11 for additional details of derivative assets and derivative liabilities.

Level 3 inputs include observable and unobservable inputs used in the fair value measurements of IPL’s and WPL’s commodity contracts. The observable inputs are obtained from third-party pricing sources, counterparties and brokers and include bids, offers, historical transactions (including historical price differences between locations with both observable and unobservable prices) and executed trades. The significant unobservable inputs used in the fair value measurement of IPL’s and WPL’s commodity contracts are forecasted electricity, natural gas and coal prices, and the expected volatility of such prices. Significant changes in any of those inputs would result in a significantly lower or higher fair value measurement.

Deferred proceeds (sales of receivables) - The fair value of IPL’s deferred proceeds related to its sales of receivables program was calculated each reporting date using the cost approach valuation technique. The fair value represents the carrying amount of receivables sold less the allowance for doubtful accounts associated with the receivables sold and cash proceeds received from the receivables sold due to the short-term nature of the collection period. These inputs were considered unobservable and deferred proceeds were categorized as Level 3. Deferred proceeds represent IPL’s maximum exposure to loss related to the receivables sold. Refer to Note 3(a) for additional information regarding deferred proceeds.

Long-term debt (including current maturities) - The fair value of long-term debt instruments was based on quoted market prices for similar liabilities at each reporting date or on a discounted cash flow methodology, which utilizes assumptions of current market pricing curves at each reporting date. Refer to Note 8(b) for additional information regarding long-term debt.

Cumulative preferred stock - As of September 30, 2013, the fair value of IPL’s 5.1% cumulative preferred stock was based on its closing market price quoted by the NYSE. As of December 31, 2012, the fair value of IPL’s 8.375% cumulative preferred stock was based on its closing market price quoted by the NYSE, the fair value of WPL’s 4.50% cumulative preferred stock was based on the closing market price quoted by the NYSE Amex LLC, and the fair value of WPL’s remaining preferred stock was calculated based on the market yield of similar securities. Refer to Note 7 for additional information regarding cumulative preferred stock.

Items subject to fair value measurement disclosure requirements were as follows (in millions):

Alliant Energy	September 30, 2013				December 31, 2012			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Derivatives - commodity contracts	$36.8	$—	$3.2	$33.6	$26.2	$—	$4.8	$21.4

Deferred proceeds	86.9	—	—	86.9	66.8	—	—	66.8
Capitalization and liabilities:								
Long-term debt (including current maturities)	3,553.6	—	3,553.2	0.4	3,860.5	—	3,860.0	0.5
Cumulative preferred stock	169.5	169.5	—	—	212.6	162.3	50.3	—
Derivatives - commodity contracts	27.1	—	10.7	16.4	40.4	—	30.9	9.5

Table of Contents

IPL	September 30, 2013				December 31, 2012			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Derivatives - commodity contracts	$31.5	$—	$1.9	$29.6	$17.5	$—	$3.1	$14.4
Deferred proceeds	86.9	—	—	86.9	66.8	—	—	66.8
Capitalization and liabilities:								
Long-term debt (including current maturities)	1,553.8	—	1,553.8	—	1,679.9	—	1,679.9	—
Cumulative preferred stock	169.5	169.5	—	—	151.8	151.8	—	—
Derivatives - commodity contracts	6.7	—	5.7	1.0	16.1	—	14.2	1.9

WPL	September 30, 2013				December 31, 2012			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Derivatives - commodity contracts	$5.3	$—	$1.3	$4.0	$8.7	$—	$1.7	$7.0
Capitalization and liabilities:								
Long-term debt (including current maturities)	1,541.9	—	1,541.9	—	1,713.3	—	1,713.3	—
Cumulative preferred stock	—	—	—	—	60.8	10.5	50.3	—
Derivatives - commodity contracts	20.4	—	5.0	15.4	24.3	—	16.7	7.6

Alliant Energy, IPL and WPL generally record gains and losses from IPL's and WPL's derivative instruments with offsets to regulatory assets or regulatory liabilities, based on their fuel and natural gas cost recovery mechanisms, as well as other specific regulatory authorizations. Based on these recovery mechanisms, the changes in the fair value of derivative liabilities resulted in comparable changes to regulatory assets, and the changes in the fair value of derivative assets resulted in comparable changes to regulatory liabilities on the Condensed Consolidated Balance Sheets.

Information for fair value measurements using significant unobservable inputs (Level 3 inputs) was as follows (in millions):

Alliant Energy	Commodity Contract Derivative Assets and (Liabilities), net		Deferred Proceeds	
Three Months Ended September 30	2013	2012	2013	2012
Beginning balance, July 1	$42.5	$18.8	$69.3	$81.7
Total net gains (losses) (realized/unrealized) included in changes in net assets (a)	0.1	(2.3)	—	—
Transfers into Level 3 (b)	(9.9)	(0.4)	—	—
Transfers out of Level 3 (c)	—	9.3	—	—
Settlements (d)	(15.5)	(7.8)	17.6	72.2
Ending balance, September 30	$17.2	$17.6	$86.9	$153.9
	$0.1	($0.7)	$—	$—

The amount of total net gains (losses) for the period included in changes in net assets attributable to the change in unrealized gains (losses) relating to assets and liabilities held at September 30 (a)

31

Table of Contents

Alliant Energy	Commodity Contract Derivative Assets and (Liabilities), net		Deferred Proceeds	
Nine Months Ended September 30	2013	2012	2013	2012
Beginning balance, January 1	$11.9	($0.9)	$66.8	$53.7
Total net losses (realized/unrealized) included in changes in net assets (a)	(8.3)	(8.3)	—	—
Transfers into Level 3 (b)	(0.4)	(1.7)	—	—
Transfers out of Level 3 (c)	(0.5)	8.3	—	—
Purchases	50.9	35.8	—	—
Settlements (d)	(36.4)	(15.6)	20.1	100.2
Ending balance, September 30	$17.2	$17.6	$86.9	$153.9
The amount of total net losses for the period included in changes in net assets attributable to the change in unrealized losses relating to assets and liabilities held at September 30 (a)	($8.3)	($4.4)	$—	$—

IPL	Commodity Contract Derivative Assets and (Liabilities), net		Deferred Proceeds	
Three Months Ended September 30	2013	2012	2013	2012
Beginning balance, July 1	$40.6	$14.1	$69.3	$81.7
Total net gains (losses) (realized/unrealized) included in changes in net assets (a)	2.0	(0.2)	—	—
Transfers into Level 3 (b)	(0.1)	—	—	—
Transfers out of Level 3 (c)	—	7.4	—	—
Settlements (d)	(13.9)	(5.8)	17.6	72.2
Ending balance, September 30	$28.6	$15.5	$86.9	$153.9
The amount of total net gains for the period included in changes in net assets attributable to the change in unrealized gains relating to assets and liabilities held at September 30 (a)	$2.0	$1.4	$—	$—

IPL	Commodity Contract Derivative Assets and (Liabilities), net		Deferred Proceeds	
Nine Months Ended September 30	2013	2012	2013	2012
Beginning balance, January 1	$12.5	$4.3	$66.8	$53.7
Total net gains (losses) (realized/unrealized) included in changes in net assets (a)	1.5	(4.8)	—	—
Transfers into Level 3 (b)	—	(1.1)	—	—
Transfers out of Level 3 (c)	(1.5)	2.4	—	—
Purchases	46.1	26.8	—	—
Settlements (d)	(30.0)	(12.1)	20.1	100.2
Ending balance, September 30	$28.6	$15.5	$86.9	$153.9
The amount of total net gains (losses) for the period included in changes in net assets attributable to the change in unrealized gains (losses) relating to assets and liabilities held at September 30 (a)	$1.5	($0.7)	$—	$—

32

Table of Contents

WPL	Commodity Contract Derivative Assets and (Liabilities), net	
Three Months Ended September 30	2013	2012
Beginning balance, July 1	$1.9	$4.7
Total net losses (realized/unrealized) included in changes in net assets (a)	(1.9)	(2.1)
Transfers into Level 3 (b)	(9.8)	(0.4)
Transfers out of Level 3 (c)	—	1.9
Settlements	(1.6)	(2.0)
Ending balance, September 30	($11.4)	$2.1
The amount of total net losses for the period included in changes in net assets attributable to the change in unrealized losses relating to assets and liabilities held at September 30 (a)	($1.9)	($2.1)

WPL	Commodity Contract Derivative Assets and (Liabilities), net	
Nine Months Ended September 30	2013	2012
Beginning balance, January 1	($0.6)	($5.2)
Total net losses (realized/unrealized) included in changes in net assets (a)	(9.8)	(3.5)
Transfers into Level 3 (b)	(0.4)	(0.6)
Transfers out of Level 3 (c)	1.0	5.9
Purchases	4.8	9.0
Settlements	(6.4)	(3.5)
Ending balance, September 30	($11.4)	$2.1
The amount of total net losses for the period included in changes in net assets attributable to the change in unrealized losses relating to assets and liabilities held at September 30 (a)	($9.8)	($3.7)

(a) Gains and losses related to derivative assets and derivative liabilities are recorded in “Regulatory assets” and “Regulatory liabilities” on the Condensed Consolidated Balance Sheets.
(b) Markets for similar assets and liabilities became inactive and observable market inputs became unavailable for transfers into Level 3. The transfers were valued as of the beginning of the period.
(c) Observable market inputs became available for certain commodity contracts previously classified as Level 3 for transfers out of Level 3. The transfers were valued as of the beginning of the period.
(d) Settlements related to deferred proceeds are due to the change in the carrying amount of receivables sold less the allowance for doubtful accounts associated with the receivables sold and cash proceeds received from the receivables sold.

Commodity Contracts - As of September 30, 2013, the fair value of Alliant Energy’s, IPL’s and WPL’s electric, natural gas and coal commodity contracts categorized as Level 3, excluding FTRs, were recognized as net derivative liabilities of $12.5 million, net derivative assets of $1.5 million and net derivative liabilities of $14.0 million, respectively. As of September 30, 2013, Alliant Energy’s, IPL’s and WPL’s FTRs classified as Level 3 were recognized as net derivative assets of $29.7 million, $27.1 million and $2.6 million, respectively.

(11) DERIVATIVE INSTRUMENTS
Commodity Derivatives -
Purpose - Alliant Energy, IPL and WPL periodically use derivative instruments for risk management purposes to mitigate exposures to fluctuations in certain commodity prices and transmission congestion costs. Refer to Note 10 for

detailed discussion of Alliant Energy's, IPL's and WPL's derivative instruments as of September 30, 2013 and December 31, 2012.

Table of Contents

Notional Amounts - As of September 30, 2013, notional amounts by delivery year related to outstanding swap contracts, option contracts, physical forward contracts, FTRs and coal contracts that were accounted for as commodity derivative instruments were as follows (units in thousands):

	2013	2014	2015	2016	2017	2018	Total
Alliant Energy							
Electricity (MWhs)	1,460	5,625	2,190	1,318	1,314	1,314	13,221
FTRs (MWs)	13	22	—	—	—	—	35
Natural gas (Dths)	30,852	32,518	7,544	1,639	—	—	72,553
Coal (tons)	239	1,591	936	955	868	714	5,303
IPL							
Electricity (MWhs)	835	1,923	—	—	—	—	2,758
FTRs (MWs)	8	14	—	—	—	—	22
Natural gas (Dths)	23,908	24,001	6,419	1,639	—	—	55,967
Coal (tons)	15	270	—	216	129	184	814
WPL							
Electricity (MWhs)	625	3,702	2,190	1,318	1,314	1,314	10,463
FTRs (MWs)	5	8	—	—	—	—	13
Natural gas (Dths)	6,944	8,517	1,125	—	—	—	16,586
Coal (tons)	224	1,321	936	739	739	530	4,489

The notional amounts in the above table were computed by aggregating the absolute value of purchase and sale positions within commodities for each delivery year.

Financial Statement Presentation - Alliant Energy, IPL and WPL record derivative instruments at fair value each reporting date on the balance sheet as assets or liabilities. The fair values of current derivative assets are included in “Other current assets,” non-current derivative assets are included in “Deferred charges and other,” current derivative liabilities are included in “Other current liabilities” and non-current derivative liabilities are included in “Other long-term liabilities and deferred credits” on the Condensed Consolidated Balance Sheets as follows (in millions):

Commodity contracts	Alliant Energy September 30, 2013	Alliant Energy December 31, 2012	IPL September 30, 2013	IPL December 31, 2012	WPL September 30, 2013	WPL December 31, 2012
Current derivative assets	$34.7	$23.5	$29.9	$17.0	$4.8	$6.5
Non-current derivative assets	2.1	2.7	1.6	0.5	0.5	2.2
Current derivative liabilities	11.8	31.1	4.9	14.1	6.9	17.0
Non-current derivative liabilities	15.3	9.3	1.8	2.0	13.5	7.3

Changes in unrealized gains (losses) from commodity derivative instruments not designated as hedging instruments were recorded with offsets to regulatory assets or regulatory liabilities on the Condensed Consolidated Balance Sheets as follows (in millions):

	Alliant Energy 2013	Alliant Energy 2012	IPL 2013	IPL 2012	WPL 2013	WPL 2012
Three Months Ended September 30						
Regulatory assets	$2.2	($6.3)	($0.4)	($0.1)	$2.6	($6.2)
Regulatory liabilities	(1.0)	15.8	3.6	6.9	(4.6)	8.9
Nine Months Ended September 30						
Regulatory assets	(14.2)	(38.3)	(4.6)	(17.3)	(9.6)	(21.0)
Regulatory liabilities	16.6	21.3	9.9	11.3	6.7	10.0

34

Table of Contents

Credit Risk-related Contingent Features - Alliant Energy, IPL and WPL have entered into various agreements that contain credit risk-related contingent features including requirements for them to maintain certain credit ratings from each of the major credit rating agencies and/or limitations on their liability positions under the various agreements based upon their credit ratings. In the event of a downgrade in their credit ratings or if their liability positions exceed certain contractual limits, Alliant Energy, IPL or WPL may need to provide credit support in the form of letters of credit or cash collateral up to the amount of their exposure under the contracts, or may need to unwind the contracts and pay the underlying liability positions.

Certain of these agreements with credit risk-related contingency features are accounted for as derivative instruments. The aggregate fair value of all derivatives with credit risk-related contingent features that were in a net liability position on September 30, 2013 was $27.1 million, $6.7 million and $20.4 million for Alliant Energy, IPL and WPL, respectively. At September 30, 2013, Alliant Energy, IPL and WPL all had investment-grade credit ratings. If the most restrictive credit risk-related contingent features for derivative agreements in a net liability position were triggered on September 30, 2013, Alliant Energy, IPL and WPL would be required to post $27.1 million, $6.7 million and $20.4 million, respectively, of credit support to their counterparties.

Balance Sheet Offsetting - Alliant Energy, IPL and WPL do not net the fair value amounts of derivative instruments subject to a master netting arrangement by counterparty on the Condensed Consolidated Balance Sheets. Alliant Energy, IPL and WPL also do not offset fair value amounts recognized for the right to reclaim cash collateral (receivable) or the obligation to return cash collateral (payable) against fair value amounts recognized for derivative instruments executed with the same counterparty under the same master netting arrangement. However, if Alliant Energy, IPL and WPL did net the fair value amounts of derivative instruments and related cash collateral by counterparty, derivative assets and derivative liabilities related to commodity contracts would have been presented on their Condensed Consolidated Balance Sheets as follows (in millions):

	Alliant Energy		IPL		WPL	
	Gross (as reported)	Net	Gross (as reported)	Net	Gross (as reported)	Net
September 30, 2013						
Derivative assets	$36.8	$32.3	$31.5	$29.2	$5.3	$3.1
Derivative liabilities	27.1	23.5	6.7	5.3	20.4	18.2
December 31, 2012						
Derivative assets	26.2	19.3	17.5	14.5	8.7	4.8
Derivative liabilities	40.4	33.0	16.1	12.6	24.3	20.4

As of September 30, 2013 and December 31, 2012, both Alliant Energy's and IPL's net derivative assets in the above table include $0.9 million and $0, respectively, of cash collateral posted by one counterparty. As of September 30, 2013 and December 31, 2012, both Alliant Energy's and IPL's net derivative liabilities in the above table include $0 and $0.5 million, respectively, of cash collateral posted by IPL. Trade receivables and payables associated with derivative assets and derivative liabilities are also subject to a master netting arrangement. As of September 30, 2013 and December 31, 2012, these trade receivables and payables were insignificant and were not included in the above table.

(12) COMMITMENTS AND CONTINGENCIES

(a) Capital Purchase Obligations - Alliant Energy, IPL and WPL have entered into capital purchase obligations that contain minimum future commitments related to capital expenditures for certain of their emission controls and generation performance improvement projects. These projects include generation performance improvements at IPL's Ottumwa Unit 1 and the installation of scrubbers and baghouses at WPL's Columbia Units 1 and 2 to reduce SO2 and mercury emissions at the generating facility. At September 30, 2013, Alliant Energy's, IPL's and WPL's minimum future commitments related to these projects were $64 million, $21 million and $43 million, respectively.

Table of Contents

(b) Operating Expense Purchase Obligations - Alliant Energy, IPL and WPL have entered into various commodity supply, transportation and storage contracts to meet their obligations to provide electricity and natural gas to IPL's and WPL's utility customers. Alliant Energy, IPL and WPL also enter into other operating expense purchase obligations with various vendors for other goods and services. At September 30, 2013, minimum future commitments related to these operating expense purchase obligations were as follows (in millions):

	Alliant Energy	IPL	WPL
Purchased power (a):			
DAEC (IPL) (b)	$1,698	$1,698	$—
Kewaunee (WPL)	18	—	18
Other (c)	259	1	258
	1,975	1,699	276
Natural gas	336	203	133
Coal (d)	328	151	177
SO2 emission allowances	34	34	—
Other (e)	19	9	6
	$2,692	$2,096	$592

(a) Includes payments required by PPAs for capacity rights and minimum quantities of MWhs required to be purchased.

(b) Includes commitments incurred under an existing PPA that expires February 2014 and a new PPA completed in March 2013. The new PPA grants IPL rights to purchase 431 MWs of capacity and the resulting energy from DAEC for a term from the expiration of the existing PPA in February 2014 through December 31, 2025. If energy delivered under the new PPA is less than the targeted energy amount, an adjustment payment will be made to IPL, which will be reflected in IPL's energy adjustment clause.

(c) In June 2013, WPL entered into a new PPA for a term from January 1, 2014 through December 31, 2018.

(d) Corporate Services entered into system-wide coal contracts on behalf of IPL and WPL that include minimum future commitments. These commitments were assigned to IPL and WPL based on information available as of September 30, 2013 regarding expected future usage, which is subject to change.

(e) Includes individual commitments incurred during the normal course of business that exceeded $1 million at September 30, 2013.

(c) Legal Proceedings -

Cash Balance Plan - In 2008, a class-action lawsuit was filed against the Cash Balance Plan in the Court. The complaint alleged that certain Cash Balance Plan participants who received distributions prior to their normal retirement age did not receive the full benefit to which they were entitled in violation of ERISA because the Cash Balance Plan applied an improper interest crediting rate to project the cash balance account to their normal retirement age. These Cash Balance Plan participants were limited to individuals who, prior to normal retirement age, received a lump-sum distribution or an annuity payment. The Court originally certified two subclasses of plaintiffs that in aggregate include all persons vested or partially vested in the Cash Balance Plan who received these distributions from January 1, 1998 to August 17, 2006, including: (1) persons who received distributions from January 1, 1998 through February 28, 2002; and (2) persons who received distributions from March 1, 2002 to August 17, 2006.

In June 2010, the Court issued an opinion and order that granted the plaintiffs' motion for summary judgment on liability. In December 2010, the Court issued an opinion and order that decided the interest crediting rate that the Cash Balance Plan used to project the cash balance accounts of the plaintiffs during the class period should have been 8.2% and that a pre-retirement mortality discount would not be applied to the damages calculation. In May 2011, the Cash Balance Plan was amended and the Cash Balance Plan subsequently made approximately $10 million in additional payments in 2011 to certain former participants in the Cash Balance Plan. This amendment was required based on an agreement Alliant Energy reached with the IRS, which resulted in a favorable determination letter for the Cash Balance Plan in 2011. In November 2011, plaintiffs filed a motion for leave to file a supplemental complaint to assert that the 2011 amendment to the Cash Balance Plan was itself an ERISA violation. In March 2012, the Cash Balance Plan and the plaintiffs each filed motions for summary judgment related to the supplemental complaint, and the plaintiffs filed a motion for class certification, seeking to amend the class definition and for appointment of class representatives and class counsel.

Table of Contents

In July 2012, the Court issued an opinion and order granting plaintiffs' motion for class certification, but only as to the interest crediting rate and the pre-retirement mortality discount claims of lump-sum recipients. As a result of the opinion and order, two new subclasses were certified in lieu of the prior subclass certification. Subclass A involves persons who received a lump-sum distribution between January 1, 1998 and August 17, 2006, and who received an interest crediting rate of less than 8.2% under the Cash Balance Plan as amended in May 2011. Subclass B involves persons who received a lump-sum distribution between January 1, 1998 and August 17, 2006, and who would have received a larger benefit under the Cash Balance Plan as amended in May 2011 if a pre-retirement mortality discount had not been applied. In the opinion and order, the Court then granted plaintiffs' motion for summary judgment as to the two subclasses, and denied as moot the parties' motions for summary judgment with respect to issues beyond the two subclasses.

In August 2012, as amended in September 2012, the Court entered a final judgment for the two subclasses in the total amount of $18.7 million. The judgment amount includes pre-judgment interest through July 2012 and takes into account the approximate $10 million of additional benefits paid by the Cash Balance Plan following the Cash Balance Plan amendment in 2011. In September 2012, the Cash Balance Plan appealed the judgment, and the interlocutory orders that led to the judgment, to the Seventh Circuit Court of Appeals.

The September 2012 judgment did not address any award for plaintiffs' attorney's fees or costs. In September 2012, the plaintiffs filed a motion with the Court for payment of plaintiffs' attorney's fees and costs in the amount of $9.6 million, of which $4.3 million was requested to be paid out of the common fund awarded to the two subclasses in the September 2012 judgment. In February 2013, the Court awarded plaintiffs' attorney's fees and costs in the amount of $6.4 million. The Court ordered that all of the fees and costs be paid from the $18.7 million judgment previously awarded and not be in addition to that judgment.

In August 2013, the Seventh Circuit Court of Appeals ruled in favor of the Cash Balance Plan that the statute of limitations barred the claims of participants who received lump sum distributions more than six years before the case was filed and affirmed the remainder of the Court's rulings. The case was remanded to the Court to determine damages. The Plaintiffs filed a petition with the Seventh Circuit Court of Appeals asking for rehearing of the statute of limitations decision, which was denied.

Alliant Energy, IPL and WPL have not recognized any material loss contingency amounts for the final judgment of damages as of September 30, 2013. A material loss contingency for the judgment will not be recognized unless a final unappealable ruling is received, or a settlement is reached, which results in an amendment to the Cash Balance Plan and payment of additional benefits to Cash Balance Plan participants. Alliant Energy, IPL and WPL are currently unable to predict the final outcome of the class-action lawsuit or the ultimate impact on their financial condition or results of operations but believe an adverse outcome could have a material effect on their retirement plan funding and expense.

Flood Damage Claims - In June 2013, several plaintiffs purporting to represent a class of residential and commercial property owners filed a complaint against CRANDIC, Alliant Energy and various other defendants in the Iowa District Court for Linn County. Plaintiffs assert claims of negligence and strict liability based on their allegations that CRANDIC (along with other defendants) caused or exacerbated flooding of the Cedar River in June 2008. In July 2013, the case was removed from state court to federal court based on federal jurisdiction. In September 2013, the U.S. District Court for the Northern District of Iowa dismissed the Plaintiffs' claims and transferred the case for resolution to the Surface Transportation Board, the administrative agency that oversees the Interstate Commerce Commission Termination Act. In October 2013, the Plaintiffs appealed the federal court's dismissal of the case to the Eighth Circuit Court of Appeals. Alliant Energy and CRANDIC believe the case is without merit and will continue to vigorously contest the case. As a result, Alliant Energy does not currently believe any material losses from these claims are both probable and reasonably estimated and therefore has not recognized any material loss contingency amounts for this complaint as of September 30, 2013. Due to the early stages of the claim and the lack of specific damages identified, Alliant Energy is currently unable to provide an estimate of potential loss or range of potential loss.

(d) Guarantees and Indemnifications -
RMT - In January 2013, Alliant Energy sold RMT. RMT provided renewable energy services including construction and high voltage connection services for wind and solar projects. As part of the sale, Alliant Energy provided indemnifications to the buyer of RMT for losses resulting from potential breach of the representations and warranties made by Alliant Energy as of the sale date and for the potential breach of its obligations under the sale agreement. These indemnifications are limited to $3 million and expire in July 2014.

Table of Contents

In addition, Alliant Energy, as part of the sale, indemnified the buyer for any claims, including claims of warranty under the project obligations that were commenced or are based on actions that occurred prior to the sale, except for liabilities already accounted for through adjustments to the purchase price. The indemnification obligations either cease to exist when the statute of limitation for such claims is met or, in the case of RMT's projects, when the warranty period under the agreements expires. The warranty periods for RMT's projects generally range from 12 to 60 months with the latest expiring in 2016.

Alliant Energy also continues to guarantee RMT's performance obligations related to certain of RMT's projects that were commenced prior to Alliant Energy's sale of RMT. As of September 30, 2013, Alliant Energy had $493 million of performance guarantees outstanding, with $146 million, $294 million and $53 million expiring in 2013, 2014 and 2015, respectively.

Although Alliant Energy has received warranty claims related to certain of these projects, it currently believes that no material cash payments will be made and has not recognized any material liabilities related to these matters as of September 30, 2013. Refer to Note 14 for further discussion of RMT.

Whiting Petroleum - In 2004, Alliant Energy sold its remaining interest in Whiting Petroleum. Whiting Petroleum is an independent oil and gas company. Alliant Energy continues to guarantee the obligations related to the abandonment of certain platforms off the coast of California and related onshore plant and equipment that were owned by Whiting Petroleum prior to Alliant Energy's sale of Whiting Petroleum. The guarantee does not include a maximum limit. As of September 30, 2013, the present value of the abandonment obligations is estimated at $31 million. Alliant Energy believes that no payments will be made under this guarantee. Alliant Energy has not recognized any material liabilities related to this guarantee as of September 30, 2013.

(e) Environmental Matters -
MGP Sites - IPL and WPL have current or previous ownership interests in various sites that are previously associated with the production of gas for which IPL and WPL may have future liability for investigation, remediation and monitoring costs. IPL and WPL are working pursuant to the requirements of various federal and state agencies to investigate, mitigate, prevent and remediate, where necessary, the environmental impacts to property, including natural resources, at and around the sites in order to protect public health and the environment. IPL and WPL are currently monitoring and/or remediating 27 and 5 sites, respectively.

Alliant Energy, IPL and WPL record environmental liabilities related to these MGP sites based upon periodic studies. Such amounts are based on the best current estimate of the remaining amount to be incurred for investigation, remediation and monitoring costs for those sites where the investigation process has been or is substantially completed, and the minimum of the estimated cost range for those sites where the investigation is in its earlier stages. There are inherent uncertainties associated with the estimated remaining costs for MGP projects primarily due to unknown site conditions and potential changes in regulatory agency requirements. It is possible that future cost estimates will be greater than current estimates as the investigation process proceeds and as additional facts become known. The amounts recognized as liabilities are reduced for expenditures incurred and are adjusted as further information develops or circumstances change. Costs of future expenditures for environmental remediation obligations are not discounted. Management currently estimates the range of remaining costs to be incurred for the investigation, remediation and monitoring of these sites to be $15 million ($13 million for IPL and $2 million for WPL) to $32 million ($28 million for IPL and $4 million for WPL). At September 30, 2013, Alliant Energy, IPL and WPL recorded $20 million, $17 million and $3 million, respectively, in other current and non-current environmental liabilities for their remaining costs to be incurred for these MGP sites.

WPL Consent Decree - In 2009, the EPA sent an NOV to WPL as an owner and the operator of Edgewater, Nelson Dewey and Columbia alleging that the owners of Edgewater, Nelson Dewey and Columbia failed to comply with appropriate pre-construction review and permitting requirements and as a result violated the PSD program requirements, Title V Operating Permit requirements of the CAA and the Wisconsin SIP. In 2010, the Sierra Club filed complaints against WPL, as owner and operator of Nelson Dewey and Columbia, and separately as owner and operator of Edgewater, based on allegations that modifications were made at the facilities without complying with the PSD program requirements, Title V Operating Permit requirements of the CAA and state regulatory counterparts contained within the Wisconsin SIP designed to implement the CAA.

Table of Contents

In April 2013, WPL, along with the other owners of Edgewater and Columbia, entered into a Consent Decree with the EPA and the Sierra Club to resolve the claims relating to Edgewater, Columbia and Nelson Dewey, while admitting no liability. In June 2013, the Consent Decree was approved by the Court, thereby resolving all claims against WPL. Under the Consent Decree, WPL is required to install the following emission controls systems:

- SCR system at Edgewater Unit 5 by May 1, 2013 (placed in-service in December 2012);
- Scrubbers and baghouses at Columbia Units 1 and 2 by December 31, 2014;
- Scrubber and baghouse at Edgewater Unit 5 by December 31, 2016; and
- SCR system at Columbia Unit 2 by December 31, 2018.

WPL is also required to fuel switch or retire Nelson Dewey Units 1 and 2 and Edgewater Unit 3 by December 31, 2015, and Edgewater Unit 4 by December 31, 2018. In addition, the Consent Decree establishes emission rate limits for SO2, NOx and particulate matter for Columbia Units 1 and 2, Nelson Dewey Units 1 and 2 and Edgewater Units 4 and 5. The Consent Decree also includes annual plant-wide emission caps for SO2 and NOx for Columbia, Edgewater and Nelson Dewey. WPL paid a civil penalty of approximately $2 million and will complete approximately $7 million in environmental mitigation projects.

Final recovery of the costs expected to be incurred related to the Consent Decree will be decided by the PSCW in future rate cases or other proceedings. Alliant Energy and WPL currently expect to recover any material costs incurred by WPL related to compliance with the terms of the Consent Decree from WPL's electric customers, except for costs related to certain of the environmental mitigation projects and the civil penalty.

Other Environmental Contingencies - In addition to the environmental liabilities discussed above, Alliant Energy, IPL and WPL are also monitoring various environmental regulations that may have a significant impact on their future operations. Given uncertainties regarding the outcome, timing and compliance plans for these environmental matters, Alliant Energy, IPL and WPL are currently not able to determine the complete financial impact of these regulations but do believe that future capital investments and/or modifications to their electric generating facilities to comply with these regulations could be significant. Specific current, proposed or potential environmental matters that may require significant future expenditures include, among others: CAIR, Clean Air Visibility Rule, Utility MACT Rule, Wisconsin State Mercury Rule, Wisconsin RACT Rule, Industrial Boiler and Process Heater MACT Rule, Ozone NAAQS Rule, Fine Particle NAAQS Rule, Nitrogen Dioxide NAAQS Rule, SO2 NAAQS Rule, Federal Clean Water Act including Section 316(b), Wisconsin and Iowa State Thermal Rules, Hydroelectric Fish Passage Device, Effluent Limitation Guidelines, Coal Combustion Residuals, Polychlorinated Biphenyls, and various legislation and EPA regulations to monitor and regulate the emission of GHG, including NSPS for GHG Emissions from Electric Utilities. Some recent developments concerning these environmental matters are included below:

Water Quality -
Effluent Limitation Guidelines are expected to require changes to discharge limits for wastewater from steam EGUs. In June 2013, the EPA published proposed effluent limitation guidelines for public comment. Compliance with these proposed guidelines would be required after July 1, 2017 but before July 1, 2022, depending on each facility's wastewater permit cycle for existing steam EGUs and immediately upon operation for new steam EGUs constructed after the issuance of the final guidelines.

GHG Emissions -
EPA NSPS for GHG Emissions from Electric Utilities - In September 2013, the EPA issued revised proposed NSPS for GHG emissions for new fossil-fueled EGUs that would establish CO2 emissions limits for certain new EGUs. Marshalltown, if constructed, is expected to be impacted by these proposed standards and would be constructed to achieve compliance with these standards. Also, WPL's potential generation investment could be impacted by these

standards. A date for finalizing these standards has not yet been established. The EPA is expected to issue proposed and final NSPS for GHG for existing EGUs by June 1, 2014 and June 1, 2015, respectively, which would provide guidelines that states must follow to achieve required GHG reductions. SIPs that provide details of how these guidelines are to be met would be required from state agencies by June 30, 2016.

Table of Contents

(13) SEGMENTS OF BUSINESS

Alliant Energy - Certain financial information relating to Alliant Energy's business segments is as follows. Intersegment revenues were not material to Alliant Energy's operations.

	Utility				Non-Regulated,	Alliant Energy
	Electric	Gas	Other	Total	Parent and Other	Consolidated
	(in millions)					
Three Months Ended September 30, 2013						
Operating revenues	$798.1	$39.8	$17.4	$855.3	$11.3	$866.6
Operating income (loss)	199.6	(3.4)	(0.3)	195.9	5.5	201.4
Amounts attributable to Alliant Energy common shareowners:						
Income (loss) from continuing operations, net of tax				171.3	(12.4)	158.9
Loss from discontinued operations, net of tax				—	(1.3)	(1.3)
Net income (loss) attributable to Alliant Energy common shareowners				171.3	(13.7)	157.6
Three Months Ended September 30, 2012						
Operating revenues	$815.3	$46.8	$12.2	$874.3	$13.3	$887.6
Operating income	203.1	0.8	1.5	205.4	8.3	213.7
Amounts attributable to Alliant Energy common shareowners:						
Income (loss) from continuing operations, net of tax				159.2	(10.2)	149.0
Income from discontinued operations, net of tax				—	1.7	1.7
Net income (loss) attributable to Alliant Energy common shareowners				159.2	(8.5)	150.7

	Utility				Non-Regulated,	Alliant Energy
	Electric	Gas	Other	Total	Parent and Other	Consolidated
	(in millions)					
Nine Months Ended September 30, 2013						
Operating revenues	$2,043.4	$310.5	$52.4	$2,406.3	$37.9	$2,444.2
Operating income	359.1	39.5	5.5	404.1	21.2	425.3
Amounts attributable to Alliant Energy common shareowners:						
Income from continuing operations, net of tax				292.8	4.9	297.7
Loss from discontinued operations, net of tax				—	(4.9)	(4.9)
Net income attributable to Alliant Energy common shareowners				292.8	—	292.8
Nine Months Ended September 30, 2012						
Operating revenues	$2,000.3	$263.9	$39.7	$2,303.9	$39.7	$2,343.6

Operating income	354.0	32.1	4.7	390.8	27.3	418.1
Amounts attributable to Alliant Energy common shareowners:						
Income from continuing operations, net of tax				237.4	16.4	253.8
Loss from discontinued operations, net of tax				—	(2.3)	(2.3)
Net income attributable to Alliant Energy common shareowners				237.4	14.1	251.5

Table of Contents

IPL - Certain financial information relating to IPL's business segments is as follows. Intersegment revenues were not material to IPL's operations.

	Electric	Gas	Other	Total
	(in millions)			
Three Months Ended September 30, 2013				
Operating revenues	$457.6	$24.6	$12.2	$494.4
Operating income (loss)	99.6	(0.7)	1.1	100.0
Earnings available for common stock				110.0
Three Months Ended September 30, 2012				
Operating revenues	$456.6	$29.6	$11.5	$497.7
Operating income	109.5	0.6	1.9	112.0
Earnings available for common stock				103.3
Nine Months Ended September 30, 2013				
Operating revenues	$1,137.4	$180.9	$37.4	$1,355.7
Operating income	146.2	22.6	7.0	175.8
Earnings available for common stock				155.1
Nine Months Ended September 30, 2012				
Operating revenues	$1,070.7	$149.2	$37.2	$1,257.1
Operating income	149.3	15.6	6.4	171.3
Earnings available for common stock				115.2

WPL - Certain financial information relating to WPL's business segments is as follows. Intersegment revenues were not material to WPL's operations.