ALLIANT ENERGY CORP
Form 10-Q
November 07, 2018
Table of Contents

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2018

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 No

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted 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 such files). Yes No

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

Number of shares outstanding of each class of common stock as of September 30, 2018:

Alliant Energy Corporation	Common stock, $0.01 par value, 235,936,447 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

DEFINITIONS

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

Abbreviation or Acronym	Definition	Abbreviation or Acronym	Definition
2017 Form 10-K	Combined Annual Report on Form 10-K filed by Alliant Energy, IPL and WPL for the year ended Dec. 31, 2017	IUB	Iowa Utilities Board
AEF	Alliant Energy Finance, LLC	MDA	Management's Discussion and Analysis of Financial Condition and Results of Operations
AFUDC	Allowance for funds used during construction	MISO	Midcontinent Independent System Operator, Inc.
Alliant Energy	Alliant Energy Corporation	MW	Megawatt
ATC	American Transmission Company LLC	MWh	Megawatt-hour
ATC Holdings	Interest in American Transmission Company LLC and ATC Holdco LLC	N/A	Not applicable
Corporate Services	Alliant Energy Corporate Services, Inc.	Note(s)	Combined Notes to Condensed Consolidated Financial Statements
DAEC	Duane Arnold Energy Center	NOx	Nitrogen oxide
Dth	Dekatherm	OPEB	Other postretirement benefits
EGU	Electric generating unit	PPA	Purchased power agreement
EPA	U.S. Environmental Protection Agency	PSCW	Public Service Commission of Wisconsin
FERC	Federal Energy Regulatory Commission	Riverside	Riverside Energy Center
Financial Statements	Condensed Consolidated Financial Statements	SCR	Selective catalytic reduction
FTR	Financial transmission right	Federal Tax Reform	Tax Cuts and Jobs Act
Fuel-related	Electric production fuel and purchased power	U.S.	United States of America
GAAP	U.S. generally accepted accounting principles	Whiting Petroleum	Whiting Petroleum Corporation
IPL	Interstate Power and Light Company	WPL	Wisconsin Power and Light Company

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 "may," "believe," "expect," "anticipate," "plan," "project," "will," "projections," "estimate," or other words of similar import. Similarly, statemen 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:

- IPL's and WPL's ability to obtain adequate and timely rate relief to allow for, among other things, earning a return on rate base additions and the recovery of costs, including fuel costs, operating costs, transmission costs, environmental compliance and remediation costs, deferred expenditures, deferred tax assets, capital expenditures, and remaining costs related to EGUs that may be permanently closed, earning their authorized rates of return, and the payments to their parent of expected levels of dividends;

- federal and state regulatory or governmental actions, including the impact of energy, tax, financial and health care legislation, and regulatory agency orders;
- ability to obtain necessary regulatory approval for capital projects with acceptable conditions;
- the impact of customer- and third party-owned generation, including alternative electric suppliers, in IPL’s and WPL’s service territories on system reliability, operating expenses and customers’ demand for electricity;
- the impact of energy efficiency, franchise retention and customer disconnects on sales volumes and margins;
- the impact that price changes may have on IPL’s and WPL’s customers’ demand for electric, gas and steam services and their ability to pay their bills;
- 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 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;
- employee workforce factors, including changes in key executives, ability to hire and retain employees with specialized skills, ability to create desired corporate culture, collective bargaining agreements and negotiations, work stoppages or restructurings;

1

Table of Contents

- weather effects on results of utility operations;
- issues associated with environmental remediation and environmental compliance, including compliance with the Consent Decree between WPL, the EPA and the Sierra Club, the Consent Decree between IPL, the EPA, the Sierra Club, the State of Iowa and Linn County in Iowa, the Coal Combustion Residuals Rule, future changes in environmental laws and regulations, including the EPA's regulations for carbon dioxide emissions reductions from new and existing fossil-fueled EGUs, and litigation associated with environmental requirements;
- the ability to defend against environmental claims brought by state and federal agencies, such as the EPA, state natural resources agencies or third parties, such as the Sierra Club, and the impact on operating expenses of defending and resolving such claims;
- continued access to the capital markets on competitive terms and rates, and the actions of credit rating agencies;
- inflation and interest rates;
- 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;
- changes in the price of delivered natural gas, purchased electricity and coal due to shifts in supply and demand caused by market conditions and regulations;
- disruptions in the supply and delivery of natural gas, purchased electricity and coal;
- changes in the price of transmission services and the ability to recover the cost of transmission services in a timely manner;
- developments that adversely impact the ability to implement the strategic plan;
- ability to obtain regulatory approval for wind projects with acceptable conditions, to complete construction within the cost caps set by regulators and to meet all requirements to qualify for the full level of production tax credits;
- the direct or indirect effects resulting from breakdown or failure of equipment in the operation of electric and gas distribution systems, such as mechanical problems and explosions or fires, and compliance with electric and gas transmission and distribution safety regulations;
- issues related to the availability and operations of EGUs, including start-up risks, breakdown or failure of equipment, performance below expected or contracted levels of output or efficiency, operator error, employee safety, transmission constraints, compliance with mandatory reliability standards and risks related to recovery of resulting incremental costs through rates;
- impacts that storms or natural disasters in IPL's and WPL's service territories may have on their operations and recovery of costs associated with restoration activities;
- any material post-closing adjustments related to any past asset divestitures, including the sales of IPL's Minnesota electric and natural gas assets, and Whiting Petroleum, which could result from, among other things, indemnification agreements, warranties, parental guarantees or litigation;
- Alliant Energy's ability to sustain its dividend payout ratio goal;
- changes to costs of providing benefits and related funding requirements of pension and OPEB plans due to the market value of the assets that fund the plans, economic conditions, financial market performance, interest rates, life expectancies and demographics;
- material changes in employee-related benefit and compensation costs;
- risks associated with operation and ownership of non-utility holdings;
- changes in technology that alter the channels through which customers buy or utilize Alliant Energy's, IPL's or WPL's products and services;
- impacts on equity income from unconsolidated investments due to further potential changes to ATC's authorized return on equity;
- impacts of IPL's future tax benefits from Iowa rate-making practices, including deductions for repairs expenditures, allocation of mixed service costs and state depreciation, and recoverability of the associated regulatory assets from customers, when the differences reverse in future periods;
- the impacts of adjustments made to deferred tax assets and liabilities from changes in the tax laws;
-

- 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;
- current or future litigation, regulatory investigations, proceedings or inquiries;
- reputational damage from negative publicity, protests, fines, penalties and other negative consequences resulting in regulatory and/or legal actions;
- the effect of accounting standards issued periodically by standard-setting bodies;
- the ability to successfully complete tax audits and changes in tax accounting methods with no material impact on earnings and cash flows; and
- factors listed in MDA and Risk Factors in Item 1A in the 2017 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, except as required by law.

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,	
	2018	2017	2018	2017
	(in millions, except per share amounts)			
Revenues:				
Electric utility	$861.2	$840.6	$2,296.2	$2,199.1
Gas utility	44.8	45.8	299.0	262.7
Other utility	12.3	11.2	36.2	34.4
Non-utility	10.3	9.3	29.6	29.9
Total revenues	928.6	906.9	2,661.0	2,526.1
Operating expenses:				
Electric production fuel and purchased power	227.8	222.6	639.5	614.7
Electric transmission service	129.1	121.0	375.2	363.3
Cost of gas sold	11.3	15.0	150.0	135.5
Other operation and maintenance	148.4	164.3	468.8	453.6
Depreciation and amortization	129.0	120.7	376.4	342.7
Taxes other than income taxes	26.9	27.0	78.1	79.1
Total operating expenses	672.5	670.6	2,088.0	1,988.9
Operating income	256.1	236.3	573.0	537.2
Other (income) and deductions:				
Interest expense	63.3	53.9	183.8	159.0
Equity income from unconsolidated investments, net	(9.8)	(10.1)	(41.6)	(32.9)
Allowance for funds used during construction	(18.8)	(9.6)	(51.8)	(36.7)
Other	1.6	4.6	6.0	13.1
Total other (income) and deductions	36.3	38.8	96.4	102.5
Income from continuing operations before income taxes	219.8	197.5	476.6	434.7
Income taxes	11.7	26.1	42.1	64.9
Income from continuing operations, net of tax	208.1	171.4	434.5	369.8
Income from discontinued operations, net of tax	—	—	—	1.4
Net income	208.1	171.4	434.5	371.2
Preferred dividend requirements of Interstate Power and Light Company	2.6	2.6	7.7	7.7
Net income attributable to Alliant Energy common shareowners	$205.5	$168.8	$426.8	$363.5
Weighted average number of common shares outstanding (basic and diluted)	235.2	231.0	232.9	229.2
Earnings per weighted average common share attributable to Alliant Energy common shareowners (basic and diluted):				
Income from continuing operations, net of tax	$0.87	$0.73	$1.83	$1.58
Income from discontinued operations, net of tax	—	—	—	0.01
Net income	$0.87	$0.73	$1.83	$1.59
Amounts attributable to Alliant Energy common shareowners:				
Income from continuing operations, net of tax	$205.5	$168.8	$426.8	$362.1
Income from discontinued operations, net of tax	—	—	—	1.4
Net income	$205.5	$168.8	$426.8	$363.5

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)

	September 30, 2018	December 31, 2017
	(in millions, except per share and share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$239.7	$27.9
Accounts receivable, less allowance for doubtful accounts	465.3	482.8
Production fuel, at weighted average cost	61.3	72.3
Gas stored underground, at weighted average cost	43.0	44.5
Materials and supplies, at weighted average cost	106.8	105.6
Regulatory assets	82.2	84.3
Other	126.5	87.7
Total current assets	1,124.8	905.1
Property, plant and equipment, net	12,005.2	11,234.5
Investments:		
ATC Holdings	285.9	274.2
Other	138.1	121.9
Total investments	424.0	396.1
Other assets:		
Regulatory assets	1,612.5	1,582.4
Deferred charges and other	103.3	69.7
Total other assets	1,715.8	1,652.1
Total assets	$15,269.8	$14,187.8

LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt	$506.1	$855.7
Commercial paper	136.8	320.2
Other short-term borrowings	—	95.0
Accounts payable	498.1	477.3
Regulatory liabilities	151.7	140.0
Other	255.6	260.8
Total current liabilities	1,548.3	2,149.0
Long-term debt, net (excluding current portion)	5,248.2	4,010.6
Other liabilities:		
Deferred tax liabilities	1,575.2	1,478.4
Regulatory liabilities	1,353.9	1,357.2
Pension and other benefit obligations	487.0	504.0
Other	286.8	306.4
Total other liabilities	3,702.9	3,646.0
Commitments and contingencies (Note 13)		
Equity:		
Alliant Energy Corporation common equity:		
Common stock - $0.01 par value - 480,000,000 shares authorized; 235,936,447 and 231,348,646 shares outstanding	2.4	2.3
Additional paid-in capital	2,038.2	1,845.5

Retained earnings	2,539.5	2,346.0
Accumulated other comprehensive loss	(0.2)	(0.5)
Shares in deferred compensation trust - 377,723 and 463,365 shares at a weighted average cost of $25.27 and $23.91 per share	(9.5)	(11.1)
Total Alliant Energy Corporation common equity	4,570.4	4,182.2
Cumulative preferred stock of Interstate Power and Light Company	200.0	200.0
Total equity	4,770.4	4,382.2
Total liabilities and equity	$15,269.8	$14,187.8

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,	
	2018	2017
	(in millions)	
Cash flows from operating activities:		
Net income	$434.5	$371.2
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	376.4	342.7
Deferred tax expense and tax credits	62.5	102.7
Equity income from unconsolidated investments,net	(41.6)	(32.9)
Other	8.2	25.8
Other changes in assets and liabilities:		
Accounts receivable	(325.2)	(268.3)
Regulatory assets	27.4	(108.9)
Accounts payable	(47.3)	3.8
Regulatory liabilities	14.7	(64.8)
Deferred income taxes	32.7	101.0
Other	(100.1)	(21.0)
Net cash flows from operating activities	442.2	451.3
Cash flows used for investing activities:		
Construction and acquisition expenditures:		
Utility business	(1,080.2)	(892.5)
Other	(47.8)	(156.9)
Cash receipts on sold receivables	337.2	432.1
Other	(24.9)	(21.8)
Net cash flows used for investing activities	(815.7)	(639.1)
Cash flows from financing activities:		
Common stock dividends	(233.3)	(215.7)
Proceeds from issuance of common stock, net	191.3	143.2
Proceeds from issuance of long-term debt	1,500.0	—
Payments to retire long-term debt	(603.1)	(2.5)
Net change in commercial paper and other short-term borrowings	(278.4)	281.2
Other	10.9	(16.3)
Net cash flows from financing activities	587.4	189.9
Net increase in cash, cash equivalents and restricted cash	213.9	2.1
Cash, cash equivalents and restricted cash at beginning of period	33.9	13.1
Cash, cash equivalents and restricted cash at end of period	$247.8	$15.2
Supplemental cash flows information:		
Cash paid during the period for:		
Interest, net of capitalized interest	($171.6)	($158.5)
Income taxes, net	($5.0)	($11.4)
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$236.2	$197.2
Beneficial interest obtained in exchange for securitized accounts receivable	$243.7	$115.3

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,	
	2018	2017	2018	2017
	(in millions)			
Revenues:				
Electric utility	$509.2	$489.0	$1,337.0	$1,217.6
Gas utility	26.7	27.4	177.0	147.2
Steam and other	11.7	11.0	34.2	33.3
Total revenues	547.6	527.4	1,548.2	1,398.1
Operating expenses:				
Electric production fuel and purchased power	122.5	122.5	354.0	330.0
Electric transmission service	92.8	78.2	268.0	235.0
Cost of gas sold	6.4	9.9	83.8	74.6
Other operation and maintenance	94.6	102.4	297.1	283.2
Depreciation and amortization	73.9	66.2	209.2	181.0
Taxes other than income taxes	14.3	14.4	39.7	41.1
Total operating expenses	404.5	393.6	1,251.8	1,144.9
Operating income	143.1	133.8	296.4	253.2
Other (income) and deductions:				
Interest expense	30.4	27.9	90.6	83.5
Allowance for funds used during construction	(11.0)	(4.7)	(28.3)	(25.1)
Other	0.5	1.9	2.0	5.3
Total other (income) and deductions	19.9	25.1	64.3	63.7
Income before income taxes	123.2	108.7	232.1	189.5
Income tax benefit	(5.9)	(14.3)	(0.5)	(18.6)
Net income	129.1	123.0	232.6	208.1
Preferred dividend requirements	2.6	2.6	7.7	7.7
Earnings available for common stock	$126.5	$120.4	$224.9	$200.4

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.

Table of Contents

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

	September 30, 2018	December 31, 2017
	(in millions, except per share and share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$232.7	$3.6
Accounts receivable, less allowance for doubtful accounts	277.3	264.9
Production fuel, at weighted average cost	42.6	52.4
Gas stored underground, at weighted average cost	25.4	20.3
Materials and supplies, at weighted average cost	59.3	60.6
Regulatory assets	40.3	41.9
Other	38.0	32.3
Total current assets	715.6	476.0
Property, plant and equipment, net	6,432.9	5,926.2
Other assets:		
Regulatory assets	1,209.6	1,189.7
Deferred charges and other	20.1	14.1
Total other assets	1,229.7	1,203.8
Total assets	$8,378.2	$7,606.0
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt	$250.0	$350.0
Accounts payable	279.0	220.3
Regulatory liabilities	95.9	69.7
Other	173.8	187.7
Total current liabilities	798.7	827.7
Long-term debt, net (excluding current portion)	2,551.8	2,056.0
Other liabilities:		
Deferred tax liabilities	933.0	910.7
Regulatory liabilities	666.7	685.7
Pension and other benefit obligations	168.3	173.8
Other	221.0	242.4
Total other liabilities	1,989.0	2,012.6
Commitments and contingencies (Note 13)		
Equity:		
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	2,027.8	1,797.8
Retained earnings	777.5	678.5
Total Interstate Power and Light Company common equity	2,838.7	2,509.7
Cumulative preferred stock	200.0	200.0
Total equity	3,038.7	2,709.7
Total liabilities and equity	$8,378.2	$7,606.0

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

7

Table of Contents

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

	For the Nine Months Ended September 30,	
	2018	2017
	(in millions)	
Cash flows from operating activities:		
Net income	$232.6	$208.1
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	209.2	181.0
Other	(18.6)	26.2
Other changes in assets and liabilities:		
Accounts receivable	(353.2)	(328.7)
Regulatory assets	14.0	(107.8)
Accounts payable	(34.5)	11.6
Regulatory liabilities	7.5	(49.6)
Deferred income taxes	22.9	88.9
Other	(41.0)	8.7
Net cash flows from operating activities	38.9	38.4
Cash flows used for investing activities:		
Construction and acquisition expenditures	(635.2)	(470.1)
Cash receipts on sold receivables	337.2	432.1
Other	(30.9)	(21.6)
Net cash flows used for investing activities	(328.9)	(59.6)
Cash flows from financing activities:		
Common stock dividends	(125.9)	(117.0)
Capital contributions from parent	230.0	100.0
Proceeds from issuance of long-term debt	500.0	—
Payments to retire long-term debt	(100.0)	—
Net change in commercial paper	—	44.0
Other	15.0	(2.6)
Net cash flows from financing activities	519.1	24.4
Net increase in cash, cash equivalents and restricted cash	229.1	3.2
Cash, cash equivalents and restricted cash at beginning of period	7.2	4.2
Cash, cash equivalents and restricted cash at end of period	$236.3	$7.4
Supplemental cash flows information:		
Cash (paid) refunded during the period for:		
Interest	($89.1)	($84.1)
Income taxes, net	($2.4)	$13.2
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$142.4	$71.0
Beneficial interest obtained in exchange for securitized accounts receivable	$243.7	$115.3

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 INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2018	2017	2018	2017
	(in millions)			
Revenues:				
Electric utility	$352.0	$351.6	$959.2	$981.5
Gas utility	18.1	18.4	122.0	115.5
Other	0.6	0.2	2.0	1.1
Total revenues	370.7	370.2	1,083.2	1,098.1
Operating expenses:				
Electric production fuel and purchased power	105.3	100.1	285.5	284.7
Electric transmission service	36.3	42.8	107.2	128.3
Cost of gas sold	4.9	5.1	66.2	60.9
Other operation and maintenance	54.2	63.3	172.8	171.8
Depreciation and amortization	54.1	53.6	164.2	158.8
Taxes other than income taxes	11.7	11.8	35.7	35.3
Total operating expenses	266.5	276.7	831.6	839.8
Operating income	104.2	93.5	251.6	258.3
Other (income) and deductions:				
Interest expense	24.2	23.1	73.5	69.1
Allowance for funds used during construction	(7.8)	(4.9)	(23.5)	(11.6)
Other	1.3	2.5	3.4	7.3
Total other (income) and deductions	17.7	20.7	53.4	64.8
Income before income taxes	86.5	72.8	198.2	193.5
Income taxes	10.2	23.0	28.1	60.1
Earnings available for common stock	$76.3	$49.8	$170.1	$133.4

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, 2018	December 31, 2017
	(in millions, except per share and share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$6.4	$23.1
Accounts receivable, less allowance for doubtful accounts	180.6	212.2
Production fuel, at weighted average cost	18.7	19.9
Gas stored underground, at weighted average cost	17.6	24.2
Materials and supplies, at weighted average cost	44.5	42.1
Regulatory assets	41.9	42.4
Prepaid gross receipts tax	30.7	41.3
Other	60.5	13.4
Total current assets	400.9	418.6
Property, plant and equipment, net	5,183.3	4,917.9
Other assets:		
Regulatory assets	402.9	392.7
Deferred charges and other	57.1	27.3
Total other assets	460.0	420.0
Total assets	$6,044.2	$5,756.5
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt	$250.0	$—
Commercial paper	38.4	25.0
Accounts payable	162.4	201.7
Regulatory liabilities	55.8	70.3
Other	95.1	99.2
Total current liabilities	601.7	396.2
Long-term debt, net (excluding current portion)	1,584.5	1,833.4
Other liabilities:		
Deferred tax liabilities	579.6	522.4
Regulatory liabilities	687.2	671.5
Capital lease obligations - Sheboygan Falls Energy Facility	62.0	70.2
Pension and other benefit obligations	207.0	213.7
Other	175.6	167.6
Total other liabilities	1,711.4	1,645.4
Commitments and contingencies (Note 13)		

Equity:				
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	1,309.0		1,109.0	
Retained earnings	771.4		706.3	
Total Wisconsin Power and Light Company common equity	2,146.6		1,881.5	
Total liabilities and equity		$6,044.2		$5,756.5

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,	
	2018	2017
	(in millions)	
Cash flows from operating activities:		
Net income	$170.1	$133.4
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	164.2	158.8
Deferred tax expense and tax credits	50.3	60.1
Other	(12.0)	4.8
Other changes in assets and liabilities:		
Accounts receivable	29.7	41.8
Regulatory assets	13.4	(1.1)
Other	(70.2)	(36.6)
Net cash flows from operating activities	345.5	361.2
Cash flows used for investing activities:		
Construction and acquisition expenditures	(445.0)	(454.0)
Other	(23.7)	(18.6)
Net cash flows used for investing activities	(468.7)	(472.6)
Cash flows from financing activities:		
Common stock dividends	(105.0)	(94.5)
Capital contributions from parent	200.0	40.0
Net change in commercial paper	13.4	172.3
Other	(1.7)	(9.8)
Net cash flows from financing activities	106.7	108.0
Net decrease in cash, cash equivalents and restricted cash	(16.5)	(3.4)
Cash, cash equivalents and restricted cash at beginning of period	24.2	6.9
Cash, cash equivalents and restricted cash at end of period	$7.7	$3.5
Supplemental cash flows information:		
Cash paid during the period for:		
Interest	($68.5)	($68.1)
Income taxes, net	($11.2)	($20.2)
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$86.2	$122.3

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

Table of Contents

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

COMBINED NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
NOTE 1(a) General - The interim unaudited Financial Statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. 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 the 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, 2018 are not necessarily indicative of results that may be expected for the year ending December 31, 2018. A change in management's estimates or assumptions could have a material impact on financial condition and results of operations during the period in which such change occurred. Certain prior period amounts in the Financial Statements and Notes have been reclassified to conform to the current period presentation for comparative purposes, including modifications to the presentation of the components of net periodic benefit costs for defined benefit pension and other postretirement plans in the income statements as discussed in Note 1(d), restricted cash and cash receipts on sold receivables in the cash flows statements as discussed in Note 1(d), and segment reporting as discussed in Note 14.

Discontinued operations reported in Alliant Energy's income statements is related to various warranty claims associated with the sale of RMT, Inc. in 2013, which have resulted in operating expenses and income subsequent to the sale.

NOTE 1(b) Cash, Cash Equivalents and Restricted Cash - At September 30, 2018, Alliant Energy's and IPL's cash and cash equivalents included $228 million of money market fund investments with a 2% interest rate. At September 30, 2018 and December 31, 2017, restricted cash primarily related to deposits with trustees and borrowing requirements in Sheboygan Power, LLC's debt agreement. Refer to Note 1(d) for discussion of revisions to the cash flows statements to include immaterial restricted cash amounts.

NOTE 1(c) Revenue Recognition -
Utility - Revenues from Alliant Energy's utility business are primarily from retail and wholesale electric and gas sales to customers. Utility revenues are recognized over time as services are rendered or commodities are delivered to customers, and include billed and unbilled components. The billed component is based on the reading of customers' meters, which occurs on a systematic basis throughout each reporting period and represents the fair value of the services provided or commodities delivered. The unbilled component is estimated and recorded at the end of each reporting period based on estimated amounts of energy delivered to customers since the date of each customer's last meter reading. The unbilled revenue is based on estimates of daily system demand volumes, customer usage by class, temperature impacts, line losses and the most recent customer rates.

IPL and WPL accrue revenues from their wholesale customers to the extent that the actual net revenue requirements calculated in accordance with FERC-approved formula rates for the reporting period are higher or lower than the amounts billed to wholesale customers during such period. Regulatory assets or regulatory liabilities are recorded as the offset for these accrued revenues under formulaic rate-making programs. As of September 30, 2018, the related amounts accrued for IPL and WPL were not material.

IPL and WPL participate in bid/offer-based wholesale energy and ancillary services markets operated by MISO. The MISO transactions are grouped together, resulting in a net supply to or net purchase from MISO for each hour of each day. The net supply to MISO is recorded as bulk power sales in “Electric utility revenues” and the net purchase from MISO is recorded in “Electric production fuel and purchased power” in the income statements.

Non-utility - Revenues from Alliant Energy’s non-utility businesses are primarily from its Transportation business and are recognized over time as services are rendered or goods are delivered to customers.

Table of Contents

Taxes Collected from Customers - Sales or various other taxes collected by certain of Alliant Energy's subsidiaries on behalf of other agencies are recorded on a net basis and are not included in revenues.

Other - Alliant Energy, IPL and WPL do not disclose the value of unsatisfied performance obligations for: (i) contracts with an original expected length of one year or less; and (ii) contracts for which revenue is recognized at the amount to which they have the right to invoice for goods delivered or services performed.

NOTE 1(d) New Accounting Standards -
Revenue Recognition - In May 2014, the Financial Accounting Standards Board issued an accounting standard providing principles for recognizing revenue for the transfer of promised goods or services to customers with the consideration to which the entity expects to be entitled in exchange for those goods or services. Alliant Energy, IPL and WPL adopted this standard on January 1, 2018 using the modified retrospective method of adoption, which was applied to contracts with customers that were completed subsequent to January 1, 2018. Alliant Energy, IPL and WPL utilized a portfolio approach upon adoption, which involved evaluating portfolios of contracts with similar characteristics, where the effects of applying the standard were not expected to be materially different than evaluating on an individual contract basis. Upon adoption, there were no cumulative effect adjustments made to the January 1, 2018 retained earnings balances. In addition, prior period amounts have not been restated to reflect the adoption of this standard and continue to be reported under the accounting standards in effect for those periods. Alliant Energy, IPL and WPL did not have a material change in revenue recognition, including the timing and pattern of revenue recognition, as a result of the adoption of this standard. Refer to Notes 1(c) and 8 for further discussion of revenue recognition.

Leases - In February 2016, the Financial Accounting Standards Board issued an accounting standard requiring lease assets and lease liabilities, including operating leases, to be recognized on the balance sheet for all leases with terms longer than 12 months. The standard also requires disclosure of key information about leasing arrangements. Alliant Energy, IPL and WPL will adopt this standard on January 1, 2019 using the modified retrospective method of adoption, which requires cumulative effect adjustments to the balance sheets on January 1, 2019 upon adoption. Prior period amounts will continue to be reported under the accounting standards in effect for those periods. Alliant Energy, IPL and WPL currently plan to elect the land easement transition practical expedient, for which existing land easements that were not previously accounted for as leases under the original accounting standards do not need to be evaluated under the new accounting standard. In addition, Alliant Energy, IPL and WPL evaluated land easements that were previously accounted for as leases and determined that the majority of these land easements relate to joint-use land sites, and do not currently expect them to meet the criteria for leases under the new accounting standard. Therefore, these land easement arrangements will no longer be reflected as operating leases effective January 1, 2019. Alliant Energy, IPL and WPL will continue to evaluate the impact of this standard and do not currently expect a material change to their financial condition or results of operations as a result of adopting the new lease accounting standard.

Presentation of Net Periodic Pension and Postretirement Benefit Costs - In March 2017, the Financial Accounting Standards Board issued an accounting standard amending the income statement presentation of the components of net periodic benefit costs for defined benefit pension and other postretirement plans. The standard requires entities to (1) disaggregate the current service cost component from the other components of net periodic benefit costs and present it with other employee compensation costs in the income statement; and (2) include the other components in the income statement outside of operating income. Only the service cost component of net periodic benefit costs is eligible for capitalization into property, plant and equipment; however, IPL and WPL, as rate-regulated entities, capitalize the other components of net periodic benefit costs into regulatory assets or regulatory liabilities. Alliant Energy, IPL and WPL adopted this standard on January 1, 2018 and used the retrospective method of adoption for the presentation requirements and prospective method of adoption for the capitalization requirements. Alliant Energy, IPL and WPL used the actual net periodic benefit costs adjusted for approximately 40% of net periodic benefit costs allocated to capital projects for the retrospective method of adoption for the presentation requirements. The change in presentation resulted in a decrease in “Other operation and maintenance” expenses and an increase in “Other (income) and deductions” in Alliant Energy’s, IPL’s and WPL’s income statements of $4.8 million, $2.0 million and $2.8 million for the three months ended September 30, 2017, and $13.5 million, $5.5 million and $7.9 million for the nine months ended September 30, 2017, respectively.

Cash Flows Statements - In August 2016, the Financial Accounting Standards Board issued an accounting standard providing specific guidance on several cash flow classification matters. The accounting standard requires classification of the consideration received for the beneficial interest obtained for transferring accounts receivable from IPL’s sales of accounts receivable program as an investing activity, instead of an operating activity. Alliant Energy, IPL and WPL retrospectively adopted this standard on January 1, 2018, and use a method of presentation that allocates cash flows between operating and investing activities based on daily transactional activity. For the nine months ended September 30, 2017, Alliant Energy and

Table of Contents

IPL reclassified $432.1 million of the related cash received from IPL's sales of accounts receivable program from operating activities to investing activities based on daily transactional activity. The related impact on Alliant Energy's and IPL's cash flows statements for the year ended December 31, 2017 was $461.8 million. For the three months ended March 31, 2018 and the six months ended June 30, 2018, Alliant Energy, IPL and WPL utilized a method of presentation that allocated cash flows between operating and investing activities based on monthly transactional activity. The change in method of presentation to daily transactional activity increases Alliant Energy's operating cash flows to $156.3 million and $274.4 million, and IPL's operating cash flows to $1.8 million and $12.8 million, for the three months ended March 31, 2018 and six months ended June 30, 2018, respectively. The change in method of presentation to daily transactional activity increases Alliant Energy's operating cash flows to $173.5 million and $249.8 million, and IPL's operating cash flows to $16.1 million and $15.8 million, for the three months ended March 31, 2017 and six months ended June 30, 2017, respectively.

In November 2016, the Financial Accounting Standards Board issued an accounting standard requiring restricted cash to be included within beginning-of-period and end-of-period cash and cash equivalents in the cash flows statements. Alliant Energy, IPL and WPL adopted this standard on January 1, 2018, which was applied retrospectively. Refer to Note 1(b) for further discussion of restricted cash.

NOTE 2. REGULATORY MATTERS

Regulatory Assets and Regulatory Liabilities -

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

	Alliant Energy		IPL		WPL	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Tax-related	$798.3	$778.2	$762.4	$750.5	$35.9	$27.7
Pension and OPEB costs	519.8	548.0	261.2	274.4	258.6	273.6
Asset retirement obligations	111.6	109.3	77.3	72.5	34.3	36.8
EGUs retired early	110.4	63.8	57.2	31.6	53.2	32.2
Derivatives	26.3	45.3	13.3	21.8	13.0	23.5
Emission allowances	24.3	25.5	24.3	25.5	—	—
Other	104.0	96.6	54.2	55.3	49.8	41.3
	$1,694.7	$1,666.7	$1,249.9	$1,231.6	$444.8	$435.1

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

	Alliant Energy		IPL		WPL	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Tax-related	$891.1	$899.4	$389.9	$399.5	$501.2	$499.9
Cost of removal obligations	401.0	410.0	274.0	274.5	127.0	135.5
Electric transmission cost recovery	97.0	90.4	37.9	26.4	59.1	64.0
Commodity cost recovery	20.1	21.0	13.6	14.6	6.5	6.4
IPL's tax benefit riders	13.0	25.0	13.0	25.0	—	—
Other	83.4	51.4	34.2	15.4	49.2	36.0
	$1,505.6	$1,497.2	$762.6	$755.4	$743.0	$741.8

Tax-related - During the nine months ended September 30, 2018, Alliant Energy's and IPL's tax-related regulatory assets increased primarily due to property-related differences for qualifying repairs expenditures. 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 for such property-related differences at IPL are recorded to regulatory assets, along with the necessary revenue requirement tax gross-ups.

Partially offsetting the increase to tax-related regulatory assets from property-related differences discussed above was a decrease due to the impacts of Iowa tax reform. In May 2018, Iowa tax reform was enacted, resulting in a reduction in the Iowa income tax rate from 12% to 9.8%, effective January 1, 2021 and the elimination of the deduction for federal income taxes, effective January 1, 2022. Alliant Energy's and IPL's deferred tax assets and liabilities as of June 30, 2018 were remeasured based upon the new tax rate. Alliant Energy and IPL recorded the net changes from remeasuring deferred tax assets and liabilities as a change in regulatory assets or regulatory liabilities. During the nine months ended September 30, 2018, as a result of Iowa tax reform, Alliant Energy's and IPL's tax-related regulatory assets decreased $33.7 million and tax-related regulatory liabilities increased $7.3 million.

Table of Contents

Electric generating units retired early - In June 2018, IPL retired the natural gas-fired M.L. Kapp Generating Station and reclassified the remaining net book value of this EGU from property, plant and equipment to a regulatory asset on Alliant Energy's and IPL's balance sheets. The remaining net book value, which was $29 million as of September 30, 2018, is currently included in IPL's rate base and IPL is earning a return of and a return on the outstanding balance. IPL expects continued recovery of the remaining net book value to be addressed in a future rate review.

In September 2018, WPL retired the coal-fired Edgewater Unit 4 and reclassified the remaining net book value of this EGU from property, plant and equipment to a regulatory asset on Alliant Energy's and WPL's balance sheets. The remaining net book value, which was $24 million as of September 30, 2018, is currently included in WPL's rate base and WPL is earning a return of and a return on the outstanding balance. WPL will continue to recover the remaining net book value of this EGU from both its retail and wholesale customers over a 10-year period beginning January 1, 2019 pursuant to PSCW and FERC orders.

Other - In January 2018, the IUB issued an order requiring IPL and other investor-owned utilities in Iowa to track all calculated differences since January 1, 2018 resulting from Federal Tax Reform, such that any over-collections can be refunded to its customers at a future date. Pursuant to IUB approval, the retail electric portion of IPL's Federal Tax Reform benefits is currently being refunded to customers, beginning May 2018. In January 2018, the PSCW issued an order directing WPL and other investor-owned utilities in Wisconsin to defer the revenue requirement impacts resulting from Federal Tax Reform since its inception. Pursuant to PSCW approval, the retail electric and gas portions of WPL's Federal Tax Reform benefits are currently being refunded to customers, beginning June 2018. Alliant Energy, IPL, and WPL refunded Federal Tax Reform benefits of $20 million, $9 million and $11 million for the three months ended September 30, 2018, and $47 million, $16 million and $31 million for the nine months ended September 30, 2018, respectively, which were recorded as a reduction in revenues. As of September 30, 2018, Alliant Energy's, IPL's and WPL's remaining deferrals related to Federal Tax Reform were $22 million, $19 million and $3 million, respectively, which are included in "Other" in the regulatory liabilities table above.

In December 2016, WPL received an order from the PSCW related to its retail electric and gas rate review for the 2017/2018 Test Period. The order included provisions that require WPL to defer a portion of its earnings if its annual regulatory return on common equity exceeds certain levels in 2018. As of September 30, 2018, Alliant Energy and WPL deferred $12 million of WPL's 2018 earnings related to this provision, which is included in "Other" in the regulatory liabilities table above.

Utility Rate Reviews -
IPL's Retail Gas Rate Review (2017 Test Year) - In May 2018, IPL filed a request with the IUB to increase annual gas base rates for its Iowa retail gas customers by $20 million, or approximately 8%. The request was based on a 2017 historical Test Year as adjusted for certain known and measurable changes occurring up to 12 months after the commencement of the proceeding. The key drivers for the filing included recovery of capital projects, partially offset by the benefits of Federal Tax Reform. An interim retail gas rate increase of $11 million, or approximately 5%, on an annual basis, was implemented effective May 14, 2018. The interim rate increase does not require regulatory approval; however, it will be subject to refund pending determination of final rates. In September 2018, IPL and parties to the proceeding filed a unanimous settlement agreement with the IUB, proposing an annual retail gas base rate increase of $14 million, or approximately 6%. IPL currently expects a final decision from the IUB in 2018 with final rates effective by late 2018 or the first quarter of 2019. The IUB must issue a decision on requests for retail rate changes within 10 months from the date the application is filed.

IPL's Retail Electric Rate Review (2016 Test Year) - In April 2017, IPL filed a request with the IUB to increase annual electric base rates for its Iowa retail electric customers. An interim retail electric base rate increase of $102 million, or approximately 7%, on an annual basis, was implemented effective April 13, 2017. In September 2017, IPL reached a settlement agreement with intervener groups for an annual electric base rate increase of $130 million, or approximately 9%. In February 2018, the IUB issued an order approving the settlement. Final rates were effective May 1, 2018.

WPL’s Retail Electric and Gas Rate Review (2019/2020 Test Period) - In September 2018, the PSCW issued an order approving WPL’s proposed settlement for its retail electric and gas rate review covering the 2019/2020 Test Period, which was based on a stipulated agreement between WPL and intervener groups. Under the settlement, WPL retail electric and gas base rates will not change from current levels through the end of 2020.

Table of Contents

NOTE 3. PROPERTY, PLANT AND EQUIPMENT
Utility -
Natural Gas-Fired Generation Project -
WPL's West Riverside Energy Center - WPL is currently constructing West Riverside, an approximate 730 MW natural gas-fired combined-cycle EGU. Construction began in 2016 and is currently expected to be completed by the end of 2019. As of September 30, 2018, Alliant Energy and WPL recorded capitalized expenditures of $438 million and AFUDC of $35 million for West Riverside in "Property, plant and equipment, net" on their balance sheets. These capital expenditures reflect WPL's portion of West Riverside. Certain electric cooperatives, which currently have wholesale power supply agreements with WPL, acquired approximately 60 MW of West Riverside in January 2018, and are funding their share of capital expenditures during construction. As part of the electric cooperatives' acquisitions, the current wholesale power supply agreements with the various electric cooperatives were extended by at least four years until 2026 with automatic continuation of such agreements unless terminated by either party, with a five-year notice requirement.

Wind Generation -
IPL's Expansion of Wind Generation - IPL currently plans to add up to 1,000 MW of new wind generation to its existing generation portfolio. These wind projects are expected to be placed into service in 2019 and 2020. As of September 30, 2018, Alliant Energy and IPL recorded capitalized expenditures of $645 million and AFUDC of $33 million for this expansion of wind generation in "Property, plant and equipment, net" on their balance sheets.

WPL's Acquisition of Forward Wind Energy Center (FWEC) - In January 2018 and March 2018, WPL received approval from FERC and the PSCW, respectively, to acquire a partial ownership interest in the assets of FWEC, which is a 129 MW wind farm located in Wisconsin. In April 2018, WPL acquired 55 MW of the FWEC wind farm for approximately $74 million. As of the closing date, the estimated fair value of the assets purchased and the liabilities assumed by WPL were as follows (in millions):

Property, plant and equipment, net	$81
Liabilities	7
Net assets acquired	$74

NOTE 4. RECEIVABLES
Sales of Accounts Receivable - IPL maintains a Receivables Purchase and Sale Agreement (Receivables Agreement) whereby it may sell its customer accounts receivables, unbilled revenues and certain other accounts receivables to a third party through wholly-owned and consolidated special purpose entities. In March 2018, IPL amended and extended through March 2021 the purchase commitment from the third party to which it sells its receivables. Effective April 2018, the limit on cash proceeds fluctuates between $90 million and $110 million. The transfers of receivables meet the criteria for sale accounting established by the transfer of financial assets accounting rules. As of September 30, 2018, IPL had $109.0 million of available capacity under its sales of accounts receivable program. For the three and nine months ended September 30, 2018 and 2017, IPL's costs incurred related to the sales of accounts receivable program were not material.

IPL's maximum and average outstanding cash proceeds (based on daily outstanding balances) 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	
	2018	2017	2018	2017
Maximum outstanding aggregate cash proceeds	$110.0	$112.0	$116.0	$112.0
Average outstanding aggregate cash proceeds	36.4	66.2	49.8	58.7

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

	September 30, 2018	December 31, 2017
Customer accounts receivable	$179.0	$133.8
Unbilled utility revenues	78.2	112.7
Other receivables	0.1	0.3
Receivables sold to third party	257.3	246.8
Less: cash proceeds	1.0	12.0
Deferred proceeds	256.3	234.8
Less: allowance for doubtful accounts	12.6	12.7
Fair value of deferred proceeds	$243.7	$222.1

Table of Contents

As of September 30, 2018, outstanding receivables past due under the Receivables Agreement were $35.8 million. 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	
	2018	2017	2018	2017
Collections	$549.5	$347.9	$1,550.2	$1,283.2
Write-offs, net of recoveries	4.9	3.5	12.9	10.4

NOTE 5. INVESTMENTS

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

	Three Months		Nine Months	
	2018	2017	2018	2017
ATC Holdings	($8.9)	($10.1)	($25.4)	($32.7)
Non-utility wind farm in Oklahoma	0.1	0.2	(14.5)	0.2
Other	(1.0)	(0.2)	(1.7)	(0.4)
	($9.8)	($10.1)	($41.6)	($32.9)

Non-utility Wind Farm in Oklahoma - Alliant Energy's interest in a non-utility wind farm in Oklahoma commenced in July 2017. As a result, there was no corresponding equity income recognized during the first half of 2017. The equity income recognized during the nine months ended September 30, 2018 was primarily related to the impacts of Federal Tax Reform. The liquidation method utilized to recognize Alliant Energy's share of the wind farm's earnings includes utilizing the federal income tax rate in effect as of the end of the measurement period. The lower federal income tax rate effective as of January 1, 2018 resulted in an acceleration of earnings attributable to Alliant Energy's interest in the Oklahoma wind farm. This increase in earnings is expected to reverse over time.

NOTE 6. COMMON EQUITY

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

Shares outstanding, January 1, 2018	231,348,646
At-the-market offering program	4,171,013
Shareowner Direct Plan issuances	450,133
Equity-based compensation plans (Note 10(b))	5,078
Other	(38,423)
Shares outstanding, September 30, 2018	235,936,447

Dividends declared per common share for Alliant Energy were $0.335 and $1.005 for the three and nine months ended September 30, 2018, and $0.315 and $0.945 for the three and nine months ended September 30, 2017.

At-th