INTERSTATE POWER & LIGHT CO
Form 10-Q
May 03, 2013
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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 March 31, 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 March 31, 2013:

Alliant Energy Corporation	Common stock, $0.01 par value, 110,922,015 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)

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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 Corporation (Alliant Energy), Interstate Power and Light Company (IPL) and Wisconsin Power and Light Company (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 IPL’s retail electric base rate freeze in Iowa through 2013;
- the impact of WPL’s retail electric and gas base rate freeze in Wisconsin through 2014;
- weather effects on results of utility operations, including the 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, Alliant Energy Resources, LLC’s (Resources’) selling price of the electricity output from its 100 megawatt (MW) Franklin County wind project, and the potential decommissioning of certain generating facilities of IPL and WPL;
- 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 fuel and fuel-related prices may have on IPL’s and WPL’s customers’ demand for utility services;
- issues associated with environmental remediation and environmental compliance, including final approval of and compliance with the Consent Decree between WPL, the Sierra Club and the United States of America (U.S.) Environmental Protection Agency (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 cyber terrorism, or responses to such incidents;
- the impact of a failure to maintain the security of personally identifiable information, including associated costs to notify affected persons and to mitigate their information security concerns;

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- 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, Inc. (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 Regional Transmission Organization (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;
- Alliant Energy's ability to successfully pursue appropriate appeals with respect to, and any liabilities arising out of, the alleged violation of the Employee Retirement Income Security Act of 1974 (ERISA) by the Alliant Energy Cash Balance Pension Plan (Cash Balance Plan);
- 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 additional restructurings;
- impacts that storms or natural disasters, including floods, droughts and forest or prairie fires, in IPL's and WPL's service territories may have on their operations and recovery of, and rate relief for, costs associated with restoration activities;
- the impact of distributed generation 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 and appeals with no material impact on earnings and cash flows; and
- factors listed in Management's Discussion and Analysis of Financial Condition and Results of Operations (MDA) and in Item 1A Risk Factors in the combined Annual Report on Form 10-K filed by Alliant Energy, IPL and WPL for the year ended December 31, 2012 (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.

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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 March 31,	
	2013	2012
	(dollars in millions, except per share amounts)	
Operating revenues:		
Utility:		
Electric	$633.2	$572.4
Gas	197.3	167.1
Other	17.2	13.7
Non-regulated	11.9	12.5
Total operating revenues	859.6	765.7
Operating expenses:		
Utility:		
Electric production fuel and energy purchases	179.1	159.9
Purchased electric capacity	57.0	61.5
Electric transmission service	103.7	81.4
Cost of gas sold	128.0	104.8
Other operation and maintenance	150.2	150.0
Non-regulated operation and maintenance	2.2	4.2
Depreciation and amortization	92.6	83.0
Taxes other than income taxes	26.1	25.3
Total operating expenses	738.9	670.1
Operating income	120.7	95.6
Interest expense and other:		
Interest expense	42.6	38.9
Equity income from unconsolidated investments, net	(10.7)	(9.4)
Allowance for funds used during construction	(5.6)	(3.8)
Interest income and other	(0.8)	(1.1)
Total interest expense and other	25.5	24.6
Income from continuing operations before income taxes	95.2	71.0
Income taxes	12.1	27.7
Income from continuing operations, net of tax	83.1	43.3
Loss from discontinued operations, net of tax	(3.0)	(4.4)
Net income	80.1	38.9
Preferred dividend requirements of subsidiaries	10.2	4.0
Net income attributable to Alliant Energy common shareowners	$69.9	$34.9
Weighted average number of common shares outstanding (basic) (000s)	110,767	110,716
Weighted average number of common shares outstanding (diluted) (000s)	110,776	110,741
Earnings per weighted average common share attributable to Alliant Energy common shareowners (basic and diluted):		
Income from continuing operations, net of tax	$0.66	$0.36
Loss from discontinued operations, net of tax	(0.03)	(0.04)
Net income	$0.63	$0.32

Amounts attributable to Alliant Energy common shareowners:		
Income from continuing operations, net of tax	$72.9	$39.3
Loss from discontinued operations, net of tax	(3.0)	(4.4)
Net income attributable to Alliant Energy common shareowners	$69.9	$34.9
Dividends declared per common share	$0.47	$0.45

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

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ALLIANT ENERGY CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	March 31, 2013	December 31, 2012
	(in millions)	
ASSETS		
Property, plant and equipment:		
Utility:		
Electric plant in service	$9,106.2	$9,070.7
Gas plant in service	884.8	878.4
Other plant in service	509.7	506.2
Accumulated depreciation	(3,573.4)	(3,513.0)
Net plant	6,927.3	6,942.3
Construction work in progress:		
Columbia Energy Center Units 1 and 2 emission controls (WPL)	171.2	130.4
Ottumwa Generating Station Unit 1 emission controls (IPL)	93.7	73.7
George Neal Generating Station Units 3 and 4 emission controls (IPL)	82.4	66.9
Other	166.0	147.8
Other, less accumulated depreciation	21.1	21.2
Total utility	7,461.7	7,382.3
Non-regulated and other:		
Non-regulated Generation, less accumulated depreciation	255.8	258.6
Alliant Energy Corporate Services, Inc. and other, less accumulated depreciation	196.1	197.1
Total non-regulated and other	451.9	455.7
Total property, plant and equipment	7,913.6	7,838.0
Current assets:		
Cash and cash equivalents	53.4	21.2
Accounts receivable, less allowance for doubtful accounts:		
Customer	98.9	94.9
Unbilled utility revenues	73.8	81.4
Other	220.6	209.4
Production fuel, at weighted average cost	99.8	103.1
Materials and supplies, at weighted average cost	64.9	63.1
Gas stored underground, at weighted average cost	9.0	37.7
Deferred income tax assets	92.5	170.2
Other	157.5	213.3
Total current assets	870.4	994.3
Investments:		
Investment in American Transmission Company LLC	259.8	257.0
Other	61.8	62.0
Total investments	321.6	319.0
Other assets:		
Regulatory assets	1,519.4	1,528.9
Deferred charges and other	108.9	105.3
Total other assets	1,628.3	1,634.2
Total assets	$10,733.9	$10,785.5

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

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

	March 31, 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; 110,922,015 and 110,987,400 shares outstanding	$1.1	$1.1
Additional paid-in capital	1,504.4	1,511.2
Retained earnings	1,648.4	1,630.7
Accumulated other comprehensive loss	(0.8)	(0.8)
Shares in deferred compensation trust - 212,456 and 216,030 shares at a weighted average cost of $34.07 and $33.61 per share	(7.2)	(7.3)
Total Alliant Energy Corporation common equity	3,145.9	3,134.9
Cumulative preferred stock of Interstate Power and Light Company	200.0	145.1
Noncontrolling interest	1.8	1.8
Total equity	3,347.7	3,281.8
Cumulative preferred stock of Wisconsin Power and Light Company	—	60.0
Long-term debt, net (excluding current portion)	3,121.9	3,136.6
Total capitalization	6,469.6	6,478.4
Current liabilities:		
Current maturities of long-term debt	1.5	1.5
Commercial paper	243.4	217.5
Accounts payable	368.6	339.3
Regulatory liabilities	228.5	189.7
Other	196.1	272.0
Total current liabilities	1,038.1	1,020.0
Other long-term liabilities and deferred credits:		
Deferred income tax liabilities	1,901.4	1,934.2
Regulatory liabilities	707.2	726.4
Pension and other benefit obligations	360.3	364.0
Other	257.3	262.5
Total long-term liabilities and deferred credits	3,226.2	3,287.1
Commitments and contingencies (Note 12)		
Total capitalization and liabilities	$10,733.9	$10,785.5

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

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

	For the Three Months Ended March 31,	
	2013	2012
	(in millions)	
Cash flows from operating activities:		
Net income	$80.1	$38.9
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	92.6	83.6
Other amortizations	9.7	14.0
Deferred taxes and investment tax credits	22.5	31.9
Equity income from unconsolidated investments, net	(10.7)	(9.4)
Distributions from equity method investments	8.9	8.6
Other	(3.6)	(1.8)
Other changes in assets and liabilities:		
Accounts receivable	(12.9)	63.9
Sales of accounts receivable	(30.0)	5.0
Gas stored underground	28.7	30.3
Regulatory assets	19.9	(18.9)
Regulatory liabilities	20.4	(26.5)
Derivative liabilities	(23.3)	5.2
Other	(3.7)	(9.8)
Net cash flows from operating activities	198.6	215.0
Cash flows used for investing activities:		
Construction and acquisition expenditures:		
Utility business	(153.2)	(122.1)
Alliant Energy Corporate Services, Inc. and non-regulated businesses	(14.1)	(13.5)
Proceeds from Franklin County wind project cash grant	62.4	—
Other	(14.8)	0.5
Net cash flows used for investing activities	(119.7)	(135.1)
Cash flows used for financing activities:		
Common stock dividends	(52.2)	(49.9)
Preferred dividends paid by subsidiaries	(3.8)	(4.0)
Payments to redeem cumulative preferred stock of IPL and WPL	(211.0)	—
Proceeds from issuance of cumulative preferred stock of IPL	200.0	—
Net change in commercial paper	10.9	(20.8)
Other	9.4	14.3
Net cash flows used for financing activities	(46.7)	(60.4)
Net increase in cash and cash equivalents	32.2	19.5
Cash and cash equivalents at beginning of period	21.2	11.4
Cash and cash equivalents at end of period	$53.4	$30.9
Supplemental cash flows information:		
Cash paid (refunded) during the period for:		
Interest, net of capitalized interest	$43.5	$38.8
Income taxes, net of refunds	$2.3	($0.1)
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$99.5	$42.0

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

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

	For the Three Months Ended March 31,	
	2013	2012
	(in millions)	
Operating revenues:		
Electric utility	$350.2	$293.1
Gas utility	114.3	92.8
Steam and other	13.4	12.8
Total operating revenues	477.9	398.7
Operating expenses:		
Electric production fuel and energy purchases	96.7	74.1
Purchased electric capacity	41.4	41.0
Electric transmission service	74.6	55.5
Cost of gas sold	72.1	57.3
Other operation and maintenance	90.5	86.9
Depreciation and amortization	47.6	46.7
Taxes other than income taxes	13.9	13.3
Total operating expenses	436.8	374.8
Operating income	41.1	23.9
Interest expense and other:		
Interest expense	19.6	19.7
Allowance for funds used during construction	(3.8)	(1.5)
Interest income and other	(0.1)	(0.2)
Total interest expense and other	15.7	18.0
Income before income taxes	25.4	5.9
Income tax expense (benefit)	(6.1)	7.4
Net income (loss)	31.5	(1.5)
Preferred dividend requirements	8.6	3.2
Earnings available (loss) for common stock	$22.9	($4.7)

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.

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

	March 31, 2013	December 31, 2012
	(in millions)	
ASSETS		
Property, plant and equipment:		
Electric plant in service	$4,836.0	$4,815.2
Gas plant in service	444.3	441.4
Steam and other plant in service	292.1	289.1
Accumulated depreciation	(1,959.5)	(1,930.7)
Net plant	3,612.9	3,615.0
Construction work in progress:		
Ottumwa Generating Station Unit 1 emission controls	93.7	73.7
George Neal Generating Station Units 3 and 4 emission controls	82.4	66.9
Other	94.7	82.8
Other, less accumulated depreciation	19.7	19.8
Total property, plant and equipment	3,903.4	3,858.2
Current assets:		
Cash and cash equivalents	4.7	4.5
Accounts receivable, less allowance for doubtful accounts	165.1	95.0
Income tax refunds receivable	23.6	14.9
Production fuel, at weighted average cost	74.4	75.2
Materials and supplies, at weighted average cost	34.6	33.3
Gas stored underground, at weighted average cost	2.2	17.2
Deferred income tax assets	58.7	79.3
Other	54.3	72.2
Total current assets	417.6	391.6
Investments	17.6	17.6
Other assets:		
Regulatory assets	1,171.5	1,170.3
Deferred charges and other	20.8	19.3
Total other assets	1,192.3	1,189.6
Total assets	$5,530.9	$5,457.0

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

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

	March 31, 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	1,062.8	1,037.8
Retained earnings	439.3	448.0
Total Interstate Power and Light Company common equity	1,535.5	1,519.2
Cumulative preferred stock	200.0	145.1
Total equity	1,735.5	1,664.3
Long-term debt, net	1,344.5	1,359.5
Total capitalization	3,080.0	3,023.8
Current liabilities:		
Commercial paper	—	26.3
Accounts payable	204.2	163.2
Accounts payable to associated companies	37.4	29.3
Regulatory liabilities	164.9	130.1
Other	114.2	119.9
Total current liabilities	520.7	468.8
Other long-term liabilities and deferred credits:		
Deferred income tax liabilities	1,079.6	1,087.3
Regulatory liabilities	550.3	571.3
Pension and other benefit obligations	122.1	122.9
Other	178.2	182.9
Total other long-term liabilities and deferred credits	1,930.2	1,964.4
Commitments and contingencies (Note 12)		
Total capitalization and liabilities	$5,530.9	$5,457.0

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

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

	For the Three Months Ended March 31,	
	2013	2012
	(in millions)	
Cash flows from operating activities:		
Net income (loss)	$31.5	($1.5)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:		
Depreciation and amortization	47.6	46.7
Deferred tax expense (benefit) and investment tax credits	(10.7)	7.0
Other	(0.7)	1.3
Other changes in assets and liabilities:		
Accounts receivable	(34.7)	18.3
Sales of accounts receivable	(30.0)	5.0
Income tax refunds receivable	(8.7)	13.8
Gas stored underground	15.0	18.7
Regulatory liabilities	14.7	(33.6)
Deferred income tax liabilities	21.9	10.6
Other	19.3	(8.2)
Net cash flows from operating activities	65.2	78.1
Cash flows used for investing activities:		
Utility construction and acquisition expenditures	(77.5)	(56.6)
Other	(5.7)	(4.8)
Net cash flows used for investing activities	(83.2)	(61.4)
Cash flows from financing activities:		
Common stock dividends	(31.6)	(29.7)
Preferred stock dividends	(3.2)	(3.2)
Capital contributions from parent	30.0	—
Payments to redeem cumulative preferred stock	(150.0)	—
Proceeds from issuance of cumulative preferred stock	200.0	—
Net change in commercial paper	(41.3)	17.9
Changes in cash overdrafts	20.1	19.3
Other	(5.8)	—
Net cash flows from financing activities	18.2	4.3
Net increase in cash and cash equivalents	0.2	21.0
Cash and cash equivalents at beginning of period	4.5	2.1
Cash and cash equivalents at end of period	$4.7	$23.1
Supplemental cash flows information:		
Cash paid (refunded) during the period for:		
Interest	$21.1	$19.4
Income taxes, net of refunds	$4.8	($14.4)
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$60.7	$23.5

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

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

	For the Three Months Ended March 31,	
	2013	2012
	(in millions)	
Operating revenues:		
Electric utility	$283.0	$279.3
Gas utility	83.0	74.3
Other	3.8	0.9
Total operating revenues	369.8	354.5
Operating expenses:		
Electric production fuel and energy purchases	82.4	85.8
Purchased electric capacity	15.6	20.5
Electric transmission service	29.1	25.9
Cost of gas sold	55.9	47.5
Other operation and maintenance	59.7	63.1
Depreciation and amortization	43.1	35.8
Taxes other than income taxes	11.3	11.3
Total operating expenses	297.1	289.9
Operating income	72.7	64.6
Interest expense and other:		
Interest expense	21.3	20.0
Equity income from unconsolidated investments	(10.8)	(10.1)
Allowance for funds used during construction	(1.8)	(2.3)
Interest income and other	(0.1)	(0.1)
Total interest expense and other	8.6	7.5
Income before income taxes	64.1	57.1
Income taxes	20.5	25.2
Net income	43.6	31.9
Preferred dividend requirements	1.6	0.8
Earnings available for common stock	$42.0	$31.1

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.

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

	March 31, 2013	December 31, 2012
	(in millions)	
ASSETS		
Property, plant and equipment:		
Electric plant in service	$4,270.2	$4,255.5
Gas plant in service	440.5	437.0
Other plant in service	217.6	217.1
Accumulated depreciation	(1,613.9)	(1,582.3)
Net plant	3,314.4	3,327.3
Leased Sheboygan Falls Energy Facility, less accumulated amortization	75.5	77.0
Construction work in progress:		
Columbia Energy Center Units 1 and 2 emission controls	171.2	130.4
Other	71.3	65.0
Other, less accumulated depreciation	1.4	1.4
Total property, plant and equipment	3,633.8	3,601.1
Current assets:		
Cash and cash equivalents	8.4	0.7
Accounts receivable, less allowance for doubtful accounts:		
Customer	89.6	83.3
Unbilled utility revenues	73.8	81.4
Other	52.1	48.5
Production fuel, at weighted average cost	25.4	27.9
Materials and supplies, at weighted average cost	29.0	28.5
Gas stored underground, at weighted average cost	6.8	20.5
Regulatory assets	26.7	35.9
Deferred income tax assets	22.6	85.6
Other	63.7	56.4
Total current assets	398.1	468.7
Investments:		
Investment in American Transmission Company LLC	259.8	257.0
Other	19.2	19.6
Total investments	279.0	276.6
Other assets:		
Regulatory assets	347.9	358.6
Deferred charges and other	58.7	57.6
Total other assets	406.6	416.2
Total assets	$4,717.5	$4,762.6

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

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

	March 31, 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	959.1	959.2
Retained earnings	570.5	557.6
Total Wisconsin Power and Light Company common equity	1,595.8	1,583.0
Cumulative preferred stock	—	60.0
Long-term debt, net	1,331.7	1,331.5
Total capitalization	2,927.5	2,974.5
Current liabilities:		
Commercial paper	160.0	86.6
Accounts payable	115.8	126.4
Accounts payable to associated companies	16.3	13.2
Accrued taxes	4.0	28.3
Other	126.7	131.0
Total current liabilities	422.8	385.5
Other long-term liabilities and deferred credits:		
Deferred income tax liabilities	811.2	844.1
Regulatory liabilities	156.9	155.1
Capital lease obligations - Sheboygan Falls Energy Facility	98.0	99.1
Pension and other benefit obligations	159.5	159.7
Other	141.6	144.6
Total long-term liabilities and deferred credits	1,367.2	1,402.6
Commitments and contingencies (Note 12)		
Total capitalization and liabilities	$4,717.5	$4,762.6

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

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

	For the Three Months Ended March 31,	
	2013	2012
	(in millions)	
Cash flows from operating activities:		
Net income	$43.6	$31.9
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	43.1	35.8
Other amortizations	7.1	11.0
Deferred taxes and investment tax credits	26.7	23.7
Equity income from unconsolidated investments	(10.8)	(10.1)
Distributions from equity method investments	8.9	8.6
Other	(1.3)	(0.4)
Other changes in assets and liabilities:		
Income tax refunds receivable	(15.1)	(6.4)
Gas stored underground	13.7	11.6
Regulatory assets	13.3	(9.9)
Accrued taxes	(24.3)	(3.2)
Derivative liabilities	(13.3)	0.7
Other	13.8	1.0
Net cash flows from operating activities	105.4	94.3
Cash flows used for investing activities:		
Utility construction and acquisition expenditures	(75.7)	(65.5)
Other	(0.4)	1.9
Net cash flows used for investing activities	(76.1)	(63.6)
Cash flows used for financing activities:		
Common stock dividends	(29.1)	(28.1)
Preferred stock dividends	(0.6)	(0.8)
Payments to redeem cumulative preferred stock	(61.0)	—
Net change in commercial paper	73.4	(2.4)
Other	(4.3)	—
Net cash flows used for financing activities	(21.6)	(31.3)
Net increase (decrease) in cash and cash equivalents	7.7	(0.6)
Cash and cash equivalents at beginning of period	0.7	2.7
Cash and cash equivalents at end of period	$8.4	$2.1
Supplemental cash flows information:		
Cash paid during the period for:		
Interest	$23.4	$23.5
Income taxes, net of refunds	$25.9	$12.2
Significant non-cash investing and financing activities:		
Accrued capital expenditures	$35.0	$16.3

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

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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 condensed consolidated financial statements included herein have been prepared by Alliant Energy, IPL and WPL, without audit, 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 accounting principles generally accepted in the U.S. (GAAP) have been condensed or omitted, although management believes that the disclosures are adequate to make the information presented not misleading. Alliant Energy's condensed consolidated financial statements include the accounts of Alliant Energy and its consolidated subsidiaries (including IPL, WPL, Resources and Alliant Energy Corporate Services, Inc. (Corporate Services)). IPL's condensed consolidated financial statements include the accounts of IPL and its consolidated subsidiary. WPL's condensed consolidated financial statements include the accounts of WPL and its consolidated subsidiary. 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 condensed consolidated results of operations for the three months ended March 31, 2013 and 2012, the condensed consolidated financial position at March 31, 2013 and December 31, 2012, and the condensed consolidated statements of cash flows for the three months ended March 31, 2013 and 2012 have been made. Results for the three months ended March 31, 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	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Tax-related	$781.9	$770.7	$757.2	$746.2	$24.7	$24.5
Pension and other postretirement benefits costs	541.4	549.2	275.6	279.3	265.8	269.9
Asset retirement obligations (AROs)	62.9	62.4	38.5	38.6	24.4	23.8
Environmental-related costs	32.2	34.9	27.7	30.3	4.5	4.6
Emission allowances	30.0	30.0	30.0	30.0	—	—
Derivatives	17.0	40.2	6.3	16.3	10.7	23.9
Other	117.2	125.0	72.6	77.2	44.6	47.8
	$1,582.6	$1,612.4	$1,207.9	$1,217.9	$374.7	$394.5

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

	Alliant Energy		IPL		WPL	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Cost of removal obligations	$411.3	$408.7	$270.6	$268.0	$140.7	$140.7
IPL’s tax benefit riders	335.1	355.8	335.1	355.8	—	—
Energy conservation cost recovery	61.3	55.1	16.4	10.0	44.9	45.1
IPL’s electric transmission assets sale	29.7	32.5	29.7	32.5	—	—
Commodity cost recovery	39.2	17.7	25.4	5.2	13.8	12.5
Other	59.1	46.3	38.0	29.9	21.1	16.4
	$935.7	$916.1	$715.2	$701.4	$220.5	$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 the three months ended March 31, 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 three months ended March 31, 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 $20.7 million during the three months ended March 31, 2013 due to the following items:

Electric tax benefit rider - In January 2011, the Iowa Utilities Board (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 $18.3 million of regulatory liabilities to credit Iowa retail electric customers’ bills during the three months ended March 31, 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 $2.4 million of regulatory liabilities to credit Iowa retail gas customers’ bills during the three months ended March 31, 2013.

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

(c) Comprehensive Income - For the three months ended March 31, 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 months ended March 31, 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 Public Service Commission of Wisconsin (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 the test period and allows WPL to request a change in retail base rates

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during the test period if its annual return on common equity falls below a certain level. As of March 31, 2013, WPL did not record any 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 Iowa Office of Consumer Advocate (OCA) and the Iowa Consumers Coalition related to IPL's request, resulting in an 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 4 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 months ended March 31, 2013, Alliant Energy and IPL recognized $5.5 million of the revenue requirement adjustment resulting in an increase to electric revenues on their Condensed Consolidated Statements of Income.

WPL's Retail Fuel-related Rate Case (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 electric production fuel and energy purchases costs (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.

(3) RECEIVABLES

(a) Sales of Accounts Receivable - IPL maintains a Receivables Purchase and Sale Agreement (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. In exchange for the receivables sold, IPL receives cash proceeds from the third-party financial institution (based on seasonal limits up to $180 million), and deferred proceeds recorded in "Accounts receivable" on Alliant Energy's and IPL's Condensed Consolidated Balance Sheets.

As of March 31, 2013 and December 31, 2012, IPL sold $224.1 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 months ended March 31 were as follows (in millions):

	2013	2012
Maximum outstanding aggregate cash proceeds (based on daily outstanding balances)	$170.0	$160.0
Average outstanding aggregate cash proceeds (based on daily outstanding balances)	139.2	143.0
Costs incurred	0.3	0.4

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

	March 31, 2013	December 31, 2012

Customer accounts receivable	$155.9	$118.2
Unbilled utility revenues	68.1	77.4
Other receivables	0.1	2.8
Receivables sold	224.1	198.4
Less: cash proceeds (a)	100.0	130.0
Deferred proceeds	124.1	68.4
Less: allowance for doubtful accounts	2.0	1.6
Fair value of deferred proceeds	$122.1	$66.8
Outstanding receivables past due	$21.0	$16.1

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(a) Changes in cash proceeds are recorded 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 Agreement for the three months ended March 31 were as follows (in millions):

	2013	2012
Collections reinvested in receivables	$491.3	$442.3
Credit losses, net of recoveries	1.9	2.1

(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 in the first quarter of 2013. The grant proceeds were used by Alliant Energy to reduce short-term borrowings incurred during the construction of the wind project.

(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 effective income tax rates for Alliant Energy, IPL and WPL differ from the federal statutory rate of 35% generally due to effects of enacted tax legislation, utility rate-making, including IPL’s tax benefit riders, tax credits, state income taxes and certain non-deductible expenses. Changes in state apportionment rates caused by the planned sale of Alliant Energy’s RMT business also impacted the effective income tax rates in 2012 for Alliant Energy, IPL and WPL. The effective income tax rates shown in the following table for the three months ended March 31 were computed by dividing income tax expense (benefit) by income from continuing operations before income taxes.

	2013		2012	
Alliant Energy	12.7	%	39.0	%
IPL	(24.0	%)	125.4	%
WPL	32.0	%	44.1	%

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. These income tax expense amounts recognized during the three months ended March 31, 2012 increased Alliant Energy’s, IPL’s and WPL’s effective income tax rates for continuing operations for such period by 21.4%, 137.3% and 12.3%, respectively.

IPL’s tax benefit riders - Alliant Energy’s and IPL’s effective income tax rates for the three months ended March 31, 2013 and 2012 include the impact of reducing income tax expense with offsetting reductions to regulatory liabilities as a result of implementing the tax benefit riders. The tax impacts of the tax benefit riders decreased Alliant Energy’s and

IPL's effective income tax rates for continuing operations by 12.8% and 37.3%, respectively, for the three months ended March 31, 2013 and by 12.2% and 37.5%, respectively, for the three months ended March 31, 2012. 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 months ended March 31, production tax credits (net of state tax impacts) resulting from these wind projects were as follows (in millions):

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	2013	2012
Cedar Ridge (WPL)	$1.2	$1.3
Bent Tree - Phase I (WPL)	3.5	1.5
Subtotal (WPL)	4.7	2.8
Whispering Willow - East (IPL)	3.9	3.6
	$8.6	$6.4

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 at IPL for which deferred tax is not recognized in the income statement pursuant to Iowa rate-making principles. The tax impacts of the effect of rate-making on property-related differences decreased Alliant Energy's and IPL's effective income tax rates for continuing operations by 5.0% and 14.0%, respectively, for the three months ended March 31, 2013 and by 1.7% and 2.1%, respectively, for the three months ended March 31, 2012. 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 months ended March 31, 2013 was repair expenditures at IPL.

Deferred Tax Assets and Liabilities - For the three months ended March 31, 2013, Alliant Energy's, IPL's and WPL's current deferred tax assets decreased $77.7 million, $20.6 million and $63.0 million, respectively, and Alliant Energy's, IPL's and WPL's non-current deferred tax liabilities decreased $32.8 million, $7.7 million and $32.9 million, respectively. These decreases were primarily due to a transfer of deferred tax assets from current to non-current during the three months ended March 31, 2013 caused by a decrease in the amount of federal net operating loss carryforwards expected to be utilized during the next 12 months. The decrease in the amount of net operating loss carryforwards expected to be utilized during the next 12 months was impacted by the extension of bonus depreciation deductions in the first quarter of 2013. In January 2013, the American Taxpayer Relief Act of 2012 (ATR Act) was enacted. The most significant provision of the ATR Act for Alliant Energy, IPL and WPL relates to the extension of bonus depreciation deductions for certain expenditures for property that are incurred through December 31, 2013.

Carryforwards - At March 31, 2013, tax carryforwards and associated deferred tax assets and expiration dates were estimated as follows (in millions):

Alliant Energy	Carryforward Amount	Deferred Tax Assets	Earliest Expiration Date
Federal net operating losses	$863	$296	2029
State net operating losses	808	43	2019
Federal tax credits	146	144	2022
		$483	

IPL	Carryforward Amount	Deferred Tax Assets	Earliest Expiration Date
Federal net operating losses	$400	$137	2029
State net operating losses	238	14	2018
Federal tax credits	43	42	2022
		$193	

WPL	Carryforward Amount	Deferred Tax Assets	Earliest Expiration Date
Federal net operating losses	$349	$120	2029
State net operating losses	148	7	2018
Federal tax credits	46	45	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 March 31, 2013, it is reasonably possible that Alliant Energy, IPL and WPL could have material changes to their unrecognized tax benefits during the next 12 months as a result of the issuance of

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revenue procedures clarifying the treatment of repair expenditures for electric generation and gas distribution property in 2013. An estimate of the expected changes during the next 12 months cannot be determined at this time.

(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 months ended March 31 are included in the tables below (in millions). In the "IPL" and "WPL" tables below, the defined benefit 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. Also in the "IPL" and "WPL" tables below, the other postretirement benefits plans costs (credits) represent costs (credits) for all IPL and WPL employees, respectively.

Alliant Energy	Defined Benefit Pension Plans		Other Postretirement Benefits Plans	
	2013	2012	2013	2012
Service cost	$3.9	$3.3	$1.6	$1.7
Interest cost	12.3	13.0	2.1	2.6
Expected return on plan assets	(18.5)	(17.2)	(2.0)	(1.9)
Amortization of prior service cost (credit)	0.1	0.1	(3.0)	(3.0)
Amortization of actuarial loss	9.0	8.3	1.2	1.6
	$6.8	$7.5	($0.1)	$1.0

IPL	Defined Benefit Pension Plans		Other Postretirement Benefits Plans	
	2013	2012	2013	2012
Service cost	$2.2	$1.9	$0.7	$0.8
Interest cost	5.7	6.1	0.9	1.1
Expected return on plan assets	(8.8)	(8.2)	(1.4)	(1.3)
Amortization of prior service credit	—	—	(1.6)	(1.6)
Amortization of actuarial loss	3.8	3.5	0.7	0.9
	$2.9	$3.3	($0.7)	($0.1)

WPL	Defined Benefit Pension Plans		Other Postretirement Benefits Plans	
	2013	2012	2013	2012
Service cost	$1.4	$1.3	$0.6	$0.7
Interest cost	5.2	5.4	0.8	1.0
Expected return on plan assets	(8.0)	(7.4)	(0.3)	(0.3)
Amortization of prior service cost (credit)	0.1	—	(1.0)	(1.0)
Amortization of actuarial loss	4.3	4.0	0.5	0.6
	$3.0	$3.3	$0.6	$1.0

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 months ended March 31 (in millions):

	Pension Benefits Costs		Other Postretirement Benefits Credits	
	2013	2012	2013	2012

IPL	$0.5	$0.5	($0.1)	$—
WPL	0.3	0.3	—	—

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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 March 31, 2013		
	Alliant Energy	IPL	WPL	Alliant Energy	IPL	WPL
Defined benefit pension plans (a)	$2.4	$0.8	$0.2	$0.9	$0.3	$0.1
Other postretirement benefits plans	3.0	—	3.0	—	—	—

(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 months ended March 31, 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)	
	2013	2012	2013	2012	2013	2012
401(k) costs	$5.4	$5.2	$2.8	$2.7	$2.3	$2.3

(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 months ended March 31 was as follows (in millions):

	Alliant Energy		IPL		WPL	
	2013	2012	2013	2012	2013	2012
Compensation expense	$2.7	$1.6	$1.4	$0.8	$1.1	$0.7
Income tax benefits	1.1	0.6	0.6	0.3	0.5	0.3

As of March 31, 2013, total unrecognized compensation cost related to share-based compensation awards was $12.3 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 for the three months ended March 31 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)

Nonvested shares, March 31	139,940	170,611

(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.

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(b) In the first quarter of 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 the first quarter of 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 for the three months ended March 31 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	(1,013)	(878)
Nonvested units, March 31	66,397	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 the first quarter of 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 March 31, 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	22,201	23,392	20,804
Alliant Energy common stock closing price on March 31, 2013	$50.18	$50.18	$50.18			
Alliant Energy common stock closing price on grant date				$47.58	$43.05	$38.75
Estimated payout percentage based on performance criteria	97%	92%	112%	97%	92%	112%
Fair values of each nonvested award	$48.67	$46.17	$56.20	$46.15	$39.61	$43.40

At March 31, 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.

Performance-contingent Restricted Stock - A summary of the performance-contingent restricted stock activity for the three months ended March 31 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, March 31	158,922	42.71	211,651	32.42

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(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 for the three months ended March 31 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	—	(1,533)
Nonvested awards, March 31	99,169	60,474

(a) In the first quarter of 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 during the three months ended March 31, 2013 was as follows:

Shares outstanding, January 1	110,987,400
Equity-based compensation plans (Note 5(b))	(45,028)
Other (a)	(20,357)
Shares outstanding, March 31	110,922,015

(a) Includes shares transferred from employees to Alliant Energy to satisfy tax withholding requirements in connection with the vesting of certain restricted stock under the equity-based compensation plans.

Dividend Restrictions - As of March 31, 2013, IPL's amount of retained earnings that were free of dividend restrictions was $398 million. As of March 31, 2013, WPL's amount of retained earnings that were free of dividend restrictions was $90 million for the remainder of 2013.

Restricted Net Assets of Subsidiaries - As of March 31, 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 $1.1 billion and $1.5 billion, respectively.

Capital Transactions with Subsidiaries - For the three months ended March 31, 2013, IPL received capital contributions of $30.0 million from its parent company. For the three months ended March 31, 2013, IPL and WPL paid common stock dividends of $31.6 million and $29.1 million, respectively, to their parent company.

(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 in the first quarter of 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

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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 in the first quarter of 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 in the first quarter of 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):

March 31, 2013	Alliant Energy (Consolidated)	Parent Company	IPL	WPL
Commercial paper:				
Amount outstanding	$243.4	$83.4	$—	$160.0
Weighted average remaining maturity	3 days	2 days	N/A	3 days
Weighted average interest rates	0.2%	0.3%	N/A	0.2%
Available credit facility capacity (a)	$721.6	$216.6	$265.0	$240.0

	Alliant Energy		IPL		WPL	
Three Months Ended March 31	2013	2012	2013	2012	2013	2012
Maximum amount outstanding (based on daily outstanding balances)	$243.4	$102.8	$26.3	$35.4	$160.0	$32.7
Average amount outstanding (based on daily outstanding balances)	$170.8	$66.4	$4.8	$12.8	$72.9	$13.1
Weighted average interest rates	0.3 %	0.3 %	0.4 %	0.4 %	0.2 %	0.2 %

(a) Alliant Energy's and IPL's available credit facility capacities reflect outstanding commercial paper classified as both short- and long-term debt at March 31, 2013. Refer to Note 8(b) for further discussion of $35 million of commercial paper outstanding at March 31, 2013 classified as long-term debt on Alliant Energy's and IPL's Condensed Consolidated Balance Sheets.

(b) Long-term Debt - As of March 31, 2013, $35 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 March 31, 2013, this commercial paper balance had a remaining maturity of 3 days and a 0.3% interest rate.

(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 months ended March 31 was as follows (in millions):

	Alliant Energy		WPL	
	2013	2012	2013	2012
American Transmission Company LLC (ATC)	($10.3)	($9.9)	($10.3)	($9.9)
Other	(0.4)	0.5	(0.5)	(0.2)
	($10.7)	($9.4)	($10.8)	($10.1)

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Summary financial information from the unaudited financial statements of ATC for the three months ended March 31 was as follows (in millions):

	2013	2012
Operating revenues	$151.7	$147.7
Operating income	82.0	78.1
Net income	60.5	58.1

(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	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
March 31, 2013						
Assets:						
Derivative assets (Note 11)	$23.6	$23.6	$12.5	$12.5	$11.1	$11.1
Deferred proceeds (sales of receivables) (Note 3(a))	122.1	122.1	122.1	122.1	—	—
Capitalization and liabilities:						
Long-term debt (including current maturities) (Note 8(b))	3,123.4	3,806.5	1,344.5	1,643.8	1,331.7	1,691.6
Cumulative preferred stock (Note 7)	200.0	201.8	200.0	201.8	—	—
Derivative liabilities (Note 11)	17.1	17.1	6.1	6.1	11.0	11.0

	Alliant Energy		IPL		WPL	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
December 31, 2012						
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 March 31, 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 March 31, 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.

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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 March 31, 2013 and December 31, 2012, Level 3 items included IPL's deferred proceeds, and IPL's and WPL's financial transmission rights (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 March 31, 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 (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)

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 available through 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.

The significant unobservable inputs (Level 3 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. These commodity contracts were valued using a market approach technique that utilizes significant observable inputs to estimate forward commodity prices. Forward electric and coal prices are estimated using market information obtained from counterparties and brokers, including bids, offers, historical transactions (including historical price differences between locations with both observable and unobservable prices) and executed trades. Forward natural gas prices are estimated using the most recent quoted observable inputs applied to future months (including historical price differences between locations with both observable and unobservable prices). Observable inputs are obtained from third-party pricing data sources and include bids, offers, historical transactions and executed trades. Forward electric price commodity curves that extend beyond currently available observable inputs utilize market prices for the most recent period for which observable inputs are available. Observable inputs include bids, offers, historical transactions and executed trades.

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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) - For long-term debt instruments that are actively traded, the fair value was based upon quoted market prices for similar liabilities on each reporting date. For long-term debt instruments that are not actively traded, the fair value was based on a discounted cash flow methodology and 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 March 31, 2013, the fair value of IPL's 5.1% cumulative preferred stock was based on its closing market price quoted by the New York Stock Exchange. 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 New York Stock Exchange, 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	March 31, 2013				December 31, 2012			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Derivatives - commodity contracts	$23.6	$—	$14.4	$9.2	$26.2	$—	$4.8	$21.4
Deferred proceeds	122.1	—	—	122.1	66.8	—	—	66.8
Capitalization and liabilities:								
Long-term debt (including current maturities)	3,806.5	—	3,806.0	0.5	3,860.5	—	3,860.0	0.5
Cumulative preferred stock	201.8	201.8	—	—	212.6	162.3	50.3	—
Derivatives - commodity contracts	17.1	—	12.8	4.3	40.4	—	30.9	9.5

IPL	March 31, 2013				December 31, 2012			
	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Derivatives - commodity contracts	$12.5	$—	$6.5	$6.0	$17.5	$—	$3.1	$14.4
Deferred proceeds	122.1	—	—	122.1	66.8	—	—	66.8
Capitalization and liabilities:								
Long-term debt	1,643.8	—	1,643.8	—	1,679.9	—	1,679.9	—
Cumulative preferred stock	201.8	201.8	—	—	151.8	151.8	—	—
Derivatives - commodity contracts	6.1	—	4.4	1.7	16.1	—	14.2	1.9

WPL	March 31, 2013				December 31, 2012			

	Fair Value	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3
Assets:								
Derivatives - commodity contracts	$11.1	$—	$7.9	$3.2	$8.7	$—	$1.7	$7.0
Capitalization and liabilities:								
Long-term debt	1,691.6	—	1,691.6	—	1,713.3	—	1,713.3	—
Cumulative preferred stock	—	—	—	—	60.8	10.5	50.3	—
Derivatives - commodity contracts	11.0	—	8.4	2.6	24.3	—	16.7	7.6

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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 March 31	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)	(2.4)	(12.5)	—	—
Transfers into Level 3 (b)	—	(3.8)	—	—
Transfers out of Level 3 (c)	3.6	5.3	—	—
Settlements (d)	(8.2)	(3.2)	55.3	(20.8)
Ending balance, March 31	$4.9	($15.1)	$122.1	$32.9
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 March 31 (a)	($2.4)	($12.5)	$—	$—

IPL	Commodity Contract Derivative Assets and (Liabilities), net		Deferred Proceeds	
Three Months Ended March 31	2013	2012	2013	2012
Beginning balance, January 1	$12.5	$4.3	$66.8	$53.7
Total net losses (realized/unrealized) included in changes in net assets (a)	(2.9)	(10.8)	—	—
Transfers into Level 3 (b)	—	(2.7)	—	—
Transfers out of Level 3 (c)	1.1	0.1	—	—
Settlements (d)	(6.4)	(2.3)	55.3	(20.8)
Ending balance, March 31	$4.3	($11.4)	$122.1	$32.9
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 March 31 (a)	($2.9)	($10.8)	$—	$—

WPL	Commodity Contract Derivative Assets and (Liabilities), net	
Three Months Ended March 31	2013	2012
Beginning balance, January 1	($0.6)	($5.2)
Total net gains (losses) (realized/unrealized) included in changes in net assets (a)	0.5	(1.7)
Transfers into Level 3 (b)	—	(1.1)

Transfers out of Level 3 (c)	2.5	5.2
Settlements	(1.8)	(0.9)
Ending balance, March 31	$0.6	($3.7)
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 March 31 (a)	$0.5	($1.7)

(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.

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(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 March 31, 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 \$1.4 million, \$0.3 million and \$1.1 million, respectively. As of March 31, 2013, Alliant Energy's, IPL's and WPL's FTRs classified as Level 3 were recognized as net derivative assets of \$6.3 million, \$4.6 million and \$1.7 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 March 31, 2013 and December 31, 2012.

Notional Amounts - As of March 31, 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	Total
Alliant Energy					
Electricity (megawatt-hours (MWhs))	3,431	3,164	876	—	7,471
FTRs (MWs)	11	—	—	—	11
Natural gas (dekatherms (Dths))	66,884	10,130	1,880	455	79,349
Coal (tons)	672	981	562	—	2,215
IPL					
Electricity (MWhs)	1,987	1,024	—	—	3,011
FTRs (MWs)	6	—	—	—	6
Natural gas (Dths)	52,116	5,765	1,430	455	59,766
WPL					
Electricity (MWhs)	1,444	2,140	876	—	4,460
FTRs (MWs)	5	—	—	—	5
Natural gas (Dths)	14,768	4,365	450	—	19,583
Coal (tons)	672	981	562	—	2,215

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 were included in "Other current assets," non-current derivative assets were included in "Deferred charges and other," current derivative liabilities were included in "Other current liabilities" and non-current derivative liabilities were included in "Other long-term liabilities and deferred credits" on the Condensed Consolidated Balance Sheets as follows (in millions):

	Alliant Energy	IPL	WPL
Commodity contracts			

	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Current derivative assets	$17.5	$23.5	$10.9	$17.0	$6.6	$6.5
Non-current derivative assets	6.1	2.7	1.6	0.5	4.5	2.2
Current derivative liabilities	13.5	31.1	5.7	14.1	7.8	17.0
Non-current derivative liabilities	3.6	9.3	0.4	2.0	3.2	7.3

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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		IPL		WPL	
	2013	2012	2013	2012	2013	2012
Three Months Ended March 31						
Regulatory assets	$9.5	($39.7)	$2.7	($22.2)	$6.8	($17.5)
Regulatory liabilities	16.4	1.4	8.8	—	7.6	1.4

Net unrealized gains and losses from commodity contracts during the three months ended March 31, 2013 and 2012 were primarily due to impacts of increases and decreases in forward electricity and natural gas prices during such periods, respectively.

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 March 31, 2013 was $17.1 million, $6.1 million and $11.0 million for Alliant Energy, IPL and WPL, respectively. At March 31, 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 March 31, 2013, Alliant Energy, IPL and WPL would be required to post $17.1 million, $6.1 million and $11.0 million, respectively, of credit support to their counterparties.

Balance Sheet Offsetting - Alliant Energy, IPL and WPL do not net 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 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):