Based in Milwaukee, Wisconsin, WEC Energy Group is one of the nation’s premier energy holding companies, with subsidiaries serving energy customers in Wisconsin, Illinois, Minnesota and Michigan.

At WEC Energy Group, we embrace our responsibility to provide safe, reliable and affordable energy in an environmentally sustainable manner. We set our strategies and run our operations with an emphasis on continuous improvement and a vision to deliver a cleaner energy future.

As we make progress on our environmental efforts, we provide information to a number of environmental, social and governance organizations and ratings firms to continually enhance transparency and encourage dialogue with stakeholders.

We have disclosed information regarding our operations and climate-related risks and opportunities to CDP for more than a decade.

Our responses in this report contain forward-looking information. For cautionary statements regarding forward-looking information, please go to http://www.wecenergygroup.com/home/terms.htm.
Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

We were incorporated in the state of Wisconsin in 1981 and became a diversified holding company in 1986. We maintain our principal executive offices in Milwaukee, Wisconsin. Our wholly owned utility subsidiaries provide regulated natural gas and electricity to customers in Wisconsin, Illinois, Michigan and Minnesota. We also have non-utility energy infrastructure operations that, among other things, hold majority ownership interests in several wind generating facilities. In addition, we own an approximate 60% equity interest in American Transmission Co. (an electric transmission company operating in Illinois, Michigan, Minnesota and Wisconsin) and an approximate 75% equity interest in ATC Holdco LLC, a separate entity formed to invest in transmission-related projects outside of American Transmission Co.’s traditional footprint.

Wisconsin Electric Power Co., which is the largest electric utility in the state of Wisconsin, generates and distributes electric energy to customers located in southeastern Wisconsin (including the metropolitan Milwaukee area), east central Wisconsin, and northern Wisconsin. Wisconsin Public Service Corp. generates and distributes electric energy to customers located in northeastern Wisconsin. Effective January 1, 2017, Wisconsin Electric and Wisconsin Public Service transferred their electric customers (other than an iron ore mine which transferred effective April 1, 2019), electric distribution assets, natural gas customers and natural gas distribution assets located in the Upper Peninsula of Michigan to Upper Michigan Energy Resources Corp., a stand-alone utility owned by WEC Energy Group.

We own the largest natural gas distribution utilities in Wisconsin (Wisconsin Electric, Wisconsin Public Service and Wisconsin Gas LLC), and we operate throughout the state, including the city of Milwaukee and surrounding areas, northeastern Wisconsin, and large areas of both central and western Wisconsin. In addition, Wisconsin Electric has a steam utility that generates, distributes and sells steam to customers in metropolitan Milwaukee for use in processing, space heating, domestic hot water and humidification. Our Illinois natural gas utilities, The Peoples Gas Light and Coke Co. and North Shore Gas Co., serve customers in Chicago and the northern suburbs of Chicago, respectively. Our other natural gas utilities include Minnesota Energy Resources Corp., serving customers in various cities and communities throughout Minnesota, and Michigan Gas Utilities Corp., serving customers in the southern portion of lower Michigan. Upper Michigan Energy Resources serves natural gas customers in the Upper Peninsula of Michigan. Our non-utility operations include W.E. Power LLC, which designed and built certain electric generating units that it now leases to Wisconsin Electric; Bluewater Natural Gas Holding LLC, which owns natural gas storage facilities in Michigan that provide approximately one-third of the current storage needs for our Wisconsin natural gas utilities; WEC Infrastructure LLC, which holds majority ownership interests in non-utility wind generating
facilities; Wispark LLC, which develops and invests in real estate; and WPS Power Development LLC, which owns non-regulated solar projects.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th>Reporting year</th>
<th>Start date</th>
<th>End date</th>
<th>Indicate if you are providing emissions data for past reporting years</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 2019</td>
<td>December 31, 2019</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Other, please specify

Equity share of consolidated companies

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

- Electric utilities value chain
  - Electricity generation
  - Distribution

- Other divisions
  - Gas storage, transmission and distribution
C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?
Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Position of individual(s)</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Chair</td>
<td>The chairman of the board of directors has ultimate responsibility for coordinating the board’s oversight of climate-related issues.</td>
</tr>
</tbody>
</table>

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

<table>
<thead>
<tr>
<th>Frequency with which climate-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which climate-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled – some meetings</td>
<td>Reviewing and guiding strategy</td>
<td>Throughout the year, the board engages in substantive discussions with management about the company’s long-term strategy, which the board must evaluate within the context of the many risks and opportunities facing the utility sector, including those related to climate change. Management routinely reports to the board on both high-level and narrowly focused risks, which serve as important input as the directors evaluate the impact of strategic alternatives. While the board delegates specified duties to its committees, the board retains collective responsibility for comprehensive risk oversight, including short-term and long-term critical risks that could impact the company’s sustainability. The board believes that certain risks should be contemplated by the full board, such as oversight of environmental and social risks, including the potential impact of climate change on the utility sector as a whole and the company in particular, and review and approval of significant strategic initiatives.</td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding business plans</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Setting performance objectives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monitoring implementation and performance of objectives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Overseeing major capital expenditures, acquisitions and divestitures</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Monitoring and overseeing progress against goals and targets for addressing</td>
<td></td>
</tr>
</tbody>
</table>
climate-related issues  | capital projects and investments, including those projects and investments that will enable the company to meet its carbon and methane emission reduction goals. The full board also reviews the company’s Corporate Responsibility Report each year before it is published as a mechanism to affirm that management has appropriately captured the tone and essence of the company's commitment to sustainable decision-making.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify Climate risk committee</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Quarterly</td>
</tr>
</tbody>
</table>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

<table>
<thead>
<tr>
<th>Name of the position(s) and/or committee(s)</th>
<th>Responsibility</th>
<th>Frequency of reporting to the board on climate-related issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify Climate risk committee</td>
<td>Both assessing and managing climate-related risks and opportunities</td>
<td>Quarterly</td>
</tr>
</tbody>
</table>

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Management's enterprise-wide approach to managing risk and compliance is facilitated through our Enterprise Risk Steering Committee (ERSC), which consists of senior-level management employees. ERSC members regularly review the company’s key risk areas and provide input into the development and implementation of effective compliance and risk management practices.

The separate Climate Risk Committee brings together senior-level officers responsible for aspects of overall corporate strategy to ensure more focused, executive-level attention on this area of enterprise risk. Our Environmental team provides reports at the committee meetings, which occur at least quarterly, to discuss goals and initiatives that involve climate-related risks and opportunities.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

<table>
<thead>
<tr>
<th>Provide incentives for the management of climate-related issues</th>
<th>Comment</th>
</tr>
</thead>
</table>
While our incentives are not narrowly based upon climate-related metrics, our commitment to delivering a clean energy future is demonstrated through our rolling five-year capital plan, which is comprised of multi-year projects tied to strategic objectives. The successful execution of our annual financial plan results in opportunities to fund investments, including investments aimed at meeting our greenhouse gas reduction goals. Our ability to fund this substantial capital plan without issuing additional equity is directly linked with our ability to consistently deliver on our financial plan and meet our earnings per share and cash flow targets, key financial metrics underlying our short-term incentive compensation plan. This plan is evaluated and approved annually by the board of directors and its Compensation Committee for our CEO and executive management team, and disclosed in our proxy statement each year.

### C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

<table>
<thead>
<tr>
<th>Entitled to incentive</th>
<th>Type of incentive</th>
<th>Activity incentivized</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management group</td>
<td>Non-monetary reward</td>
<td>Emissions reduction target</td>
<td>In 2019, we achieved our previous GHG emission reduction goal to reduce CO2 emissions from our electric generation by approximately 40% below 2005 levels by 2030, more than a decade early.</td>
</tr>
</tbody>
</table>
| Management group      | Non-monetary reward | Emissions reduction target | We have established the following GHG emission reduction goals:  
- Reducing CO2 emissions from our electric generation by approximately 70% below 2005 levels by 2030.  
- Reducing CO2 emissions from our electric generation to be net carbon neutral by 2050.  
- Reducing the rate of methane emissions from our natural gas distribution lines by 30% per mile below 2011 levels by 2030. |
| All employees         | Non-monetary reward | Emissions reduction project Emissions reduction target | Corporate Top 10 Shared Initiatives for 2020 (included in individual annual performance objectives):  
Advance our regulatory and environmental, social and governance (ESG) plans.  
• Evolve our generation reshaping strategy to reduce CO2 emissions and invest in zero-carbon generation |
C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

<table>
<thead>
<tr>
<th>Time Horizon</th>
<th>From (years)</th>
<th>To (years)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term</td>
<td>1</td>
<td>3</td>
<td>The horizon for assessing climate-related risks and opportunities is aligned with other business practices time horizons.</td>
</tr>
<tr>
<td>Medium-term</td>
<td>3</td>
<td>6</td>
<td>The horizon for assessing climate-related risks and opportunities is aligned with other business practices time horizons.</td>
</tr>
<tr>
<td>Long-term</td>
<td>6</td>
<td>30</td>
<td>The horizon for assessing climate-related risks and opportunities is aligned with other business practices time horizons.</td>
</tr>
</tbody>
</table>

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

WEC Energy Group defines a substantive impact as any change in the determination of investors in buying, holding or selling its securities. The indicator of “substantive change” is whether or not a reasonable investor would find the impact in question to be material to his or her investment decision. Any event that could have a material impact on our electric generation and/or electric and natural gas distribution operations, or result in a significant reputational and/or financial consequence, could cause a substantive financial or strategic impact. WEC Energy Group’s strategic planning processes enable its companies to continuously evaluate uncertainties and risks in the context of maintaining reliable, affordable energy supplies for their customers that follow the environmental improvement trajectory that management has set. Examples of climate-related risks are identified in WEC Energy Group’s 2019 Annual Report on Form 10-K as severe weather, fires, earthquakes, tornadoes, floods, droughts and significant changes in water levels in waterways. Any of these events could lead to substantial financial losses. WEC Energy Group considers information to be “material” based on thresholds defined by the Securities and Exchange Commission (SEC) for the companies’ financial reporting.
C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
- Direct operations
- Upstream
- Downstream

Risk management process
- Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
- More than once a year

Time horizon(s) covered
- Short-term
- Medium-term
- Long-term

Description of process
Our company has a formal process in place to provide regular updates regarding discrete environmental matters, some of which relate to climate-related risks, to the Audit and Oversight Committee of the board via a quarterly report from the vice president-environmental, who also provides an annual presentation to the committee. The chief executive officer and other members of executive management provide the board with more frequent updates on this subject as necessary. The Audit and Oversight Committee assists the board of directors in carrying out its oversight responsibility of the company’s compliance with legal and regulatory requirements and various risk exposures. The committee is responsible for discussing, among other things, the company’s major, discrete environmental risk exposures and the steps management has taken to monitor and control such exposures. We continuously monitor our assets as well as the legislative, regulatory and legal developments in this area. In addition, we are members of, and actively participate in, several industry organizations, including the Edison Electric Institute and the American Gas Association, which are very involved in the legislative and regulatory process. Broader environmental risk oversight remains the responsibility of the full board. Throughout the year, the board engages in substantive discussions with management about the company’s long-term strategy, which the board must evaluate within the context of the many risks and opportunities facing the utility sector, including those related to climate change.

While the board delegates specified duties to its committees, the board retains collective responsibility for comprehensive risk oversight, including short-term and long-term critical risks that could impact the company’s sustainability. The board believes that
certain risks should be contemplated by the full board, such as oversight of environmental and social risks, including the potential impact of climate change on the utility sector as a whole and the company in particular, and review and approval of significant capital projects and investments, including those projects and investments that will enable the company to meet its carbon and methane emission reduction goals. Management routinely reports to the board on both high-level and narrowly focused risks, which serve as important input as the directors evaluate the impact of strategic alternatives. The full board also reviews the company’s Corporate Responsibility Report each year before it is published as a mechanism to affirm that management has appropriately captured the tone and essence of its commitment to sustainable decision-making. In 2019, the full board also reviewed the company's first Climate Report, Pathway to a Cleaner Energy Future, before its publication.

Management’s enterprise-wide approach to identifying, assessing and managing risk and compliance is facilitated through our Enterprise Risk Steering Committee (ERSC), which consists of senior-level management employees. ERSC members regularly review the company's key risk areas and provide input into the development and implementation of effective compliance and risk management practices.

The separate Climate Risk Committee brings together senior-level officers responsible for aspects of overall corporate strategy. Our Environmental team provides reports at the committee meetings, which occur at least quarterly, to discuss goals and initiatives that involve climate-related risks and opportunities. Assessing risks/opportunities is part of the mission of the Climate Risk Committee.

**C2.2a**

*(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?*

<table>
<thead>
<tr>
<th>Relevance &amp; inclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current regulation</strong></td>
<td>The EPA’s Affordable Clean Energy (ACE) rule provides existing coal-fired generating units with standards for achieving GHG emission reductions. Every state’s plan to implement ACE is required to focus on reducing GHG emissions by improving the efficiency of fossil-fueled power plants. We are continuing to analyze the GHG emission profile of our electric generation resources and to work with other stakeholders to determine the potential impacts to our operations of the ACE rule, and federal and state GHG regulations in general. We also are engaged with Wisconsin agencies, organizations and other stakeholders as participants on the Wisconsin Governor’s Task Force on Climate Change.</td>
</tr>
<tr>
<td>Relevant, always included</td>
<td></td>
</tr>
<tr>
<td>Emerging regulation</td>
<td>Potential future regulation at either the federal or state level may impact how we operate our facilities. Any future regulations that may be adopted may cause our environmental compliance spending to differ materially from the amounts currently estimated, and there is no guarantee we will be allowed to fully recover costs incurred to comply</td>
</tr>
</tbody>
</table>
with future federal regulations or that cost recovery will not be delayed or otherwise conditioned. We monitor the regulatory environment closely, and consider changes and trends as we develop and execute strategic plans.

<table>
<thead>
<tr>
<th>Category</th>
<th>Relevance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>Relevant, always included</td>
<td>Advances in technology could make some of our facilities uneconomic to maintain or operate, and could affect unit retirement and replacement decisions. In addition, we consider current technology and expected technology advancements in developing our strategies and goals.</td>
</tr>
<tr>
<td>Legal</td>
<td>Relevant, always included</td>
<td>Legal risk is considered in our organization's climate-related risk assessments and is one of the company's identified risk exposures. The company's compliance with legal and regulatory requirements in environmental and other matters requires management's continuous monitoring and control of our assets and related legislative, regulatory and legal developments. Some types of legal matters could potentially affect our ability to operate electric generating units economically.</td>
</tr>
<tr>
<td>Market</td>
<td>Relevant, always included</td>
<td>Changes in fuel markets could make some of our electric generating units uneconomic to maintain or operate, and could affect unit retirement and replacement decisions.</td>
</tr>
<tr>
<td>Reputation</td>
<td>Relevant, always included</td>
<td>Impairment of the company's reputation could adversely affect the desirability of the company's stock and consequently its price.</td>
</tr>
<tr>
<td>Acute physical</td>
<td>Relevant, always included</td>
<td>Our financial performance depends on the successful operation of our electric generation and natural gas and electric distribution facilities. The operation of these facilities involves many risks, including the breakdown or failure of equipment or processes. Potential breakdown or failure may occur due to severe weather; catastrophic events (i.e., fires, earthquakes, explosions, tornadoes, floods, droughts, pandemic health events, etc.); significant changes in water levels in waterways; or operating limitations that may be imposed by environmental or other regulatory requirements. Because our electric generation facilities are interconnected with third-party transmission facilities, the operation of our facilities could also be adversely affected by events impacting their systems. Any of the described events could lead to substantial financial losses. Unplanned outages at our power plants may reduce our revenues or cause us to incur significant costs if we are required to operate our higher cost electric generators or purchase replacement power to satisfy our obligations, and could result in additional maintenance expenses.</td>
</tr>
<tr>
<td>Chronic physical</td>
<td>Relevant, always included</td>
<td>Our operations are subject to various conditions that can result in fluctuations in energy sales to customers, including varying weather conditions. Our results of operations and cash flows are affected by the demand for electricity and natural gas, which can vary greatly based</td>
</tr>
</tbody>
</table>
upon weather conditions. Our overall results may fluctuate substantially on a seasonal basis. Milder temperatures during the summer cooling season and during the winter heating season may result in lower revenues and net income.

Our electric reliability and planning area evaluates potential impacts of risks associated with weather events on system availability and reliability. Their well-established processes are expected to reduce the magnitude of energy generation and delivery risks associated with weather events over the next one to three years.

We perform economic analyses of weather and energy use to establish historical relationships that are used for generation, financial and strategic planning. These analyses include long- and short-term forecasts of sales revenues and demand. The forecasts are supported by load research which identifies who uses what energy. This analysis drives the cost of service studies used in price setting and market research areas of the company. This planning process is expected to reduce the magnitude of risks associated with changes in customer demand over the next one to three years.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Risk 1</th>
</tr>
</thead>
</table>

| Where in the value chain does the risk driver occur? |
| Direct operations |

| Risk type & Primary climate-related risk driver |
| Acute physical |
| Increased severity and frequency of extreme weather events such as cyclones and floods |

| Primary potential financial impact |
| Increased direct costs |

Company-specific description
Our financial performance depends on the successful operation of our electric generation and natural gas and electric distribution facilities. The operation of these facilities involves many risks, including the breakdown or failure of equipment or processes. Potential breakdown or failure may occur due to severe weather; catastrophic events (i.e., fires, earthquakes, explosions, tornadoes, floods, droughts, pandemic health events, etc.); significant changes in water levels in waterways; or operating limitations that may be imposed by environmental or other regulatory requirements. Because our electric generation facilities are interconnected with third-party transmission facilities, the operation of our facilities also could be adversely affected by events impacting their systems.

**Time horizon**
- Short-term

**Likelihood**
- About as likely as not

**Magnitude of impact**
- Medium-low

**Are you able to provide a potential financial impact figure?**
- No, we do not have this figure

**Potential financial impact figure (currency)**

- Potential financial impact figure – minimum (currency)

- Potential financial impact figure – maximum (currency)

**Explanation of financial impact figure**
- Any of the described events could lead to substantial financial losses. Unplanned outages at our power plants may reduce our revenues or cause us to incur significant costs if we are required to operate our higher-cost electric generators or purchase replacement power to satisfy our obligations, and could result in additional maintenance expenses. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

**Cost of response to risk**
- 0

**Description of response and explanation of cost calculation**
- Our electric reliability and planning area evaluates potential impacts of risks associated with weather events on system availability and reliability. Their well-established processes are expected to reduce the magnitude of energy generation and delivery risks associated with weather events over the next one to three years.

Wisconsin Public Service's System Modernization and Reliability Project is a multiyear
initiative focused on modernizing parts of its electricity distribution system by burying or upgrading lines. In 2019, Wisconsin Public Service received the 2019 ReliabilityOne Award for Outstanding Midsize Utility, and for the ninth year in a row, We Energies received the ReliabilityOne Award for Outstanding Reliability Performance in the Midwest. These awards are given annually to utilities that have excelled in delivering dependable electric service to their customers. We Energies is upgrading its infrastructure and plans to rebuild hundreds of miles of electric distribution lines and replace thousands of poles and transformers. These investments will renew and modernize delivery networks, reduce operating costs and improve energy efficiency, and are expected to strengthen the company’s position as a reliable electric service provider.

The company uses an equipment reliability index we created based on industry best practices to gauge our equipment reliability program performance, identify opportunities to improve equipment reliability, and gain the associated cost and performance benefit. The company's Business Continuity Plan addresses risks of events such as those caused by severe weather.

**Comment**

We assess and adjust for weather-related risks in our daily operations in order to improve reliability and resilience, safety, and customer satisfaction. We have not calculated the cost of management.

---

**Identifier**
Risk 2

**Where in the value chain does the risk driver occur?**
Direct operations

**Risk type & Primary climate-related risk driver**
Market
Changing customer behavior

**Primary potential financial impact**
Decreased revenues due to reduced demand for products and services

**Company-specific description**
Our operations are subject to various conditions that can result in fluctuations in energy sales to customers, including varying weather conditions. Our results of operations and cash flows are affected by the demand for electricity and natural gas, which can vary greatly based upon weather conditions.

**Time horizon**
Short-term

**Likelihood**
About as likely as not
Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
Our overall results may fluctuate substantially on a seasonal basis. Milder temperatures during the summer cooling season and during the winter heating season may result in lower revenues and net income. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

Cost of response to risk
0

Description of response and explanation of cost calculation
We perform economic analyses of weather and energy use in order to establish historical relationships that are used for generation, financial and strategic planning. These analyses include long- and short-term forecasts of sales revenues and demand. The forecasts are supported by load research that identifies who uses what energy. This analysis drives the cost-of-service studies used in price setting and market research areas of the company. This planning process is expected to reduce the magnitude of risks associated with changes in customer demand over the next one to three years.

Comment
There is a potential for more tasks to be accomplished with electricity, including travel, space heating and water heating, due to the increased electrification that may result from transition to a low-carbon society. Daily and seasonal demand for electricity may fundamentally change, increasing the impacts of seasonal variations and higher peak demand, particularly in winter seasons. We have not calculated the cost of management.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver
Market
Changing customer behavior

**Primary potential financial impact**
Decreased revenues due to reduced demand for products and services

**Company-specific description**
Our customers' use of electricity and natural gas has decreased as a result of individual conservation efforts, including the use of more energy efficient technologies. These conservation efforts, which may be driven in part by climate concerns, could continue. Customers could also voluntarily reduce their consumption of energy in response to decreases in their disposable income and increases in energy prices. Conservation of energy can be influenced by certain federal and state programs that are intended to influence how consumers use energy. In addition, several states, including Wisconsin and Michigan, have adopted energy efficiency targets to reduce energy consumption by certain dates. Advances in technology could change the channels through which our electric customers purchase or use power, which could reduce our sales and revenues or increase our expenses.

**Time horizon**
Short-term

**Likelihood**
Likely

**Magnitude of impact**
Medium-low

**Are you able to provide a potential financial impact figure?**
No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**
Any of the described matters, as well as any regulatory delay in adjusting rates as a result of reduced sales from effective conservation measures or the adoption of new technologies, could adversely impact our results of operations and financial condition. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

**Cost of response to risk**
0
**Description of response and explanation of cost calculation**

As part of our planning process, we estimate the impacts of changes in customer growth and customer energy conservation efforts. This planning process is expected to reduce the magnitude of risks associated with changes in customer demand over the next one to three years.

**Comment**

Increased electrification that may result from transition to a low-carbon society could affect daily and seasonal demand for electricity. In Wisconsin, and the Midwest, demand for electricity typically peaks in the summer, when the use of energy-intensive air conditioners is high. With the electrification of multiple end uses, Wisconsin could transition to a winter-peaking system. Electric demand would rise significantly in the coldest months of the year, driven by heat pumps and the fact that electric vehicles would need more charge time to travel an equivalent distance in cold conditions. We have not calculated the cost of management.

---

**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation

Mandates on and regulation of existing products and services

**Primary potential financial impact**

Increased direct costs

**Company-specific description**

The EPA’s Affordable Clean Energy (ACE) rule provides existing coal-fired generating units with standards for achieving GHG emission reductions. Every state’s plan to implement ACE is required to focus on reducing GHG emissions by improving the efficiency of fossil-fueled power plants.

We are continuing to analyze the GHG emission profile of our electric generation resources and to work with other stakeholders to determine the potential impacts to our operations of the ACE rule, and federal and state GHG regulations in general. We also are engaged with Wisconsin agencies, organizations and other stakeholders as participants on the Governor’s Task Force on Climate Change.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**
Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The ACE rule is not expected to result in significant additional compliance costs, including capital expenditures, but may impact how we operate our existing fossil-fueled power plants and biomass facility. We are currently evaluating the financial impacts of the risk.

Cost of response to risk

0

Description of response and explanation of cost calculation

We continue to evaluate opportunities and actions that ensure reliability, preserve fuel diversity, lower costs for our customers, and contribute toward long-term GHG reductions. In 2019, we met and exceeded our 2030 goal of reducing CO2 emissions by 40% below 2005 levels. We have re-evaluated our carbon reduction goals for our electric generation in light of this progress. As strategies to reduce GHG emissions continue to evolve, our updated plan is to work with elected officials, regulatory agencies, customers, environmental groups, and other stakeholders to reduce CO2 emissions from electricity generation by 70% below 2005 levels by 2030. Our long-term goal calls for our electric generation fleet to be net carbon neutral by 2050. We have implemented and continue to evaluate numerous options to meet our CO2 reduction goals. Options considered include increased use of existing natural gas combined cycle units, co-firing or switching to natural gas in existing coal-fired units, reduced operation or retirement of existing coal-fired units, addition of renewable energy resources (wind, solar), and supply- and demand-side energy efficiency and distributed generation. In total, we have retired 40% of our coal-fueled generation since 2014, and with three utility-scale solar projects under development, we are prepared to deliver even more carbon-free energy to customers in the near future. In addition, we are evaluating possible subsequent actions with respect to national and international efforts to reduce future GHG emissions in order to limit future global temperature increases to less than 2 degrees C. We also are more than halfway to our goal to reduce the rate of methane emissions from our natural gas distribution lines by 30% per mile below 2011 levels by 2030.

Comment
Recent and planned investments in renewable energy, air quality control systems, power grid upgrades, natural gas distribution system modernization and other environmental protection technologies position our energy companies well for the future. We have not calculated the cost of management.

**Identifier**
Risk 5

**Where in the value chain does the risk driver occur?**
Direct operations

**Risk type & Primary climate-related risk driver**
Emerging regulation
Mandates on and regulation of existing products and services

**Primary potential financial impact**
Increased direct costs

**Company-specific description**
There is no guarantee that we will be allowed to fully recover costs incurred to comply with the ACE Rule or other federal or state regulations, or that cost recovery will not be delayed or otherwise conditioned.
Increased costs to shareholders could make our stock less attractive to investors and, ultimately, impact our ability to fund initiatives and operations.

**Time horizon**
Medium-term

**Likelihood**
Unknown

**Magnitude of impact**
Medium-high

**Are you able to provide a potential financial impact figure?**
No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**
The ACE rule and any other related regulations that may be adopted in the future, at either the federal or state level, may cause our environmental compliance spending to
differ materially from the amounts currently estimated. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

Cost of response to risk
0

Description of response and explanation of cost calculation
Governance and project approval measures are in place to ensure that costs to comply with federal environmental regulations are prudently incurred. These measures are expected to reduce the likelihood and/or magnitude of this cost recovery risk over the next three to six years.

Comment
Current GHG emissions regulation, as well as future legislation or regulation that may be adopted, carries with it a wide range of possible effects on our energy business; therefore, we strive for the flexibility to react to this variety of potential outcomes while ensuring a secure, low-cost and reliable supply of fuel for generating needs. Our electric energy companies build flexibility into fuel supply and transportation contracting strategies to account for potential climate-change regulation. We have not calculated the cost of management.

---

Identifier
Risk 6

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver
Technology
Transitioning to lower emissions technology

Primary potential financial impact
Increased capital expenditures

Company-specific description
The timing of our investments in low-emitting technologies may impact and/or be impacted by the timing of other elements of our generation reshaping strategy, which could affect overall costs.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
Medium-low
Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
This transition risk could adversely affect our future results of operations, cash flows and financial condition. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

Cost of response to risk
0

Description of response and explanation of cost calculation
Our generation planning processes evaluate potential impacts of renewable energy penetration, changes in the fuel markets and advances in technology, in part to support decisions regarding unit retirement and replacement decisions. These processes are expected to reduce the magnitude of unexpected adverse impacts of increased renewable energy penetration risk over the next three to six years. Examples of potential adverse impacts of increased renewable energy penetration risk include availability of seasonal-scale energy storage systems, transmission system upgrades and expansions to accommodate the transfer of electricity across the region and to accommodate the changing resource mix, and a mix of renewable generation resources that is available to serve peak demand.

Comment
We have not calculated the cost of management.

Identifier
Risk 7

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver
Emerging regulation
Mandates on and regulation of existing products and services

Primary potential financial impact
Increased direct costs
Company-specific description
Our natural gas delivery systems and natural gas storage fields may generate fugitive gas as a result of normal operations and as a result of excavation, construction, and repair. Fugitive gas typically vents to the atmosphere and consists primarily of methane. CO2 also is a byproduct of natural gas consumption. Future regulation of GHG emissions could increase the price of natural gas; a significant increase in the price of natural gas may increase rates for our natural gas customers, which could reduce natural gas demand.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
Future regulation of GHG emissions could increase the price of natural gas, restrict the use of natural gas, and adversely affect our ability to operate our natural gas facilities. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

Cost of response to risk
0

Description of response and explanation of cost calculation
Our load forecasting and fuel procurement processes evaluate potential impacts of changes in fuel prices on customer demand. These processes are expected to reduce the magnitude of unanticipated natural gas price risk over the next three to six years.

Comment
Our scenario analyses conducted for our Climate Report are helping us better understand how the region’s economy and our own carbon profile could evolve under a wide range of assumptions around GHG reduction targets, natural gas and other fuel prices, technology availability and costs, and other variables. We have not calculated the cost of management.
Identifier
Risk 8

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver
Market
Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Company-specific description
Customer-owned generation installations have increased in recent years, reducing demand for electricity.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
Customer-owned generation installations could continue to increase, resulting in further erosion of market share. Advances in technology could change the channels through which our electric customers purchase or use power, which could reduce our revenues and/or increase our expenses. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

Cost of response to risk
0

Description of response and explanation of cost calculation
Our load forecasting processes evaluate potential impacts of changes in customer demand. These processes are expected to reduce the magnitude of unanticipated customer demand risk over the next three to six years.

Comment
By researching and investing in local generation, we aim to provide electricity close to the point of use and improve power system resiliency. We are striving to effectively integrate local generation with a focus on renewable energy, while building on the availability and reliability of the existing power grid in a compatible and interactive way. We have not calculated the cost of management.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Opp1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Where in the value chain does the opportunity occur?</td>
<td>Direct operations</td>
</tr>
<tr>
<td>Opportunity type</td>
<td>Energy source</td>
</tr>
<tr>
<td>Primary climate-related opportunity driver</td>
<td>Use of lower-emission sources of energy</td>
</tr>
<tr>
<td>Primary potential financial impact</td>
<td>Returns on investment in low-emission technology</td>
</tr>
</tbody>
</table>

Company-specific description
Expanding the presence of zero-carbon resources in our fleet creates new investment opportunities and reduces our exposure to potential future climate regulations. Generation planning and project approval measures are in place to help identify potential opportunities for cost-effective renewable and other programs (evaluation of the use of carbon capture, utilization and storage, energy storage, and offsets) over the next one to three years.

Time horizon
Medium-term
**Likelihood**

- Likely

**Magnitude of impact**

- Medium

**Are you able to provide a potential financial impact figure?**

- No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We expect to spend $0.9 billion between 2020 and 2024 in planned utility renewable investments.

**Cost to realize opportunity**

900,000,000

**Strategy to realize opportunity and explanation of cost calculation**

Generation planning and project approval measures are in place to help identify potential opportunities for cost-effective renewable energy resource projects over the next three to six years.

**Comment**

Although our largest electric utilities met Wisconsin’s renewable portfolio standard well in advance of the state deadline, our goals go further. We have not calculated the cost to realize opportunity.

---

**Identifier**

- Opp2

**Where in the value chain does the opportunity occur?**

- Direct operations

**Opportunity type**

- Products and services

**Primary climate-related opportunity driver**

- Development and/or expansion of low emission goods and services

**Primary potential financial impact**

- Increased revenues resulting from increased demand for products and services
Company-specific description
The electrification of transportation and buildings could create new demand for electricity. New market opportunities could emerge from working with customers to meet their clean energy and sustainability goals. Investment opportunities to modernize and harden electric distribution equipment are helping us improve reliability and meet our customers' expectations.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
The breadth of potential customer-related initiatives makes a single financial impact estimate unreliable.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
We monitor developments in the following areas to determine if action should be taken:
Financial incentives for alternative energy technologies
Electric vehicle models offered by car manufacturers
Sales of electric vehicles and percent of new car sales
Number of public charging stations
Customer opinions about electric vehicle options
Behind-the-meter solar energy systems
Heat pump installations

Comment
We have not calculated the cost to realize opportunity.
Identifier
   Opp3

Where in the value chain does the opportunity occur?
   Direct operations

Opportunity type
   Resilience

Primary climate-related opportunity driver
   Other, please specify
   Increased reliability of supply chain and ability to operate under various conditions

Primary potential financial impact
   Increased revenues resulting from increased production capacity

Company-specific description
   Investment opportunities in transmission projects could help us deliver clean energy to market and maintain affordable energy supplies for our customers. Investment opportunities to modernize and harden electric distribution equipment are helping us improve reliability and meet our customers’ expectations. System modernization and replacement efforts are reducing methane emissions while enhancing safety and reliability in our natural gas operations.

Time horizon
   Long-term

Likelihood
   Likely

Magnitude of impact
   Medium

Are you able to provide a potential financial impact figure?
   No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
   The breadth of potential system improvement projects makes a single financial impact estimate unreliable.

Cost to realize opportunity
   0
Strategy to realize opportunity and explanation of cost calculation

In order to adequately assess potential changes needed to our electric distribution system, we monitor developments in import capacity for the state of Wisconsin; new transmission proposals; and wind and solar capacity additions in the Midcontinent Independent System Operator region. We continue our system modernization and replacement efforts which are reducing methane emissions while enhancing safety and reliability in our natural gas operations.

Comment

We have not calculated the cost to realize opportunity.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

<table>
<thead>
<tr>
<th>Climate-related scenarios and models applied</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify</td>
<td>We engaged in research with the Electric Power Research Institute (EPRI) to refine our planning process for achieving our long-term GHG reduction goal. These research projects will help us assess economic and technological trends and conduct scenario analysis for our companies, evaluating potential GHG reduction trajectories in the context of the Paris Agreement’s goal of limiting global temperature rise to 2 degrees Celsius. The 2015 United Nations climate change conference resulted in the Paris Agreement, which aims to keep global average temperature rise this century to less than 2 degrees Celsius above pre-industrial levels. The International Energy Association (IEA) performed analyses and modeling that forecast a global pathway to that goal. To assess the period after 2030 and minimize speculation to the extent possible, we collaborated with EPRI and other industry</td>
</tr>
</tbody>
</table>
members on a project evaluating potential GHG reduction pathways for our electric companies, taking into account IEA’s 2-degree scenario and other publicly available data. The project provided insights and identification of issues related to characterizing scientific understanding and identifying technical issues for decision-making; helped identify risks and opportunities associated with potential impacts of global efforts to manage climate change on company investments and operations; developed a technical foundation for informed public dialogue and decisions on climate scenarios and targets to improve understanding of issues and technical needs; developed consistent analytical frameworks; and enabled ongoing communication efforts.

A second EPRI study focused on Wisconsin from 2020 to 2050, developing a vision of how the economy and our carbon profile could change under various assumptions associated with GHG reduction targets, natural gas and other energy prices, and technology availability and costs, identifying cost-effective and resilient strategies to produce and use clean energy to realize a greater potential for efficient electrification and GHG emission reduction for our electric companies.

These research projects helped to inform the preparation of our initial climate report, Pathway to a Cleaner Energy Future, in which we describe the risks and opportunities associated with transitioning to a low-carbon economy, based upon the modeling of dozens of potential emission reduction pathways. It incorporates industry-specific research from EPRI and global emissions scenarios used by the Intergovernmental Panel on Climate Change. Our discussion and analysis were framed in accordance with the recommendations of the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures. Our analysis considered a number of variables that will influence the path we take to achieving our climate-related goals. We supply electricity and natural gas to more than 4.5 million customers throughout the Midwest. It’s imperative that we maintain a system that can respond reliably and consistently in the face of severe weather events and other emergencies. We also need to comply with an evolving regulatory environment that could affect our capital investments and customer costs. Developments in alternative energy technologies, such as electric vehicles, also could influence electric demand and change the playing field.

Our analysis is not an end in itself, but one step in our ongoing mission to provide clean, reliable, safe and affordable energy – for today’s customers and generations to come.
(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

<table>
<thead>
<tr>
<th>Have climate-related risks and opportunities influenced your strategy in this area?</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products and services</td>
<td>Yes</td>
</tr>
<tr>
<td>Supply chain and/or value chain</td>
<td>Yes</td>
</tr>
<tr>
<td>Investment in R&amp;D</td>
<td>Yes</td>
</tr>
<tr>
<td>Operations</td>
<td>Yes</td>
</tr>
</tbody>
</table>
C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

<table>
<thead>
<tr>
<th>Financial planning elements that have been influenced</th>
<th>Description of influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>Our economic analyses of weather and energy use have established historical relationships, which are used for generation, financial and strategic planning, price setting, and market research. Estimates of the impacts of changes in customer growth and customer energy conservation efforts have helped assess changes in customer demand. Our load forecasting and fuel procurement processes evaluate potential impacts of changes in fuel prices on customer demand to reduce the magnitude of unanticipated natural gas price risk.</td>
</tr>
</tbody>
</table>

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Our 2019 annual report to the SEC disclosed that the company continues to monitor the feasibility of taking more aggressive action to further reduce GHG emissions in order to limit future global temperature increases. Our strategy and financial planning processes take into account the potential for such efforts to impact how we operate our electric generating units and natural gas facilities, potentially leading to increased competition and regulation.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1
Year target was set
2016

Target coverage
Business activity

Scope(s) (or Scope 3 category)
Scope 1

Base year
2005

Covered emissions in base year (metric tons CO2e)
35,700,000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2030

Targeted reduction from base year (%)
40

Covered emissions in target year (metric tons CO2e) [auto-calculated]
21,420,000

Covered emissions in reporting year (metric tons CO2e)
21,262,000

% of target achieved [auto-calculated]
101.106442577

Target status in reporting year
Achieved

Is this a science-based target?
Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)
We met and exceeded our goal to reduce carbon dioxide emissions by 40% below 2005 levels, well in advance of our previous 2030 target. In total, we have retired 40% of our coal-fueled generation since 2014. And with three utility-scale solar projects under development, we are prepared to deliver even more carbon-free energy to customers in the near future.

Target reference number
Abs 2

Year target was set
2020

Target coverage
Business activity

Scope(s) (or Scope 3 category)
Scope 1

Base year
2005

Covered emissions in base year (metric tons CO2e)
35,700,000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2030

Targeted reduction from base year (%)
70

Covered emissions in target year (metric tons CO2e) [auto-calculated]
10,710,000

Covered emissions in reporting year (metric tons CO2e)
21,262,000

% of target achieved [auto-calculated]
57.775110044

Target status in reporting year
New

Is this a science-based target?
Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

Please explain (including target coverage)
In light of achieving our previous 2030 emission reduction goal in 2019, we have revised our 2030 CO2 reduction goal for our electric generation.

Target reference number
Abs 3
**Year target was set**

2020

**Target coverage**

Business activity

**Scope(s) (or Scope 3 category)**

Scope 1

**Base year**

2005

**Covered emissions in base year (metric tons CO2e)**

35,700,000

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2050

**Targeted reduction from base year (%)**

100

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

0

**Covered emissions in reporting year (metric tons CO2e)**

21,262,000

**% of target achieved [auto-calculated]**

40.4425770308

**Target status in reporting year**

New

**Is this a science-based target?**

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

**Please explain (including target coverage)**

In light of achieving our previous 2030 emission reduction goal in 2019, we developed a 2050 CO2 reduction goal for our electric generation.

**C4.2**

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to reduce methane emissions
C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2018

Target coverage
Business activity

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)
Methane reduction target
Other, please specify
metric ton of methane emissions

Target denominator (intensity targets only)
Other, please specify
mile of natural gas distribution lines

Base year
2011

Figure or percentage in base year
100

Target year
2030

Figure or percentage in target year
70

Figure or percentage in reporting year
85

% of target achieved [auto-calculated]
50

Target status in reporting year
Underway

Is this target part of an emissions target?
No, this is a standalone target.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
Target covers emissions from our natural gas distribution lines due to leaks. Target is a decrease in the rate of methane emissions from the natural gas distribution lines in our network of 30% per mile by the year 2030 from a 2011 baseline.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Number of initiatives</th>
<th>Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under investigation</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>To be implemented*</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Implementation commenced*</td>
<td>1</td>
<td>6,700</td>
</tr>
<tr>
<td>Implemented*</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Not to be implemented</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

<table>
<thead>
<tr>
<th>Initiative category &amp; Initiative type</th>
<th>Estimated annual CO2e savings (metric tonnes CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fugitive emissions reductions</td>
<td>6,700</td>
</tr>
<tr>
<td>Oil/natural gas methane leak capture/prevention</td>
<td></td>
</tr>
</tbody>
</table>

Scope(s)
Scope 1
Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
290,000,000

Payback period
>25 years

Estimated lifetime of the initiative
16-20 years

Comment
Our natural gas utility subsidiary, The Peoples Gas Light and Coke Co., is engaged in its System Modernization Program, which involves replacing cast and ductile iron natural gas mains with modern polyethylene pipes on the Peoples Gas natural gas distribution system in Chicago, Illinois. Under the EPA’s Methane Challenge, Peoples Gas has committed to replace its remaining iron natural gas mains at an annual rate of at least 2% for five years beginning in 2017. Fugitive methane emissions will continue to decrease as we replace more mains each year.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

<table>
<thead>
<tr>
<th>Method</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance with regulatory requirements/standards</td>
<td>Building on ongoing analyses, we are developing a plan to respond to the ACE rule.</td>
</tr>
<tr>
<td>Other</td>
<td>We currently are implementing actions (e.g., power plant fuel and operational choices; investment in utility-scale renewables) that preserve fuel diversity, reduce costs to customers, and reduce long-term greenhouse gas emissions, independent of greenhouse gas regulatory requirements/standards.</td>
</tr>
</tbody>
</table>

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.
Level of aggregation
Group of products

Description of product/Group of products
Wisconsin Electric Power Company's Dedicated Renewable Energy Resource pilot; Wisconsin Solar Now pilot program; and Energy for Tomorrow® and NatureWise®, two successful “green pricing” renewable energy programs.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify
Midwest Renewable Energy Tracking System program

% revenue from low carbon product(s) in the reporting year
0.1

Comment
Under the 35-megawatt Solar Now program, We Energies pays commercial, industrial, government and nonprofit customers to host solar panels on their roofs and property. We Energies handles installation, maintenance and operation of the solar equipment – providing a turnkey solution to customers wanting to participate in renewable generation.

Renewable Energy Credits (RECs) from both Energy for Tomorrow® and NatureWise® “green pricing” renewable energy programs are tracked and retired using the Midwest Renewable Energy Tracking System program. Energy for Tomorrow® is accredited by the Center for Resource Solutions and is Green-e Energy certified.

C-EU4.6

(C-EU4.6) Describe your organization’s efforts to reduce methane emissions from your activities.
See our response to C4.2 where our methane reduction goal is described: Our goal is to reduce the rate of methane emissions from our natural gas distribution lines by 30% per mile below 2011 levels by 2030.

In addition, we operate our generating facilities as efficiently as possible to minimize methane resulting from combustion of fossil fuels.
C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

<table>
<thead>
<tr>
<th>Base year start</th>
<th>January 1, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base year end</td>
<td>December 31, 2005</td>
</tr>
<tr>
<td>Base year emissions (metric tons CO2e)</td>
<td>35,700,000</td>
</tr>
</tbody>
</table>

Comment
The value represents emissions associated with electricity to meet customer demand, including power purchases that were used to meet demand that exceeded generating capability.

Scope 2 (location-based)

<table>
<thead>
<tr>
<th>Base year start</th>
<th>January 1, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base year end</td>
<td>December 31, 2005</td>
</tr>
<tr>
<td>Base year emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
</tbody>
</table>

Comment
WEC Energy Group did not calculate Scope 2 emissions in the base year. The only "purchased or acquired electricity, steam, heat or cooling consumed by the reporting company" would be from system losses associated with power purchases. Those amounts are assumed to have been de minimis in the base year.

Scope 2 (market-based)

<table>
<thead>
<tr>
<th>Base year start</th>
<th>January 1, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base year end</td>
<td>December 31, 2005</td>
</tr>
<tr>
<td>Base year emissions (metric tons CO2e)</td>
<td></td>
</tr>
</tbody>
</table>
Comment
WEC Energy Group did not calculate Scope 2 emissions in the base year. The only "purchased or acquired electricity, steam, heat or cooling consumed by the reporting company" would be from system losses associated with power purchases. Those amounts are assumed to have been de minimis in the base year.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

US EPA Mandatory Greenhouse Gas Reporting Rule

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
22,067,000

Comment
The total includes:
- 21,262,000 metric tons CO2e from company-owned fossil generation
- 380,000 metric tons CO2e from biomass
- 425,000 metric tons CO2e from natural gas distribution lines and natural gas storage

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
Emissions are from estimated distribution line losses associated with power purchased from emitting sources.
C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

**Reporting year**

<table>
<thead>
<tr>
<th>Scope 2, location-based</th>
<th>110,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 2, market-based (if applicable)</td>
<td>110,000</td>
</tr>
</tbody>
</table>

**Comment**

Emissions are from estimated distribution line losses associated with power purchased from emitting sources.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

**Purchased goods and services**

**Evaluation status**

Relevant, not yet calculated

**Please explain**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to purchased goods and services.

**Capital goods**

**Evaluation status**

Relevant, not yet calculated

**Please explain**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to capital goods.

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**
Evaluation status
Relevant, calculated

Metric tonnes CO2e
3,886,000

Emissions calculation methodology
Emissions from purchased power: Most of our power purchases are from non-emitting sources - nuclear and renewable energy. In 2019, purchases with estimated emissions came from:
- A facility for which emissions were available from the US Environmental Protection Agency data base, and
- The power market, for which emissions were estimated using a regional average rate.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
9

Please explain
Actual fuel characteristics of purchased electricity are used where available. For remaining purchases, a rate is used that reflects regional average fuel mix data from Michigan, Illinois, Indiana, Ohio and Wisconsin as a proxy.

Upstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Please explain
The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to upstream transportation and distribution.

Waste generated in operations

Evaluation status
Relevant, not yet calculated

Please explain
The company has not yet developed a methodology to estimate Scope 3 emissions due to waste generated in operations.

Business travel

Evaluation status
Relevant, not yet calculated

Please explain
The company has not yet developed a methodology to estimate Scope 3 emissions associated with Business travel.
Employee commuting

Evaluation status
Relevant, not yet calculated

Please explain
The company has not yet developed a methodology to estimate Scope 3 emissions associated with employee commuting.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Please explain
The company has no upstream leased assets that produce Scope 3 emissions.

Downstream transportation and distribution

Evaluation status
Relevant, not yet calculated

Please explain
The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to downstream transportation and distribution.

Processing of sold products

Evaluation status
Relevant, not yet calculated

Please explain
Beneficial use of coal combustion products sold can result in avoidance of carbon dioxide emissions. However, the CDP reporting system does not permit reporting of reductions due to avoided emissions. The estimated amount of avoided emissions is 260,000 metric tons of CO2e.

Use of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
29,051,000

Emissions calculation methodology
Following the requirements of CFR 40 Part 98, Subpart NN, the company reports the potential CO2 quantities associated with natural gas received by end-users that receive less than 460,000 thousand standard cubic feet of natural gas per year at a single meter from the company.
Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain
Billing records support the information reported under U.S. EPA’s Mandatory Greenhouse Gas Reporting Program. Natural gas distribution companies must report the carbon dioxide emissions that would result from the complete combustion or oxidation of the annual volumes of natural gas provided to end-users that receive less than 460,000 thousand standard cubic feet of natural gas per year at a single meter from the company.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Please explain
Electricity and natural gas products do not have a conventional useful life.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Please explain
The company has no downstream leased assets.

Franchises

Evaluation status
Not relevant, explanation provided

Please explain
The company has no franchises that produce Scope 3 emissions.

Investments

Evaluation status
Relevant, not yet calculated

Please explain
The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to investments.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Please explain
The company has no other upstream sources of Scope 3 emissions.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Please explain
The company has no other downstream sources of Scope 3 emissions.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

<table>
<thead>
<tr>
<th>CO2 emissions from biogenic carbon (metric tons CO2)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>380,000</td>
</tr>
<tr>
<td></td>
<td>Emissions from biomass used at Rothschild</td>
</tr>
<tr>
<td></td>
<td>Biomass Cogeneration Plant.</td>
</tr>
</tbody>
</table>

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
2.9

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
22,177,000

Metric denominator
unit total revenue

Metric denominator: Unit total
7,523,100

Scope 2 figure used
Location-based
% change from previous year
16

Direction of change
Decreased

Reason for change
The metric decreased because emissions decreased due to retirement of coal-fueled facilities in 2019, while revenues were stable. The metric denominator is in thousands of US dollars to make the calculated metric fall within the acceptable range.

Intensity figure
0.54

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
22,177,000

Metric denominator
megawatt hour generated (MWh)

Metric denominator: Unit total
41,061,000

Scope 2 figure used
Location-based

% change from previous year
14

Direction of change
Decreased

Reason for change
The decrease in emissions intensity was due to lower emissions from retirement of coal-fueled facilities and a 5% decrease in MWh generation in 2019.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes
C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

<table>
<thead>
<tr>
<th>Greenhouse gas</th>
<th>Scope 1 emissions (metric tons of CO2e)</th>
<th>GWP Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2</td>
<td>21,600,000</td>
<td>IPCC Fourth Assessment Report (AR4 - 100 year)</td>
</tr>
<tr>
<td>CH4</td>
<td>382,000</td>
<td>IPCC Fourth Assessment Report (AR4 - 100 year)</td>
</tr>
<tr>
<td>N2O</td>
<td>86,000</td>
<td>IPCC Fourth Assessment Report (AR4 - 100 year)</td>
</tr>
</tbody>
</table>

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

<table>
<thead>
<tr>
<th>Comment</th>
<th>Gross Scope 1 CO2 emissions (metric tons CO2)</th>
<th>Gross Scope 1 methane emissions (metric tons CH4)</th>
<th>Gross Scope 1 SF6 emissions (metric tons SF6)</th>
<th>Total gross Scope 1 emissions (metric tons CO2e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions from natural gas distribution lines</td>
<td>8,000</td>
<td>15,000</td>
<td>0</td>
<td>383,000</td>
</tr>
<tr>
<td>Emissions from owned generation; also 289 metric tons N2O or 86,000 metric tons CO2e from N2O</td>
<td>21,170,000</td>
<td>296</td>
<td>0</td>
<td>21,262,000</td>
</tr>
<tr>
<td>Emissions not elsewhere classified</td>
<td>42,000</td>
<td>0</td>
<td>0</td>
<td>42,000</td>
</tr>
<tr>
<td>Biomass combustion</td>
<td>380,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.
C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Scope 1 emissions (metric tons CO2e)</th>
<th>Latitude</th>
<th>Longitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concord Generating Station</td>
<td>68,000</td>
<td>43.1669</td>
<td>-88.69</td>
</tr>
<tr>
<td>Germantown Power Plant</td>
<td>17,000</td>
<td>43.1952</td>
<td>-88.1496</td>
</tr>
<tr>
<td>Oak Creek Power Plant</td>
<td>4,430,000</td>
<td>42.8457</td>
<td>-87.8294</td>
</tr>
<tr>
<td>Paris Generating Station</td>
<td>69,000</td>
<td>42.6658</td>
<td>-88.0131</td>
</tr>
<tr>
<td>Port Washington Generating Station</td>
<td>2,909,000</td>
<td>43.3842</td>
<td>-87.8689</td>
</tr>
<tr>
<td>Presque Isle Power Plant</td>
<td>307,000</td>
<td>46.5789</td>
<td>-87.395</td>
</tr>
<tr>
<td>Valley Power Plant</td>
<td>367,000</td>
<td>43.0303</td>
<td>-87.9233</td>
</tr>
<tr>
<td>Rothschild Biomass Generating Plant</td>
<td>418,000</td>
<td>44.8878</td>
<td>-89.62978</td>
</tr>
<tr>
<td>Weston Generating Station</td>
<td>3,076,000</td>
<td>44.867778</td>
<td>-89.658889</td>
</tr>
<tr>
<td>J.P. Pulliam Generating Station</td>
<td>37,000</td>
<td>44.543889</td>
<td>-88.013889</td>
</tr>
<tr>
<td>Columbia Energy Center</td>
<td>1,699,000</td>
<td>43.488333</td>
<td>-89.422778</td>
</tr>
<tr>
<td>Fox Energy Center</td>
<td>1,474,000</td>
<td>44.322778</td>
<td>-88.214722</td>
</tr>
<tr>
<td>De Pere Energy Center</td>
<td>78,000</td>
<td>44.459167</td>
<td>-88.0775</td>
</tr>
<tr>
<td>West Marinette</td>
<td>21,000</td>
<td>45.089167</td>
<td>-87.691389</td>
</tr>
<tr>
<td>F. D. Kuester</td>
<td>237,000</td>
<td>46.513589</td>
<td>-87.510576</td>
</tr>
<tr>
<td>A. J. Mihm</td>
<td>99,000</td>
<td>46.79381</td>
<td>-88.616514</td>
</tr>
<tr>
<td>Elm Road Generating Station</td>
<td>6,336,000</td>
<td>42.8457</td>
<td>-87.8294</td>
</tr>
</tbody>
</table>
C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

<table>
<thead>
<tr>
<th>Gross Scope 1 emissions, metric tons CO2e</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric utility activities</td>
<td>21,642,000</td>
</tr>
</tbody>
</table>

**C7.9**

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

**C7.9a**

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

<table>
<thead>
<tr>
<th>Change in emissions (metric tons CO2e)</th>
<th>Direction of change</th>
<th>Emissions value (percentage)</th>
<th>Please explain calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in renewable energy consumption</td>
<td>0</td>
<td>No change</td>
<td>0</td>
</tr>
<tr>
<td>Other emissions reduction activities</td>
<td>4,927,000</td>
<td>Decreased</td>
<td>18</td>
</tr>
<tr>
<td>Divestment</td>
<td>0</td>
<td>No change</td>
<td>0</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>0</td>
<td>No change</td>
<td>0</td>
</tr>
<tr>
<td>Category</td>
<td>Amount</td>
<td>Change</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>--------</td>
<td>--------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Mergers</td>
<td>0</td>
<td>No change</td>
<td>There was no merger in 2019.</td>
</tr>
<tr>
<td>Change in output</td>
<td>0</td>
<td>No change</td>
<td>Changes in output are reflected in other emissions reduction activities above, associated with plant retirements.</td>
</tr>
<tr>
<td>Change in methodology</td>
<td>0</td>
<td>No change</td>
<td>There were no changes in methodology in 2019.</td>
</tr>
<tr>
<td>Change in boundary</td>
<td>0</td>
<td>No change</td>
<td>There was no change in boundary in 2019.</td>
</tr>
<tr>
<td>Change in physical operating conditions</td>
<td>0</td>
<td>No change</td>
<td>There were no significant changes in physical operating conditions in 2019.</td>
</tr>
<tr>
<td>Unidentified</td>
<td>0</td>
<td>No change</td>
<td>There were no significant changes from unidentified factors in 2019.</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>No change</td>
<td>There were no significant changes from other factors in 2019.</td>
</tr>
</tbody>
</table>

**C7.9b**

**C7.9b** Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

- Market-based

**C8. Energy**

**C8.1**

**C8.1** What percentage of your total operational spend in the reporting year was on energy?

- More than 15% but less than or equal to 20%

**C8.2**

**C8.2** Select which energy-related activities your organization has undertaken.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Indicate whether your organization undertook this energy-related activity in the reporting year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel (excluding feedstocks)</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption of purchased or</td>
<td>Yes</td>
</tr>
<tr>
<td>acquired electricity</td>
<td></td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---</td>
</tr>
<tr>
<td>Consumption of purchased or acquired heat</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired steam</td>
<td>No</td>
</tr>
<tr>
<td>Consumption of purchased or acquired cooling</td>
<td>No</td>
</tr>
<tr>
<td>Generation of electricity, heat, steam, or cooling</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**C8.2a**

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

<table>
<thead>
<tr>
<th>Consumption of fuel (excluding feedstock)</th>
<th>Heating value</th>
<th>MWh from renewable sources</th>
<th>MWh from non-renewable sources</th>
<th>Total (renewable and non-renewable) MWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHV (higher heating value)</td>
<td>1,000,000</td>
<td>87,000,000</td>
<td>88,000,000</td>
<td></td>
</tr>
<tr>
<td>Consumption of purchased or acquired electricity</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Consumption of self-generated non-fuel renewable energy</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>1,000,000</td>
<td>87,000,000</td>
<td>88,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**C8.2b**

(C8.2b) Select the applications of your organization’s consumption of fuel.

<table>
<thead>
<tr>
<th>Indicate whether your organization undertakes this fuel application</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption of fuel for the generation of electricity</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of heat</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of steam</td>
</tr>
<tr>
<td>Consumption of fuel for the generation of cooling</td>
</tr>
</tbody>
</table>
cooling

| Consumption of fuel for co-generation or tri-generation | No |

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

---

**Fuels (excluding feedstocks)**

**Subbituminous Coal**

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

43,600,000 MWh

**MWh fuel consumed for self-generation of electricity**

0 MWh

**MWh fuel consumed for self-generation of heat**

0 MWh

**Emission factor**

97.17 kg CO2 per million Btu

**Unit**

kg CO2 per million Btu

**Emissions factor source**

40 CFR Part 98 Table C-1

**Comment**

The default emission factor from U.S. EPA Part 98 is appropriate.

---

**Fuels (excluding feedstocks)**

**Bituminous Coal**

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

4,500,000 MWh

**MWh fuel consumed for self-generation of electricity**
MWh fuel consumed for self-generation of heat
0

Emission factor
93.28

Unit
kg CO2 per million Btu

Emissions factor source
40 CFR Part 98 Table C-1

Comment
The default emission factor from U.S. EPA Part 98 is appropriate.

Fuels (excluding feedstocks)
Natural Gas

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
38,800,000

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

Emission factor
53.06

Unit
kg CO2 per million Btu

Emissions factor source
40 CFR Part 98 Table C-1

Comment
The default emission factor from U.S. EPA Part 98 is appropriate.

Fuels (excluding feedstocks)
Fuel Oil Number 2

Heating value
<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>HHV (higher heating value)</th>
<th>Total fuel MWh consumed by the organization</th>
<th>MWh fuel consumed for self-generation of electricity</th>
<th>MWh fuel consumed for self-generation of heat</th>
<th>Emission factor</th>
<th>Unit</th>
<th>Emissions factor source</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wood Waste</td>
<td></td>
<td>100,000</td>
<td>0</td>
<td>0</td>
<td>73.96</td>
<td>lb CO2 per million Btu</td>
<td>40 CFR Part 98 Table C-1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.

### Coal – hard

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>3,860</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>18,421</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>16,501</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>15,848,000</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>960</td>
</tr>
</tbody>
</table>

**Comment**

450 MW nameplate capacity of coal were retired during 2019.

### Lignite

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
</tbody>
</table>

**Comment**

None of our facilities use lignite.

### Oil

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td></td>
</tr>
</tbody>
</table>
Net electricity generation (GWh) 0

Absolute scope 1 emissions (metric tons CO2e) 0

Scope 1 emissions intensity (metric tons CO2e per GWh) 0

Comment
None of our facilities use oil as the primary fuel.

Gas

Nameplate capacity (MW) 3,854

Gross electricity generation (GWh) 14,018

Net electricity generation (GWh) 13,559

Absolute scope 1 emissions (metric tons CO2e) 5,376,000

Scope 1 emissions intensity (metric tons CO2e per GWh) 400

Comment
We added 188 MW of nameplate natural gas reciprocating internal combustion engine generating capacity in 2019.

Biomass

Nameplate capacity (MW) 58

Gross electricity generation (GWh) 99

Net electricity generation (GWh) 99

Absolute scope 1 emissions (metric tons CO2e) 418,000

Scope 1 emissions intensity (metric tons CO2e per GWh) 4,210
Comment
Approximately 90% of the emissions from our Rothschild Biomass Cogeneration Plant were from the use of wood waste, and 10% were due to the use of natural gas.

Waste (non-biomass)

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
</tbody>
</table>

Comment
None of our facilities use waste for fuel.

Nuclear

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
</tbody>
</table>

Comment
We own no nuclear generating facilities.

Fossil-fuel plants fitted with CCS

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Category</td>
<td>Net electricity generation (GWh)</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Fossil fuel</td>
<td>0</td>
</tr>
<tr>
<td>Geothermal</td>
<td></td>
</tr>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Comment</td>
<td></td>
</tr>
<tr>
<td>Hydropower</td>
<td></td>
</tr>
<tr>
<td>Nameplate capacity (MW)</td>
<td>174</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>790</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>787</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Comment</td>
<td></td>
</tr>
</tbody>
</table>
## Wind

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>498</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>1,137</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>1,136</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
</tbody>
</table>

**Comment**
There are no CO2 emissions from our wind generation facilities.

## Solar

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td>0</td>
</tr>
<tr>
<td>Scope 1 emissions intensity (metric tons CO2e per GWh)</td>
<td>0</td>
</tr>
</tbody>
</table>

**Comment**
Our solar generating facilities were not yet in service in 2019.

## Marine

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate capacity (MW)</td>
<td>0</td>
</tr>
<tr>
<td>Gross electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Net electricity generation (GWh)</td>
<td>0</td>
</tr>
<tr>
<td>Absolute scope 1 emissions (metric tons CO2e)</td>
<td></td>
</tr>
</tbody>
</table>
0

**Scope 1 emissions intensity (metric tons CO2e per GWh)**

0

**Comment**
We do not own any marine generating facilities.

**Other renewable**

<table>
<thead>
<tr>
<th><strong>Nameplate capacity (MW)</strong></th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross electricity generation (GWh)</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Net electricity generation (GWh)</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Absolute scope 1 emissions (metric tons CO2e)</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Scope 1 emissions intensity (metric tons CO2e per GWh)</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

**Comment**
Our renewable generating facilities are reported in the previous categories.

**Other non-renewable**

<table>
<thead>
<tr>
<th><strong>Nameplate capacity (MW)</strong></th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross electricity generation (GWh)</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Net electricity generation (GWh)</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Absolute scope 1 emissions (metric tons CO2e)</strong></td>
<td>0</td>
</tr>
<tr>
<td><strong>Scope 1 emissions intensity (metric tons CO2e per GWh)</strong></td>
<td>0</td>
</tr>
</tbody>
</table>

**Comment**
Our non-renewable generating facilities are reported in the previous categories.

**Total**

<table>
<thead>
<tr>
<th><strong>Nameplate capacity (MW)</strong></th>
<th>8,444</th>
</tr>
</thead>
</table>
Gross electricity generation (GWh)
34,465

Net electricity generation (GWh)
32,082

Absolute scope 1 emissions (metric tons CO2e)
21,642,000

Scope 1 emissions intensity (metric tons CO2e per GWh)
675

Comment
Our transition to lower- and no-carbon generation has contributed to the 18% reduction in our Scope 1 emissions intensity compared with 2018. Our Scope 1 emissions intensity including our long-term carbon-free power purchase from a nuclear generating facility is 527 metric tons CO2e per GWh.

C-EU8.4

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?
Yes

C-EU8.4a

(C-EU8.4a) Disclose the following information about your transmission and distribution business.

<table>
<thead>
<tr>
<th>Country/Region</th>
<th>United States of America</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voltage level</td>
<td>Distribution (low voltage)</td>
</tr>
<tr>
<td>Annual load (GWh)</td>
<td>46,828</td>
</tr>
<tr>
<td>Annual energy losses (% of annual load)</td>
<td>2.6</td>
</tr>
<tr>
<td>Scope where emissions from energy losses are accounted for</td>
<td>Scope 1</td>
</tr>
<tr>
<td>Emissions from energy losses (metric tons CO2e)</td>
<td>110,000</td>
</tr>
<tr>
<td>Length of network (km)</td>
<td></td>
</tr>
</tbody>
</table>
114,000

Number of connections
0

Area covered (km2)
51,700

Comment
There is no feasible method of determining the number of connections on our distribution system.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

<table>
<thead>
<tr>
<th>Description</th>
<th>Metric value</th>
<th>Metric numerator</th>
<th>Metric denominator (intensity metric only)</th>
<th>% change from previous year</th>
<th>Direction of change</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify</td>
<td>609,400</td>
<td>Metric tons of combustion products produced</td>
<td>Metric is not an intensity metric</td>
<td>21</td>
<td>Decreased</td>
<td>Combustion products produced decreased due to retirement of 450 MW of coal generating capacity in 2019. The company beneficially used 94% of combustion products produced in 2019.</td>
</tr>
</tbody>
</table>

C-EU9.5a

(C-EU9.5a) Break down, by source, your total planned CAPEX in your current CAPEX plan for power generation.
<table>
<thead>
<tr>
<th>Primary power generation source</th>
<th>CAPEX planned for power generation from this source</th>
<th>Percentage of total CAPEX planned for power generation</th>
<th>End year of CAPEX plan</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>1,800,000,000</td>
<td>45</td>
<td>2024</td>
<td>We plan non-utility infrastructure portfolio investments in a number of wind generating facilities in the Midwest.</td>
</tr>
<tr>
<td>Other, please specify</td>
<td>900,000,000</td>
<td>23</td>
<td>2024</td>
<td>We plan to invest in zero-carbon generation in Wisconsin, including solar generation.</td>
</tr>
</tbody>
</table>

**C-EU9.5b**

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

<table>
<thead>
<tr>
<th>Products and services</th>
<th>Description of product/service</th>
<th>CAPEX planned for product/service</th>
<th>Percentage of total CAPEX planned products and services</th>
<th>End of year CAPEX plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify</td>
<td>Advanced metering program uses integrated system of smart meters</td>
<td>1,200,000,000</td>
<td>100</td>
<td>2024</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Investment in low-carbon R&amp;D</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>We are members of the Electric Power Research Institute and the Gas Technology Institute. We invest in a number of research and development initiatives, including low-carbon programs.</td>
</tr>
</tbody>
</table>

**C-CO9.6a/C-EU9.6a/C-OG9.6a**

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.
### Technology area

<table>
<thead>
<tr>
<th>Stage of development in the reporting year</th>
<th>Average % of total R&amp;D investment over the last 3 years</th>
<th>R&amp;D investment figure in the reporting year (optional)</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable energy</td>
<td>≤20%</td>
<td>0</td>
<td>We have invested in solar energy research and are constructing Wisconsin's first large-scale solar facility, expected to begin generating electricity at the end of 2020.</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>≤20%</td>
<td>17,500</td>
<td>In 2019, Peoples Gas invested in three projects specifically on reduction of methane release on commercial applications.</td>
</tr>
</tbody>
</table>

### C10. Verification

**C10.1**

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

<table>
<thead>
<tr>
<th>Verification/assurance status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1</td>
</tr>
<tr>
<td>No third-party verification or assurance</td>
</tr>
<tr>
<td>Scope 2 (location-based or market-based)</td>
</tr>
<tr>
<td>No third-party verification or assurance</td>
</tr>
<tr>
<td>Scope 3</td>
</tr>
<tr>
<td>No third-party verification or assurance</td>
</tr>
</tbody>
</table>

**C10.2**

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure.

### C11. Carbon pricing

**C11.1**

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years.
C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Other, please specify

Sensitivity scenarios associated with power generation projects

GHG Scope

Scope 1

Application

We use a shadow price of $20 per metric ton of CO2 in internal analyses of power generation projects in sensitivity scenarios.

Actual price(s) used (Currency /metric ton)

20

Variance of price(s) used

We use a shadow price of $20 per metric ton of CO2.

Type of internal carbon price

Shadow price

Impact & implication

Using a shadow price on carbon provides a more robust analysis of power generation alternatives and decisions.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our customers
C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

<table>
<thead>
<tr>
<th>Type of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education/information sharing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Details of engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share information about your products and relevant certification schemes (i.e. Energy STAR)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of customers by number</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% of customer-related Scope 3 emissions as reported in C6.5</th>
</tr>
</thead>
<tbody>
<tr>
<td>35</td>
</tr>
</tbody>
</table>

Please explain the rationale for selecting this group of customers and scope of engagement

We provide our large customers with estimates of GHG emissions from their use of the natural gas we supply and are required to report to the U.S. EPA under 40 CFR 98.

- Rationale for customer selection: Customers targeted for outreach are those taking delivery of natural gas above a threshold level during the reporting year.
- Scope of engagement: Our key account managers reach out to large customers during the first quarter of the following year to provide information needed to estimate GHG emissions associated with the natural gas delivered to our customers during the reporting year. We provide this information to any customer upon request, as well as monthly high heating values of natural gas by company for customers to calculate their carbon footprint based upon billing information.

Impact of engagement, including measures of success

Customers have expressed appreciation for receiving consistent greenhouse gas reporting information for their use, including the ability to investigate occasional inconsistencies.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other
C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

<table>
<thead>
<tr>
<th>Focus of legislation</th>
<th>Corporate position</th>
<th>Details of engagement</th>
<th>Proposed legislative solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory carbon reporting</td>
<td>Support</td>
<td>Participating in regulatory process</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>Support</td>
<td>Participating in regulatory process</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Adaptation or resilience</td>
<td>Support</td>
<td>Participating in regulatory process</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Clean energy generation</td>
<td>Support</td>
<td>Participating in regulatory process</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?
Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

---

**Trade association**

Edison Electric Institute

**Is your position on climate change consistent with theirs?**
Consistent

**Please explain the trade association’s position**

Global climate change presents one of the biggest energy and environmental policy challenges this country has ever faced. EEI member companies are committed to addressing the challenge of climate change and have undertaken a wide range of initiatives over the last 30 years to reduce, avoid or sequester GHG emissions. Policies to address climate change should seek to minimize impacts on consumers and avoid harm to U.S. industry and the economy. As of the end of 2019, electric power sector CO2 emissions had declined 33% from 2005 levels, driven in part by low natural gas prices, increased deployment of renewable generation and customer demands.

(From http://www.eei.org/issuesandpolicy/environment/climate/Pages/default.aspx)

**How have you influenced, or are you attempting to influence their position?**
We attend meetings and discussions of the Edison Electric Institute regarding policy matters, including climate change, and provide input to ensure that the company's perspectives are considered.

Trade association
- American Gas Association

Is your position on climate change consistent with theirs?
- Consistent

Please explain the trade association's position
- Natural gas provides environmental benefits: Increased use of natural gas can help address several environmental concerns simultaneously, including smog, acid rain and greenhouse gas emissions.
- Natural gas is an important tool in the suite of greenhouse gas emissions reduction options available to the United States. Natural gas will continue to benefit our nation as states move to further reduce carbon dioxide emissions created in electric power generation.
- Greater direct use of natural gas for heating and cooling, water heating, cooking and clothes drying can cut carbon emissions nearly in half. That is because natural gas appliances and the network that delivers the energy to your home are extraordinarily efficient.
- Electric system losses account for half the energy consumed in the U.S. residential sector. When you factor in energy use and emissions along the full fuel cycle, households with natural gas versus all-electric appliances produce 37% lower greenhouse gas emissions.
- When natural gas is used directly, then from the place where it is extracted from the ground, to appliances in the home, natural gas achieves 92% energy efficiency.

(From https://www.aga.org/natural-gas/clean-energy/)

How have you influenced, or are you attempting to influence their position?
- We attend meetings and discussions of the American Gas Association regarding policy matters, including climate change, and provide input to ensure that the company's perspectives are considered.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?
- Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.
- We have met with representatives of the U.S. Environmental Protection Agency, Wisconsin Department of Natural Resources, Public Service Commission of Wisconsin, Michigan
Department of Environmental Quality, other state regulators, other electric utilities, and various environmental groups to discuss issues related to the development of greenhouse gas new source performance standards for new and existing fossil-fueled power plants.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Senior management has primary responsibility for managing risk across the corporation. The team addresses this responsibility using a multifaceted approach that seeks input from internal resources and industry experts. The company’s vice president — environmental, in collaboration with members of her team, takes the lead on analyzing the climate-related impacts of our strategies and related tactics. The WEC Infrastructure and Fuels team and Environmental team engage with other functional areas of the company to identify cost-effective options for reducing carbon dioxide and other emissions. The vice president — environmental provides regular updates on environmental issues, including regulatory matters, to the Audit and Oversight Committee of our board of directors through formal quarterly reports. The Audit and Oversight Committee assists the board of directors in overseeing our strategy and compliance with legal and regulatory requirements. The committee’s efforts include reviewing and providing oversight of environmental compliance matters and risks to ensure appropriate management attention. Broader environmental risk oversight remains the responsibility of the full board. Our Environmental team also provides reports at meetings of the Climate Risk Committee, which brings together senior-level officers responsible for overall corporate strategy. The committee meets at least quarterly to discuss goals and initiatives that involve climate-related risks and opportunities. Working with external organizations and our internal staff, Environmental leadership anticipates and prepares for policy developments at various levels. Leadership further engages with policymakers and other stakeholders to improve transparency and results. These efforts help us identify opportunities for research, development, demonstration, collaboration, investment and piloting. We actively participate in industry organizations that are involved in the legislative and regulatory processes focusing on climate change and other environmental matters, including Edison Electric Institute, American Gas Association and affiliated organizations. We also collaborate on scientific and technical work with organizations such as the Electric Power Research Institute and Gas Technology Institute to inform company planning, risk management and operations.

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).
In mainstream reports, in line with the CDSB framework (as amended to incorporate the TCFD recommendations)

**Status**
Complete

**Attach the document**
- WEC Pathway to a Cleaner Energy Future - Climate Report.pdf

**Page/Section reference**
- Pathway to a Cleaner Energy Future - All

**Content elements**
- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics
- Other, please specify
  - Environmental policy statement

**Comment**
Our publications also describe our environmental partnerships and stewardship activities in the communities we serve.

**C15. Signoff**

**C-FI**

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Executive Vice President and Chief Operating Officer</td>
<td>Chief Operating Officer (COO)</td>
</tr>
</tbody>
</table>

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

WEC Energy Group works with consultants, engineers and other suppliers to develop methods that are adopted to improve the efficiency and heat rates of our generating facilities, thereby lowering our emissions.

We are considering becoming a future participating supplier in CDP’s Action Exchange initiative.

SC0.1

(SC0.1) What is your company’s annual revenue for the stated reporting period?

<table>
<thead>
<tr>
<th>Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,523,100,000</td>
</tr>
</tbody>
</table>

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

No

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

------------------------
Requesting member
AT&T Inc.

Scope of emissions
Scope 1
Allocation level
  Company wide

Allocation level detail

Emissions in metric tonnes of CO2e
  0

Uncertainty (±%)
  0

Major sources of emissions
  WEC Energy Group's Scope 1 greenhouse gas emissions that are applicable to this customer are from fossil-fueled electric generating facilities. Scope 3 emissions associated with customers' purchase and use of natural gas from WEC Energy Group are assumed not to be applicable to this customer.

Verified
  No

Allocation method
  Other, please specify

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
  Most of WEC Energy Group's carbon dioxide emissions are from our fossil-fueled energy generating facilities. These facilities are identified by and reported on under the U.S. EPA Part 98 Mandatory Reporting of Greenhouse Gases rule, and there are no limitations or assumptions associated with the identification of these sources. The allocation method mentions that the emission rates provided reflect regional average fuel mix data from Michigan, Illinois, Indiana, Ohio and Wisconsin as a proxy for the actual fuel mix characteristics of that purchased electricity because the actual fuel mix characteristics of that purchased electricity could not be discerned.

Requesting member
  U.S. General Services Administration - OMB ICR #3090-0319

Scope of emissions
  Scope 1

Allocation level
  Company wide

Allocation level detail
Emissions in metric tonnes of CO2e
0

Uncertainty (±%)
0

Major sources of emissions
WEC Energy Group's Scope 1 greenhouse gas emissions that are applicable to this customer are from fossil-fueled electric generating facilities. Scope 3 emissions associated with customers' purchase and use of natural gas from WEC Energy Group are assumed not to be applicable to this customer.

Verified
No

Allocation method
Other, please specify

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made
Most of WEC Energy Group's carbon dioxide emissions are from our fossil-fueled energy generating facilities. These facilities are identified by and reported on under the U.S. EPA Part 98 Mandatory Reporting of Greenhouse Gases rule, and there are no limitations or assumptions associated with the identification of these sources. The allocation method mentions that the emission rates provided reflect regional average fuel mix data from Michigan, Illinois, Indiana, Ohio and Wisconsin as a proxy for the actual fuel mix of certain electricity purchased by our electric utilities because the actual fuel mix characteristics of that purchased electricity could not be discerned.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

<table>
<thead>
<tr>
<th>Allocation challenges</th>
<th>Please explain what would help you overcome these challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify</td>
<td>WEC Energy Group uses regional average fuel mix data from Michigan, Illinois, Indiana, Ohio and Wisconsin as a proxy for the actual fuel mix of electricity purchased from energy markets by our electric utilities. We</td>
</tr>
<tr>
<td>Market power purchase emissions unknown</td>
<td></td>
</tr>
<tr>
<td>Customer base is too large and diverse to accurately track emissions to the customer level</td>
<td>No method currently exists to identify and aggregate all purchases by these customers’ various locations in order to apply an emission rate for calculating the emission values requested in SC1.1.</td>
</tr>
</tbody>
</table>

**SC1.4**

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

**SC1.4b**

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Our current method is to provide greenhouse gas emission rates for customers to apply to their aggregate energy use in our service areas. No method currently exists to identify and aggregate all purchases by customers’ various locations in order for us to apply an emission rate for calculating their total greenhouse gas emissions.

**SC2.1**

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

---

**Requesting member**

**Group type of project**

Other, please specify

Provide EEI CO2 emissions and resource mix reporting template to customers.

**Type of project**

Other, please specify

Provide EEI CO2 emissions and resource mix reporting template to customers that is comparable across geographic areas.

**Emissions targeted**

Other, please specify

Information for completing carbon footprint analyses to support reduction activities.

**Estimated timeframe for carbon reductions to be realized**

Other, please specify
Depends on customer reduction activities.

**Estimated lifetime CO2e savings**
0

**Estimated payback**
Other, please specify
Depends on customer reduction activities.

**Details of proposal**

The EEI CO2 emissions and resource mix reporting template provides information for customers who are completing carbon footprint analyses to support reduction activities across geographic areas.

**SC2.2**

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

**SC3.1**

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?
No

**SC3.2**

(SC3.2) Is your company a participating supplier in CDP’s 2019-2020 Action Exchange initiative?
No

**SC4.1**

(SC4.1) Are you providing product level data for your organization’s goods or services?
No, I am not providing data

**Submit your response**

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

<p>| I am submitting to | Public or Non-Public Submission | Are you ready to submit the additional Supply Chain Questions? |</p>
<table>
<thead>
<tr>
<th>I am submitting my response</th>
<th>Investors</th>
<th>Public</th>
<th>Yes, submit Supply Chain Questions now</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Customers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Please confirm below**

- I have read and accept the applicable Terms