



***Wisconsin Energy
Corporation***

Credit Suisse Energy Summit

February 12, 2014

Cautionary Statement Regarding Forward-Looking Information

Much of the information contained in this presentation is forward-looking information based upon management's current expectations and projections that involve risks and uncertainties. Forward-looking information includes, among other things, information concerning earnings per share, rate case activity, earnings per share growth, cash flow, dividend growth and dividend payout ratios, share repurchases, debt redemptions, construction costs and capital expenditures, investment opportunities, corporate initiatives, rate base, and future electric sales. Readers are cautioned not to place undue reliance on this forward-looking information. Forward-looking information is not a guarantee of future performance and actual results may differ materially from those set forth in the forward-looking information.

In addition to the assumptions and other factors referred to in connection with the forward-looking information, factors that could cause Wisconsin Energy's actual results to differ materially from those contemplated in any forward-looking information or otherwise affect our future results of operations and financial condition include, among others, the following: general economic conditions, including business and competitive conditions in the company's service territories; timing, resolution and impact of future rate cases and other regulatory decisions; availability of the company's generating facilities and/or distribution systems; unanticipated changes in fuel and purchased power costs; key personnel changes; varying weather conditions; continued industry consolidation; our ability to mitigate the impact of Michigan customers switching to an alternative electric supplier; cyber-security threats; construction risks; equity and bond market fluctuations; the impact of any legislative and regulatory changes; current and future litigation and regulatory investigations; changes in accounting standards; and other factors described under the heading "Factors Affecting Results, Liquidity and Capital Resources" in Management's Discussion and Analysis of Financial Condition and Results of Operations and under the headings "Cautionary Statement Regarding Forward-Looking Information" and "Risk Factors" contained in Wisconsin Energy's Form 10-K for the year ended December 31, 2012 and in subsequent reports filed with the Securities and Exchange Commission.

Wisconsin Energy expressly disclaims any obligation to publicly update or revise any forward-looking information.

Investment Thesis

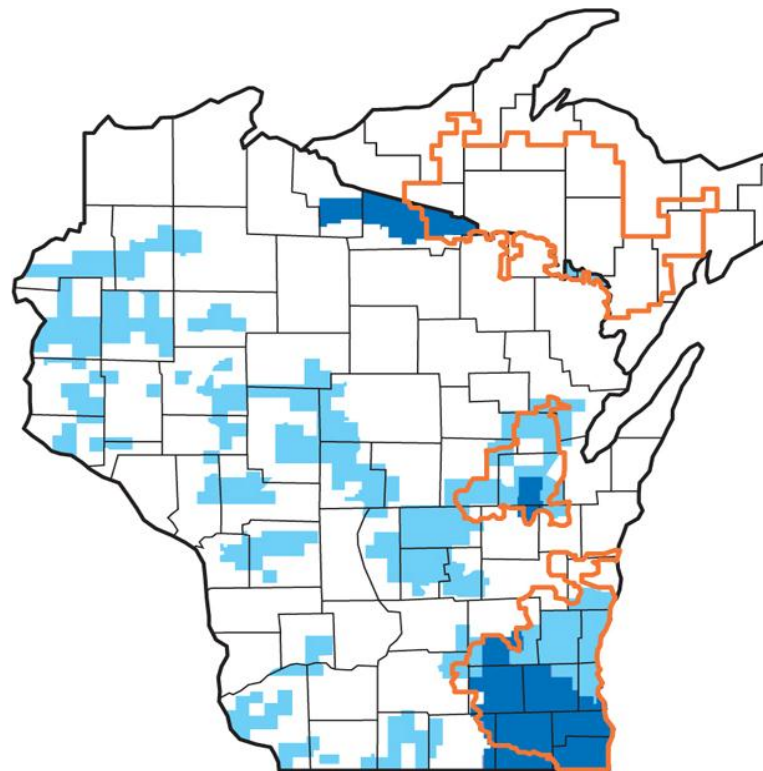
An “Earn and Return” Company with a Low Risk Profile

- Positive free cash flow
- Targeted EPS growth of 4%-6%
- Best in class dividend growth - targeting a dividend payout ratio of 65%-70% of earnings in 2017
- \$300 million share buyback program authorized from 2014 through 2017
- Proven management team that has delivered strong financial results and operational excellence
- Balanced regulatory climate

Overview

Retail Electric and Gas Utilities

- Largest electric and gas company in Wisconsin
 - 1.1 million electric customers
 - 1.1 million natural gas customers



- **Wisconsin Electric** Gas Service Area
- **Wisconsin Electric** Electric Service Area
- **Wisconsin Gas** Service Area

A Track Record of Performance

2013 Earnings Per Share

2013

\$2.51

2012

\$2.35



Increase of 6.8%

A Track Record of Performance

Consistent Earnings and Dividend Growth

Wisconsin Energy is the only company in the

- S&P Electric Index
- S&P Utilities Index
- Philadelphia Utility Index
- Dow Jones Utilities Average

that has grown earnings per share and dividends per share every year since 2003

Total Shareholder Return
A Ten-Year Track Record of Performance

Wisconsin Energy	227.1%
Dow Jones Industrial Average	104.9%
S&P 500 Index	104.3%
NASDAQ Composite Index	133.2%
Philadelphia Utility Index	137.1%
S&P Electric Index	132.4%

A Track Record of Performance

Leading Reliability and Customer Satisfaction



- Named the most reliable utility ...
 - In the U.S. in 2013
 - In the Midwest nine of the past 12 years
- During 2013, achieved highest customer satisfaction ratings in past decade ... likely best ever

A Track Record of Performance

Meeting the Region's Energy Needs

Power the Future - Natural Gas

Capacity 1,090 MW

Investment \$664 million

In Service Dates

Unit 1 – July 2005

Unit 2 – May 2008

**Cost Per Unit
of Capacity** \$609/kW



A Track Record of Performance

Meeting the Region's Energy Needs

Power the Future - Coal

Capacity 1,030 MW¹

Investment \$2 billion¹

In Service Dates

Unit 1 – February 2010

Unit 2 – January 2011

**Cost Per Unit
of Capacity** Approximately
\$1,950/kW



1 All capacity and investment amounts reflect WEC ownership only.

Dramatic Change in Environmental Performance

- From 2000 to 2014...

- Power plant capacity

up 50%



- Emissions of

nitrogen oxide

sulfur dioxide

mercury

particulate matter

down 80%



Delivering the Future

- From 2014 through 2018, our plan is to invest \$3.2 to \$3.5 billion in needed infrastructure projects that will:
 - Renew and modernize our grid
 - Meet new environmental standards
 - Reduce our operating costs for customers
- From 2014 through 2023, our plan is to invest \$6.5 to \$7.1 billion in needed infrastructure

Delivering the Future - Twin Falls

- In 2012 announced plans for a new powerhouse at Twin Falls
 - Existing powerhouse is in need of repair
- Construction began in the fall of 2013 with scheduled completion in 2016
- Expected cost: \$60 to \$65 million



Where We Go From Here

Delivering the Future -Valley Power Plant

- In 2012 announced plans to convert Valley from coal to natural gas
- Targeting completion of the conversion for late 2015 or early 2016
 - Follows completion of a \$26 million gas pipeline upgrade with expected completion in 2014
- Projected conversion cost for Valley: \$65 to \$70 million



Where We Go From Here

Delivering the Future – Electric Overview

Between 2014 and 2018, we plan to:

- Rebuild 2,000 miles of electric distribution lines that are more than 50 years old
- Replace:
 - 18,500 power poles
 - 20,000 transformers
 - Hundreds of substation components



Where We Go From Here

Delivering the Future – Gas Overview

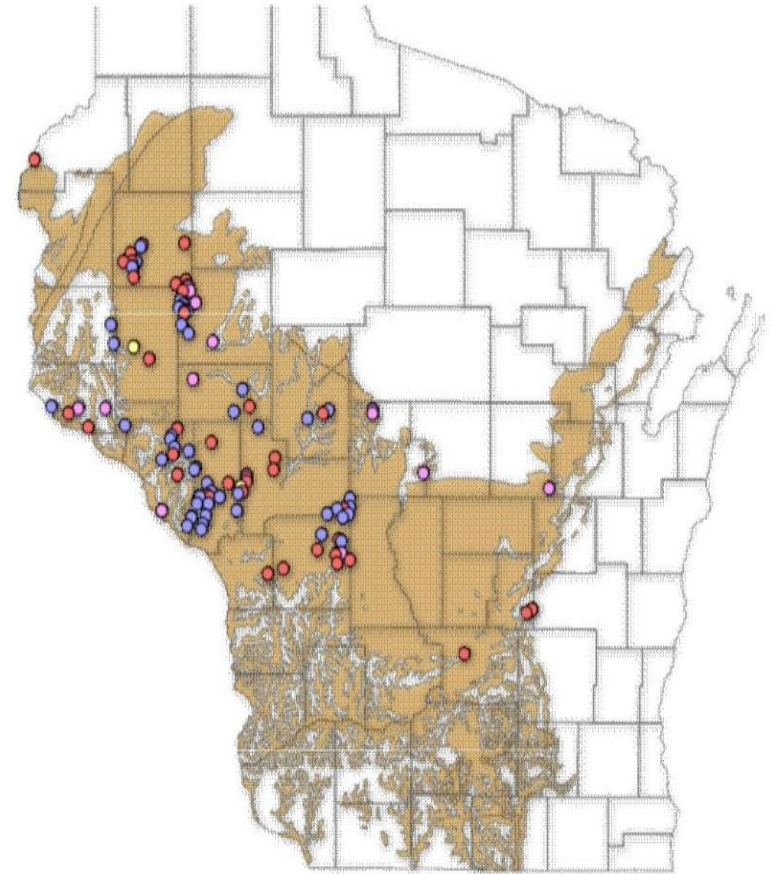
Between 2014 and 2018,
we also plan to:

- Replace:
 - 1,100 miles of vintage plastic and steel gas mains
 - 83,000 individual gas distribution lines
 - 233,000 meter sets



Delivering the Future - Western Wisconsin Gas Expansion

- New distribution capacity needed to address reliability and meet growth in customer demand
 - Demand driven by propane conversion and frac sand mining
- Expected initial investment for the 85-mile lateral: \$150-\$170 million



The Frozen Tundra Meets the Polar Vortex...



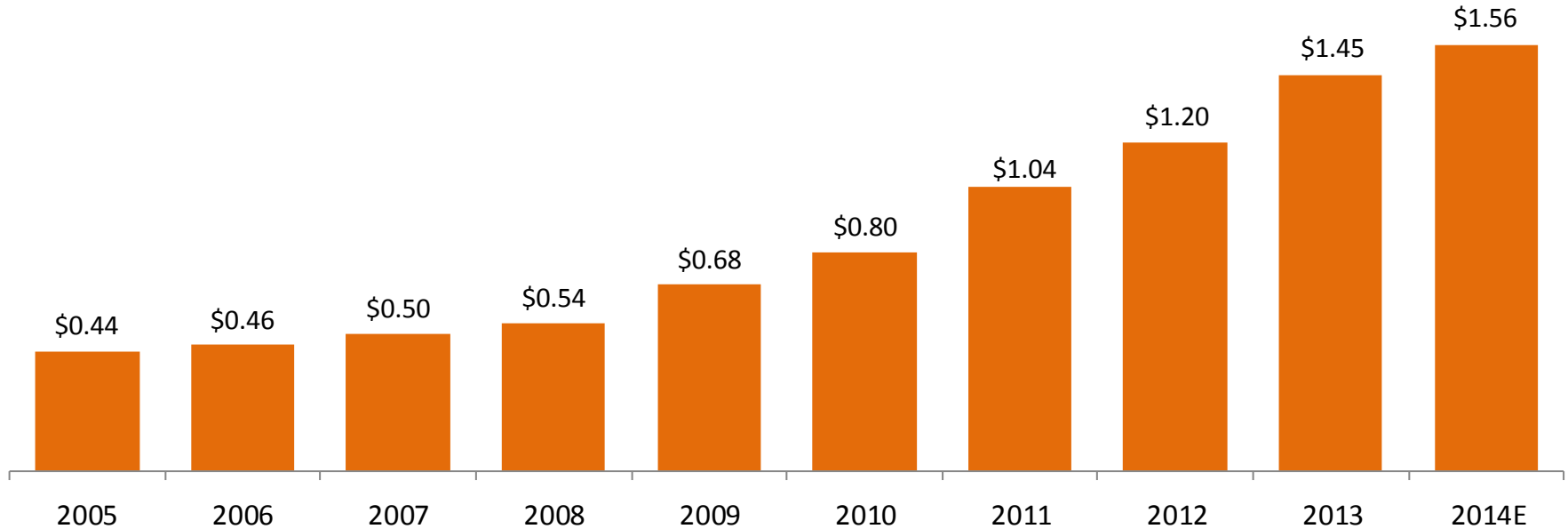
Where We Go From Here

Best in Class Financial Flexibility

We project approximately \$500 million of free cash flow after capital spending and dividends over the five-year period 2014-2018

Where We Go From Here

Industry Leading Dividend Growth



Targeting dividend payout ratio of 65 - 70 percent of earnings in 2017

Financial Flexibility for Share Repurchases

- The board of directors authorized management to purchase up to \$300 million of Wisconsin Energy common stock from 2014 – 2017
- Original share buyback program authorized the purchase of up to \$300 million of Wisconsin Energy common stock from 2011 – 2013
- At the end of 2013
 - Repurchased 7.7 million shares at an average price of \$36.19 a share
 - Invested \$277.8 million

“Earn and Return” Company with Low Risk Profile

- Power the Future program now complete
 - Highly visible earnings and strong cash flow
- Well managed utility franchises with rate base growth
- Investment in American Transmission Company provides an additional regulated growth opportunity
- Positioned to deliver among the best risk-adjusted returns in the industry
 - Positive free cash flow
 - Best in class dividend growth story