WEC Energy Group

Investor Update: **December 2020**

Our "ESG" Progress Plan:

A Road Map for Investment in Efficiency, Sustainability and Growth

One of America's Most Responsible Companies for 2020
Newsweek

Finalist for the S&P Global Energy Award in Corporate Social Responsibility
S&P Global Platts

Best in the U.S. in Large Customer Satisfaction (Top 2 Box)
JD Power

We Energies named Most Reliable Utility in the Midwest
PA Consulting

Cautionary Statement Regarding Forward-Looking Information

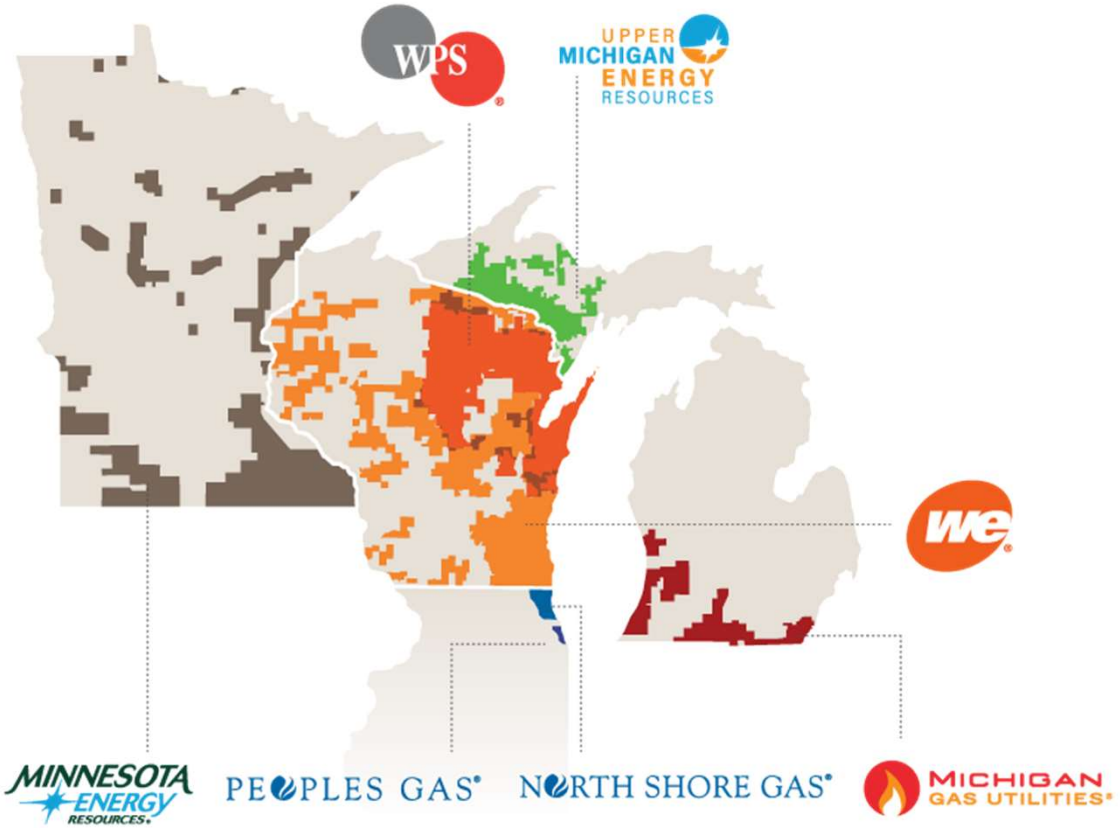
Much of the information contained in this presentation is forward-looking information based upon management's current expectations and projections that involve risks and uncertainties. Forward-looking information includes, among other things, information concerning earnings per share, rate case activity, earnings per share growth, cash flow, sources of revenue, dividend growth and dividend payout ratios, sales volumes, capital plans, construction costs, investment opportunities, corporate initiatives (including the ESG Progress Plan), rate base, and environmental matters (including emission reductions). 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.

Factors that could cause actual results to differ materially from those contemplated in any forward-looking statements include, but are not limited to: general economic conditions, including business and competitive conditions in the company's service territories; the extent, duration and impact of the COVID-19 pandemic or any future health pandemics; timing, resolution and impact of rate cases and other regulatory decisions; the company's ability to continue to successfully integrate the operations of its subsidiaries; 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 restructuring and consolidation; continued advances in, and adoption of, new technologies that produce power or reduce power consumption; energy and environmental conservation efforts; the company's ability to successfully acquire and/or dispose of assets and projects; cyber-security threats and data security breaches; construction risks; equity and bond market fluctuations; changes in the company's and its subsidiaries' ability to access the capital markets; the impact of tax reform and any other legislative and regulatory changes, including changes to environmental standards; political developments; current and future litigation and regulatory investigations, proceedings or inquiries; changes in accounting standards; the financial performance of American Transmission Co. as well as projects in which the company's energy infrastructure business invests; the ability of the company to obtain additional generating capacity at competitive prices; goodwill and its possible impairment; 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 WEC Energy Group's Form 10-K for the year ended December 31, 2019, and in subsequent reports filed with the Securities and Exchange Commission. WEC Energy Group expressly disclaims any obligation to publicly update or revise any forward-looking information.

WEC Energy Group

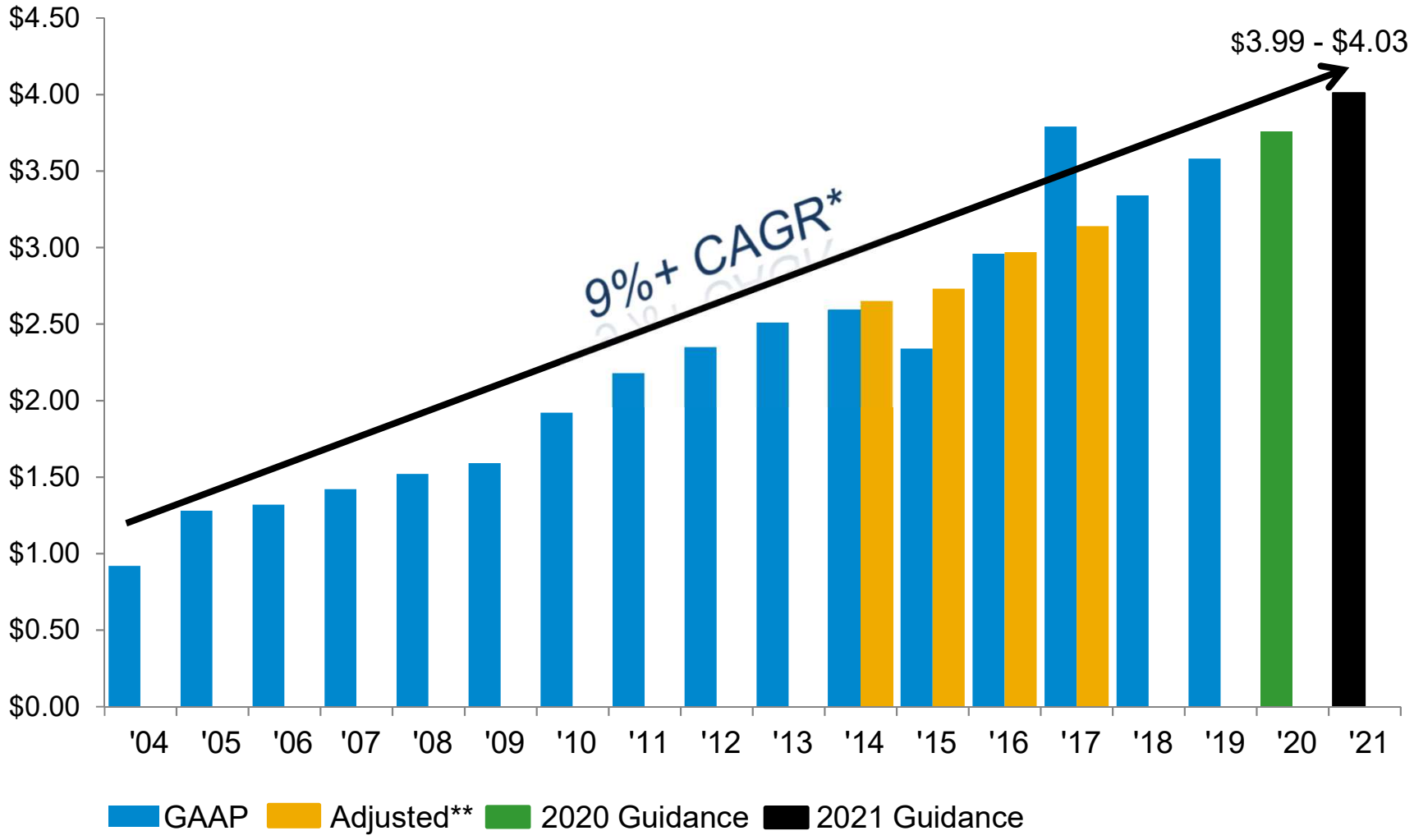
Company Statistics

- **$30.0** billion market cap*
- **1.6** million electric customers
- **2.9** million natural gas customers
- **60%** ownership of American Transmission Company
- **$35.0** billion of assets
- **10th** largest publicly traded utility in U.S. measured by market value*



* As of November 30, 2020

A History of Quality Earnings Growth



* Estimated based on 2021 guidance midpoint of $4.01 per share

** See Appendix for reconciliation of adjusted amounts to GAAP amounts

Consistent Performance Over Time



EPS Guidance		
2019	***Exceeded***	✓
2018	***Exceeded***	✓
2017	***Exceeded***	✓
2016	***Exceeded***	✓
2015	***Exceeded***	✓
2014	***Exceeded***	✓
2013	***Exceeded***	✓
2012	***Exceeded***	✓
2011	***Exceeded***	✓
2010	***Exceeded***	✓
2009	***Exceeded***	✓
2008	***Exceeded***	✓
2007	***Exceeded***	✓
2006	***Exceeded***	✓
2005	***Exceeded***	✓
2004	***Exceeded***	✓

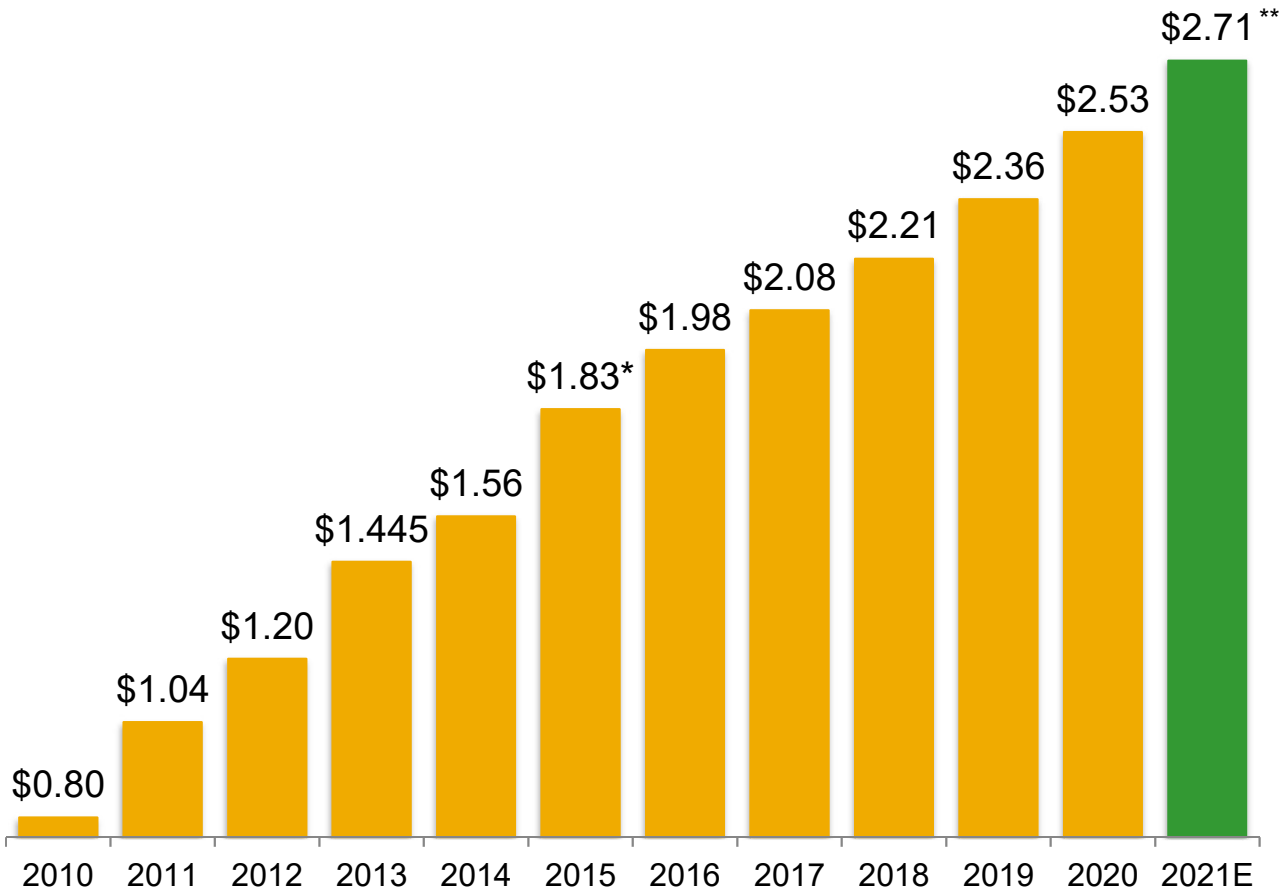
Strong Dividend Growth Continues

The board of directors announced its plan to raise the dividend by **7.1%** to a new annual rate of **$2.71** per share**

Targeting dividend payout of **65-70%** of earnings

Projecting dividend growth in line with earnings growth

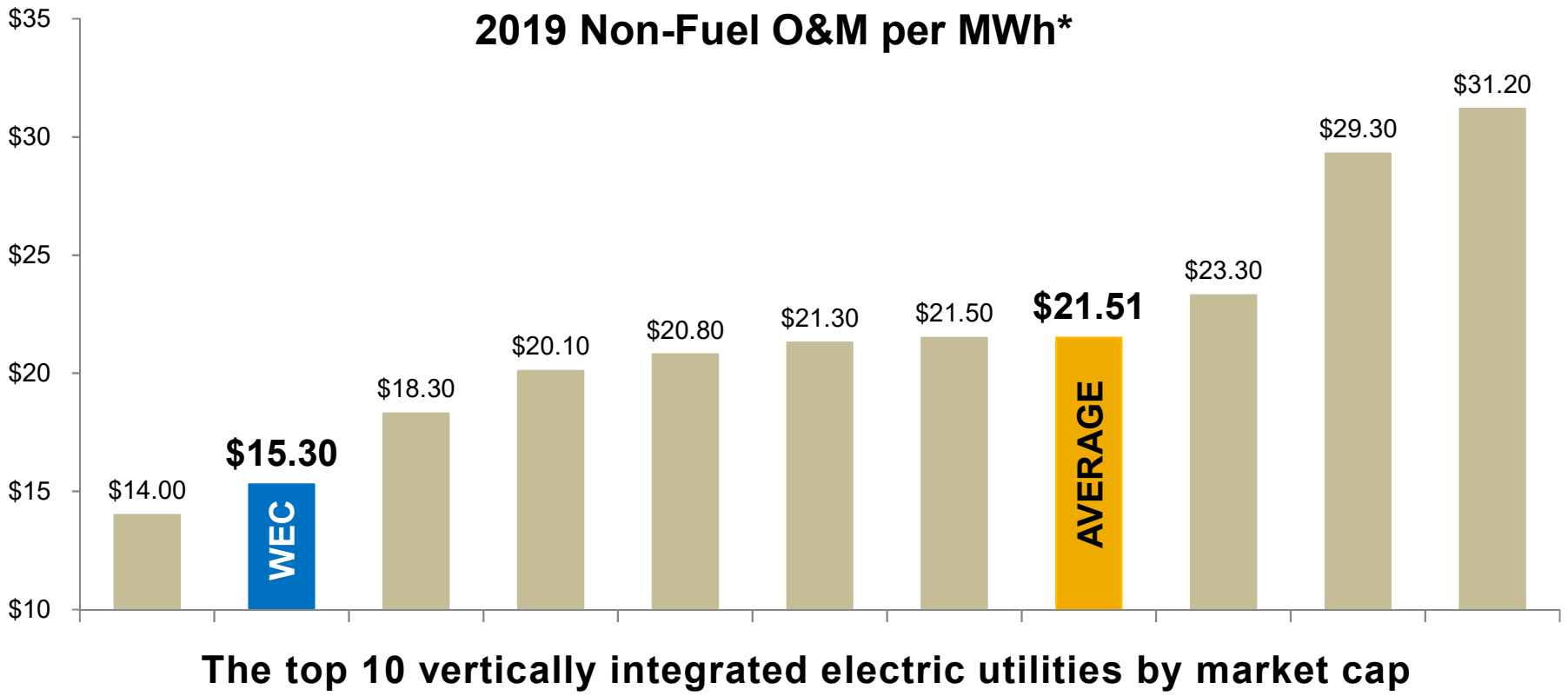
Annualized Dividends Per Share



*Annualized based on 4th quarter 2015 dividend of $0.4575

**The board of directors announced December 3, 2020 that it is planning to raise the quarterly dividend on the company's common stock to 67.75 cents per share for the first quarter of 2021, which would be equivalent to an annual rate of $2.71 per share.

One of the Top Performers in Operating Efficiency



Source: FERC Form 1 Reports

*For all companies, excluded 1) pensions and other employee benefits, 2) costs reported as "transmission of electricity by others" to neutralize differences in ownership of the transmission utilized by each utility, and 3) costs reported as "rents" within the production section to control for difference in how power plants are owned and financed


What's New?

Our ESG Progress Plan

Investing $16.1 billion for:

Efficiency

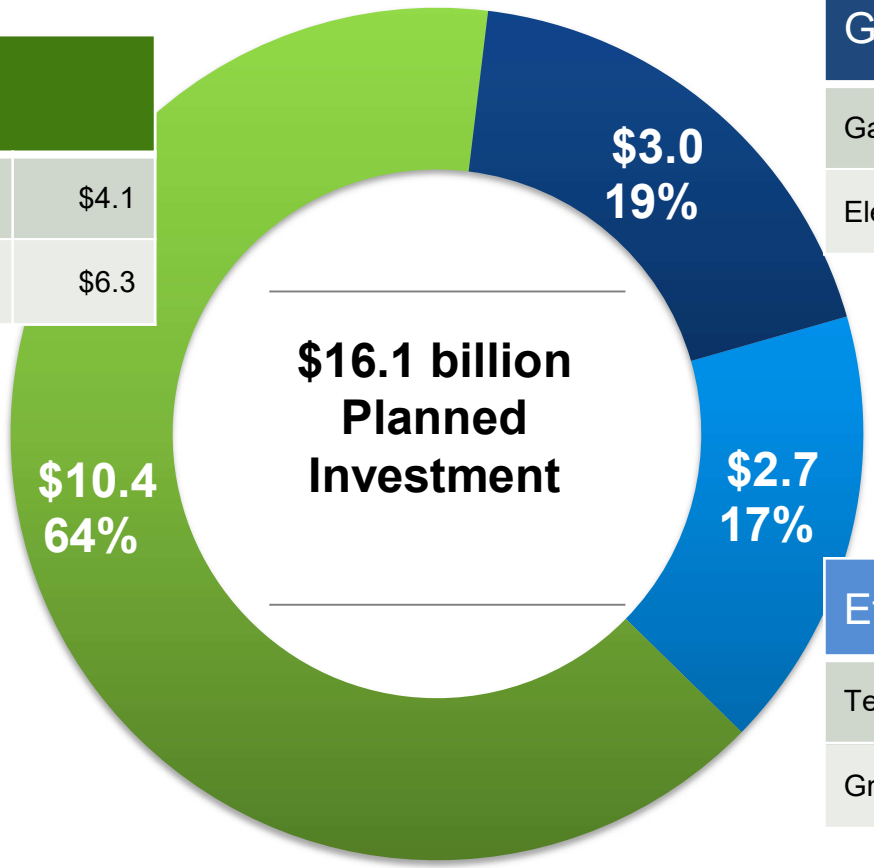
Sustainability

Growth

2021-2025 Capital Plan ($ in billions)

Investing in Efficiency and Sustainability Drives Growth

Sustainability	
Renewables	$4.1
Grid and fleet reliability	$6.3

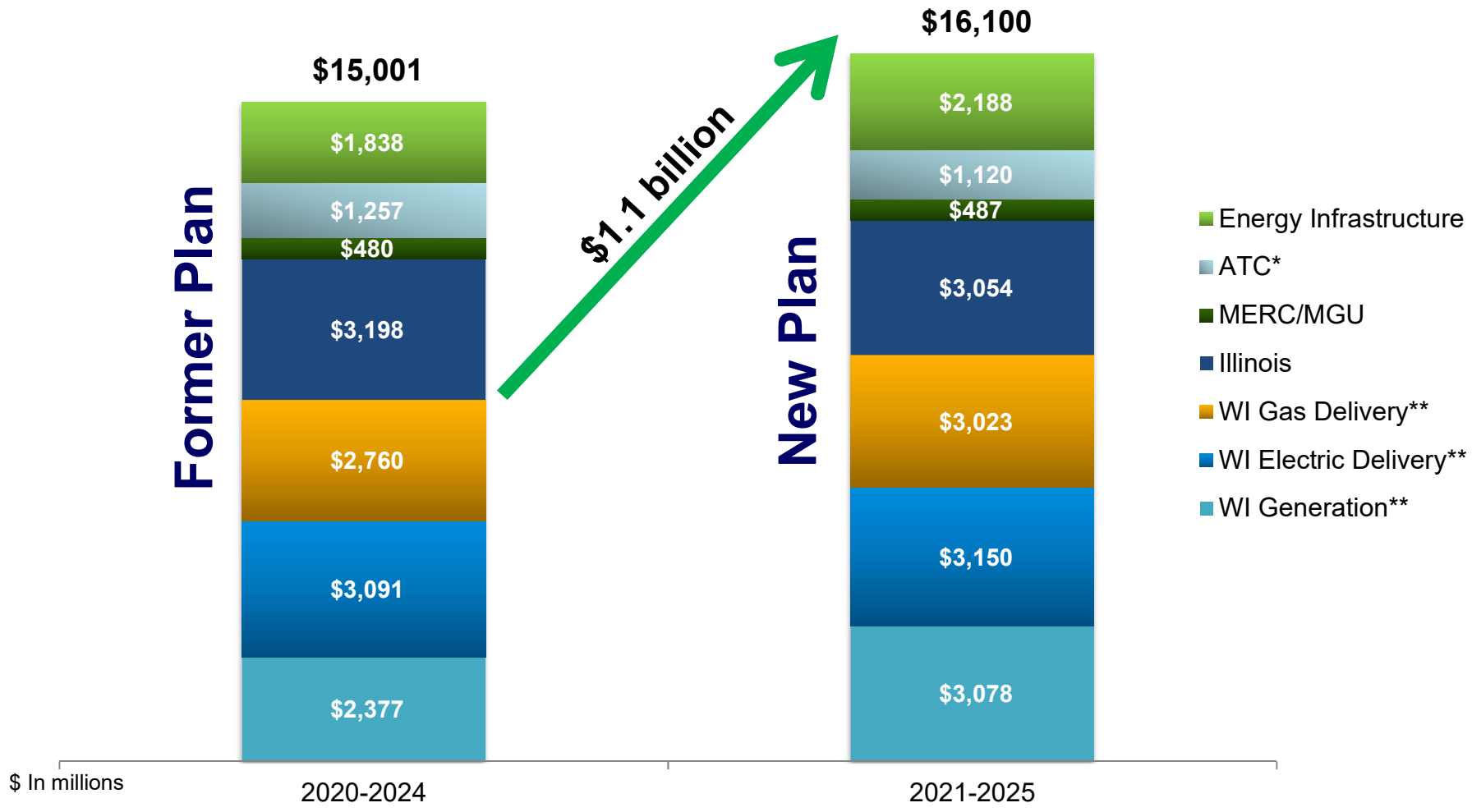


Growth	
Gas distribution	$1.6
Electric (G,T&D)	$1.4

Efficiency	
Technology	$1.0
Grid and fleet modernization	$1.7

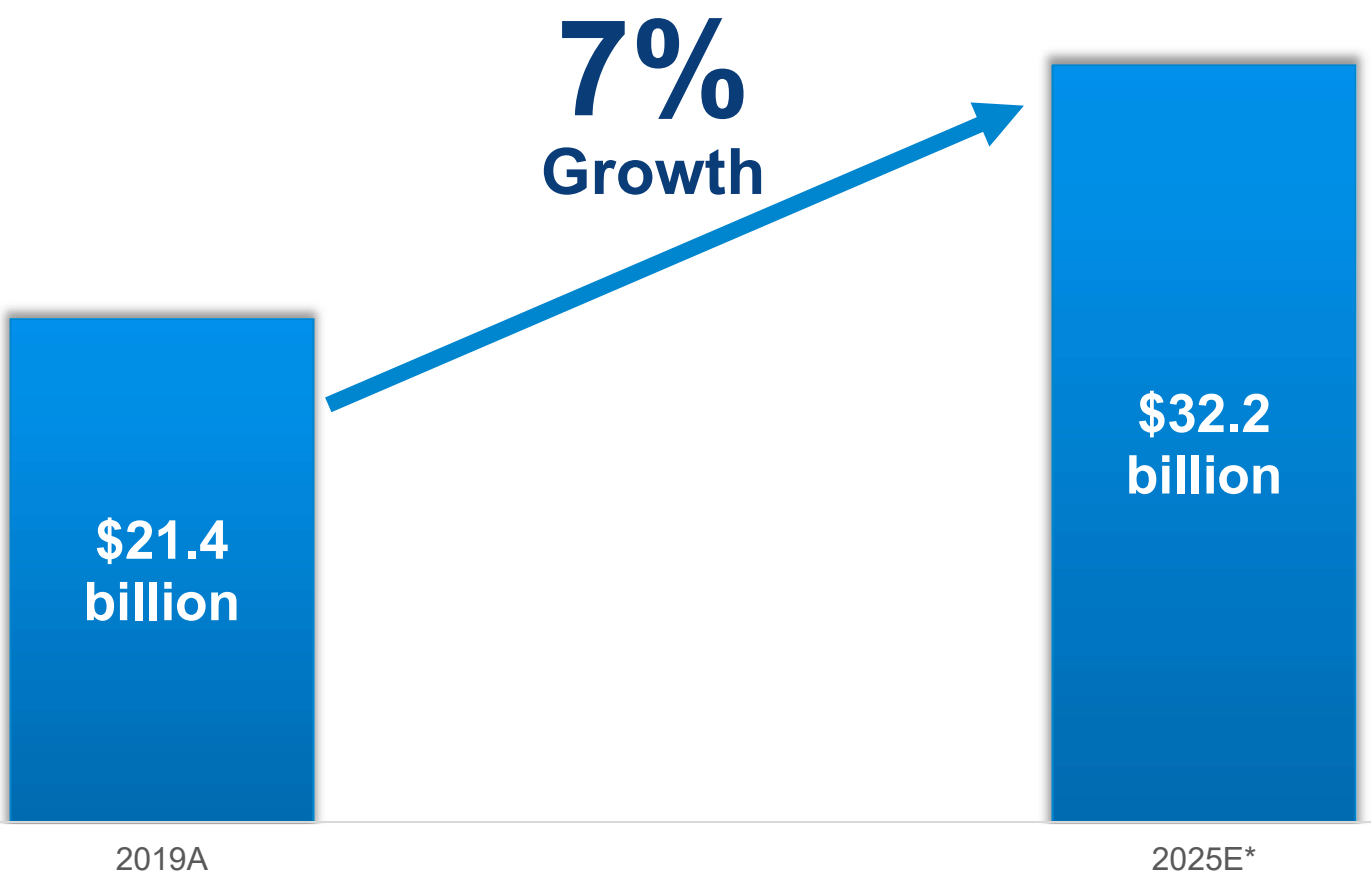
ESG Progress Plan Continues to Support 5-7% EPS Growth

Increasing Five-Year Capital Plan by $1.1 Billion



*ATC is accounted for using the equity method; this represents WEC's portion of the investment
**Includes UMERC

Robust Growth in Asset Base



*Estimated year-end average asset base

Allocating $1.9 Billion for Regulated Renewables

Investing in Carbon-Free Generation

Build and own 1,800 MW of new solar, wind, and battery storage



Currently Under Development or In-Service

- 200 MW solar – WPS*
- 100 MW solar – We Energies



New Planned Clean Energy Additions

- 800 MW solar
- 100 MW wind
- 600 MW battery storage



* 100MW in-service November 2, 2020

Reducing 100MW of Capacity

Modernizing Our Gas-Fueled Generation Fleet

Retiring

- 400 MW of older, less-efficient gas generation expected

Building

- 100 MW of RICE generation planned

Investing

- West Riverside Energy Center (now operational)*
  - 200 MW - combined cycle
  - $180 million investment expected
  - 2023 – 2024

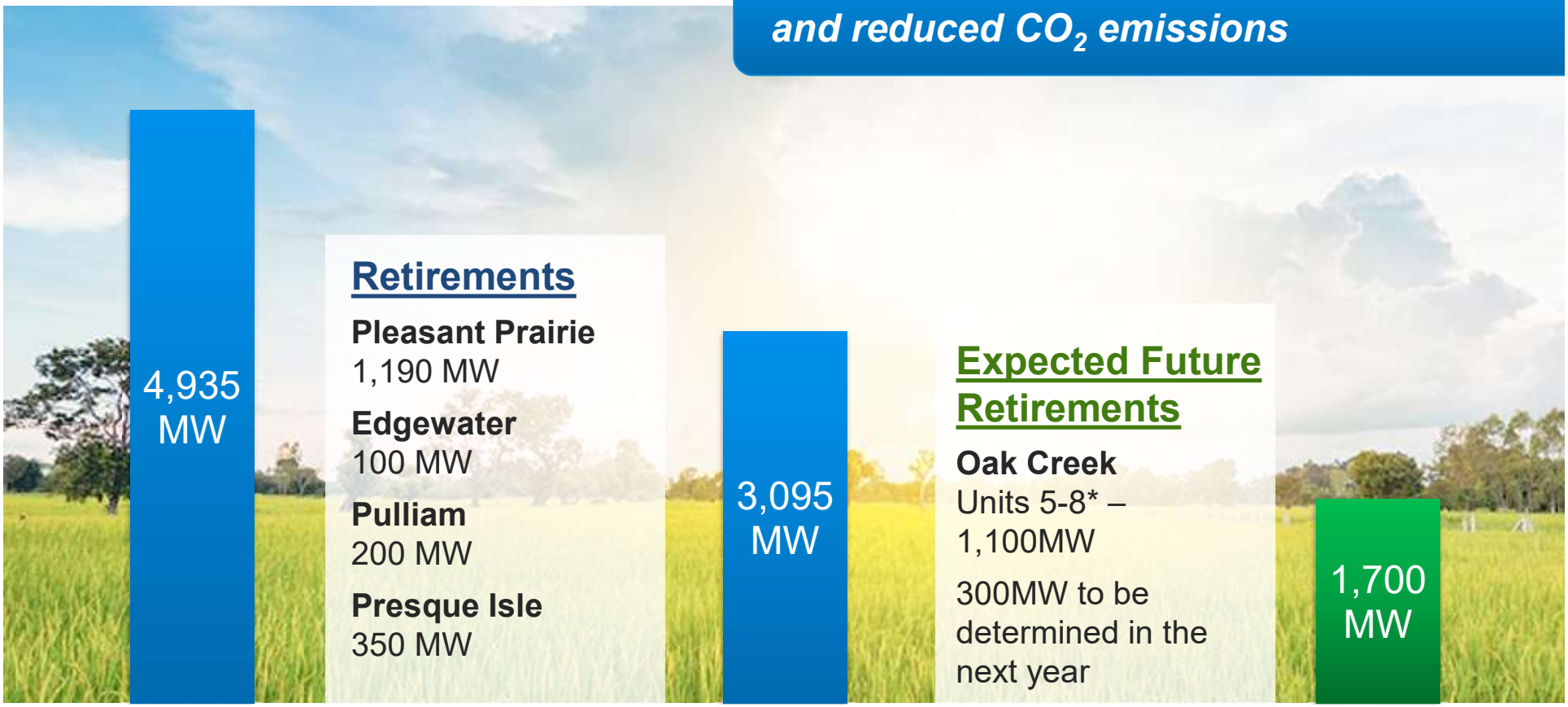


Reciprocating Internal Combustion Engines (RICE) are modular, run on natural gas and allow for reliable and flexible operations.

* Pending due diligence and regulatory approval

Aggressively Reducing Coal-Fueled Generation

Plant retirements have lowered costs and reduced CO_2 emissions



Retirements

Pleasant Prairie
1,190 MW

Edgewater
100 MW

Pulliam
200 MW

Presque Isle
350 MW

Expected Future Retirements

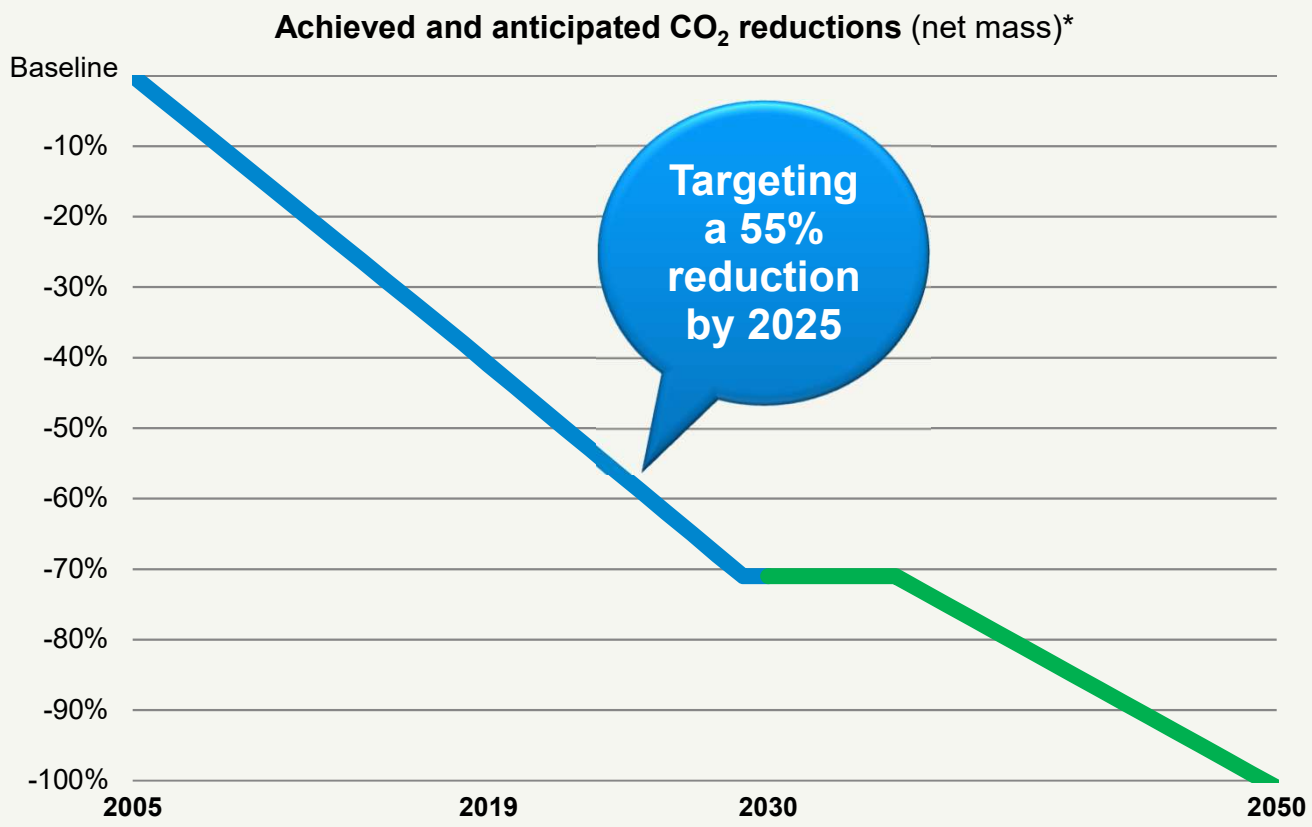
Oak Creek
Units 5-8* – 1,100MW

300MW to be determined in the next year

* Expected retirement in 2023 - 2024

Our ESG Progress Plan

New Carbon Reduction Goals – Electric Generation



Reduction goals:

70%
below 2005 levels by 2030

Net carbon neutral
by 2050

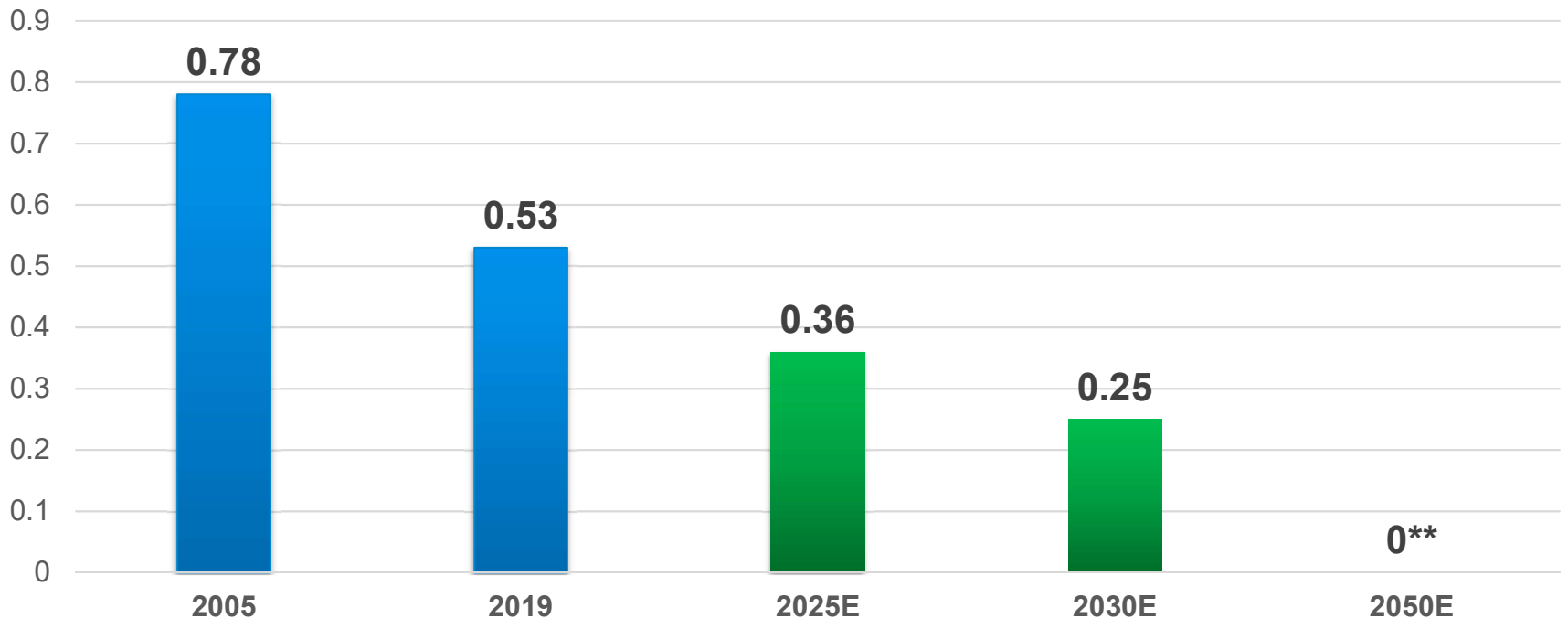
Goals aligned with the Paris Climate Accord

**Includes projection of potential carbon offsets by 2050*

Reducing Greenhouse Gas Emissions

Greenhouse gas intensity*

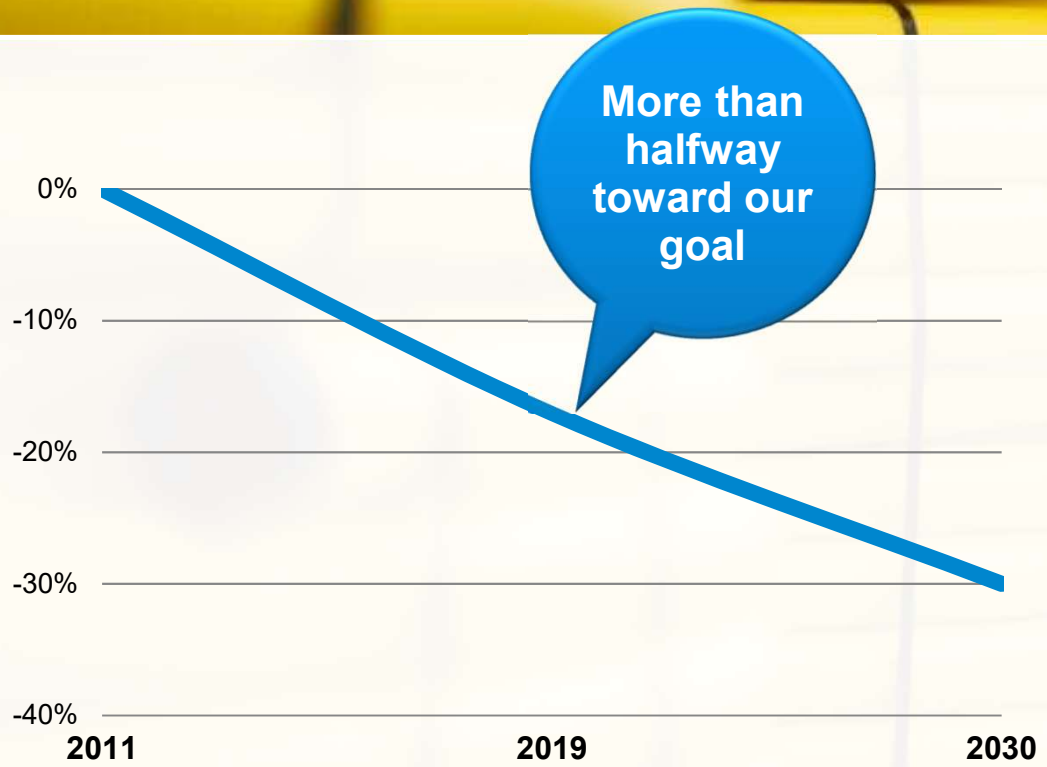
(metric tons CO_2e/MWh)



*Includes owned electric generation, purchased power and WEC Infrastructure
**Includes projection of potential carbon offsets by 2050

Our ESG Progress Plan

Methane Reduction Goal



Reduction Goal:*

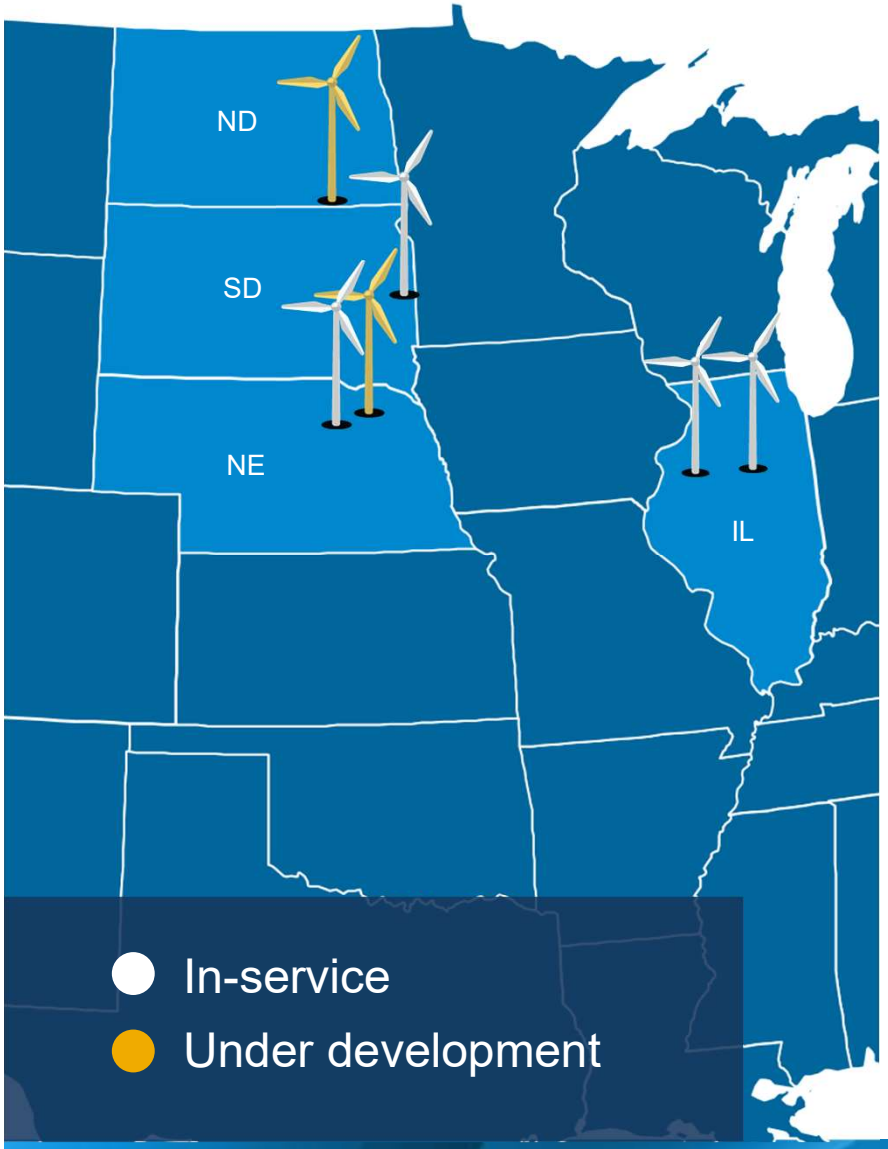
30%

by the year 2030
from a 2011 baseline

*This goal represents 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.

Allocating $2.2 Billion 2021-2025

Infrastructure Portfolio



In-Service	Capacity (MW)	Investment (in millions)
Upstream	200	$307
Bishop Hill III	132	$166
Coyote Ridge	97	$145
Blooming Grove	250	$389
Total	**679**	**$1,007**

Under Development	Capacity	Investment
Tatanka Ridge	155	$235
Thunderhead*	300	$381
Total	**455**	**$616**

Expect an additional $1.8 billion of investment over the five-year period

*Investment part of the 2021-2025 capital plan

Regional Economy



Powering Industry Leaders in our Region



Wisconsin Segment

Broad Ranging Growth Driving Longer-Term Sales Forecast



Sales Growth Forecast

(weather-normalized)

Year-over-Year

	2022 - 2025
Electric	1.0% - 1.3%
Gas	1.0% - 1.3%

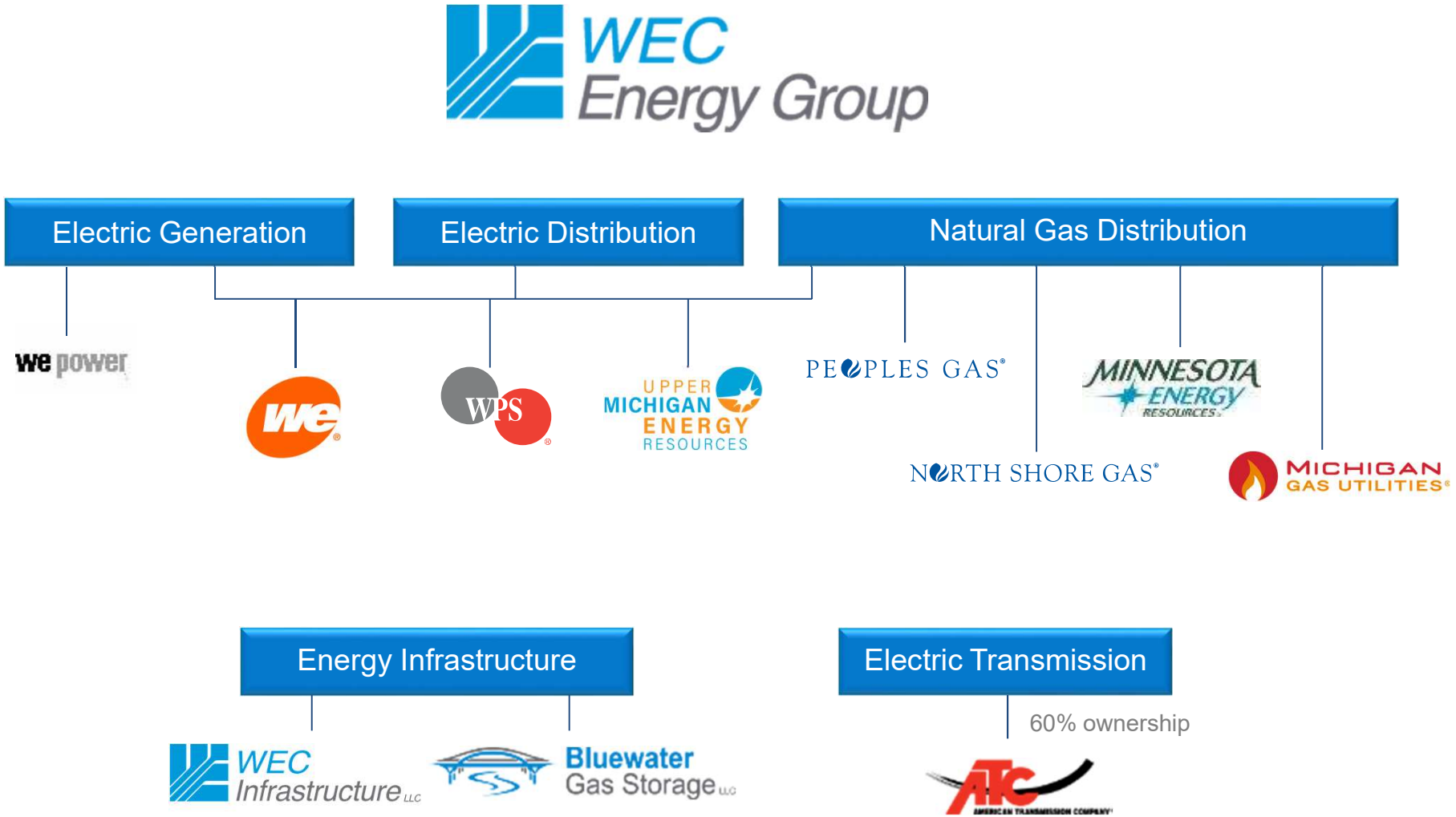


Key Takeaways for WEC Energy Group

- Track record of exceptional performance
- ESG Progress Plan supports 5-7% EPS growth with minimal impact on customer rates
- 100% of capital allocated to regulated businesses or contracted renewables
- Dividend growth projected to be in line with earnings growth
- No need to issue additional equity through forecast period
- Poised to deliver among the best risk-adjusted returns in the industry

Appendix

WEC Energy Group


WEC Energy Group
Electric Generation
Electric Distribution
Natural Gas Distribution
we power
we
WPS
UPPER MICHIGAN ENERGY RESOURCES
PEOPLES GAS
MINNESOTA ENERGY RESOURCES
NORTH SHORE GAS
MICHIGAN GAS UTILITIES
Energy Infrastructure
Electric Transmission
60% ownership
WEC Infrastructure LLC
Bluewater Gas Storage LLC
ATC
AMERICAN TRANSMISSION COMPANY

Office of the Chair

"Working together as a team, we will leverage the strengths of each individual as we write the next chapter of the company's growth, development and service to our customers."

- **Gale Klappa**, Executive Chairman





Scott Lauber
Senior Executive Vice President and Chief Operating Officer



Kevin Fletcher
President and CEO



Xia Liu
Executive Vice President and Chief Financial Officer

Environmental, Social & Governance Focus

Carbon Goals	Met and exceeded our 2030 target in 2019. Set new goals to reduce carbon dioxide emissions from electric generation by 70% below 2005 levels by 2030 and to be net carbon neutral by 2050.
Methane Reduction Goal	Reduce the rate of methane emissions by 30% per mile from a 2011 baseline by 2030
15.7 million metric tons	Amount of combustion products for beneficial use provided over the past two decades
$1.9 billion	Planned utility renewable investments (2021-2025)
$2.2 billion	Planned investment in contracted energy infrastructure (2021-2025)
$20 million	Contributed by our companies and foundations to nonprofit organizations in 2019
42% diversity	Board of directors who are diverse based on gender and/or race
$282.6 million	Spent with certified minority-, women-, service disabled- and veteran-owned businesses in 2019
$124.4 million	Spent on energy efficiency and conservation in 2019

Wisconsin Utilities

Carbon-Free Generation Currently Under Development

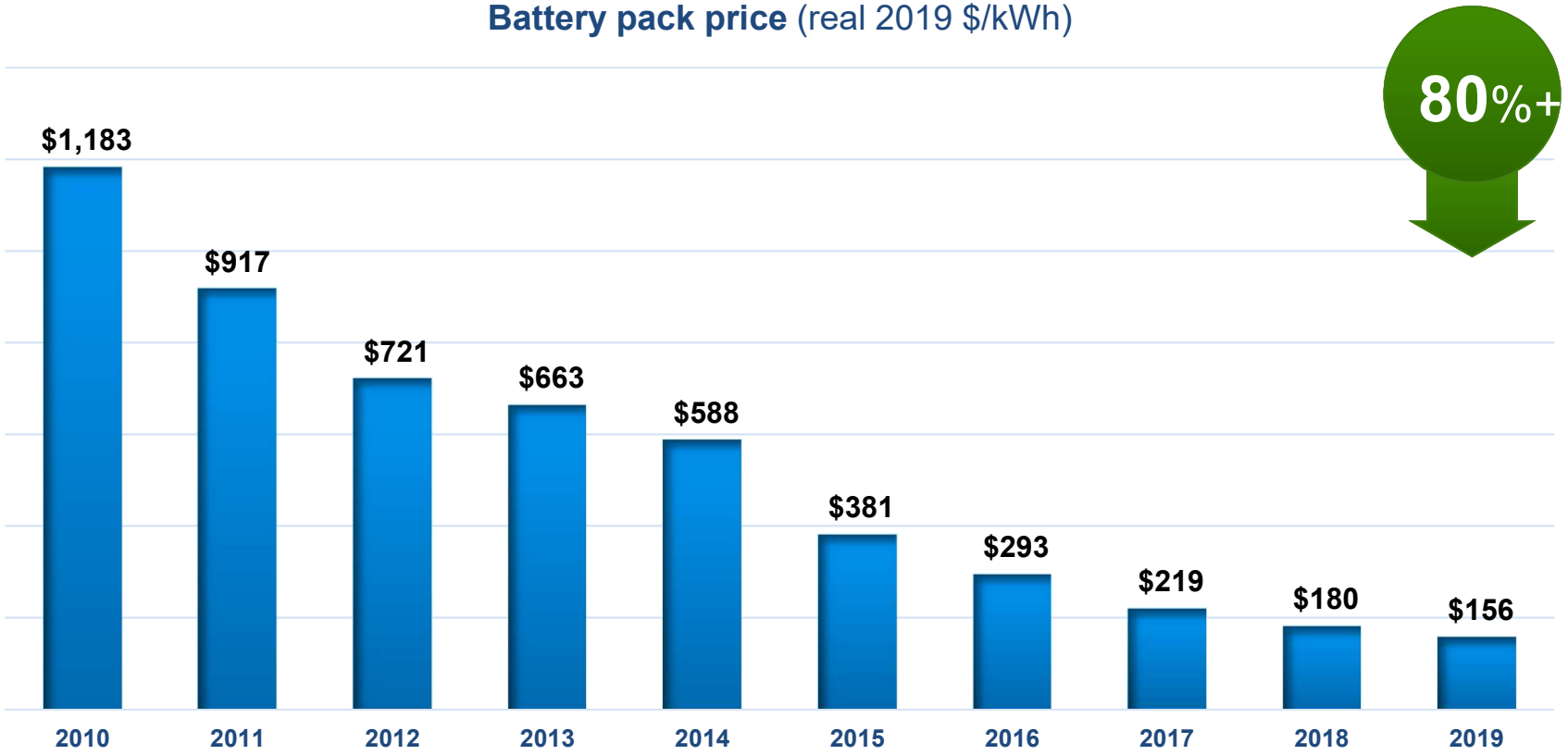


- Solar generation technology has improved in efficiency, become more cost-effective and complements our summer demand curve.
- Wisconsin Electric, Wisconsin Public Service and Madison Gas & Electric are partnering on major solar initiatives.
- In addition, Wisconsin Electric is moving forward on two innovative renewable pilot programs for 185 MW of carbon-free generation.

Project	Utility	Location	Investment	Capacity*	Timing
Two Creeks Solar Project	WPS	Two Rivers, WI	$130M	100MW	In Service: November, 2020
Badger Hollow I Solar Park	WPS	Iowa County, WI	$130M	100MW	Targeted in-service: April, 2021
Badger Hollow II Solar Park	WE	Iowa County, WI	$130M	100MW	Targeted in-service: December, 2022

*Madison Gas & Electric will own an additional 50 MW at each site

Since 2010, Lithium-Ion Battery Prices Have Fallen Over 80%



Source: BloombergNEF

New Liquefied Natural Gas (LNG) Facilities

Taking steps to maintain reliable and affordable service for our customers

LNG provides a solution for Southeastern Wisconsin to meet peak customer demand on the coldest days of the year



- We Energies is seeking approval for two LNG facilities to address the need for additional natural gas supply in Wisconsin
- Total expected investment: $370 million
- If approved, construction is expected to begin fall of 2021
- Targeted in-service date: Late 2023

Project Highlights

Efficiency, Growth and Sustainability Progress







Electric Delivery Redesign / Resilience

- Addressing aging infrastructure
- Enhancing efficiencies and reducing operating costs
- Expect to spend $2.9 billion (2021-2025)

Natural Gas System Modernization

Illinois

- Expected replacement of 2,000 miles of piping for safety and reliability in Chicago
- Project $280-300 million annual average investment
- Illinois law authorizes rider through 2023

Wisconsin

- Increasing quantity and reliability of natural gas service in Southeastern Wisconsin

Technology Enhancements

- Implementing advanced metering
- Installing new customer information system
- Project to spend $1.0 billion (2021 – 2025)

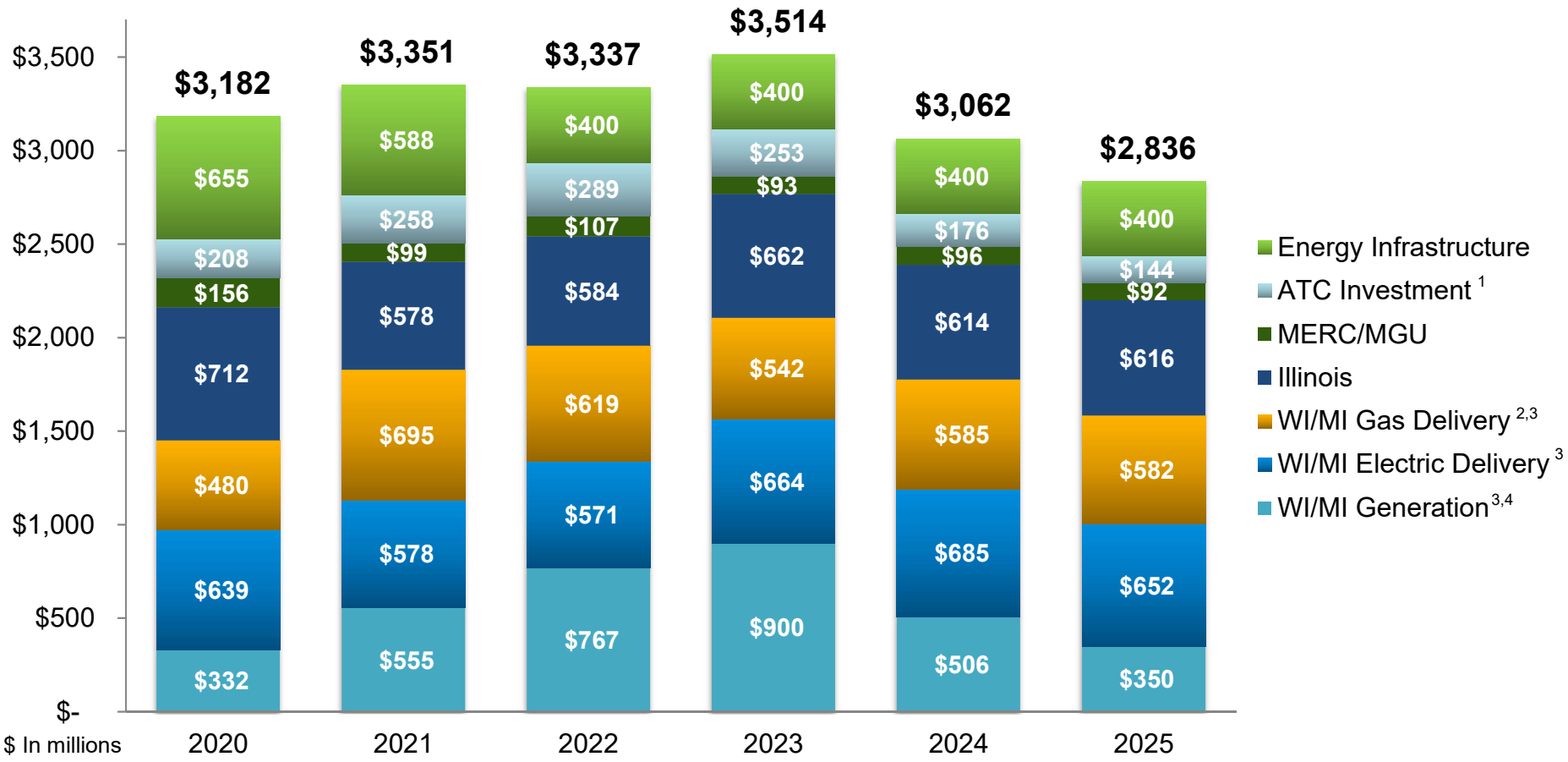
Wind Infrastructure Investment Summary

Project	Developer	Location	Investment	Offtake Agreement	WEC Commercial Operations	Capacity
Bishop Hill III Wind Energy Center	Invenergy	Henry County, Illinois	$166M for 90% ownership	WPPI Energy 22-years	80% on 8/31/18 Incremental 10% on 12/5/18	~132MW
Upstream Wind Energy Center	Invenergy	Antelope County, Nebraska	$307M for 90% ownership	Affiliate of Allianz 10-years	80% on 1/10/19 10% on 4/8/20	~200MW
Coyote Ridge Wind Farm	Avangrid Renewables	Brookings County, South Dakota	$145M for 80% ownership and 99% of tax benefits	Google Energy LLC 12-years	12/20/19	~97MW
Blooming Grove Wind Farm	Invenergy	McLean County, Illinois	$389M expected for 90% ownership	Verizon and Saint-Gobain North America 12-years	12/8/2020	~250MW
Tatanka Ridge Wind Farm	Avangrid Renewables	Deuel County, South Dakota	$235M expected for 85% ownership and 99% of tax benefits	Google Energy 12-years Dairyland Power 10-years	Projected: Early 2021	~155MW
Thunderhead Wind Energy Center	Invenergy	Wheeler and Antelope Counties, Nebraska	$381M expected for 90% ownership	AT&T 12-years	Projected: 2021	~300MW

Projected Returns Higher than Regulated Business

$16.1 billion projected capital spend from 2021-2025

Low-Risk Capital Plan Drives 5% to 7% EPS Growth



Depreciation at the utilities expected to average $1.1 billion annually, and $132 million at ATC, over the 2021-2025 period

1) ATC is accounted for using the equity method; this represents WEC's portion of the investment
2) Gas delivery includes capital spend at Bluewater
3) Includes UMERC
4) Generation includes capital spend at We Power

By Company

Capital Plan Projections *($ in millions)*

	2020	2021	2022	2023
Wisconsin Electric	$678.2	$933.5	$1,032.0	$1,375.3
Wisconsin Gas	$169.9	$234.4	$256.2	$234.4
Wisconsin Public Service	$534.1	$578.8	$537.6	$443.8
Upper Michigan Energy Corp	$17.6	$16.7	$18.8	$16.7
Wisconsin Segment	**$1,399.8**	**$1,763.4**	**$1,844.6**	**$2,070.2**
Peoples Gas	$650.1	$509.5	$517.2	$598.6
North Shore Gas	$56.5	$64.4	$64.6	$62.3
Illinois Segment	**$706.6**	**$573.9**	**$581.8**	**$660.9**
Minnesota Energy Resources Corp	$90.4	$58.8	$49.2	$48.3
Michigan Gas Utilities	$64.2	$39.6	$57.6	$44.2
Other States Segment	**$154.6**	**$98.4**	**$106.8**	**$92.5**
WE Power	$14.3	$26.1	$99.2	$32.2
Infrastructure Investments*	$675.5	$613.9	$405.7	$401.9
Nonutility Energy Infrastructure	**$689.8**	**$640.0**	**$504.9**	**$434.1**
Corporate and Other	**$22.7**	**$17.1**	**$10.1**	**$3.7**
Total	**$2,973.5**	**$3,092.8**	**$3,048.2**	**$3,261.4**

* Infrastructure investments include capital spend at Bluewater

Composition of Asset Base

Total 2019 Average Asset Base of $21.4 billion

Company	Asset Base - $B	% of Total
Wisconsin Electric	$6.3	29.4%
Wisconsin Gas	1.5	7.0
Wisconsin Public Service	3.4	15.9
Upper Michigan Energy Resources	0.4	1.9
Peoples Gas	3.0	14.0
North Shore Gas	0.3	1.4
Minnesota Energy Resources	0.3	1.4
Michigan Gas Utilities	0.3	1.4
We Power	3.0	14.0
Bluewater	0.2	1.0
WEC Infrastructure	0.4	1.9
American Transmission Company	2.3	10.7
Total	**$21.4**	**100%**

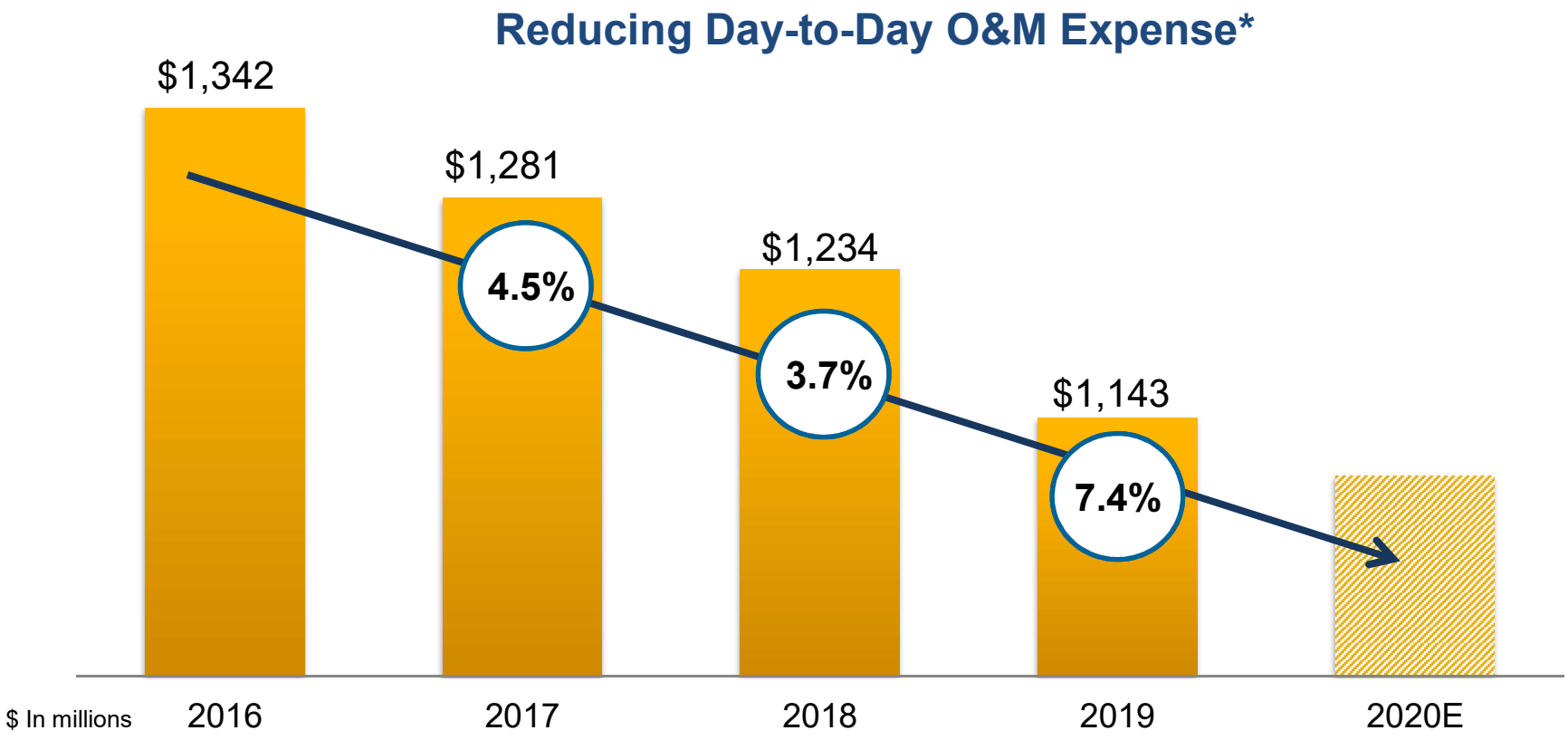
Note: We Power value represents investment book value

Power the Future Investments[1]

	Natural Gas	Coal
Capacity	1,090 MW	1,030 MW [2]
Investment	$664 million	$2 billion [2]
ROE	12.7%	12.7%
Equity	53%	55%
In Service Dates	Unit 1 – July 2005 Unit 2 – May 2008	Unit 1 – February 2010 Unit 2 – January 2011
Lease Terms	25 years	30 years
Cost Per Unit of Capacity	$609/kW	$1,950/kW

1. PTF provides approximately $200 million in positive cash flow annually.
2. All capacity and investment amounts reflect WEC ownership only.
   Demonstrated capacity for the coal units is 1,056 MW – value shown in table is amount guaranteed in lease agreement.

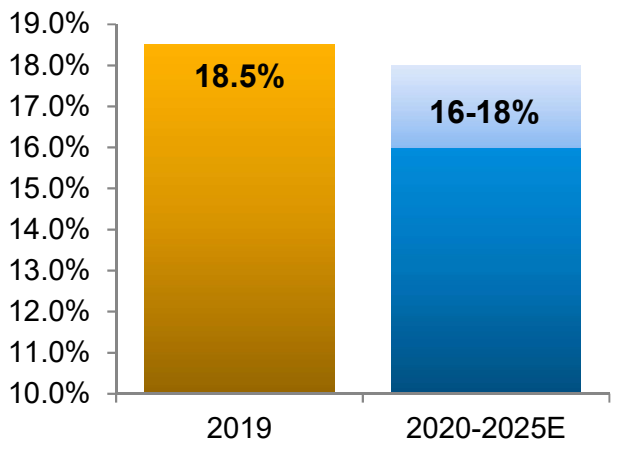
Focused on Efficiency



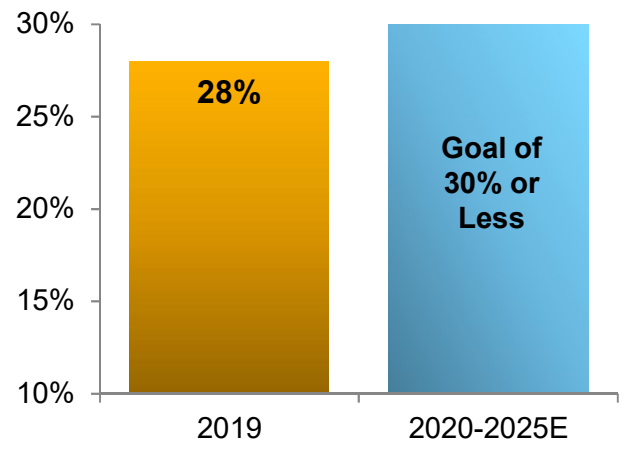
*Excludes costs that have a revenue offset such as operation and maintenance costs associated with the We Power generation units, transmission expenses that are collected in rates, regulatory amortizations, riders, and other pass through expenses.

Balance Sheet Remains Strong

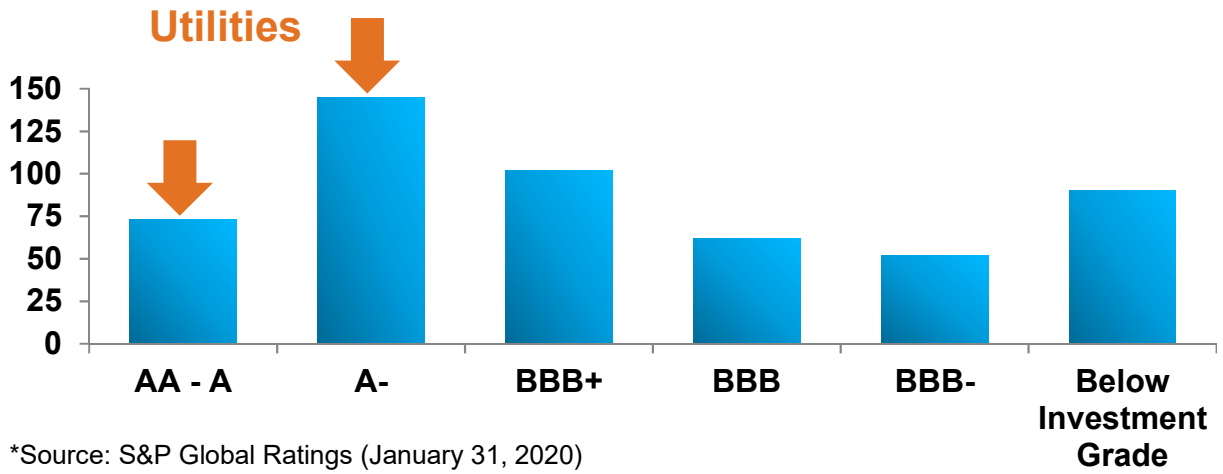
Funds from Operations/Debt



Holding Company Debt to Total Debt



Electric and Gas Utilities Credit Ratings Distribution*

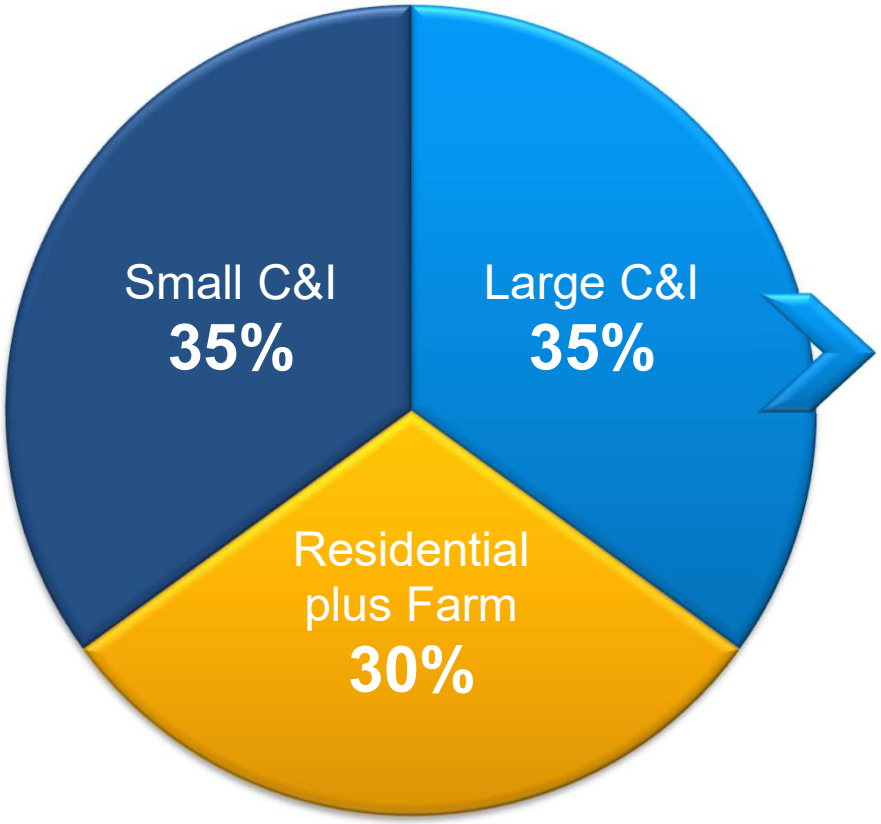


Utility	Rating
Wisconsin Electric	A-
Wisconsin Gas	A
Wisconsin Public Service	A-
Peoples Gas	A-

*Source: S&P Global Ratings (January 31, 2020)

Balanced Sales Mix

2019 Retail MWh Deliveries Mix*

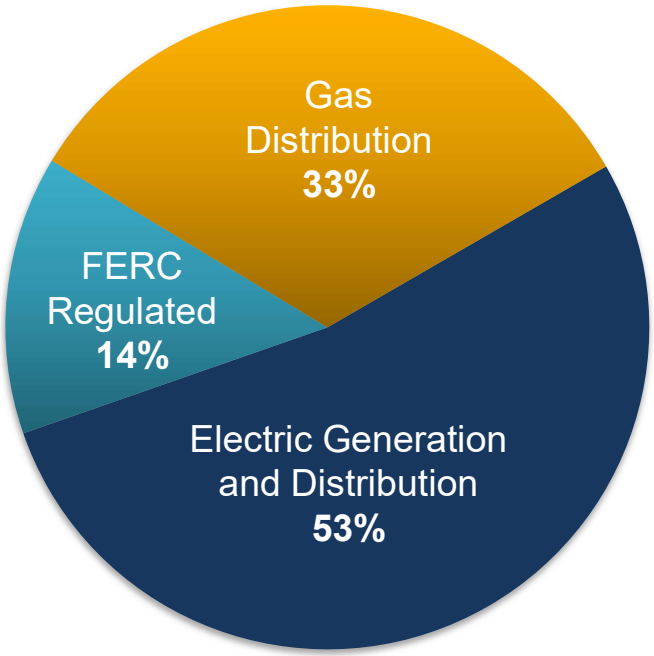


35% Large C&I by Segment	
Paper	23%
Foundry (SIC 33)	11%
Mining/Minerals	11%
Food/Agriculture	9%
Other Manufacturing	8%
Metal (SIC 34,35,37)	7%
Medical	5%
Education	4%
Chemical	4%
Printing	3%
Office	2%
Other	13%

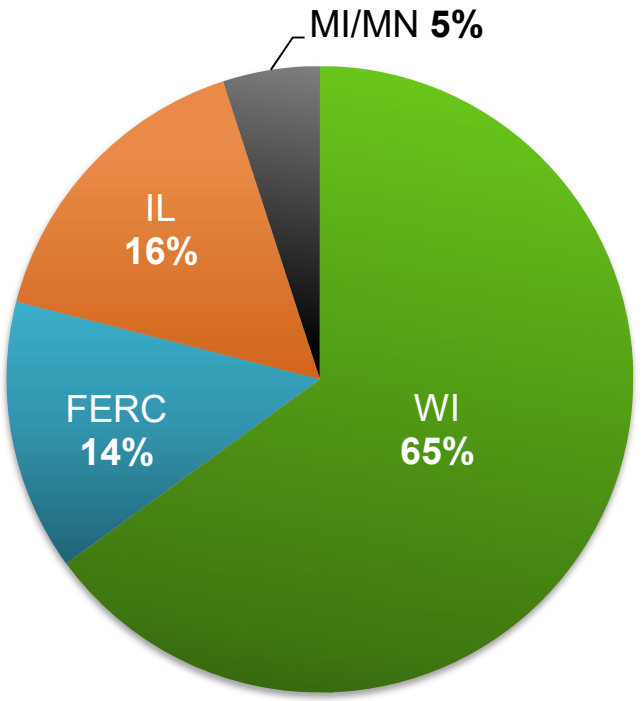
*Wisconsin segment includes Michigan electric and retail choice customers in the Upper Peninsula

Diverse Portfolio of Regulated Businesses

By Business



By Jurisdiction



Based on 2019 average asset base.
Excludes wind investments in our Energy Infrastructure segment

Regulatory Environment

Wisconsin

- Governor Tony Evers (D)
- Commission
  - Gubernatorial appointment, Senate confirmation
  - Chairman: Gubernatorial appointment
  - 6-year staggered terms

Illinois

- Governor J.B. Pritzker (D)
- Commission
  - Gubernatorial appointment, Senate confirmation
  - Chairman: Gubernatorial appointment
  - 5-year staggered terms

Wisconsin Commissioners

Name	Party	Began Serving	Term Ends
Rebecca Valcq *Chair*	D	01/2019	03/2025
Ellen Nowak	R	12/2018	03/2023
Tyler Huebner	D	03/2020	03/2021

Illinois Commissioners

Name	Party	Began Serving	Term Ends
Carrie Zalewski *Chair*	D	03/2019	01/2024
Sadzi Martha Oliva	R	01/2017	01/2022
D. Ethan Kimbrel	D	01/2018	01/2023
Maria Soledad Bocanegra	I	04/2019	01/2023
Michael Carrigan	D	01/2020	01/2025

Rate-Making Parameters by Company

Utility	Equity Layer [1]	Authorized ROE
Wisconsin Electric	50.0%-55.0%	10.0%
Wisconsin Public Service	50.0%-55.0%	10.0%
Wisconsin Gas	50.0%-55.0%	10.2%
Peoples Gas	50.33%	9.05%
North Shore Gas	50.48%	9.05%
Minnesota Energy Resources	50.9%	9.7%
Michigan Gas Utilities	52%	9.9%
We Power	53%-55%	12.7%
American Transmission Company	50%	10.52%[2]

- Constructive regulatory environments
- Earnings sharing mechanism at all Wisconsin utilities

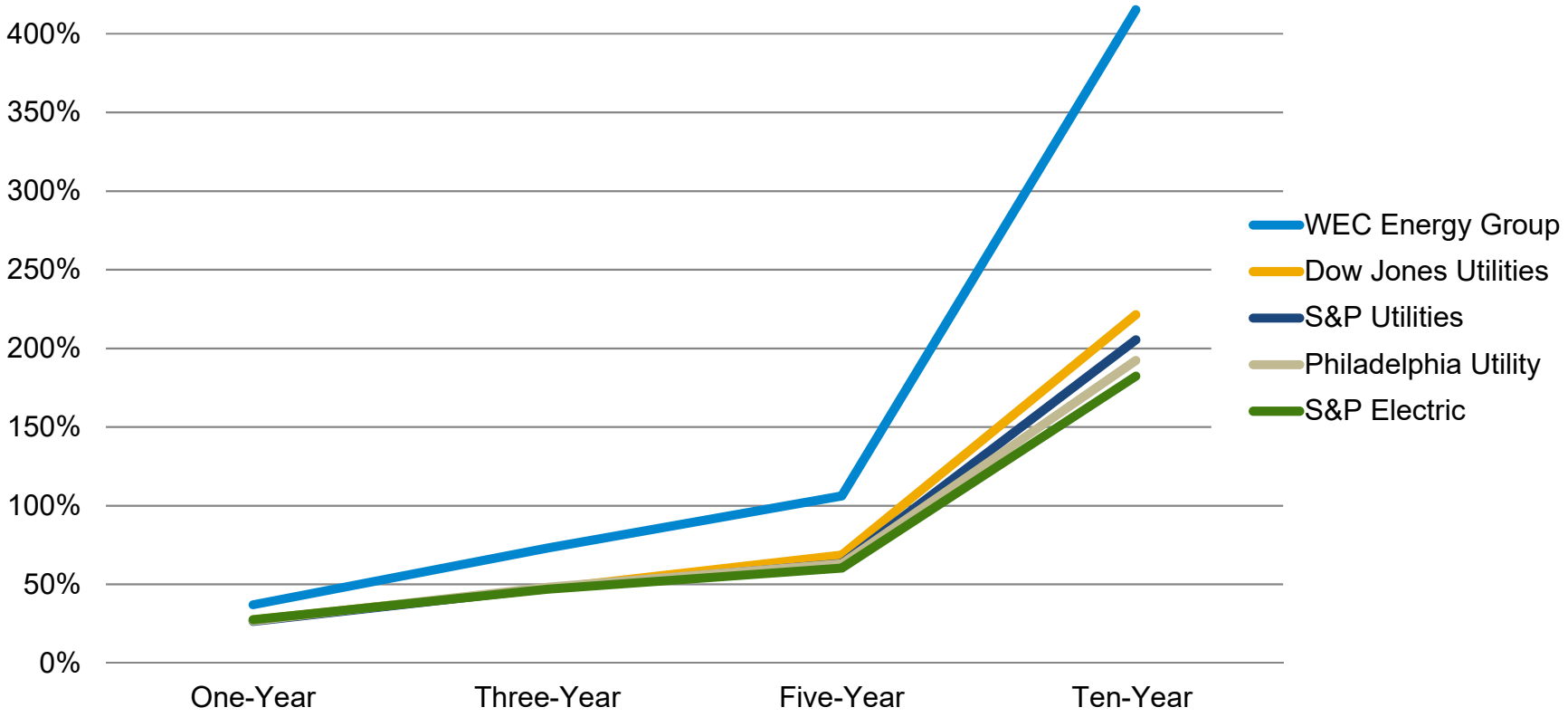
[1] Represents the equity component of capital; rates are set at the midpoint of any range
[2] Raised from 10.38% pursuant to FERC decision on May 21, 2020

Key Rate Making Components

Area	Illinois–Gas	Minnesota–Gas	Michigan–Electric & Gas	Wisconsin–Gas	Wisconsin–Electric
Gas Pipeline Replacement Rider	PGL				
Bad Debt Rider	✓				
Bad Debt Escrow Accounting				Residential	Residential
Decoupling	✓	✓			
Fuel Cost Recovery	1 for 1 recovery of prudent fuel costs				+/- 2% band
Manufactured Gas Plant Site Clean Up Recovery	✓	✓	✓	✓	N/A
Invested Capital Tax Rider	✓				
Forward-looking test years	✓	✓	✓	2 years	2 years
Gas Utility Infrastructure Cost Rider Surcharge		✓			
Earnings sharing				No sharing on first 25 bp above allowed ROE, 50/50 on next 50bp, 100% to customers beyond 75 bp	

Industry Leading Total Shareholder Returns*

Over the past decade, WEC Energy Group has consistently delivered among the best total returns in the industry



* Total return including reinvested dividends for the periods ended December 31, 2019

Source: Bloomberg

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WEC Energy Group

Reconciliation of Reported EPS (GAAP) to Adjusted EPS (Non-GAAP)

	2014	2015	2016	2017
Reported EPS – GAAP basis	$2.34	$2.59	$ 2.96	$ 3.79
Acquisition Costs	$0.39	$0.06	$ 0.01	–
Integrys Earnings		$(0.47)		
Impact of Additional Shares		$0.47		
Tax benefit related to Tax Cuts and Jobs Act of 2017	–	–	–	$ (0.65)
Adjusted EPS – Non-GAAP basis*	$2.73	$2.65	$ 2.97	$ 3.14

* WEC Energy Group has provided adjusted earnings per share (non-GAAP earnings per share) as a complement to, and not as an alternative to, reported earnings per share presented in accordance with GAAP. Adjusted earnings per share exclude, as applicable, (1) a one-time reduction in income tax expense related to a revaluation of our deferred taxes as a result of the Tax Cuts and Jobs Act of 2017; (2) costs related to the acquisition of Integrys Energy Group; (3) the results of operations of Integrys and its subsidiaries; and (4) the additional shares of WEC Energy Group common stock that were issued as part of the acquisition. None of these items are indicative of WEC Energy Group's operating performance. Therefore, WEC Energy Group believes that the presentation of adjusted earnings per share is relevant and useful to investors to understand the company's operating performance. Management uses such measures internally to evaluate the company's performance and manage its operations.