WEC Energy Group

Investor Update: **August 2023**

Our "ESG" Progress Plan Update

Investing in Efficiency, Sustainability and Growth

We Energies Named #1 Energy Company in America by Business Customers
Escalent

Best in the U.S. in Large Customer Satisfaction
ESource

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

Cautionary Statement Regarding Forward-Looking Information

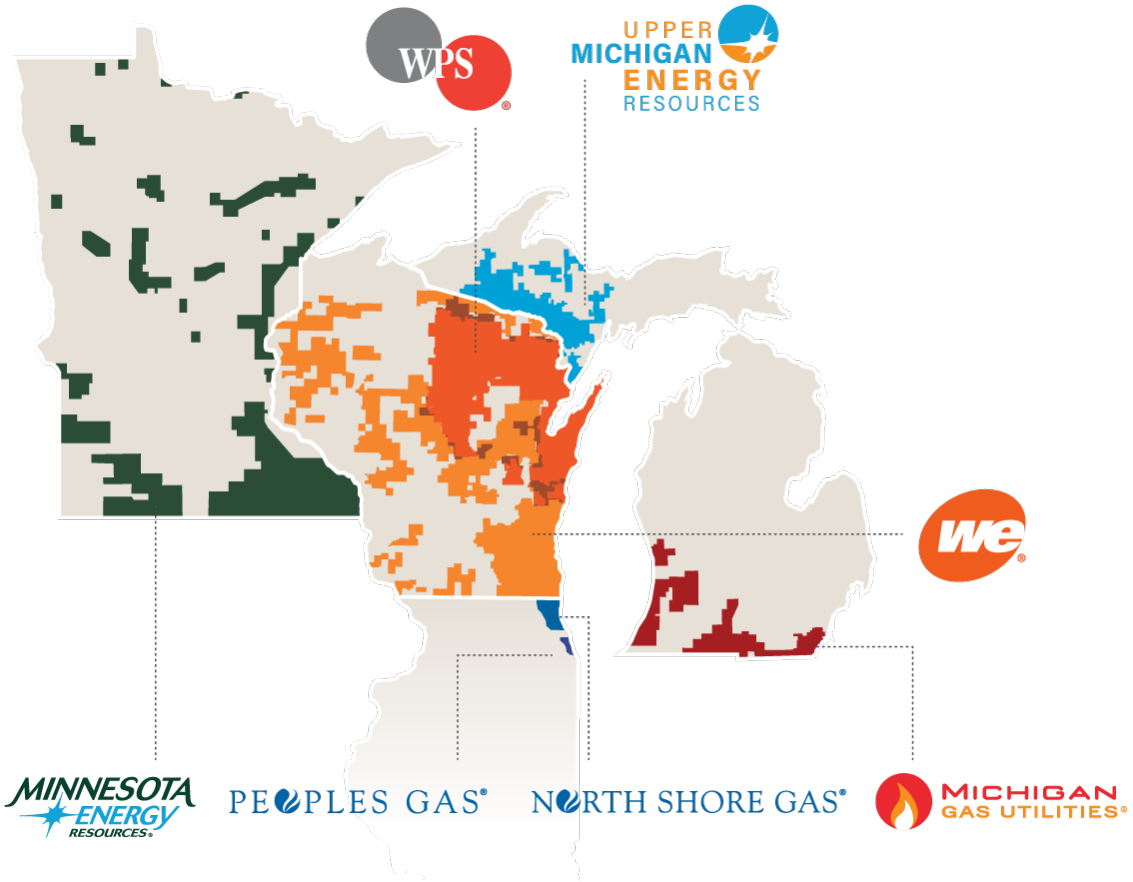
Much of the information contained in this presentation is forward-looking information based upon management's current expectations and projections that involve risks and uncertainties. Forward-looking information includes, among other things, information concerning earnings per share, rate case activity, earnings per share growth, cash flow, sources of revenue, dividend growth and dividend payout ratios, sales volumes, capital plans, credit ratings, credit metrics, debt-financings, 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; 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 and severe 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; electrification initiatives, mandates and other efforts to reduce the use of natural gas; the company's ability to successfully acquire and/or dispose of assets and projects and to execute on its capital plan; terrorist, physical or cyber-security threats or attacks 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; changes in tax legislation or our ability to use certain tax benefits and carryforwards; federal, state, and local legislative and regulatory changes, including changes to environmental standards, the enforcement of these laws and regulations and changes in the interpretation of regulations by regulatory agencies; supply chain disruptions; inflation; political or geopolitical developments, including impacts on the global economy, supply chain and fuel prices, generally, from the ongoing conflict between Russia and Ukraine; the impact from any health crises, including epidemics and pandemics; current and future litigation and regulatory investigations, proceedings or inquiries; changes in accounting standards; the financial performance of the American Transmission Company 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, 2022, and in subsequent reports filed with the Securities and Exchange Commission. Except as may be required by law, WEC Energy Group expressly disclaims any obligation to publicly update or revise any forward-looking information.

WEC Energy Group

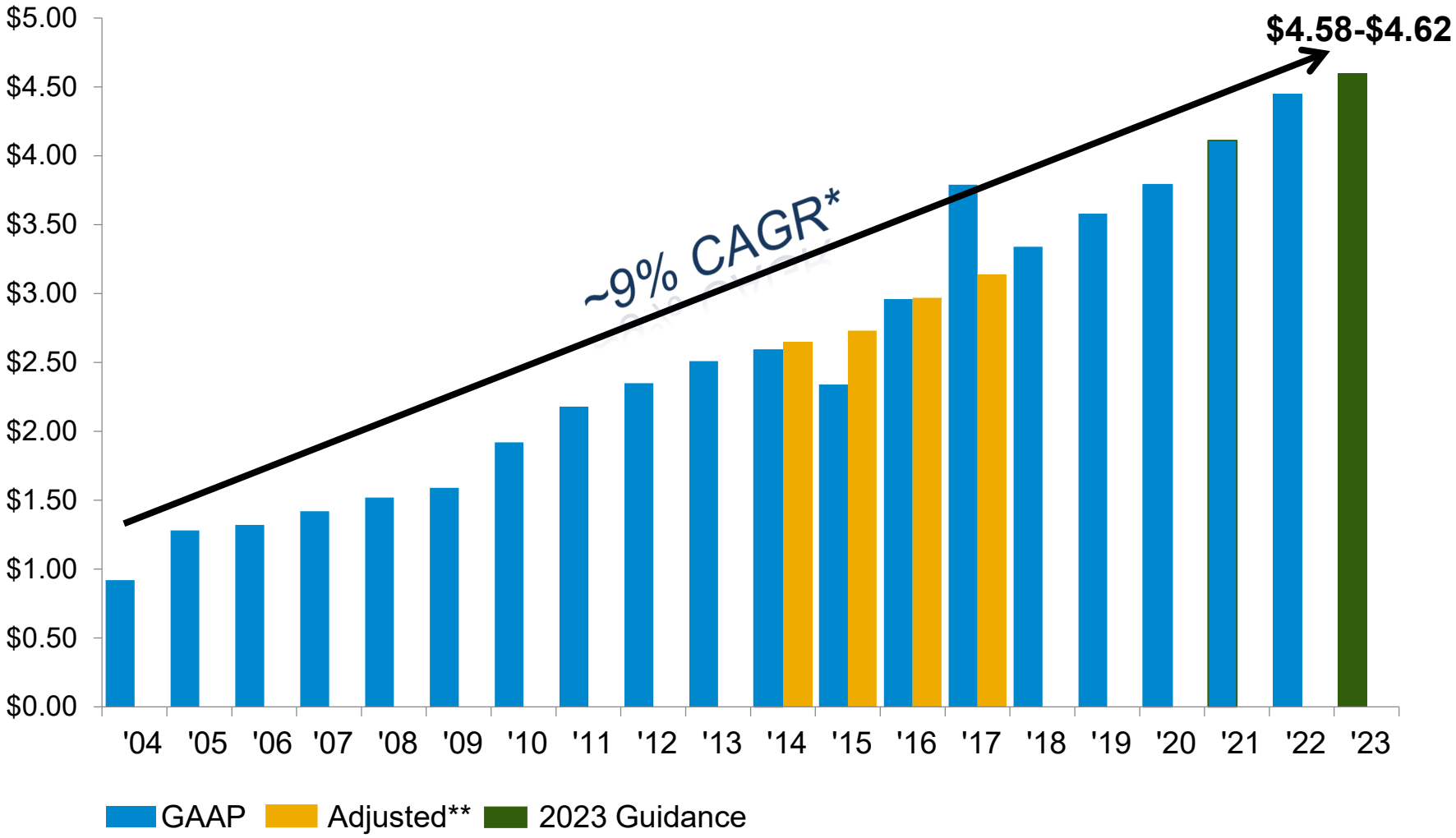
The Premier Energy Company in America's Heartland

- **$28.3** billion market cap*
- **4.6** million retail customers
- **60%** ownership of American Transmission Company
- **$43.0** billion of assets



* As of July 31, 2023

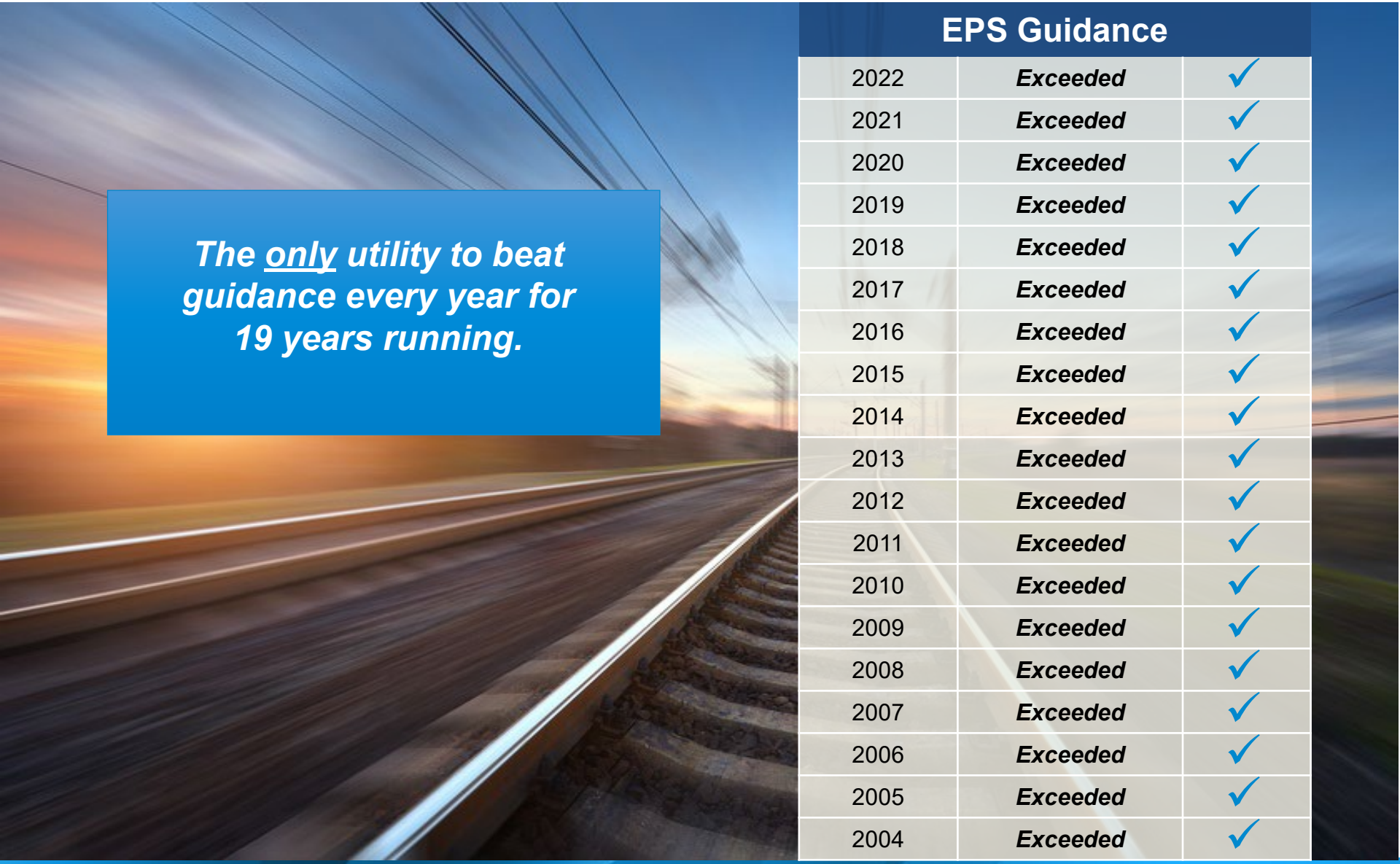
A History of Quality Earnings Growth



* Estimated based on 2023 guidance midpoint of $4.60 per share.

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

Consistent Performance Over Time



The only utility to beat guidance every year for 19 years running.

EPS Guidance		
2022	***Exceeded***	✓
2021	***Exceeded***	✓
2020	***Exceeded***	✓
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

- In January, raised the dividend by **7.2%** to a new annual rate of **$3.12** per share*
- Top decile dividend growth in industry**
- Marks the 20th consecutive year of rewarding shareholders with higher dividends

*Annualized based on 1st quarter 2023 dividend of 78 cents per share

** Reflects current and expected dividends declared in 2023

What's New?



On track for the year

Second Quarter Update

- Second quarter earnings of 92 cents
  - 8 cents higher than consensus
- Reaffirmed EPS growth of 6.5% to 7.0%
- Major Microsoft investment in region moving full speed ahead
- Developing updated 5-year capital plan
  - If growth in demand for capacity and energy drives next capital plan significantly higher, we'll evaluate all our financing options
  - In addition to incremental debt and refinancing opportunities, options could include accessing the equity market through dividend reinvestment, employee benefit plans or at-the-market programs.
  - We do not see the need for any block equity offering

Wisconsin Utilities - Rate Review

Proposed Base Revenue Increases		
Wisconsin Electric	**2024**	
Electric*	1.3%	$45.0M
Natural Gas	4.5%	$23.9M
Wisconsin Public Service		
Electric*	0.5%	$8.6M
Wisconsin Gas		
Natural Gas	2.9%	$22.2M

Order expected in Q4 2023 for new rates effective January 1, 2024

* Fuel cost will also be updated as part of the limited reopener

Scope for 2024 Limited Re-Opener

- Addresses the recovery of new renewable facilities, RICE generation and LNG reliability investments that achieve commercial operation in 2023 and 2024
- Addresses projected O&M savings from the planned retirement of two older coal-fueled units
- Filing made on May 15th
- Return on equity and equity layer will not be considered

Advancing our renewable/reliability goals

The Wisconsin Commission has approved more than $1 billion of capital investment since early December

Project	Approved Investment[1]
Darien Solar-Battery Park	**$400 million**
West Riverside Energy Center First Option	**$102 million**
Koshkonong Solar-Battery Park	**$585 million**

[1] Reflects amounts approved by the Wisconsin Commission. Project estimates and final costs may vary.

Illinois Rate Reviews

- Peoples Gas will not seek an extension of the automatic bill adjustment rider QIP.
- With natural gas prices expected to decline this year and next year, we project customer bills to stay largely flat as new rates take effect in 2024.
- Chicago home heating bills are below other major U.S. cities. That is expected to continue with this filing.

In January, Peoples Gas and North Shore Gas filed applications with the Illinois Commerce Commission:

	Peoples Gas	North Shore Gas
Current ROE	9.05%	9.67%
Current Equity Ratio	50.33%	51.58%
Proposed ROE	9.90%	9.90%
Proposed Equity Ratio	54.0%	54.0%
Forecasted 2024 Rate Base (in millions)	$ 4,782	$ 445
Bill Impacts of the Proposed Adjustments in Base Rates	13.0%	7.8%
Order expected in Q4 2023 for new rates effective January 1, 2024		

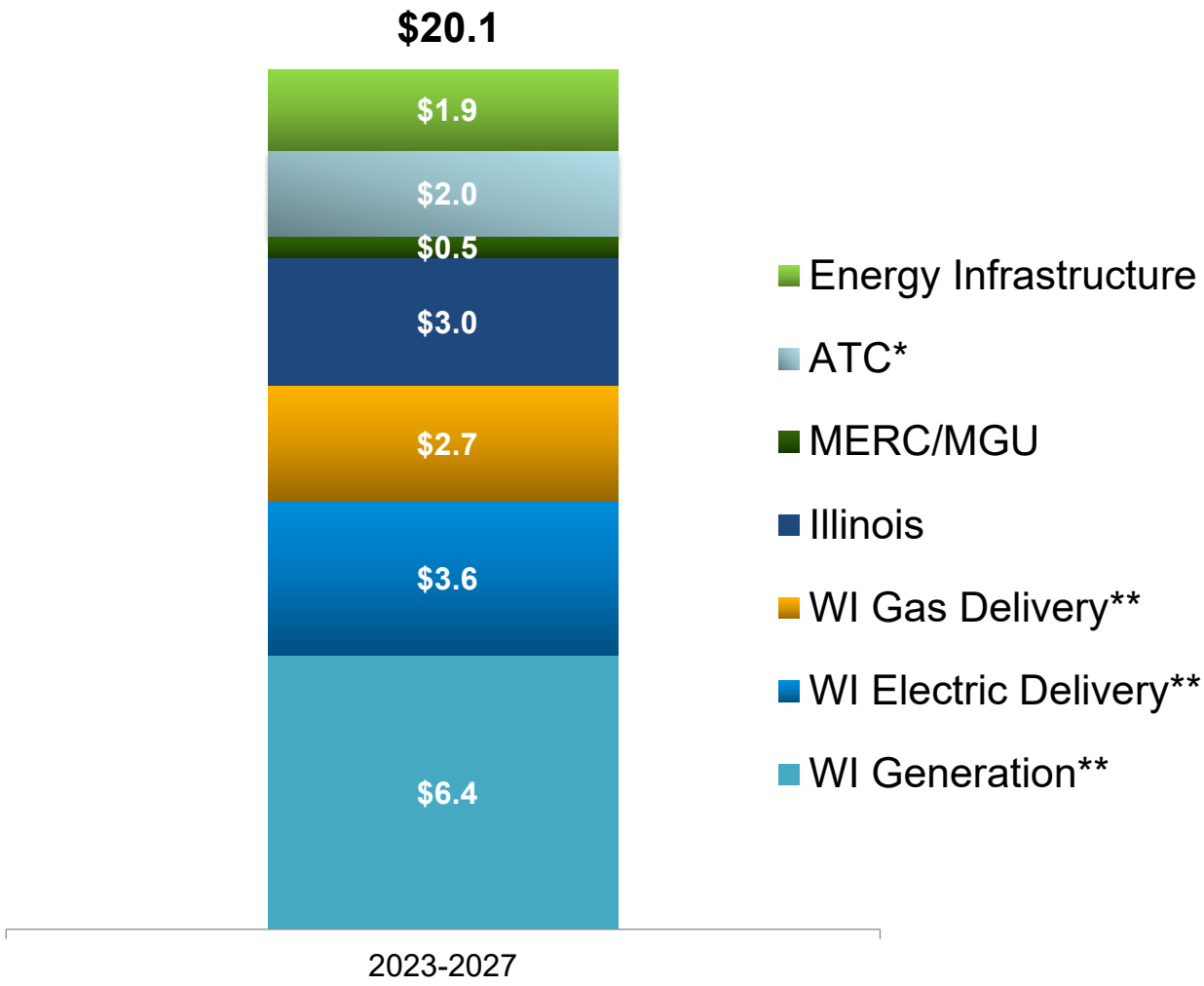
New Clean Energy Pilot Project

Organic Flow Battery Storage

- Leading a pilot project to test a new form of long-duration energy storage
  - Partnering with EPRI and CMBlu Energy
- This system uses a proprietary technology that incorporates environmentally friendly materials - ‘a green battery.’
- The project will test battery system performance, including the ability to store and discharge energy for up to twice as long as the typical lithium-ion batteries in use today.
- Pilot currently scheduled to begin in late 2023. Results will be shared across the industry in mid-2024.

2023-2027 Capital Plan ($ in billions)

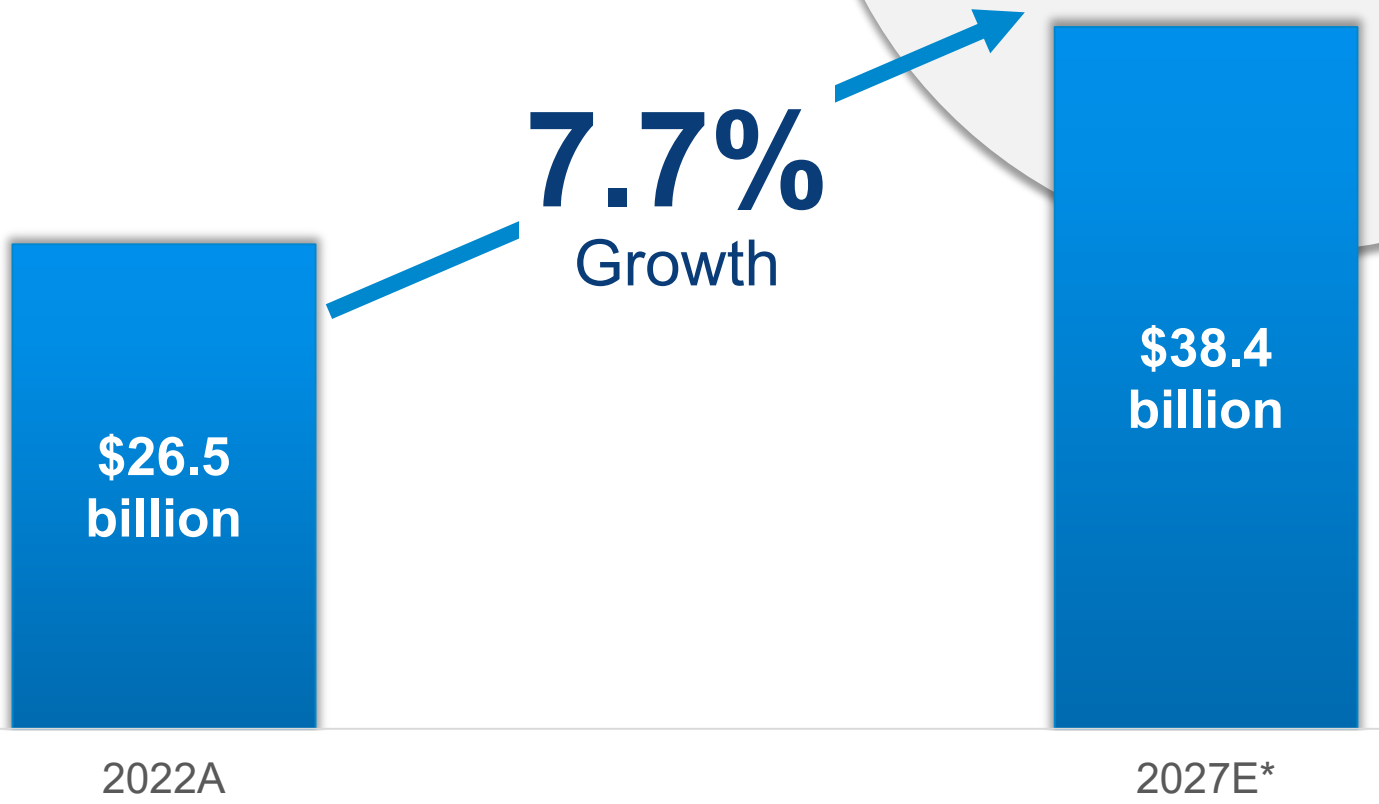
ESG Progress Plan Supports 6.5% to 7.0% EPS Growth



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

Robust Growth in Asset Base

Expect long-term EPS growth of **6.5% to 7.0%** per year.



*Estimated year-end average asset base

2023-2027 Capital Plan

Investing $5.4 billion in Regulated Renewables

Plan to build and own nearly 3,300 MW – quadrupling our carbon-free generation



Solar

- 505 MW under construction
- 270 MW received regulatory approval
- Planning for additional 1,135 MW
- Qualifies for Production Tax Credits



Battery

- 316 MW received regulatory approval
- Planning for additional 400 MW
- Qualifies for Investment Tax Credits



Wind

- 82 MW in-service Apr. 4, 2023
- Planning for additional 585 MW
- Qualifies for Production Tax Credits

Plan to invest $1.9 Billion (2023-2027)

WEC Infrastructure Portfolio – Green and Growing



	Total Project Capacity (MW)	Investment (in millions)
Wind		
Upstream	200	$307
Bishop Hill III	132	166
Coyote Ridge	97	145
Blooming Grove	250	389
Tatanka Ridge	155	240
Jayhawk	190	282
Thunderhead	300	381
Sapphire Sky[1]	250	442
Solar		
Samson I[1]	250	250
Maple Flats[1]	250	360E
Subtotal	**2,074**	**$2,962**
Additional Investment		876
Total		**$3,838**

[1] Investment is part of the 2023-2027 capital plan

Modernizing Our Gas-Fueled Generation Fleet

Retiring

- Weston 2
  - 74 MW
  - Retired: Feb. 2023
- Weston 31 and 32
  - 69 MW
  - Retired: Jul. 2023
- Additional 74 MW of older, less-efficient gas generation expected to retire in 2024

Building

Weston RICE units

- 128 MW
- Investment: $170 million
- In-service: Jul. 27, 2023

Investing

West Riverside Energy Center combined-cycle

First Option: 100 MW

- Investment: $95 million
- Transaction closed Jun. 1, 2023

Additional 100 MW option*

- Expected investment: $100 million
- Target: 2024

Whitewater combined-cycle

- Previously under power purchase agreement
- Investment: $76 million
- Transaction closed Jan. 1, 2023

* Pending due diligence and regulatory approval

Exiting Coal

- Near-term retirements planned:
  - Oak Creek Units 5-6: 528 MW (May 2024)
  - Oak Creek Units 7-8: 611 MW (late in 2025)
  - Columbia Units 1-2: 300 MW (by June 1, 2026)
- Enhancing fuel flexibility (gas blending) at Oak Creek Power the Future units
- By the end of 2030, we expect to use coal only as a backup fuel
- We plan to eliminate coal as an energy source by the end of 2035

American Transmission Company

WEC portion of investment from 2023-2027: $2.0 billion

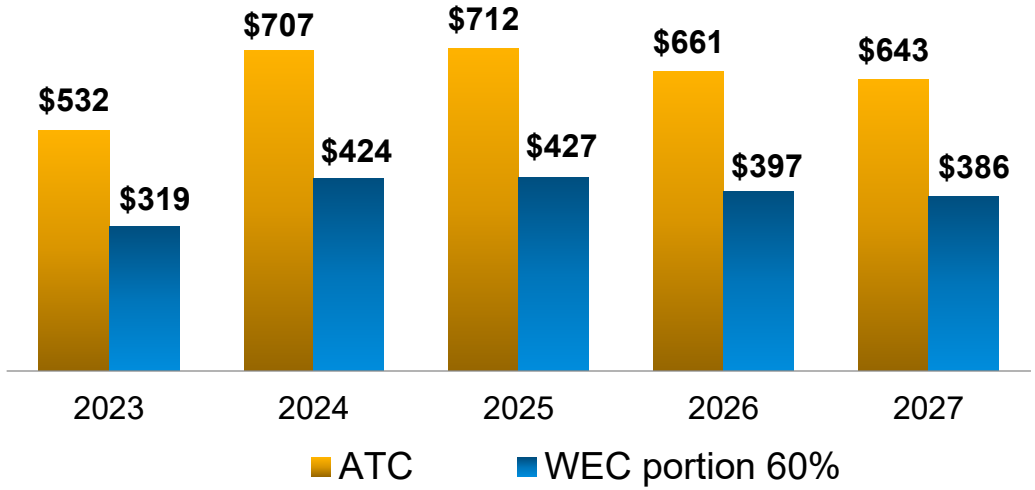
5-year (2023-2027) WEC projected capital investment:

- Ongoing ATC: $1.7 billion
- Includes $0.3B from Tranche 1

Future ATC Opportunity

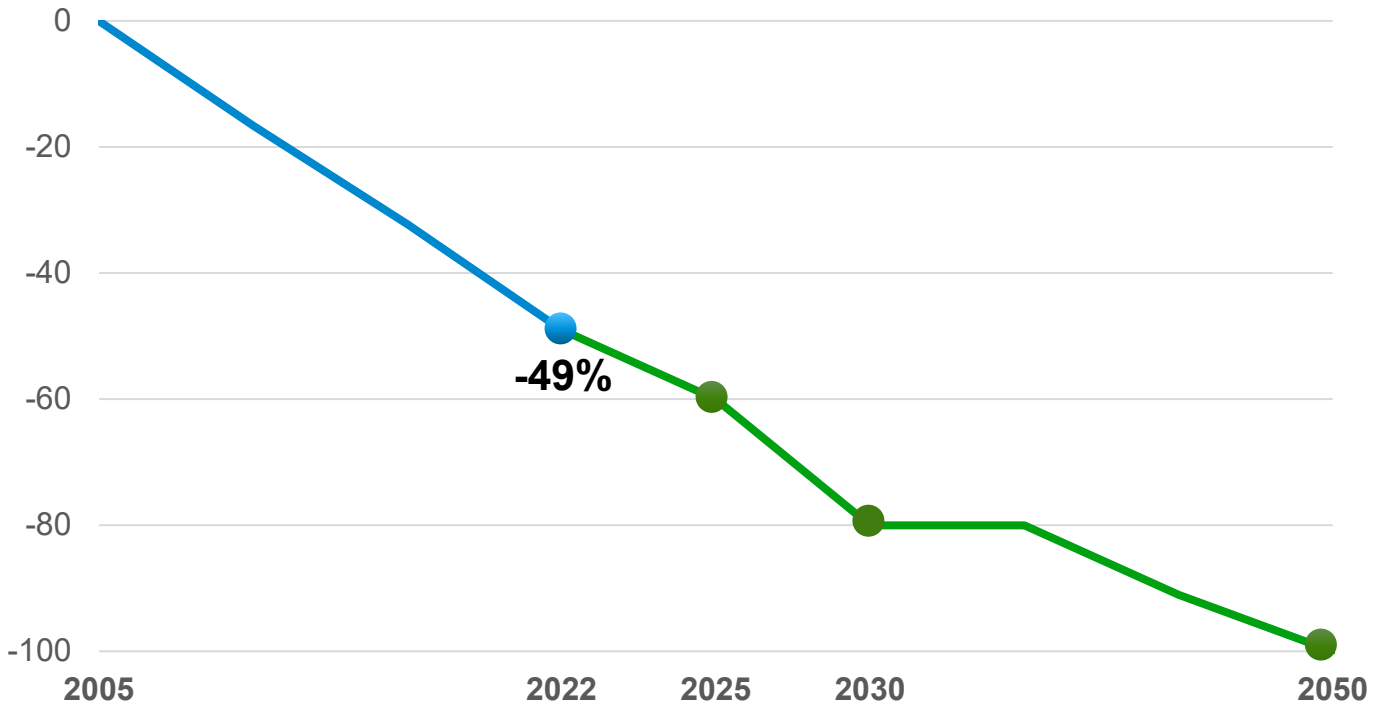
- ATC's estimated investment in Tranche 1 is approximately $900 million (2022 dollars).
- MISO Tranche 2:
  - Planning underway

Projected Capital Expenditures *(millions)*



Carbon Reduction Goals – Electric Generation

Achieved and anticipated CO_2 reductions (net mass)*



Reduction goals:

60%
below 2005 levels by the end of 2025

80%
below 2005 levels by the end of 2030

Net carbon neutral
by 2050

We have established aggressive carbon reduction goals for our electric generating fleet, aligned with or surpassing global emissions pathways aimed at limiting warming to 1.5°C.

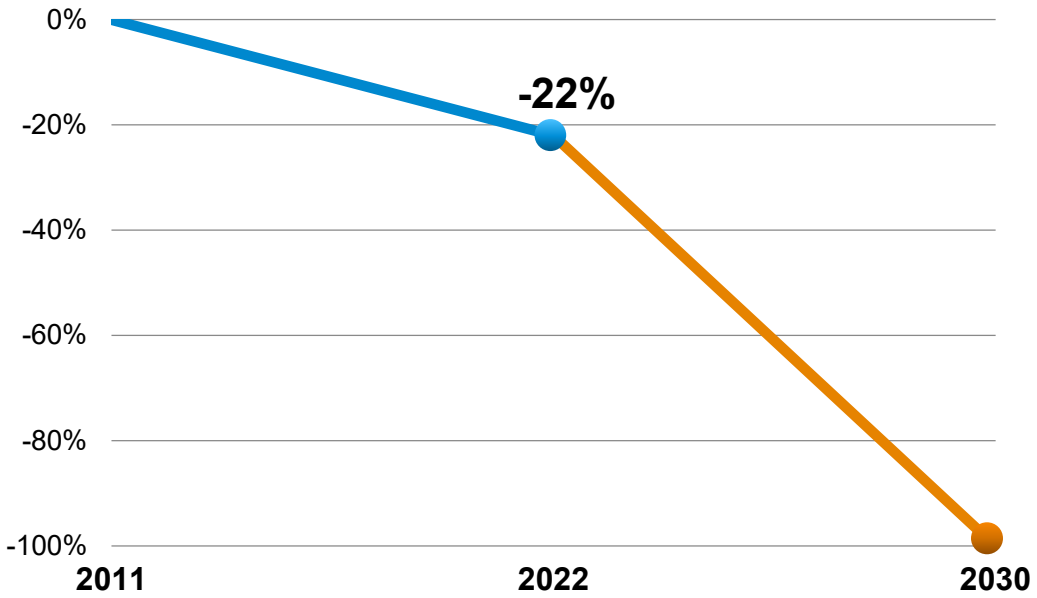
*Includes projection of potential carbon offsets by 2050

Our ESG Progress Plan

Methane Reduction



Achieved* and anticipated methane emission reduction from natural gas distribution. Aligns with the effort to limit warming to 1.5°C.



Goal:

Net zero

by the end of 2030**

Use of Renewable Natural Gas (RNG) is expected to contribute significantly to our goal

* Represents a decrease in the rate of methane emissions across our system from a 2011 baseline.

** This goal applies to emissions from WEC Energy Group natural gas distribution companies calculated in accordance with EPA's 40 Code of Federal Regulations Part 98, Subpart W reporting rule.

Regional Economy



Powering Industry Leaders in our Region





























Wisconsin Segment

Longer-Term Sales Forecast



Sales Growth Forecast

(weather-normalized)

Year-Over-Year

	2025-2027
Electric	0.7%-1.0%
Gas	0.7%-1.0%



Key Takeaways for WEC Energy Group

- Track record of top decile performance among regulated utilities
- Industry leading earnings quality
- ESG Progress Plan drives premium EPS growth of 6.5% to 7.0%
  - No need to issue equity for the $20.1 billion capital plan
  - 100% of capital allocated to regulated businesses or contracted renewables
  - Dividend growth projected to be in line with earnings growth
- Aggressive environmental goals in place
  - By the end of 2030, we expect to use coal only as a backup fuel
  - Exit from coal planned by the end of 2035
- Poised to deliver among the best risk-adjusted returns in the industry

Appendix

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

WEC Infrastructure LLC

Bluewater Gas Storage LLC

Electric Transmission

60% ownership

ATC
Energizing Your Future

Inflation Reduction Act

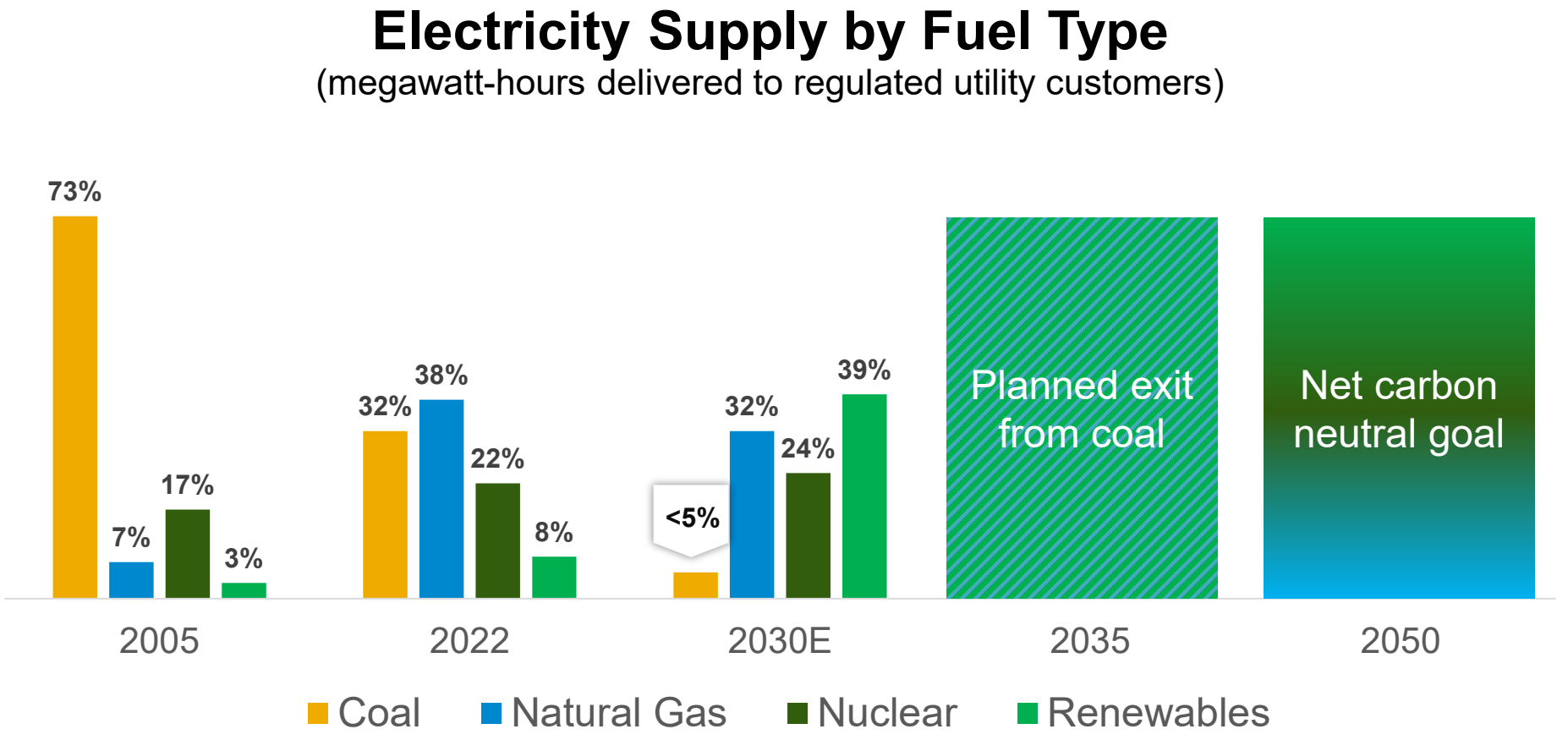
Customer Benefit and Investment Opportunity

- Extension of Production Tax Credits (PTC) and Investment Tax Credits (ITC)
- PTC option for solar projects
  - Potential opportunities at WEC infrastructure segment
- ITC for stand-alone electric storage projects
- Tax Credit “transferability” likely to provide additional options for monetization
- Credit positive
- At WEC, no material impact expected from alternative minimum tax

Commitment to ESG

Carbon Goals	Reduce carbon dioxide emissions from electric generation 60% by the end of 2025 and 80% by the end of 2030 – both from a 2005 baseline. Long-term goal of net-zero carbon emissions from our generating fleet by 2050
Exit from Coal	Planned exit from coal by the end of 2035
Methane Reduction Goal	Targeting net-zero methane emissions from distribution by the end of 2030
$5.4 billion	Planned utility renewable investments (2023-2027)
Responsible Governance	Appointed five new independent directors since 2019 — increasing overall diversity of our Board of Directors
$20.6 million	Contributed by our companies and foundations to nonprofit organizations in 2022
$299.4 million	Spent with certified minority-, women-, service disabled- and veteran-owned businesses in 2022
$116.8 million	Spent on energy efficiency and conservation in 2022

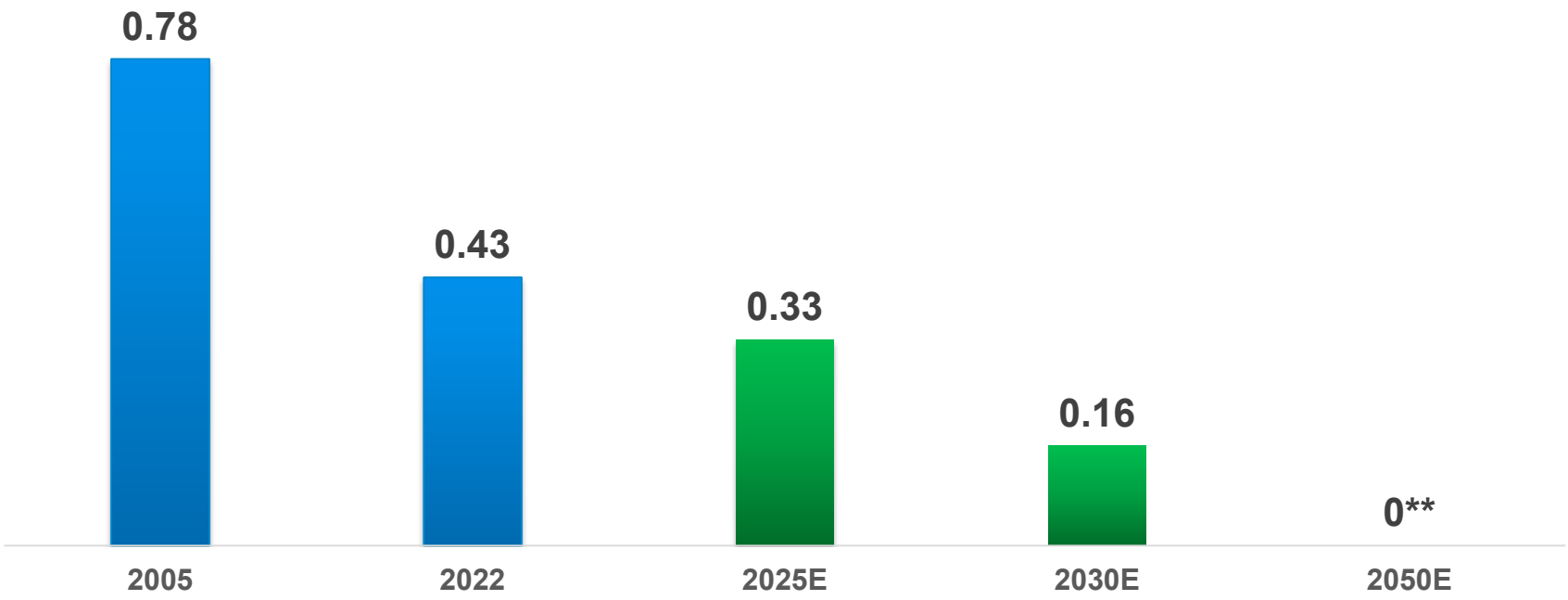
Exiting Coal



Reducing Greenhouse Gas Emissions

Greenhouse gas intensity*

(metric tons CO_2/MWh)



*Includes owned electric generation, purchased power and WEC Infrastructure (WECI). The environmental attributes of the WECI renewable facilities are or may be the property of third parties. As such, these third parties are solely entitled to the reporting rights and ownership of the environmental attributes such as renewable energy credits, offsets, allowances and the avoided emissions of greenhouse gases.

**Includes projection of potential carbon offsets by 2050.

Plan to invest $5.4 Billion (2023-2027)

Investment in Regulated Renewables

Target	Project	Utility	WEC Ownership[1]	WEC Investment ($M)	WEC Capacity (MWs)
In-Service	Two Creeks Solar Project	WPS	66.7%	$130	100
	Badger Hollow I Solar Park			130	100
2023 / Early 2024	Badger Hollow II Solar Park	WEPCO		172E	100
In-Service	Red Barn Wind Park	WPS	90%	143	82
2024	Paris Solar-Battery Park[2]	WEPCO and WPS		542E	279
2024	Darien Solar-Battery Park[2]			442E	293
2025	Koshkonong Solar-Battery Park[2]			585E	419

2023-2027 Plan

Solar Total
1,910 MW

Battery Storage Total
716 MW

Wind Total
667 MW

Grand Total
3,293 MW

[1] Madison Gas & Electric will own a minority interest at each site
[2] Battery storage timing to be determined

Infrastructure Investment Summary

Project	Developer	Investment	Offtake Agreement	WEC Commercial Operations	Total Project Capacity
Bishop Hill III Wind Energy Center	Invenergy	$166M for 90% ownership	WPPI Energy 22 years	8/31/18	132 MW
Upstream Wind Energy Center	Invenergy	$307M for 90% ownership	Affiliate of Allianz 10 years	1/10/19	200 MW
Coyote Ridge Wind Farm	Avangrid Renewables	$145M for 80% ownership and 99% of tax benefits	Google Energy LLC 12 years	12/20/19	97 MW
Blooming Grove Wind Farm	Invenergy	$389M for 90% ownership	Verizon and Saint-Gobain North America 12 years	12/8/20	250 MW
Tatanka Ridge Wind Farm	Avangrid Renewables	$240M for 85% ownership and 99% of tax benefits	Google Energy - 12 years Dairyland Power - 10 years	1/5/21	155 MW
Jayhawk Wind Farm	Apex Clean Energy	$282M for 90% ownership and 99% of tax benefits	Meta Platforms Inc. 10 years	12/15/21	190 MW
Thunderhead Wind Energy Center	Invenergy	$381M for 90% ownership	Verizon, GM, Ultium Cells LLC, and a Fortune 100 Company 12 years	11/16/22	300 MW
Sapphire Sky Wind Energy Center	Invenergy	$442M for 90% ownership	Microsoft Corp – 12 years	2/7/23	250 MW
Samson I Solar Energy Center	Invenergy	$250M for 80% ownership	AT&T Corp – 15 years	2/24/23	250 MW
Maple Flats Solar Energy Center	Invenergy	$360M expected for 80% ownership	Fortune 100 Company	Projected: Early 2024	250 MW

Hydrogen Pilot Program

- Led a pilot program – first of its kind in the world - to test hydrogen as a fuel source for power generation
  - Partnered with the Electric Power Research Institute (EPRI)

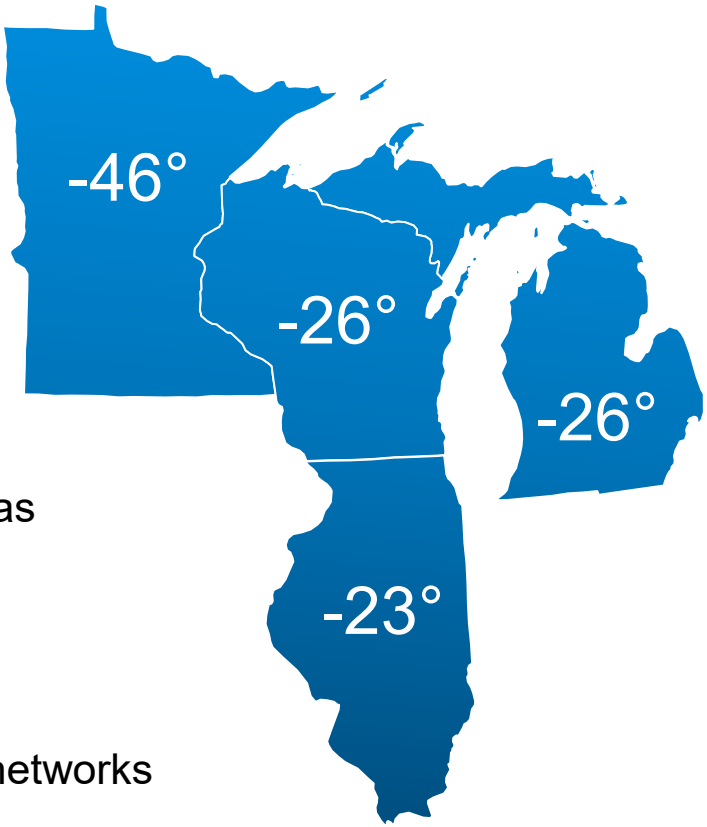


  - Blended hydrogen with natural gas at one of our RICE units
- Initial findings indicate that all project measures met or exceeded expectations
  - Units performed efficiently

WEC Energy Group's *industry-leading* efforts could help create another viable option for decarbonizing the economy.

Today and Tomorrow

Why Our Natural Gas Distribution Networks Matter



Our Service Area

- 65-78% of homes use natural gas for heating
- Growth continues as customers convert to natural gas

Hydrogen and RNG Opportunities

- Potential to blend
- Investment potential to convert existing distribution networks

Electric Conversion Debate

- Today, electric heat pumps in our region are substantially more costly than natural gas heating*
- Natural hedge in Wisconsin since we serve both electric and natural gas customers
- Currently participating in Low Carbon Resource Initiative and other electrification R&D

Weather in the map reflects (in Fahrenheit) actual temperatures reported by NOAA during the January 2019 polar vortex.

* Based on independent, third-party research for the region we serve.

New Liquefied Natural Gas (LNG) Storage Facilities

Taking Steps to Maintain Reliable and Affordable Service for Our Customers



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

- We Energies received approval for two LNG facilities to address the need for additional natural gas supply in Wisconsin
- Total expected investment: $370 million
- Construction in progress
- Targeted in-service date:
  - Bluff Creek LNG Facility: 2023
  - Ixonia LNG Facility: 2024

Project Highlights

Efficiency, Growth and Sustainability Progress

Taking Steps to Maintain Reliable and Affordable Service for Our Customers



Electric delivery redesign/resilience

- Addressing aging infrastructure and system hardening
- Enhancing efficiencies and reducing operating costs
- Expect to spend $3.6 billion (2023-2027) with continued investment over next decade

Project Highlights

Efficiency, Growth and Sustainability Progress

Taking Steps to Maintain Reliable and Affordable Service for Our Customers



Natural Gas Safety Modernization

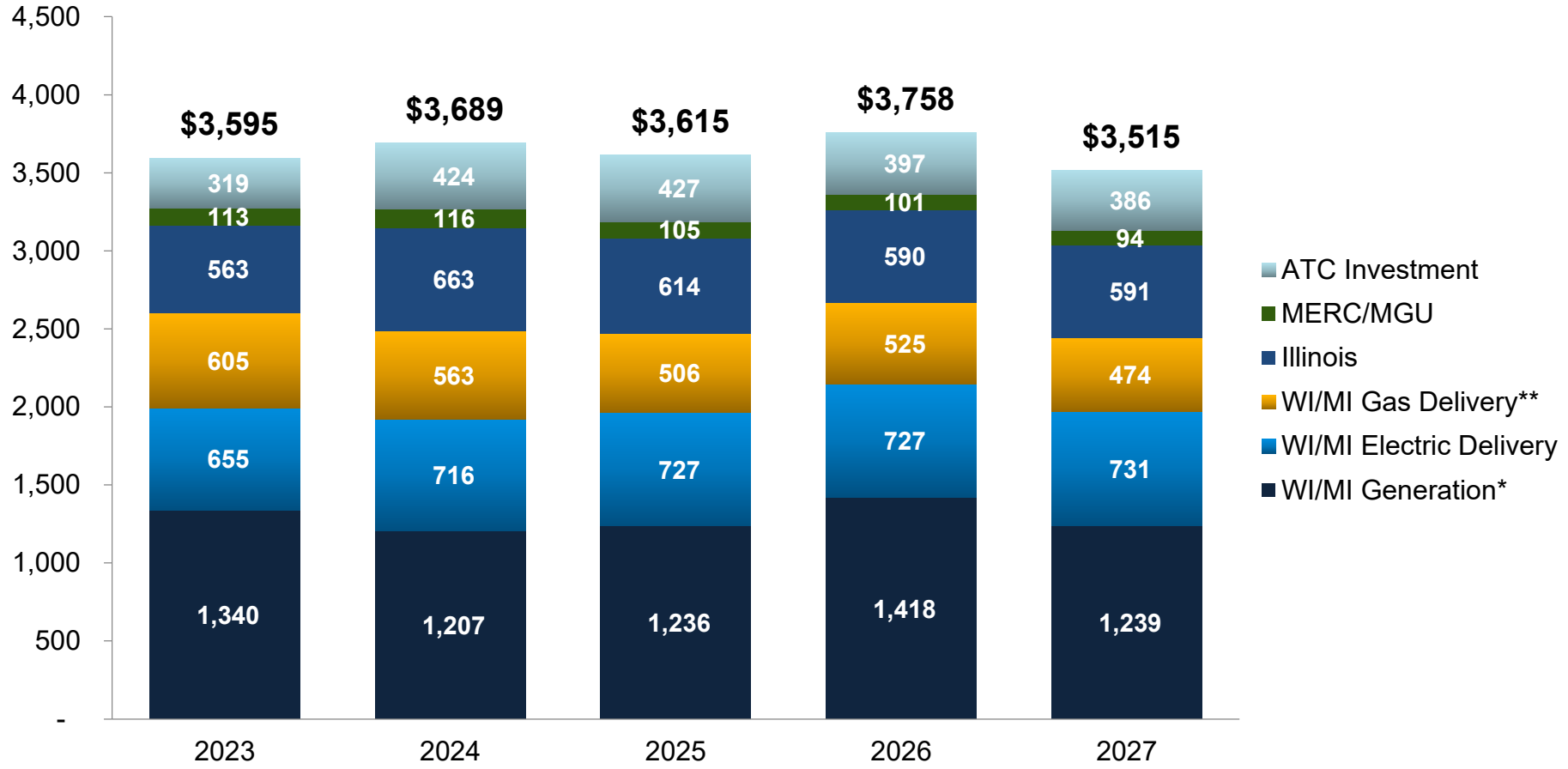
- Increasing capacity and reliability of natural gas service in our territories

Illinois

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

$18.2 billion projected capital spend from 2023-2027

Utility Capital Plan Drives EPS Growth



Depreciation at the utilities expected to average $1.3 billion annually, and $150 million at ATC, over the 2023-2027 period

* Generation includes capital spend at We Power
** Delivery includes capital spend at Bluewater

By Company

Capital Plan Projections *($ in millions)*

	2023	2024	2025
Wisconsin Electric	$1,504.1	$1,478.2	$1,274.6
Wisconsin Gas	$251.4	$246.0	$230.9
Wisconsin Public Service	$754.8	$679.9	$858.7
Upper Michigan Energy	$20.4	$28.7	$81.3
Wisconsin Segment	**$2,530.7**	**$2,432.8**	**$2,445.5**
Peoples Gas	$506.3	$599.0	$540.5
North Shore Gas	$50.8	$60.5	$73.5
Illinois Segment	**$557.1**	**$659.5**	**$614.0**
Minnesota Energy Resources	$58.7	$58.2	$56.2
Michigan Gas Utilities	$53.1	$56.8	$48.5
Other States Segment	**$111.8**	**$115.0**	**$104.7**
We Power	$44.2	$38.4	$20.4
Bluewater	$3.6	$2.4	$0.8
Infrastructure Investments	$699.2	$643.0	$196.0
Nonutility Energy Infrastructure	**$747.0**	**$683.8**	**$217.2**
Corporate and Other	**$28.1**	**$17.0**	**$2.7**
Subtotal	**$3,974.7**	**$3,908.1**	**$3,384.1**
ATC Investment [1]	**$319.1**	**$424.3**	**$427.2**
Total WEC Capital Projection	**$4,293.8**	**$4,332.4**	**$3,811.3**

[1] ATC is accounted for using the equity method; this represents WEC's portion of the investment.

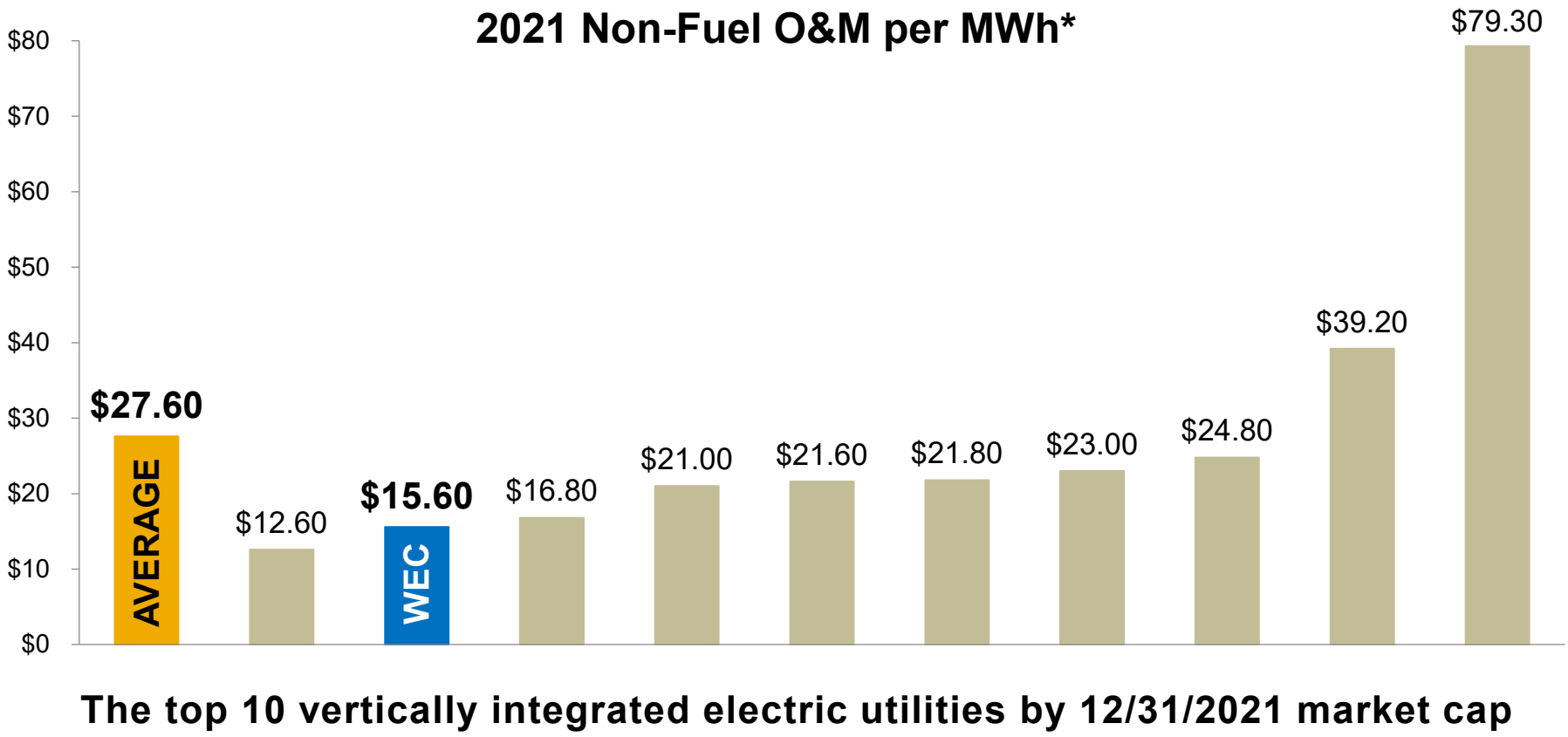
Composition of Asset Base

Total 2022 Average Asset Base of $26.5 Billion

Company	Asset Base - $B	% of Total
Wisconsin Electric	$7.3	27.5%
Wisconsin Gas	1.9	7.2
Wisconsin Public Service	4.2	15.9
Upper Michigan Energy Resources	0.4	1.5
Peoples Gas	4.1	15.5
North Shore Gas	0.4	1.5
Minnesota Energy Resources	0.5	1.9
Michigan Gas Utilities	0.3	1.1
We Power	3.1	11.7
Bluewater	0.3	1.1
WEC Infrastructure	1.4	5.3
American Transmission Company	2.6	9.8
Total	**$26.5**	**100%**

Note: We Power value represents investment book value.

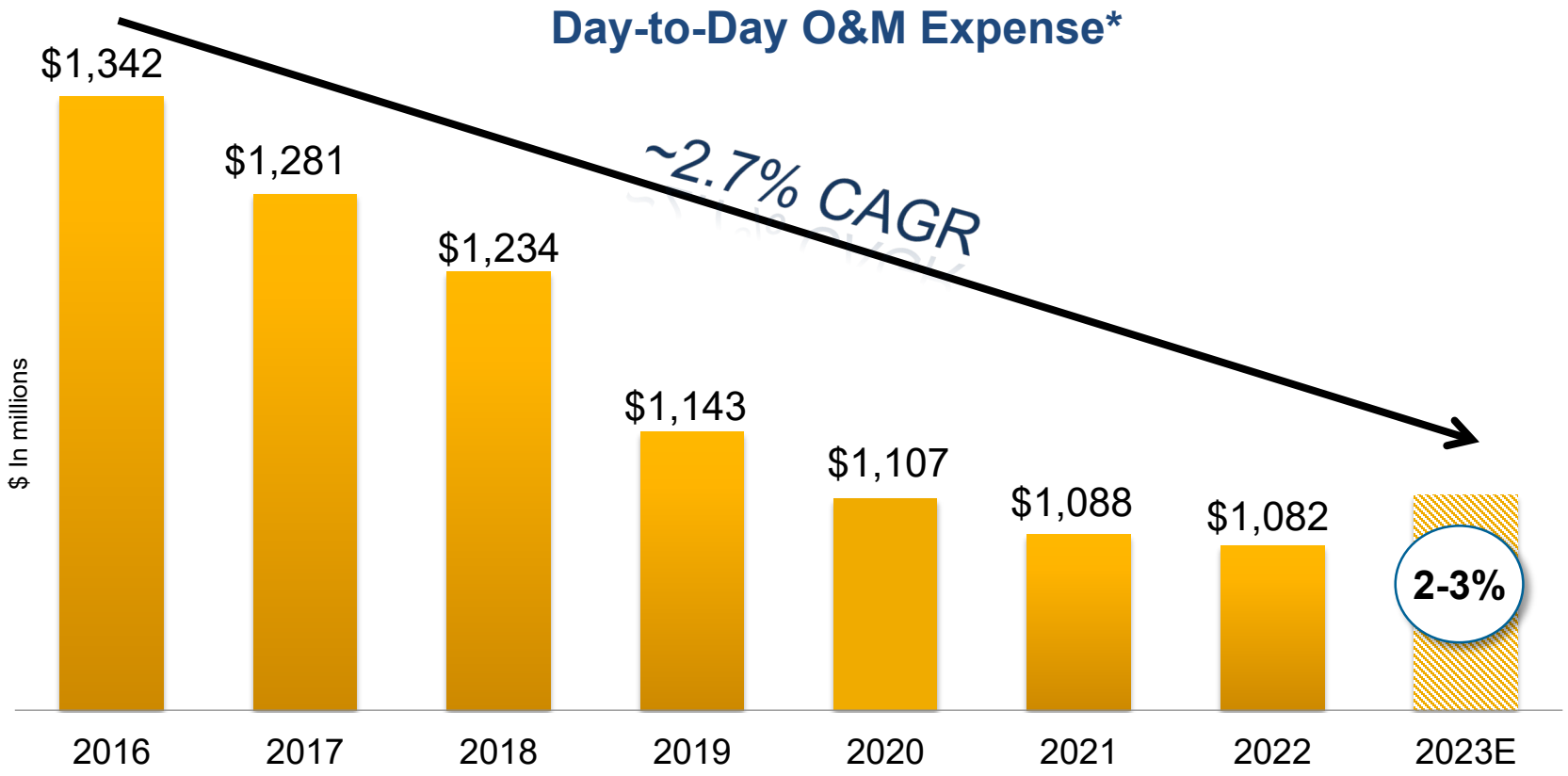
National Leader in Operating Efficiency and Financial Discipline



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.

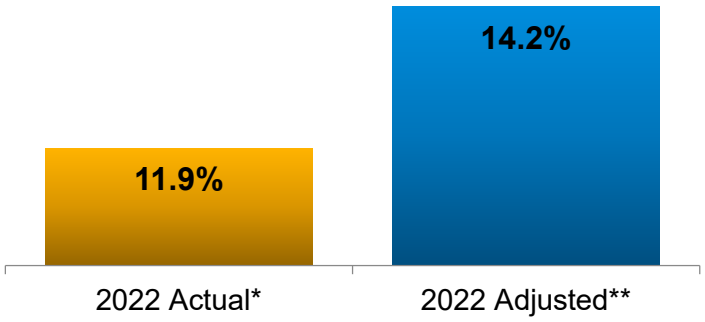
Focused on Efficiency



*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.

Credit Metrics – Healthy Balance Sheet

Funds from Operations/Debt

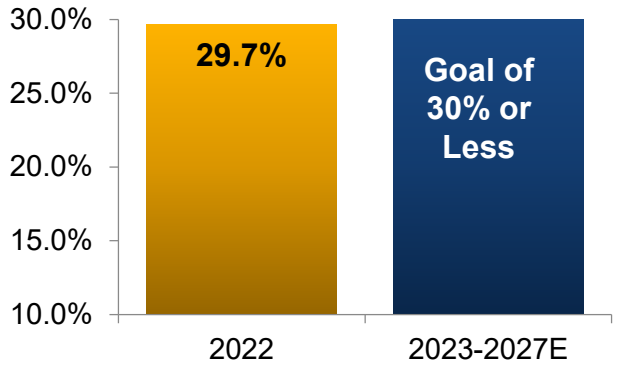


WEC Energy Group	Target 2023-2027
GAAP FFO to Debt	15-16%
S&P FFO to Debt	≥15%
Moody's CFO Pre-WC/Debt	≥16%

Issuer Credit Ratings

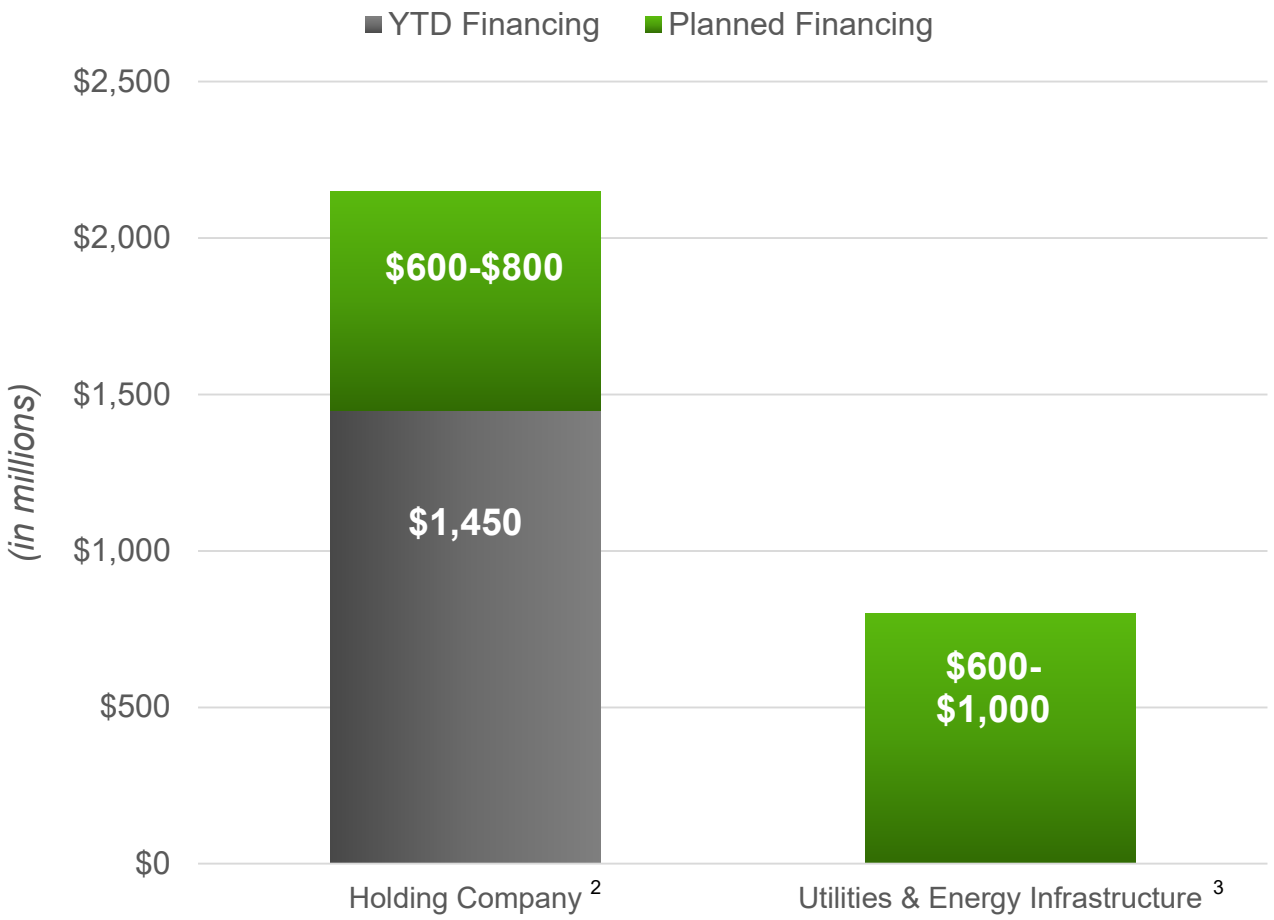
Entity	S&P Rating	Moody's Rating
WEC Energy Group	A-	Baa1
Wisconsin Electric	A-	A2
Wisconsin Gas	A	A3
Wisconsin Public Service	A-	A2
Peoples Gas	A-	A2

Holding Company Debt to Total Debt



*FFO to debt ratio using GAAP operating cash flow and debt balance
**See reconciliation in appendix

Projected Financing Plans for 2023[1]



Existing Facilities

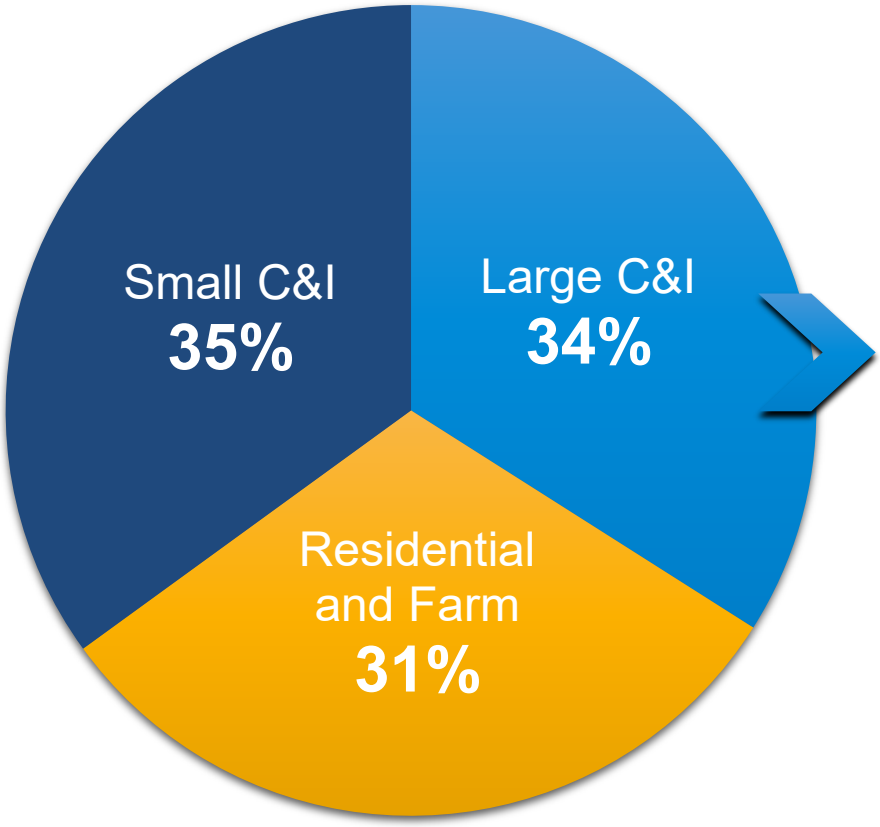
$2.0B net liquidity
(as of Jun. 30, 2023)

$3.1B
Sept.
2026

1. Amounts and timing are subject to material change based upon numerous factors, including market conditions, regulatory approvals, capital requirements and investment opportunities.
2. Includes $700 million of retirements at the holding company in Sept. 2023
3. Includes Public and Private Financings

Balanced Sales Mix

2022 Retail MWh Deliveries Mix*

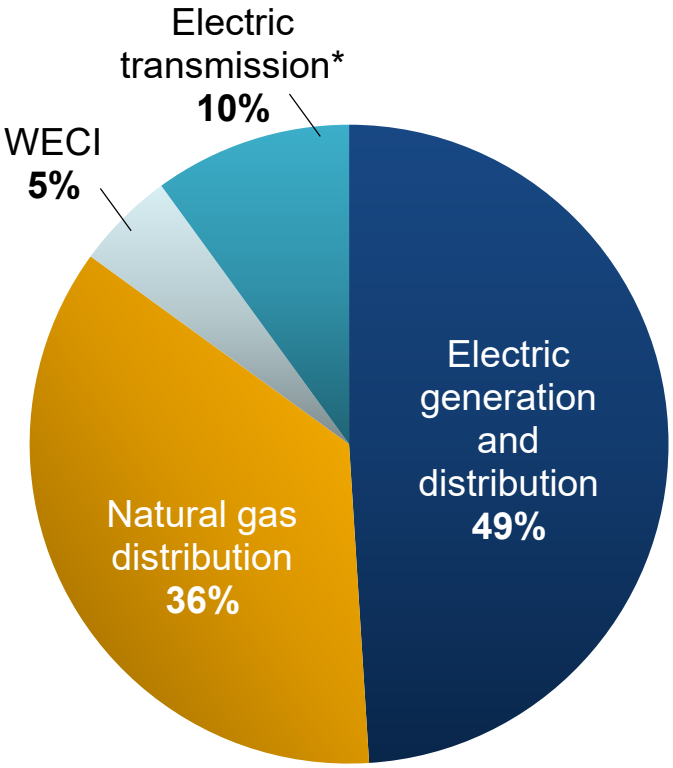


34% Large C&I by Segment	
Paper/Packaging	26%
Foundry (SIC 33)	11%
Mining/Minerals	10%
Metal (SIC 34,35,37)	8%
Other Manufacturing	8%
Food/Agriculture	7%
Medical	6%
Education	4%
Printing	3%
Chemical	2%
Office	2%
Other	13%

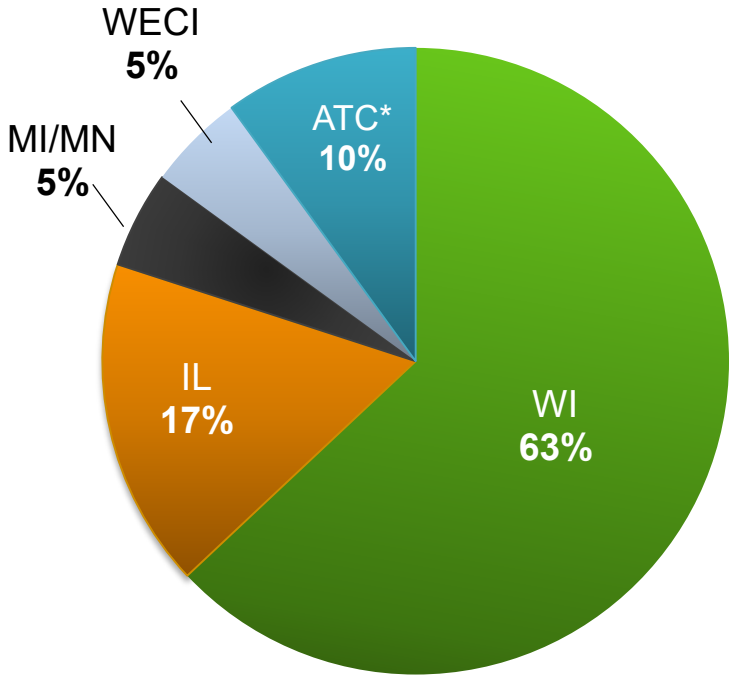
*Wisconsin segment includes Michigan electric and retail choice customers in the Upper Peninsula.

Diverse Portfolio of Businesses

By Business



By Jurisdiction



Based on 2022 average asset base.

*ATC is accounted for using the equity method; this represents WEC's portion of the asset base.

Regulatory Matters

	Estimated Decision Date
Wisconsin (apps.psc.wi.gov)	
▪ Commission decision on limited re-opener for new base rates effective 1/1/24 (Dockets: WE and WG: 5-UR-110 and WPS 6690-UR-127)	Q4 2023
Illinois (icc.illinois.gov)	
▪ Decision on general rate review for new base rates effective 1/1/24 (Dockets: PGL: 23-0069 and NSG 23-0068 Filed 1/6/23)	Q4 2023
▪ Decision on 2016 Rider QIP Reconciliation (Docket: 17-0137 filed 3/20/17)	2024
Michigan (michigan.gov/mpsc)	
▪ Decision on proposed settlement of $9.9 million or 4.7%, 9.80% ROE and 51% equity component	Q4 2023
Minnesota (mn.gov/puc)	
▪ Decision on proposed settlement of $28.8 million or 7.1%, 9.65% ROE and 53% equity component	Q4 2023

Regulatory Environment

Wisconsin

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

Wisconsin Commissioners			
Name	**Party**	**Began Serving**	**Term Ends**
Rebecca Valcq *Chair*	D	01/2019	03/2025
Summer Strand*	D	03/2023	03/2029
Tyler Huebner*	D	03/2020	03/2027

* Pending confirmation

Illinois

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

Illinois Commissioners			
Name	**Party**	**Began Serving**	**Term Ends**
Doug Scott *Chair*	D	06/2023	01/2024
Conrad Reddick	D	03/2023	01/2028
Michael Carrigan	D	01/2020	01/2025
Ann McCabe	R	02/2022	01/2027
Stacey Paradis	R	03/2023	01/2028

Rate-Making Parameters by Company

Utility	Equity Layer[1]	Authorized ROE
Wisconsin Electric	50.50%-55.50%	9.80%
Wisconsin Public Service	50.50%-55.50%	9.80%
Wisconsin Gas	50.50%-55.50%	9.80%
Peoples Gas	50.33%	9.05%
North Shore Gas	51.58%	9.67%
Minnesota Energy Resources	50.90%	9.70%
Michigan Gas Utilities	51.50%	9.85%
We Power	53.00%-55.00%	12.70%
American Transmission Company	50.00%	10.52%

- 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.

Key Rate Making Components

Area	Illinois–Gas	Minnesota–Gas	Michigan–Electric and Gas	Wisconsin–Gas	Wisconsin–Electric
Gas Pipeline Replacement Rider	PGL		MGU		
Bad Debt Rider	✓				
Bad Debt Escrow Accounting				Residential	Residential
Decoupling	✓	✓			
Fuel Cost Recovery	1 for 1 recovery of prudent fuel costs				+/- 2% band
MGP Site Clean Up Recovery	✓	✓	✓	✓	N/A
Invested Capital Tax Rider	✓				
Forward-Looking Test Years	✓	✓	✓	2 years	2 years
COVID-19 Incremental O&M and foregone late payment fees	✓				
Credit Card Fees	✓				
Gas Utility Infrastructure Cost Rider Surcharge		✓			
Earnings Sharing				No sharing on first 15 bp above allowed ROE, 50/50 on next 60bp, 100% to customers beyond 75 bp	

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

	2014	2015	2016	2017
Reported EPS – GAAP basis	$2.59	$2.34	$ 2.96	$ 3.79
Acquisition Costs	$0.06	$0.39	$ 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*	**$2.65**	**$2.73**	**$ 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.

Ratio of FFO to Debt

(in millions, except percent)

Ratio of FFO to Debt	2022
Net cash provided by operating activities	$2,060.7
Total debt	$17,294.5
Ratio of FFO to debt	**11.9%**

Ratio of FFO to Debt – Adjusted*	2022
Net cash provided by operating activities	$2,060.7
Add: Working Capital	340.8
Net cash provided by operating activities – adjusted	**$2,401.5**
Total debt	$17,294.5
Less: Working Capital	340.8
Total Debt – Adjusted	**$16,953.7**
Ratio of FFO to Debt – Adjusted	**14.2%**

*2022 Wisconsin non-cash “stay out” impact of approximately $130m not included above

Contact Information



M. Beth Straka

Senior Vice President – Investor Relations
and Corporate Communications

Beth.Straka@wecenergygroup.com

414-221-4639

WEC Energy Group