

August 4, 2020

Financial Highlights	<p>In the second quarter 2020, WPPI Energy's change in net position was \$751,909 compared to \$1,168,695 in the second quarter 2019. Due to seasonal wholesale rates that include a higher demand charge during the summer months, WPPI Energy anticipates increased revenues and change in net position during the summer months again in 2020.</p> <p>Energy sales to members totaled 1,118,293 megawatt-hours (MWh) in the second quarter of 2020. This is 26,281 MWh or 2.3% less than the same period a year ago. During the second quarter of 2020, loads were lower than second quarter 2019 in part due to COVID-19 related shutdowns. Offsetting this impact to a degree was warmer weather in the month of June 2020 compared to the June 2019.</p> <p>Total operating revenues for the second quarter in 2020 were \$95,714,520 or 3.3% lower than the same period a year ago. Total operating expenses for the second quarter in 2020 were \$95,147,797 or 3.8% lower than the same period a year ago. The decrease in operating revenues is primarily due to lower revenues from off system sales. The decrease in operating expenses in the second quarter 2020 compared to 2019 is driven by lower fuel expenses.</p>
Power Supply Update	<p>WPPI Energy's 20% share of Boswell Unit 4 generated 68,443 MWh at an average capacity factor of 26.8% during the second quarter. This compares to generation of 193,748 MWh and an average capacity factor of 75.6% in the second quarter of 2019. Unit 4 was off line for a 26 day outage in April of 2020 to repair damage from a coal bunker fire and for 8 days in May into June of 2020 to replace a boiler feedwater pump barrel.</p> <p>WPPI Energy's 8.33% share of the Elm Road units generated 148,611 MWh at an average capacity factor of 64.4% during the second quarter. In the same quarter a year ago, the units generated 146,700 MWh at an average capacity factor of 63.6%. Unit 1 was off line for three weeks for a planned outage in April of 2020. Unit 2 was off line for 15 days in May of 2020 to replace a potential transformer in the substation and also replace a boiler feedwater pump mechanical seal and again for nine days in June of 2020 to repair two boiler tube leaks.</p>
News Highlights	<p>As a member-owned wholesale power supplier, WPPI Energy is designed to be there for the communities it serves, and COVID-19 has driven an increase in the level of help people need from their communities' most vital support organizations. WPPI established a "Community Recharge" program to help member utilities address the local health and economic impacts of COVID-19. The initiative will fund contributions totaling \$500,000 to support relief efforts across the WPPI membership. Members are using the funds to replenish food banks, support essential workers, provide an economic boost to local businesses, and more.</p>
Company Profile	<p>Member-owned, not-for-profit WPPI Energy serves 51 locally owned electric utilities. Together, WPPI members have built a diverse, competitive and responsible power supply. They share advanced technologies and forward-thinking services, and they speak with a unified voice for effective energy policy advocacy.</p>

This report and other information about WPPI Energy can be found at www.wppienergy.org.

FINANCIAL STATEMENTS

Statements of Net Position (Unaudited)

June 30,	2020	2019
Assets		
Current assets	\$ 142,379,261	\$ 147,745,362
Non-current assets	267,331,098	257,012,361
Electric plant, equipment, and land, net	362,382,156	377,218,037
Construction work in progress	5,371,023	4,254,966
Total assets	777,463,538	786,230,726
Deferred Outflows of Resources	22,778,361	18,849,106
Liabilities		
Current liabilities	56,570,036	57,273,943
Non-current liabilities	12,635,376	8,185,867
Long-term debt, net	341,240,480	364,251,629
Total liabilities	410,445,892	429,711,439
Deferred Inflows of Resources	86,824,227	83,561,740
Net Position	\$ 302,971,780	\$ 291,806,653

Statements of Revenue, Expenses and Changes in Net Position (Unaudited)

	Quarter Ended June 30,		Fiscal-to-Date	
	2020	2019	2020	2019
Operating Revenues	\$ 95,714,520	\$ 98,990,216	\$ 189,094,819	\$ 201,701,182
Operating Expenses				
Purchased power	62,267,253	62,123,684	121,852,685	130,270,863
Transmission	14,634,343	15,104,592	30,342,938	30,697,474
Fuel expense	4,491,230	6,993,640	11,549,794	13,052,067
Operation and maintenance	3,364,392	3,337,559	6,997,542	6,433,741
Customer service and administrative and general	4,454,694	5,351,745	8,857,860	10,658,187
Depreciation and amortization	4,205,938	4,210,653	8,415,280	8,419,053
Taxes	1,729,947	1,777,956	3,489,074	3,612,353
Total operating expenses	95,147,797	98,899,829	191,505,173	203,143,738
Operating Income	566,723	90,387	(2,410,354)	(1,442,556)
Non-Operating Revenues (Expenses)				
Investment income	3,689,330	4,081,117	7,629,673	7,918,389
Interest expense	(4,003,763)	(4,235,878)	(8,009,442)	(8,467,983)
Other	499,619	1,233,069	1,971,915	2,147,764
Total non-operating revenues (expenses), net	185,186	1,078,308	1,592,146	1,598,170
Change in Net Position	\$ 751,909	\$ \$1,168,695	\$ (818,208)	\$ 155,614

Some 2019 amounts were reclassified to conform to the 2020 presentation.

WPPI ENERGY IS THE POWER SUPPLIER FOR THE FOLLOWING LOCALLY-OWNED UTILITIES

WISCONSIN	Evansville	Menasha	Plymouth	Two Rivers	MICHIGAN	Negaunee
Algoma	Florence	Mount Horeb	Prairie du Sac	Waterloo	Alger Delta CEA	Norway
Black River Falls	Hartford	Muscoda	Reedsburg	Waunakee	Baraga	IOWA
Boscobel	Hustisford	New Glarus	Richland Center	Waupun	Crystal Falls	Independence
Brodhead	Jefferson	New Holstein	River Falls	Westby	Gladstone	Maquoketa
Cedarburg	Juneau	New London	Slinger	Whitehall	L'Anse	Preston
Columbus	Kaukauna	New Richmond	Stoughton			
Cuba City	Lake Mills	Oconomowoc	Sturgeon Bay			
Eagle River	Lodi	Oconto Falls	Sun Prairie			