

November 3, 2020

Financial Highlights	<p>In the third quarter 2020, WPPI Energy's change in net position was \$15,862,184 compared to \$15,504,251 in the third quarter 2019. Due to seasonal wholesale rates that include a higher demand charge during the summer months, WPPI Energy experienced a higher change in net position in the third quarter than experienced in the previous two quarters of 2020, similar to the pattern experienced in 2019.</p> <p>Energy sales to members totaled 1,311,004 megawatt-hours (MWh) in the third quarter of 2020. This is 34,467 MWh or 2.6% less than the same period a year ago, due in part to COVID-19 related impacts. Offsetting this impact to a degree was warmer weather in July and August 2020.</p> <p>Total operating revenues for the third quarter in 2020 were \$130,413,054 or 1.3% lower than the same period a year ago. Total operating expenses for the third quarter in 2020 were \$115,143,445 or 1.4% 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 third quarter 2020 compared to 2019 is driven by lower fuel, transmission, and operating and maintenance expenses.</p>
Power Supply Update	<p>WPPI Energy's 20% share of Boswell Unit 4 generated 134,213 MWh at an average capacity factor of 52.0% during the third quarter of 2020. This compares to generation of 175,404 MWh and an average capacity factor of 67.9% in the third quarter of 2019. Unit 4 came off line for a planned seven day outage on September 27. Low market energy prices also contributed to the lower capacity factor for Unit 4.</p> <p>WPPI Energy's 8.33% share of the Elm Road units generated 223,209 MWh at an average capacity factor of 95.7% during the third quarter of 2020. In the same quarter a year ago, the units generated 193,872 MWh at an average capacity factor of 83.1%. Both units ran continuously through the entire third quarter of 2020.</p>
News Highlights	<p>The WPPI Energy membership's 2020 WPPI Annual Meeting and Board of Directors Meeting took place virtually on September 17. With a theme of "Forty & Forward," the program featured a State of WPPI video address by President and CEO Mike Peters, a presentation from APPA CEO Joy Ditto, an awards presentation recognizing all of the utility members celebrating significant milestones, Steve Thompson's induction into the WPPI Energy Joint Action Hall of Fame, and concluded with a video highlighting the past forty years titled, "A History of WPPI Energy."</p>
Company Profile	<p>WPPI Energy is a regional power company serving 51 locally owned, not-for-profit electric utilities. Together through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to more than 200,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.</p>

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

FINANCIAL STATEMENTS

Statements of Net Position (Unaudited)

September 30,	2020	2019
Assets		
Current assets	\$ 142,082,846	\$ 141,575,524
Non-current assets	266,991,918	259,593,061
Electric plant, equipment, and land, net	358,657,680	374,108,075
Construction work in progress	5,898,384	4,124,399
Total assets	773,630,828	779,401,059
Deferred Outflows of Resources	22,349,703	18,403,842
Liabilities		
Current liabilities	51,574,169	53,686,291
Non-current liabilities	12,737,691	8,341,303
Long-term debt, net	325,439,063	344,306,581
Total liabilities	389,750,923	406,334,175
Deferred Inflows of Resources	87,395,644	84,159,825
Net Position	\$ 318,833,964	\$ 307,310,901

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

	Quarter Ended September 30,		Fiscal-to-Date	
	2020	2019	2020	2019
Operating Revenues	\$ 130,413,054	\$ 132,141,148	\$ 319,507,873	\$ 333,842,330
Operating Expenses				
Purchased power	77,846,975	77,545,469	199,699,660	207,816,332
Transmission	16,105,380	16,760,425	46,448,319	47,457,899
Fuel expense	7,096,510	8,193,897	18,646,304	21,245,965
Operation and maintenance	3,812,514	4,415,360	10,810,056	10,849,101
Customer service and administrative and general	4,504,831	3,910,197	13,362,690	14,568,384
Depreciation and amortization	4,212,139	4,206,593	12,627,419	12,625,646
Taxes	1,565,096	1,718,505	5,054,170	5,330,858
Total operating expenses	115,143,445	116,750,446	306,648,618	319,894,185
Operating Income	15,269,609	15,390,702	12,859,255	13,948,145
Non-Operating Revenues (Expenses)				
Investment income	4,110,597	4,136,026	11,740,270	12,054,415
Interest expense	(3,767,236)	(4,003,877)	(11,776,678)	(12,471,860)
Other	249,214	(18,600)	2,221,129	2,129,164
Total non-operating revenues (expenses), net	592,575	113,549	2,184,721	1,711,719
Change in Net Position	\$ 15,862,184	\$ 15,504,251	\$ 15,043,976	\$ 15,659,864

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			

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