

1ST QUARTER 2022

May 12, 2022

Financial Highlights	<p>In the first quarter 2022, WPPI Energy's change in net position was a loss of \$6,304,599 compared to a loss of \$5,459,850 in the first quarter 2021. Due to seasonal wholesale rates that include a higher demand charge during the summer months, WPPI anticipated and experienced a loss in both first quarter 2022 and 2021. Additionally, there was a \$2.5 million decrease in the change in fair value of investments between the two periods, which impacted the additional loss in the first quarter 2022 compared to the first quarter 2021.</p> <p>Energy sales to members totaled 1,229,806 megawatt-hours (MWh) in the first quarter of 2022. This is 51,647 MWh or 4.4% more than the same period a year ago.</p> <p>Total operating revenues for the first quarter in 2022 were \$109,674,382 or 9.6% higher than the same period a year ago. Total operating expenses for the first quarter in 2022 were \$113,710,356 or 7.3% higher than the same period a year ago. The increase in operating revenues is primarily due to the increase in sales to members due to the combination of higher MWh sold to members and higher average revenue per MWh sold. The increase in operating expenses in the first quarter 2022 compared to 2021 is primarily due to an increase in purchased power and fuel expenses.</p>
Power Supply Update	<p>WPPI Energy's 20% share of Boswell Unit 4 generated 197,510 MWh of electricity at an average capacity factor of 78.2% during the first quarter of 2022. This compares to 177,792 MWh generated at an average capacity factor of 70.4% in the first quarter of 2021. Boswell Unit 4 was offline for the last 11 days of the quarter for a planned maintenance outage.</p> <p>WPPI Energy's 8.33% share of the Elm Road Generating Station units generated 150,278 MWh at an average capacity factor of 65.9% in the first quarter of 2022. In the same quarter a year ago, the units generated 189,972 MWh at an average capacity factor of 83.3%. Elm Road Unit 1 was offline for 16 days to repair a boiler tube leak. Elm Road Unit 2 ran continuously throughout the quarter.</p>
News Highlights	<p>WPPI Energy released the 2021 Annual Report: We Power On. The locally owned, not-for-profit member utilities of WPPI Energy have always understood that grit, determination, and shared strength are vital for helping their communities thrive. Today, as the electric industry continues to transform, and as customer expectations and technologies keep evolving, our dedication and unity of purpose remain as strong as ever. Together, WPPI members are well positioned with the shared resources, technology, and expertise utilities need for continued success.</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 modern 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 wppienergy.org.](https://www.wppienergy.org)

FINANCIAL STATEMENTS

Statements of Net Position (Unaudited)

March 31,	2022	2021
Assets		
Current assets	\$ 137,268,268	\$ 131,049,921
Non-current assets	271,043,774	275,904,929
Electric plant, equipment, and land, net	341,283,592	351,537,438
Construction work in progress	9,775,884	6,605,959
Total assets	759,371,518	765,098,247
Deferred Outflows of Resources		
	19,978,687	19,613,832
Liabilities		
Current liabilities	52,267,375	48,240,649
Non-current liabilities	9,558,424	10,242,889
Long-term debt, net	302,940,409	323,536,110
Total liabilities	364,766,208	382,019,648
Deferred Inflows of Resources		
	92,353,071	90,586,160
Net Position		
	\$ 322,230,926	\$ 312,106,271

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

	Quarter Ended March 31,	
	2022	2021
Operating Revenues	\$ 109,674,382	\$ 100,055,237
Operating Expenses		
Purchased power	73,438,204	66,619,058
Transmission	17,041,706	17,145,516
Fuel expense	8,689,228	7,725,126
Operation and maintenance	3,842,571	4,000,974
Customer service and administrative and general	4,730,312	4,597,275
Depreciation and amortization	4,342,486	4,223,576
Taxes	1,625,849	1,651,121
Total operating expenses	113,710,356	105,962,646
Operating Income	(4,035,974)	(5,907,409)
Non-Operating Revenues (Expenses)		
Investment income	3,642,451	3,673,930
Interest expense	(3,587,090)	(3,768,485)
Other	(2,323,986)	542,114
Total non-operating revenues (expenses), net	(2,268,625)	447,559
Change in Net Position	\$ (6,304,599)	\$ (5,459,850)

Some 2021 amounts were reclassified to conform to the 2022 presentation.

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

WISCONSIN

Evansville
Algoma
Black River Falls
Boscobel
Brodhead
Cedarburg
Columbus
Cuba City
Eagle River

Florence
Hartford
Hustisford
Jefferson
Juneau
Kaukauna
Lake Mills
Lodi

Menasha
Mount Horeb
Muscodia
New Glarus
New Holstein
New London
New Richmond
Oconomowoc
Oconto Falls

Plymouth
Prairie du Sac
Reedsburg
Richland Center
River Falls
Slinger
Stoughton
Sturgeon Bay
Sun Prairie

Two Rivers
Waterloo
Waunakee
Waupun
Westby
Whitehall

MICHIGAN

Alger Delta CEA
Baraga
Crystal Falls
Gladstone
L'Anse

Negaunee
Norway
IOWA
Independence
Maquoketa
Preston

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