



Based in Milwaukee, Wisconsin, WEC Energy Group is one of the nation's premier energy holding companies, with subsidiaries serving energy customers in Wisconsin, Illinois, Minnesota and Michigan.

At WEC Energy Group, we embrace our responsibility to provide safe, reliable and affordable energy in an environmentally sustainable manner. We set our strategies and run our operations with an emphasis on continuous improvement and a vision to deliver a cleaner energy future.

As we make progress on our environmental efforts, we provide information to a number of environmental, social and governance organizations and ratings firms to continually enhance transparency and encourage dialogue with stakeholders.

We have disclosed information regarding our operations and climate-related risks and opportunities to CDP for more than a decade.

Our responses in this report contain forward-looking information. For cautionary statements regarding forward-looking information, please go to <http://www.wecenergygroup.com/home/terms.htm>.

# Welcome to your CDP Climate Change Questionnaire 2022

## C0. Introduction

### C0.1

#### **(C0.1) Give a general description and introduction to your organization.**

We were incorporated in the state of Wisconsin in 1981 and became a diversified holding company in 1986. We maintain our principal executive offices in Milwaukee, Wisconsin. Our wholly owned utility subsidiaries provide regulated natural gas and electricity to customers in Wisconsin, Illinois, Michigan and Minnesota. We also have non-utility energy infrastructure operations that, among other things, hold majority ownership interests in several wind generating facilities. In addition, we own an approximate 60% equity interest in American Transmission Co. (a for-profit transmission-only company operating in Illinois, Michigan, Minnesota and Wisconsin) and an approximate 75% equity interest in ATC Holdco LLC, a separate entity formed to invest in transmission-related projects outside of American Transmission Co.'s traditional footprint.

Wisconsin Electric Power Co. (Wisconsin Electric), which is the largest electric utility in the state of Wisconsin, generates and distributes electric energy to customers located in southeastern Wisconsin (including the metropolitan Milwaukee area), east central Wisconsin, and northern Wisconsin. Wisconsin Public Service Corp. (Wisconsin Public Service) generates and distributes electric energy to customers located in northeastern Wisconsin. Upper Michigan Energy Resources Corp. (UMERC) generates and distributes electric energy to customers located in the Upper Peninsula of Michigan.

We own the largest natural gas distribution utilities in Wisconsin (Wisconsin Public Service; and Wisconsin Gas LLC and Wisconsin Electric, both doing business as We Energies), and we operate throughout the state, including the city of Milwaukee and surrounding areas, northeastern Wisconsin, and large areas of both central and western Wisconsin. In addition, Wisconsin Electric has a steam utility that generates, distributes and sells steam to customers in metropolitan Milwaukee for use in processing, space heating, domestic hot water and humidification. Our Illinois natural gas utilities, The Peoples Gas Light and Coke Co. and North Shore Gas Co., serve customers in Chicago and the northern suburbs of Chicago, respectively. Our other natural gas utilities include Minnesota Energy Resources Corp., serving customers in various cities and communities throughout Minnesota, and Michigan Gas Utilities Corp., serving customers in the southern portion of lower Michigan. UMERC serves natural gas customers in the Upper Peninsula of Michigan. Our non-utility operations include W.E. Power LLC, which designed and built certain electric generating units that it now leases to Wisconsin Electric;

Bluewater Natural Gas Holding LLC, which owns natural gas storage facilities in Michigan that provide approximately one-third of the current storage needs for our Wisconsin natural gas utilities; WEC Infrastructure LLC, which holds majority ownership interests in non-utility wind generating facilities; and Wispark LLC, which develops and invests in real estate.

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2021	December 31, 2021	No

## C0.3

**(C0.3) Select the countries/areas in which you operate.**

United States of America

## C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Other, please specify

Equity share of consolidated companies and equity share of non-utility wind.

## C-EU0.7

**(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.**

Row 1

### Electric utilities value chain

Electricity generation

Distribution

### Other divisions

Gas storage, transmission and distribution

## C0.8

**(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	WEC

## C1. Governance

### C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

#### C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Other, please specify Board Chair; Independent Lead Director	While the chairman and independent lead director of the board of directors have ultimate responsibility for coordinating the board's oversight of climate-related issues, the full board has collective responsibility for executing its oversight responsibilities in this regard. This includes strategic contemplation of the risks associated with the possible impact of climate change on the utility sector, and review and approval of significant capital projects and investments, such as those that will enable the company to meet its emission reduction goals.

#### C1.1b

**(C1.1b) Provide further details on the board's oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action	Throughout the year, the board engages in substantive discussions with management about the company's short-, medium-, and long-term strategies and operational objectives, which the board must

	<p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Setting performance objectives</p> <p>Monitoring implementation and performance of objectives</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>evaluate within the context of the many risks and opportunities facing the utility sector, including those related to climate change. Management routinely reports to the board on both high-level and narrowly focused risks, which serve as important input as the directors evaluate the impact of strategic alternatives. While the board delegates specified duties to its committees, the board retains collective responsibility for comprehensive risk oversight, including short-term and long-term critical risks that could impact the company's sustainability. The board believes that certain risks should be contemplated by the full board, such as oversight of environmental and social risks, including the potential impact of climate change on the utility sector as a whole and the company in particular, and review and approval of significant capital projects and investments, including those projects and investments that will enable the company to meet its carbon and methane emission reduction goals. The full board also reviews the company's Climate Report and the annual Corporate Responsibility Report before they are published as a mechanism to affirm that management has appropriately captured the tone and essence of its commitment to sustainable decision making.</p>
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## C1.1d

**(C1.1d) Does your organization have at least one board member with competence on climate-related issues?**

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	We evaluate director competence on climate-related issues by applying the same knowledge assessment scale used to evaluate all of the other core competencies needed for our board to effectively carry out its oversight function. For a director to be assessed as having competence on climate-related issues, at a minimum, he or she would have achieved "intermediate knowledge" of climate-related issues, which could be accumulated in a number of ways, including through general managerial/oversight responsibilities or broad exposure as a board or committee member; or "advanced knowledge" of climate-related issues, which could be accumulated in a number of ways, including through direct experience and by subject matter expertise.

## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify Climate Risk Committee is a sub-committee of the Enterprise Risk Steering Committee, which is chaired by the CEO	Both assessing and managing climate-related risks and opportunities	Quarterly

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Management’s enterprise-wide approach to managing risk and compliance is facilitated through our Enterprise Risk Steering Committee (ERSC), which is chaired by the CEO and consists of other senior-level management employees. The ERSC regularly reviews the company’s key risk areas and provides input into the development and implementation of effective compliance and risk management practices. The Climate Risk Committee includes officers responsible for aspects of overall corporate strategy to ensure more focused, executive-level attention on this particular area of enterprise risk. On a bimonthly basis, the ERSC discusses findings of the Audit Services’ annual enterprise risk assessment, holds in-depth discussions with members of management on identified subjects, and receives update reports, including from members of the Climate Risk Committee. Updates from the ERSC meetings are shared with the board as directed by the CEO. The CEO provides reports to the board at each board meeting and routinely calls upon members of his executive staff to provide detailed reports to the board in their respective areas of responsibility, including matters of enterprise risk. In addition, our Environmental team provides reports to the Audit and Oversight Committee of the Board at least quarterly, which include trends, goals and initiatives that involve climate-related risks and opportunities.

## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	The board oversees an executive compensation program that assesses management’s performance in achieving long-term strategic

		<p>sustainability goals through its capital spending plan, which is comprised of multiyear projects tied to strategic objectives including significant investments in low- and no-carbon generation and modernization of the company's natural gas infrastructure, actions specifically aimed at helping reduce the emission of GHGs (carbon and methane). The company's ability to fund this capital plan has been directly linked with the company's ability to deliver on its financial plan, including meeting the financial metrics used in the executive compensation program. These financial measures are key performance indicators underlying our executives' incentive compensation, linking long-term strategy through a focus on short-term priorities.</p>
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### C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	<p>Emissions reduction project Emissions reduction target Efficiency project Other (please specify) Implementation of first segment of five year-capital spending plan, which is tied to the Company's goal of carrying out its ESG Progress Plan - see comment for more information</p>	<p>Management regularly updates the board on its capital spending plans, which underpin the company's most significant strategic objectives and are prepared in five-year increments, and refreshed annually with the board's oversight.</p> <p>An important aspect of the board's oversight responsibilities is to hold the executive management team accountable for achieving the company's goals and objectives. This includes oversight of executive compensation. The board's Compensation Committee has a long track record of providing an executive compensation program that incentivizes the achievement of both the company's long-term strategies and short-term objectives. Delivering a cleaner energy future is one of the fundamentals of our business and a major focus of our capital plan.</p> <p>The Compensation Committee assesses management's performance in achieving the tenets of the company's long-term strategic sustainability goals through the</p>

			<p>execution of its capital spending plan, which is comprised of multiyear projects tied to strategic objectives. Management annually refreshes the capital plan, which includes a preview of anticipated capital spending over five years, and discloses it publicly during the fourth quarter each year. In November 2021, the company unveiled its five-year (2022-2026), \$17.7 billion ESG Progress Plan detailing its significant planned investments in low- and no-carbon generation and modernization of its natural gas infrastructure, actions that are specifically aimed at helping to reduce the emission of GHGs (carbon and methane). The company's ability to fund this substantial capital plan has been directly linked with the company's ability to consistently deliver on its financial plan, including meeting the financial metrics used in the company's compensation program. These financial measures are key performance indicators underlying our executives' incentive compensation, thus linking management's pathway to achieving our long-term strategy through its focus on short-term priorities.</p>
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## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

#### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	1	3	The horizon for assessing climate-related risks and opportunities is aligned with other business practices time horizons.



Medium-term	4	6	The horizon for assessing climate-related risks and opportunities is aligned with other business practices time horizons.
Long-term	7	30	The horizon for assessing climate-related risks and opportunities is aligned with other business practices time horizons.

## C2.1b

### (C2.1b) How does your organization define substantive financial or strategic impact on your business?

WEC Energy Group primarily defines a substantive impact as any change in the determination of investors in buying, holding or selling its securities. The indicator of “substantive change” is whether or not a reasonable investor would find the impact in question to be material to their investment decision. Any event that could have a material impact on our electric generation and/or electric and natural gas distribution operations, or result in a significant reputational and/or financial consequence, could cause a substantive financial or strategic impact. WEC Energy Group’s strategic planning processes enable its companies to continuously evaluate uncertainties and risks in the context of maintaining reliable, affordable energy supplies for their customers that follow the environmental improvement trajectory that management has set. Examples of climate-related risks are identified in WEC Energy Group’s 2021 Annual Report on Form 10-K as severe weather, fires, earthquakes, tornadoes, floods, droughts and significant changes in water levels in waterways. Any of these events could lead to substantial financial losses. WEC Energy Group considers information to be “material” based on Securities and Exchange Commission (SEC) standards for public company financial reporting.

## C2.2

### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

#### Value chain stage(s) covered

Direct operations  
Upstream  
Downstream

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

More than once a year

#### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

## Description of process

Our company has a formal process in place to provide regular updates regarding discrete environmental matters, some of which relate to climate-related risks, to the Audit and Oversight Committee of the board via a quarterly report from the vice president-environmental, who also provides an annual presentation to the committee or more frequently as requested by the committee. The chief executive officer and other members of executive management provide the board with more frequent updates on this subject as necessary. The Audit and Oversight Committee assists the board of directors in carrying out its oversight responsibility of the company's compliance with legal and regulatory requirements and various risk exposures. The committee is responsible for discussing, among other things, the company's major, discrete risk exposures and the steps management has taken to monitor and control such exposures. We continuously monitor our assets as well as the legislative, regulatory and legal developments in this area. In addition, we are members of, and actively participate in, several industry organizations, including the Edison Electric Institute and the American Gas Association, which are involved in the legislative and regulatory process. Broader, climate-related risk oversight remains the responsibility of the full board. Throughout the year, the board engages in substantive discussions with management about the company's long-term strategy, which the board must evaluate within the context of the many risks and opportunities facing the utility sector, including those related to climate change.

While the board delegates specified duties to its committees, the board retains collective responsibility for comprehensive risk oversight, including short-term, medium-term, and long-term critical risks that could impact the company's sustainability. The board believes that certain environmental and social risks should be contemplated by the full board, including the potential impact of climate change on the utility sector as a whole and the company in particular, and review and approval of significant capital projects and investments, including those projects and investments that will enable the company to meet its carbon and methane emission reduction goals.

Management routinely reports to the board on both high-level and narrowly focused risks, which serve as important input as the directors evaluate the impact of strategic alternatives. The full board also reviews the company's Climate Report and the annual Corporate Responsibility Report before they are published as a mechanism to affirm that management has appropriately captured the tone and essence of its commitment to sustainable decision making.

Management's enterprise-wide approach to identifying, assessing and managing risk and compliance is facilitated through our Enterprise Risk Steering Committee (ERSC), which consists of leaders of senior level management. ERSC members regularly review the company's key risk areas and provide input into the development and implementation of effective compliance and risk management practices.

The separate Climate Risk Committee brings together senior-level officers responsible for aspects of overall corporate strategy. The vice president-environmental facilitates the meetings, which occur at least quarterly, to discuss goals and initiatives that involve climate-related risks and opportunities. Assessing risks/opportunities is part of the mission of the Climate Risk Committee.

## C2.2a

### (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>We continually analyze the GHG emission profile of our electric generation and electric and natural gas distribution system resources. Throughout the company, our regulatory, legal, environmental and government affairs teams scrutinize proposals at all levels of government.</p> <p>We actively participate in industry organizations that are involved in the legislative and regulatory processes focusing on climate change and other environmental matters, including Edison Electric Institute, American Gas Association, Wisconsin Utilities Association, Illinois Environmental Regulatory Group and Michigan Manufacturers Association. We also collaborate on scientific and technical work with organizations such as the Electric Power Research Institute (EPRI) and Gas Technology Institute (GTI) to inform company planning, risk management and operations.</p> <p>We continue to engage with Wisconsin agencies, organizations and other stakeholders and have previously done so as participants on the Governor's Task Force on Climate Change.</p>
Emerging regulation	Relevant, always included	<p>Potential future regulation at either the federal, state, or local level may impact how we operate our facilities. We are working with other stakeholders to determine the potential impacts to our operations of future legislation or regulation that may be adopted. Any future regulations that may be adopted may cause our compliance spending to differ materially from the amounts currently estimated, and there is no guarantee we will be allowed to fully recover costs incurred to comply with future federal, state, or local regulations or that cost recovery will not be delayed or otherwise conditioned. We monitor the regulatory environment closely, and consider changes and trends as we develop and execute strategic plans.</p>
Technology	Relevant, always included	<p>Advances in technology could make some of our facilities uneconomic to maintain or operate, and could affect unit retirement and replacement decisions. In addition, we consider current technology and expected technology advancements in developing our strategies and goals.</p>
Legal	Relevant, always included	<p>Legal risk is considered in our organization's climate-related risk assessments and is one of the company's identified risk exposures. The company's compliance with legal and regulatory requirements involves management's continuous monitoring and control of our assets and related legislative, regulatory and legal developments.</p>

		Some types of legal matters could potentially affect our ability to operate electric generating units and/or our natural gas distribution businesses economically.
Market	Relevant, always included	Changes in fuel markets could make some of our electric generating units uneconomic to maintain or operate, and could affect unit retirement and replacement decisions. We also continue to monitor changes in fuel markets for potential impacts on our natural gas businesses.
Reputation	Relevant, always included	Impairment of the company's reputation could adversely affect the desirability of the company's stock and consequently its price, and could also impact our standing in our communities, which could affect our ability to attract and retain employees, among other things.
Acute physical	Relevant, always included	Our financial performance depends on the successful operation of our electric generation and natural gas and electric distribution facilities. The operation of these facilities involves many risks, including the breakdown or failure of equipment or processes. Potential breakdown or failure may occur due to severe weather; catastrophic events (i.e., fires, earthquakes, explosions, tornadoes, floods, droughts, pandemic health events, etc.); or significant changes in water levels in waterways. Because our electric generation facilities are interconnected with third-party transmission facilities, the operation of our facilities could also be adversely affected by events impacting their systems. Any of the described events could lead to substantial financial losses. Unplanned outages at our power plants may reduce our revenues or cause us to incur significant costs if we are required to operate our higher cost electric generators or purchase replacement power to satisfy our obligations, and could result in additional maintenance expenses.
Chronic physical	Relevant, always included	Our operations are subject to various conditions, including varying weather conditions, that can result in fluctuations in energy sales to customers. Our results of operations and cash flows are affected by the demand for electricity and natural gas, which can vary greatly based upon weather conditions. Our overall results may fluctuate substantially on a seasonal basis. Milder temperatures during the summer cooling season and during the winter heating season may result in lower revenues and net income. Our electric reliability and planning area evaluates potential impacts of risks associated with weather events (extreme temperatures, icing, wind, etc.) on system availability and reliability. Their well-established processes are expected to reduce the magnitude of energy generation and delivery risks associated with weather events over the next one to three years. We perform economic analyses of weather and energy use to establish historical relationships that are used for generation, financial and

		<p>strategic planning. These analyses include long- and short-term forecasts of sales revenues and demand. The forecasts are supported by load research which identifies who uses what energy. This analysis drives the cost of service studies used in price setting and market research areas of the company. This planning process is expected to reduce the magnitude of risks associated with changes in customer demand over the next one to six years.</p> <p>(Note: In 2022, we also became one of the founding members of EPRI's Climate Resilience and Adaptation Initiative (READi). This three-year initiative is focused on developing a common platform for climate data to inform the planning, design and operation of resilient energy systems.)</p>
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## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

### Identifier

Risk 1

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Increased severity and frequency of extreme weather events

### Primary potential financial impact

Increased direct costs

### Company-specific description

Our financial performance depends on the successful operation of our electric generation and natural gas and electric distribution facilities. The operation of these facilities involves many risks, including the breakdown or failure of equipment or processes. Potential breakdown or failure may occur due to severe weather; catastrophic events (i.e., fires, earthquakes, explosions, tornadoes, floods, droughts, pandemic health events, etc.); significant changes in water levels in waterways; or operating limitations that may be imposed by environmental or other regulatory

requirements. Because our energy distribution facilities are interconnected with third-party transmission facilities, the operation of our facilities also could be adversely affected by events impacting their systems.

Any of the described events could lead to substantial financial losses. Unplanned outages at our power plants may reduce our revenues or cause us to incur significant costs if we are required to operate our higher-cost electric generators or purchase replacement power to satisfy our obligations, and could result in additional maintenance expenses.

**Time horizon**

Short-term

**Likelihood**

Unlikely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

12,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We budget approximately \$12 million per year for storm restoration; however, actual costs can vary dramatically based upon the occurrences of severe weather events. This estimate does not include costs associated with unplanned outages that impact our generating fleet and is inclusive of We Energies, Wisconsin Public Service and Upper Michigan Energy Resources Corp. A quantitative estimate of the inherent financial impacts of the unplanned risks is not available.

**Cost of response to risk**

442,000,000

**Description of response and explanation of cost calculation**

Our electric reliability and planning area evaluates potential impacts of risks associated with weather events on system availability and reliability. Their well-established processes are expected to reduce the magnitude of energy generation and delivery risks associated with weather events over the next one to three years.

Wisconsin Public Service's System Modernization and Reliability Project was a multiyear initiative, started in 2013 and completed in 2021, focused on modernizing parts of its electricity distribution system by burying or upgrading lines.

We Energies is upgrading its infrastructure and plans to rebuild hundreds of miles of electric distribution lines and replace thousands of poles and transformers. These investments will renew and modernize delivery networks, reduce operating costs and improve energy efficiency, and are expected to strengthen the company's position as a reliable electric service provider.

The company uses an equipment reliability index we created based on industry best practices to gauge our equipment reliability program performance, identify opportunities to improve equipment reliability, and gain the associated cost and performance benefit.

The company's Business Continuity Plan and Enterprise Risk Management process addresses risks of events such as those caused by severe weather.

We continue to evaluate the financial impacts and costs associated with unplanned outages on our generating fleet.

The cost to respond to the risk includes the lifetime costs of the System Modernization and Reliability Project and our annual budgeted amount for storm restoration.

### **Comment**

We assess and adjust for weather-related risks in our daily operations in order to improve reliability and resilience, safety, and customer satisfaction.

Wisconsin Public Service received the 2021 ReliabilityOne Award for Most Improved Service. This award recognizes utilities that have seen significant and sustained improvements in their efforts to keep the lights on for their customers. WPS was named this year's award recipient for consistently high levels of reliability with its electric distribution system during the past five years.

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### **Identifier**

Risk 2

### **Where in the value chain does the risk driver occur?**

Direct operations

### **Risk type & Primary climate-related risk driver**

Market

Changing customer behavior

### **Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

### **Company-specific description**

Our operations are subject to various conditions that can result in fluctuations in energy sales to customers, including varying weather conditions. Our results of operations and cash flows are affected by the demand for electricity and natural gas, which can vary greatly based upon weather conditions.

### **Time horizon**

Short-term

### **Likelihood**



About as likely as not

### **Magnitude of impact**

Medium-low

### **Are you able to provide a potential financial impact figure?**

No, we do not have this figure

### **Potential financial impact figure (currency)**

### **Potential financial impact figure – minimum (currency)**

### **Potential financial impact figure – maximum (currency)**

### **Explanation of financial impact figure**

Our overall results may fluctuate substantially on a seasonal basis. Milder temperatures during the summer cooling season and during the winter heating season may result in lower revenues and net income. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

### **Cost of response to risk**

### **Description of response and explanation of cost calculation**

We perform economic analyses of weather and energy use in order to establish historical relationships that are used for generation, financial and strategic planning. These analyses include long-, medium-, and short-term forecasts of sales revenues and demand. The forecasts are supported by load research that identifies who uses what energy. This analysis drives the cost-of-service studies used in price setting and market research areas of the company.

Long-term sales and demand forecasts (1 year and beyond) take into account the most recent historical data available when the forecast is prepared along with forecasts of key drivers (e.g., economic/demographic variables and energy prices). Management regularly evaluates the performance of the forecasts throughout the year. The impact of a societal or economic shock, such as the COVID-19 pandemic, may increase the frequency of these reviews and result in revised forecasts.

Our planning process is expected to reduce the magnitude of risks associated with changes in customer demand over the next one to three years.

### **Comment**

There is a potential for more sectors such as transportation, buildings and construction to increase their use of electric vehicles, space heating and water heating, due to the increased electrification that may result from transition to a low-carbon society. The company takes into consideration known and measurable information about current and future customer owned generation plans in the forecasting process. The forecasting methodology can accommodate the potential impact of future electrification (such as the



market penetration of electric vehicles in our electric service territories) assuming that its impact is large enough to be distinguished from other drivers (weather, customer growth, energy efficiency, etc.). Daily and seasonal demand for electricity may fundamentally change, increasing the impacts of seasonal variations and higher peak demand, particularly in winter seasons.

We have not calculated the cost of management.

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Market

Changing customer behavior

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Company-specific description**

Our customers' use of electricity and natural gas has decreased as a result of individual conservation efforts, including the use of more energy efficient technologies. These conservation efforts, which may be driven in part by climate concerns, will continue. Customers could also voluntarily reduce their consumption of energy in response to decreases in their disposable income and increases in energy prices. Conservation of energy can be influenced by certain federal and state programs that are intended to influence how consumers use energy. In addition, several states, including Wisconsin and Michigan, have adopted energy efficiency targets to reduce energy consumption by certain dates. Advances in technology could change the channels through which our electric customers purchase or use power, which could reduce our sales and revenues or increase our expenses.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Any of the described matters, as well as any regulatory delay in adjusting rates as a result of reduced sales from effective conservation measures or the adoption of new technologies, could adversely impact our results of operations and financial condition. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

As part of our planning process, we estimate the impacts of changes in customer growth and customer energy conservation efforts. This planning process is expected to reduce the magnitude of risks associated with changes in customer demand over the next one to three years.

**Comment**

There is a potential for more sectors such as transportation, buildings and construction to increase their use of electric vehicles, space heating and water heating, due to the increased electrification that may result from transition to a low-carbon society. The company takes into consideration known and measurable information about current and future customer owned generation plans in the forecasting process. The forecasting methodology can accommodate the potential impact of future electrification (such as the market penetration of electric vehicles in our electric service territories) assuming that its impact is large enough to be distinguished from other drivers (weather, customer growth, energy efficiency, etc.). Daily and seasonal demand for electricity may fundamentally change, increasing the impacts of seasonal variations and higher peak demand, particularly in winter seasons.

We have not calculated the cost of management.

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**Identifier**

Risk 4

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation

Mandates on and regulation of existing products and services

**Primary potential financial impact**

Increased direct costs

### **Company-specific description**

We are continuing to analyze the GHG emission profile of our electric generation resources and to work with other stakeholders to determine the potential impacts to our operations of future legislation or regulation that may be adopted. Throughout the company, our regulatory, legal, environmental and government affairs teams analyze proposals at all levels of government. We also are engaged with Wisconsin agencies, organizations and other stakeholders as participants on the Governor's Task Force on Climate Change.

We actively participate in industry organizations that are involved in the legislative and regulatory processes focusing on climate change and other environmental matters, including but not limited to Edison Electric Institute, American Gas Association, Wisconsin Utilities Association, Illinois Environmental Regulatory Group and Michigan Manufacturers Association. We also collaborate on scientific and technical work with organizations such as the Electric Power Research Institute (EPRI) and Gas Technology Institute (GTI) to inform company planning, risk management and operations.

### **Time horizon**

Medium-term

### **Likelihood**

Likely

### **Magnitude of impact**

Medium

### **Are you able to provide a potential financial impact figure?**

No, we do not have this figure

### **Potential financial impact figure (currency)**

### **Potential financial impact figure – minimum (currency)**

### **Potential financial impact figure – maximum (currency)**

### **Explanation of financial impact figure**

Future legislation or regulation that may be adopted may impact how we operate our existing fossil-fueled power plants and biomass facility. We continue to evaluate the financial impacts of the risk.

### **Cost of response to risk**

3,500,000,000

### **Description of response and explanation of cost calculation**

We continue to evaluate opportunities and actions that ensure affordable, reliable, and clean energy that preserves fuel diversity, lowers costs for our customers, and contributes toward long-term GHG reductions.

In May 2021, we announced goals to achieve reductions in carbon emissions from our electric generation fleet by 60% by the end of 2025 and by 80% by the end of 2030, both from a 2005 baseline. We expect to achieve these goals by making operating refinements, retiring less efficient generating units, and executing our capital plan. Over the longer term, the target for our generation fleet is net carbon neutral CO<sub>2</sub> emissions by 2050.

As part of our path toward these goals, we are exploring co-firing with natural gas at our Elm Road Generating Station (ERGS) coal-fired units. By the end of 2030, we expect to use coal only as a back-up fuel, and we plan to eliminate coal as an energy source by the end of 2035. Additional options we are considering include increased use of existing natural gas combined cycle units, addition of renewable energy resources (wind, solar), and supply- and demand-side energy efficiency, distributed generation, and hydrogen in our electric generating units. In 2022, we are planning a hydrogen pilot in one of our UMERC reciprocating internal combustion engines (RICE) units in collaboration with EPRI.

By 2026, we plan to invest \$3.5 billion to increase the amount of renewable generation in our utility system through our regulated utilities. These utility investments are expected to add 2,400 MW of renewable capacity to our portfolio. We plan to achieve our net-zero goal through an effort that includes both continuous operational improvements and equipment upgrades, as well as the use of renewable natural gas (RNG) throughout our utility systems. In 2022, we signed our first contracts for RNG for our natural gas distribution business. Local dairy farms will supply methane gas, which would otherwise go unused, to our gas distribution system. The RNG supplied will directly replace conventional fossil-based natural gas that would have entered our pipes. In addition, these investments are expected to reduce the environmental impact of agricultural activity, such as wastewater runoff. We expect to have RNG flowing to our distribution network by the end of 2022. Our first two contracts should bring us more than halfway to our net-zero methane goal for the year 2030.

### **Comment**

Recent and planned investments in renewable energy (referred to above), air quality control systems, power grid upgrades, natural gas distribution system modernization (see C4.3c) and other environmental protection technologies position our energy companies well for the future, including the potential for mandates relative to the use of renewable energy sources.

---

### **Identifier**

Risk 5

### **Where in the value chain does the risk driver occur?**

Direct operations

### **Risk type & Primary climate-related risk driver**

Emerging regulation

Mandates on and regulation of existing products and services

**Primary potential financial impact**

Increased direct costs

**Company-specific description**

There is no guarantee that we will be allowed to fully recover costs incurred to comply with federal, state or local GHG regulations, or that cost recovery will not be delayed or otherwise conditioned.

Increased costs to shareholders could make our stock less attractive to investors and, ultimately, impact our ability to fund initiatives and operations.

**Time horizon**

Medium-term

**Likelihood**

Unknown

**Magnitude of impact**

Medium-high

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

GHG regulations that may be adopted in the future, at either the federal, state or local level, may cause our environmental compliance spending to differ materially from the amounts currently estimated. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Governance and project approval measures are in place to ensure that costs to comply with environmental regulations are prudently incurred. These measures are expected to reduce the likelihood and/or magnitude of this cost recovery risk over the next three to six years.

**Comment**

Current GHG emissions regulation, as well as future legislation or regulation that may be adopted, carries with it a wide range of possible effects on our energy business; therefore, we strive for the flexibility to react to this variety of potential outcomes while ensuring a secure, low-cost and reliable supply of fuel for generating needs. Our electric energy companies build flexibility into fuel supply and transportation contracting strategies to account for potential climate-change regulation. We have not calculated the cost of management.

---

**Identifier**

Risk 6

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Technology

Transitioning to lower emissions technology

**Primary potential financial impact**

Other, please specify

Increased capital expenditures, reduced O&M and fuel expense

**Company-specific description**

The timing of our investments in low-emitting technologies could be impacted by the timing of other elements of our ESG Progress Plan such as technology or materials availability, which could affect overall costs.

**Time horizon**

Medium-term

**Likelihood**

Unlikely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

This transition risk could adversely affect our future results of operations, cash flows and financial condition. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

### **Cost of response to risk**

#### **Description of response and explanation of cost calculation**

Our generation planning processes evaluate potential impacts of renewable energy penetration, changes in the fuel markets and advances in technology, in part to support decisions regarding unit retirement and replacement. These processes are expected to reduce the magnitude of unexpected adverse impacts of increased renewable energy penetration risk over the next one to six years. Examples of the mitigation of potential adverse impacts of increased renewable energy penetration risk include availability of utility-scale energy storage systems, addition of flexible fully dispatchable gas resources, transmission system upgrades and expansions to accommodate the transfer of electricity across the region and to accommodate the changing resource mix, and a mix of renewable generation resources that is available to serve peak demand as well as energy demand all hours of the year. This is considered to be a short- and medium-term risk.

#### **Comment**

We have not calculated the cost of management.

---

#### **Identifier**

Risk 7

#### **Where in the value chain does the risk driver occur?**

Direct operations

#### **Risk type & Primary climate-related risk driver**

Emerging regulation

Mandates on and regulation of existing products and services

#### **Primary potential financial impact**

Increased direct costs

#### **Company-specific description**

Our natural gas delivery systems and natural gas storage fields may generate fugitive gas as a result of normal operations and as a result of excavation, construction, and repair. Fugitive gas typically vents to the atmosphere and consists primarily of methane. CO<sub>2</sub> also is a byproduct of natural gas consumption. Future regulation of GHG emissions could increase the price of natural gas; a significant increase in the price of natural gas may increase rates for our natural gas customers, which could reduce natural gas demand.

#### **Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Future regulation of GHG emissions could increase the price of natural gas, restrict the use of natural gas, and adversely affect our ability to operate our natural gas facilities. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our load forecasting and fuel procurement processes evaluate potential impacts of changes in fuel prices on customer demand. These processes are expected to reduce the magnitude of unanticipated natural gas price risk over the next three to six years.

**Comment**

Our scenario analyses conducted for our Climate Report are helping us better understand how the region's economy and our own carbon profile could evolve under a wide range of assumptions around GHG reduction targets, natural gas and other fuel prices, technology availability and costs, and other variables. We have not calculated the cost of management.

---

**Identifier**

Risk 8

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Market



Changing customer behavior

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Company-specific description**

Customer-owned generation installations have increased in recent years, reducing demand for electricity.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Customer-owned generation installations could continue to increase, resulting in further erosion of market share. Advances in technology could change the channels through which our electric customers purchase or use power, which could reduce our revenues and/or increase our expenses. A quantitative estimate of the inherent financial impacts of the risk is not currently available.

**Cost of response to risk**

**Description of response and explanation of cost calculation**

Our load forecasting processes evaluate potential impacts of changes in customer demand. These processes are expected to reduce the magnitude of unanticipated customer demand risk over the next three to six years.

**Comment**

By researching and investing in local generation, we aim to provide electricity close to the point of use and improve power system resiliency. We are striving to effectively integrate local generation with a focus on renewable energy, while building on the

availability and reliability of the existing power grid in a compatible and interactive way. We have not calculated the cost of management.

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

---

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Energy source

**Primary climate-related opportunity driver**

Use of lower-emission sources of energy

**Primary potential financial impact**

Returns on investment in low-emission technology

**Company-specific description**

Expanding the presence of zero-carbon resources in our utility fleet (wind and solar), our infrastructure segment's wind facilities, and customer solar pilot programs creates new investment opportunities and reduces our exposure to potential future climate regulations. Generation planning and project approval measures are in place to help identify potential opportunities for cost-effective renewable and other programs (evaluation of the use of carbon capture, utilization and storage, energy storage, hydrogen, and offsets) over the next one to six years. This is considered to be a short- and medium-term opportunity.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

In November 2021, management announced our updated ESG Progress Plan: A Road Map for Investment in Efficiency, Sustainability and Growth, the company's five-year (2022-2026) capital plan. The plan is designed to help the company achieve its long-term emissions reduction targets.

**Cost to realize opportunity**

5,400,000,000

**Strategy to realize opportunity and explanation of cost calculation**

We expect to spend \$3.5 billion in planned utility renewable investments and \$1.9 billion in non-utility infrastructure portfolio investments in a number of wind generating facilities in the Midwest between 2022 and 2026. Generation planning and project approval measures are in place to help identify potential opportunities for cost-effective renewable energy resource projects over the next one to six years.

**Comment**

Although our largest electric utilities met Wisconsin's renewable portfolio standard well in advance of the state deadline, our goals go further.

---

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

**Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

**Company-specific description**

The electrification of transportation and buildings could create new demand for electricity. Today, heat pumps are significantly more costly and less efficient than natural gas heating in our cold climate region, but research we support continues to show promise to allow strategic electrification.

New market opportunities could emerge from working with customers to meet their clean energy and sustainability goals. One example of this is our customer solar pilot programs, which are very successful and currently have a waiting list due to high interest. Additionally, investment opportunities to modernize and harden electric distribution equipment are helping us improve reliability and meet our customers' expectations.

We have initiated an electric vehicle (EV) pilot program for our internal fleet with the goal of electrifying 40% of all storeroom equipment by 2025 and 75% by 2030, as well as 35% of all Cars/SUVs and 25% of Class 3 truck purchases by 2025.

In August 2021, the PSCW approved pilot programs for We Energies and WPS to install and maintain EV charging equipment for customers at their homes or businesses. The programs provide direct benefits to customers by removing cost barriers associated with installing EV equipment. In October 2021, subject to the receipt of any necessary regulatory approvals, we pledged to expand the EV charging network within the service territories of our electric utilities. In doing so, we joined a coalition of utility companies in a unified effort to make EV charging convenient and widely available throughout the Midwest. The coalition we joined is planning to help build and grow EV charging corridors, enabling the general public to safely and efficiently charge their vehicles.

**Time horizon**

Medium-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

As we deploy our EV pilot programs, a return on investment will be evaluated.

**Cost to realize opportunity**

35,000,000

### **Strategy to realize opportunity and explanation of cost calculation**

We monitor developments in the following areas to determine if action should be taken:

Financial incentives for alternative energy technologies

Electric vehicle models offered by car manufacturers

Sales of electric vehicles and percent of new car sales

Number of public charging stations

Customer opinions about electric vehicle options

Behind-the-meter solar energy systems

Heat pump installations

### **Comment**

The cost estimate is associated with investment required for our residential and commercial EV pilot programs, approved by the Public Service Commission of Wisconsin. Our We Energies and WPS utilities will install EV charging equipment and supporting electric distribution infrastructure for our EV charging pilot programs for residential and commercial customers in our Wisconsin electric service territories through 2026.

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### **Identifier**

Opp3

### **Where in the value chain does the opportunity occur?**

Direct operations

### **Opportunity type**

Resilience

### **Primary climate-related opportunity driver**

Other, please specify

Increased reliability of gas and electric supply and ability to operate under various conditions

### **Primary potential financial impact**

Increased revenues resulting from increased production capacity

### **Company-specific description**

Investment opportunities in distribution projects could help us deliver clean energy to market while improving customer affordability and efficiency. Investment opportunities to modernize and harden electric distribution equipment are helping us improve reliability and meet our customers' expectations. System modernization and replacement efforts are reducing methane emissions while enhancing safety and reliability in our natural gas operations.

### **Time horizon**

Long-term

### **Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

In November 2021, management announced our updated ESG Progress Plan: A Road Map for Investment in Efficiency, Sustainability and Growth, the company's five-year (2022-2026) capital plan. The plan is designed to help the company achieve its long-term emissions reduction targets.

**Cost to realize opportunity**

8,400,000,000

**Strategy to realize opportunity and explanation of cost calculation**

In order to adequately assess potential changes needed to our electric distribution system, we monitor developments in import capacity for the state of Wisconsin; new transmission proposals; and wind and solar capacity additions in the Midcontinent Independent System Operator (MISO) region. We continue our system modernization and replacement efforts which are reducing methane emissions while enhancing safety and reliability in our natural gas operations. By 2026, we plan to invest \$6.8 billion to increase utility grid and fleet reliability and another \$1.6 billion for grid and fleet modernization in our utility system.

**Comment**

## C3. Business Strategy

### C3.1

**(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?**

Row 1

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**Transition plan**

Yes, we have a transition plan which aligns with a 1.5°C world

**Publicly available transition plan**

Yes

**Mechanism by which feedback is collected from shareholders on your transition plan**

We have a different feedback mechanism in place

**Description of feedback mechanism**

We have a comprehensive outreach and engagement program in place to ensure management and the board hear, understand and consider issues that matter most to our stockholders. This ongoing engagement provides valuable insight into how our stockholders view the company’s practices and policies, shapes the processes used to evaluate goals and expectations, and identifies emerging issues that may affect our corporate governance practices and compensation. We also engage with key constituents across the broader ESG community, including many of our large investors, Wall Street firms, and others.


Company leaders, including the executive chairman, regularly engage with stakeholders to discuss the company’s business results, strategic direction and governance practices through a year-round engagement program. This provides valuable feedback to management and the board about our environmental, social and governance practices.

**Frequency of feedback collection**


More frequently than annually

**Attach any relevant documents which detail your transition plan (optional)**

WEC Energy Group's transition plan is outlined in our ESG Progress Plan, which is featured in our monthly Investor Update, Climate Report and Corporate Responsibility Report.

 WEC Energy Group- July 2022 Investor Update.pdf

 WEC-Corporate-Responsibility-Report-2020.pdf

 WEC Pathway to a Cleaner Energy Future - 2021 Climate Report.pdf

**C3.2**

**(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?**

Use of climate-related scenario analysis to inform strategy	
Row 1	Yes, qualitative and quantitative

**C3.2a**

**(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.**

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
<p>Transition scenarios</p> <p>Customized publicly available transition scenario</p>	<p>Other, please specify</p> <p>Industry-specific research from EPRI on Wisconsin reaching net-zero by 2050</p>	<p>1.5°C</p>	<p>In partnership with the EPRI, WEC Energy Group conducted a risk analysis using the Regional Economy GHG and Energy (REGEN) modeling to best understand potential decarbonization pathways to achieve net zero emissions by 2050. The study consisted of a risk matrix, coined the “Four Corner Scenarios,” which defines scenarios in terms of two categories of uncertainty regarding the low-carbon transition — uncertainty regarding policy conditions (scope and options) and non-policy conditions (technology and markets). The Four Corner Scenarios paired broad versus narrow policy conditions with higher versus lower risk decarbonization impact non-policy conditions to outline the four corners of a plausible risk space. These conditions are further described below:</p> <p>Broad Policy Conditions — Considers a federal, multi-state, net-zero electric sector climate policy with broad compliance flexibility and supported by an economywide carbon price. This scenario includes emissions allowance trading, neutral biomass CO2 crediting, and negative emissions technologies fully credited, including biomass with carbon capture and storage (CCS), direct air capture, and forestry offsets. End-use sector policies include electric technology sales mandates for new buildings and electric vehicles.</p> <p>Narrow Policy Conditions — Considers a Wisconsin electric sector CO2 policy with narrow compliance flexibility and without complementary policy in others regions and sectors. This scenario includes an electric sector net-zero target without allowance trading, negative emissions options, a pessimistic view of biomass emissions crediting, and no end-use mandates incentivizing electrification.</p> <p>Lower Impact Non-Policy Conditions —</p>



			<p>Considers low technology costs, low natural gas prices, and accelerated end-use technology efficiency improvements.</p> <p>Consumer attitudes toward end-use electric technologies such as electric vehicles and heat pumps are favorable, and local communities are unopposed to renewables and transmission deployments.</p> <p>Higher Impact Non-Policy Conditions —</p> <p>Considers high technology costs, higher gas prices, and low realized potential for improvements in cost and performance of end-use electric technologies. There are less favorable consumer attitudes toward electric technology adoption, and high local barriers to the installation of additional renewable capacity, particularly for wind and solar.</p>
<p>Transition scenarios Customized publicly available transition scenario</p>	<p>Other, please specify</p> <p>Industry-specific research from EPRI on Wisconsin reaching net-zero by 2050</p>	<p>1.6°C – 2°C</p>	<p>Refer to the 1.5°C entry for analysis information. Scenario analysis was also conducted for 1.6°C to 2°C.</p>
<p>Transition scenarios IEA SDS</p>	<p>Business division</p>		<p>WEC Energy Group engaged ERM, an independent third-party consultant, to conduct a climate scenario analysis across all segments of its gas utilities business. The TCFD guidance directs companies to: “[d]escribe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.” For the purposes of this analysis, a future energy market scenario developed by the International Energy Agency (IEA), the Sustainable Development Scenario (SDS), was utilized. This scenario was used to test the resilience of our gas utility assets and operations against potential future climate-related transitional risks. This scenario assumes a set of policy changes, as well as market trends (demand), energy efficiencies and technology advancements. Subject matter experts from WEC Energy Group worked with ERM to evaluate the implications of</p>

		<p>decarbonization pathways consistent with the carbon constrained SDS from the World Energy Outlook 2021.</p> <p>The SDS is a low-carbon scenario, consistent with limiting the average global temperature increase well below 2°C from pre-industrial levels. Many companies rely on the SDS scenario for climate risk assessment because it charts an ambitious transition to a low-carbon energy system, consistent with the goals of the Paris Climate Agreement. In the IEA SDS demand-constrained scenario, steep declines in oil and natural gas demand combined with a large increase in renewable energy production put downward pressure on oil and natural gas prices. The trajectory for emissions in the SDS scenario is consistent with reaching global net zero CO2 emissions in 2070 (with many countries and regions reaching net zero much earlier). Under the SDS scenario, natural gas prices in the U.S. are projected to be around \$2/MMBtu from 2030 to 2050.</p> <p>Downstream analysis included the financial implications of the SDS scenario on our natural gas utility operations and customers in our operating region (Wisconsin, Illinois, Michigan, and Minnesota). The IEA scenarios do not provide detailed regional breakdowns of key outputs, including natural gas demand. Therefore, our analysis focused on aligning 2050 emissions in each operating company with the U.S. emissions reduction (i.e., approximately 92% below current levels by 2050).</p>
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### C3.2b

**(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.**

Row 1

Focal questions

In partnership with EPRI, WEC Energy Group conducted a risk analysis using REGEN modeling to understand potential decarbonization pathways to achieve net zero emissions by 2050. The analysis accounted for both technological and policy risks including specific and individual sensitivities to test the stability of Wisconsin's energy future. Under all four scenarios of the EPRI study, Wisconsin is able to reach net zero by 2050; however, the pathways to that point vary greatly.

Each scenario calls for a different future demand on the electric grid (boundaries described in C3.2a):

-Broad/Low Scenario

-Strong growth of electricity demand through 2050, led by electric vehicle adoption and heat pump adoption, driven by favorable policy, market, and technology conditions.

-Broad/High Scenario

-High anticipated costs and less consumer preference for electric vehicles and air source heat pumps results in lower demand; however, a sales mandate for electric vehicles starting in 2040 props up electric vehicle sales despite less favorable economics. The Broad policy results in a lower, but overall, increase in electricity demand through 2050.

-Narrow/Low Scenario

-Strong growth of electricity demand is driven by favorable market conditions, led by the transportation sector, and supported by heat pumps and industry sectors. The benefits of competitive end-use electric technologies are realized early, and adoption slows toward mid-century due in large part to rising electricity prices.

-Narrow/High Scenario

-High technology costs and lower consumer preference result in slow adoption of electric end-use technologies, which is not enough to offset the decrease to total demand from improved efficiency. Electricity demand decreases through 2050 without favorable policy and market factors, with limited electric vehicle and heat pump adoption.

WEC Energy Group engaged ERM to conduct a climate scenario analysis across all segments of its gas utilities business. This analysis utilized SDS, a future energy market scenario developed by the IEA. This scenario was used to test the resilience of our gas utility assets and operations against potential future climate-related transitional risks. This scenario assumes a set of policy changes, as well as market trends (demand), energy efficiencies and technology advancements. Subject matter experts from the company worked with ERM to evaluate the implications of decarbonization pathways consistent with the carbon constrained SDS from the World Energy Outlook 2021. We focused on three decarbonization pathways that would achieve these emission reduction goals. Both the risk and opportunities of these decarbonization paths centered around reducing end-use customer emissions. Each of the three scenarios relied on a different mix of interventions (technologies and fuels) to achieve the prescribed emissions outcomes: (1) high electrification, (2) mix of electrification and alternative fuels, and (3) high alternative fuels.

## Results of the climate-related scenario analysis with respect to the focal questions

The EPRI study comprised of a risk matrix, coined the “Four Corner Scenarios”, which are further described in question 3.2a.

The study found that both policy and non-policy conditions are major factors for transitions, with significant impact on, among other things, capacity investments, generation mix, electricity load and costs.

Key insights from the study include:

- Installed electric generation capacity in Wisconsin could increase between 2–3x by 2050.

- Natural gas capacity will still be substantial by 2035, but will become less relevant in 2050 as renewables such as wind and solar, are incorporated and natural gas assets are retired.

- Under all scenarios, electricity prices increase over time, correlating to non-policy factors such as investments costs and representing the additional costs of transformation to meet a net zero target.

- Wisconsin’s electric sector CO<sub>2</sub> emissions range from zero to -20 million tons in 2050, dependent on the level of deployment of negative emissions technologies such as biomass energy with carbon capture and storage, as seen in the broad policies.

- Where negative emissions technologies are not installed, hydrogen technologies are incorporated; however, they are more costly.

- Peak loads range from 12.5 to 17.7 GW (winter peaking season) in 2035 and from 11.9 to 23.0 GW in 2050, depending on the level of electrical end-use technology adoption.

- Renewables such as wind and solar play a substantial role in electricity generation in all scenarios, particularly in the scenarios where wind is not restricted, where solar and wind account for more than half of the total generation.

The ERM study on the natural gas business found existing gas infrastructure is a valuable asset that could be repurposed over time to deliver renewable natural gas or green hydrogen. The path taken will depend significantly on the decisions of policymakers and utility regulators, as well as future technology advances.

The scenarios chart a wide range of outcomes while still achieving a path currently understood as well-below 2°C. Fossil gas-related emissions decline in each scenario by approximately 92% from 2020 levels.

Overall, analysis of these three SDS-aligned decarbonization paths affirms the company’s strategy, which focuses on the development of an “all-of-the-above” carbon-reduction approach that preserves essential energy delivery reliability and resilience for consumers. This includes a continuing focus on energy efficiency, embracing a broad range of energy technologies and solutions, and the inclusion of low-carbon options like RNG, hydrogen and hybrid-heating systems. Moreover, the analysis demonstrates the importance of adopting an emission reduction pathway that provides both environmental and economic sustainability, while providing delivery system resiliency, integrity, and reliability, and offering options for more affordable carbon reduction measures.

### C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Our economic analyses of weather and energy use have established historical relationships that are used for generation, financial and strategic planning, price setting and market research. Estimates of the impacts of changes in customer growth and customer energy conservation efforts have helped assess changes in customer demand.
Supply chain and/or value chain	Yes	We have a diverse generation mix and manage fuel procurement risk by establishing a portfolio of fuel procurement contracts negotiated over a period of time with multiple suppliers, terms and volumes.
Investment in R&D	Yes	Research and development projects involving renewable energy have become more relevant and cost-justified. Research can also enable us to increase our understanding of our risks and opportunities on a region-specific basis. Renewable energy costs have reduced over time.
Operations	Yes	Our generation planning processes evaluate potential impacts of renewable energy penetration, changes in the fuel markets and advances in technology to support decisions regarding unit retirement and replacement. We are upgrading our infrastructure, rebuilding hundreds of miles of electric distribution lines, replacing thousands of poles and transformers, and replacing hundreds of miles of cast iron gas distribution pipes. We also are investing in utility solar and customer solar pilot programs. These investments will renew and modernize delivery networks, reduce operating costs, enhance generating facility diversity, and improve energy efficiency — all of which is expected to strengthen our position as a reliable electric and natural gas service provider. Our electric reliability and planning area evaluates potential impacts of weather events on system availability and reliability, and the company's equipment reliability index gauges our equipment reliability program performance, identifying opportunities to improve equipment reliability and gain the associated cost and performance benefits.

## C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues	Our economic analyses of weather and energy use have established historical relationships, which are used for generation, financial and strategic planning, price setting, and market research. Estimates of the impacts of changes in customer growth and customer energy conservation efforts have helped assess changes in customer demand. Our load forecasting and fuel procurement processes evaluate potential impacts of changes in fuel prices on customer demand to reduce the magnitude of unanticipated natural gas price risk.

## C3.5

**(C3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s transition to a 1.5°C world?**

No, and we do not plan to in the next two years

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Absolute target

### C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

**Target reference number**

Abs 1

**Year target was set**

2021

**Target coverage**

Business activity

**Scope(s)**

Scope 1  
Scope 3

**Scope 2 accounting method**

**Scope 3 category(ies)**

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

**Base year**

2005

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

35,700,000

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

**Base year Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

35,700,000

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2025

**Targeted reduction from base year (%)**

60

**Total emissions in target year covered by target in all selected Scopes (metric tons CO<sub>2</sub>e) [auto-calculated]**

14,280,000

**Scope 1 emissions in reporting year covered by target (metric tons CO2e)**

**Scope 2 emissions in reporting year covered by target (metric tons CO2e)**

**Scope 3 emissions in reporting year covered by target (metric tons CO2e)**

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)**

19,935,000

**% of target achieved relative to base year [auto-calculated]**

73.5994397759

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Target ambition**

**Please explain target coverage and identify any exclusions**

The information provided is in terms of CO2 equivalent, while our electric generation reduction goals are based on CO2 only. CO2e emissions for this calculation include all of WEC Energy Group's owned fossil fuel generation units, CO2e deduction for power sold to market and wholesale customers, and CO2e from purchased power to meet customer load. Biogenic mass is not included. We have established ambitious greenhouse gas reduction goals for our electric generating fleet, aligned with or surpassing global emissions pathways aimed at limiting warming to 1.5°C.

**Plan for achieving target, and progress made to the end of the reporting year**

To ensure we remain on track to meet our long-term goal, in May 2021, we set an interim target to reduce CO2 emissions from our electric generation by 60% below 2005 levels by 2025.

We already have retired more than 1,800 MW of coal-fired generation since the beginning of 2018, which included the 2019 retirement of the Presque Isle Power Plant as well as the 2018 retirements of the Pleasant Prairie power plant, the Pulliam power plant, and the jointly-owned Edgewater Unit 4 generating units. Through our ESG Progress Plan, we expect to retire approximately 1,600 MW of additional fossil-fueled generation by 2026, which includes the planned retirements in 2024-2025 of OCPP Units 5-8 and the jointly-owned Columbia Units 1-2 in 2026.



**List the emissions reduction initiatives which contributed most to achieving this target**

---

**Target reference number**

Abs 2

**Year target was set**

2021

**Target coverage**

Business activity

**Scope(s)**

Scope 1

Scope 3

**Scope 2 accounting method**

**Scope 3 category(ies)**

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

**Base year**

2005

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

35,700,000

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

**Base year Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

35,700,000

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2030

**Targeted reduction from base year (%)**

80

**Total emissions in target year covered by target in all selected Scopes (metric tons CO<sub>2</sub>e) [auto-calculated]**

7,140,000

**Scope 1 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

**Scope 2 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

**Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

19,935,000

**% of target achieved relative to base year [auto-calculated]**

55.1995798319

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Target ambition**

**Please explain target coverage and identify any exclusions**

In May 2021, we announced an interim goal to reduce our carbon emissions from our electric generating fleet by 80% by the end of 2030 from a 2005 baseline.

The information provided is in terms of CO<sub>2</sub> equivalent, while our electric generation reduction goals are based on CO<sub>2</sub> only. CO<sub>2</sub>e emissions for this calculation include all of WEC Energy Group's owned fossil fuel generation units, CO<sub>2</sub>e deduction for power sold to market and wholesale customers, and CO<sub>2</sub>e from purchased power to meet

customer load. Biogenic mass is not included. We have established ambitious greenhouse gas reduction goals for our electric generating fleet, aligned with or surpassing global emissions pathways aimed at limiting warming to 1.5°C.

**Plan for achieving target, and progress made to the end of the reporting year**

As part of our path toward this goal, we are exploring co-firing with natural gas at our ERGS coal-fired units. By the end of 2030, we expect to use coal only as a back-up fuel, and we plan to eliminate coal as an energy source by the end of 2035.

We already have retired more than 1,800 MW of coal-fired generation since the beginning of 2018, which included the 2019 retirement of the PIPP as well as the 2018 retirements of the Pleasant Prairie power plant, the Pulliam power plant, and the jointly-owned Edgewater Unit 4 generating units. Through our ESG Progress Plan, we expect to retire approximately 1,600 MW of additional fossil-fueled generation by 2026, which includes the planned retirements in 2024-2025 of OCPP Units 5-8 and the jointly-owned Columbia Units 1-2 in 2026.

**List the emissions reduction initiatives which contributed most to achieving this target**

---

**Target reference number**

Abs 3

**Year target was set**

2021

**Target coverage**

Business activity

**Scope(s)**

Scope 1

Scope 3

**Scope 2 accounting method**

**Scope 3 category(ies)**

Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)

**Base year**

2005

**Base year Scope 1 emissions covered by target (metric tons CO<sub>2</sub>e)**

35,700,000

**Base year Scope 2 emissions covered by target (metric tons CO<sub>2</sub>e)**

**Base year Scope 3 emissions covered by target (metric tons CO<sub>2</sub>e)**

**Total base year emissions covered by target in all selected Scopes (metric tons CO<sub>2</sub>e)**

35,700,000

**Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1**

100

**Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2**

**Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)**

**Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes**

100

**Target year**

2050

**Targeted reduction from base year (%)**

100

**Total emissions in target year covered by target in all selected Scopes (metric tons CO<sub>2</sub>e) [auto-calculated]**

0

**Scope 1 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

**Scope 2 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

**Scope 3 emissions in reporting year covered by target (metric tons CO<sub>2</sub>e)**

**Total emissions in reporting year covered by target in all selected scopes (metric tons CO<sub>2</sub>e)**

19,935,000

**% of target achieved relative to base year [auto-calculated]**

44.1596638655

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Target ambition**

**Please explain target coverage and identify any exclusions**

Our 2050 goal for our electric generation is to be net carbon neutral.

The information provided is in terms of CO<sub>2</sub> equivalent, while our electric generation reduction goals are based on CO<sub>2</sub> only. CO<sub>2</sub>e emissions for this calculation include all of WEC Energy Group's owned fossil fuel generation units, CO<sub>2</sub>e deduction for power sold to market and wholesale customers, and CO<sub>2</sub>e from purchased power to meet customer load. Biogenic mass is not included. We have established ambitious greenhouse gas reduction goals for our electric generating fleet, aligned with or surpassing global emissions pathways aimed at limiting warming to 1.5°C.

**Plan for achieving target, and progress made to the end of the reporting year**

In pursuit of our goal to achieve a carbon neutral generating fleet by 2050, we are evaluating a range of approaches and investments that will help to reduce and mitigate our GHG emissions, which may include the use of offsets.

As part of our climate strategy, we have dramatically reduced our reliance on coal-fueled generation since 2005. We have built cost-effective, state-of-the-art natural gas-fueled generation and zero-carbon generation. Since 2018, we have retired more than 1,800 MW of nameplate coal capacity. These retirements have lowered operating costs by approximately \$100 million on an annual basis and eliminated more than 10 million tons of CO<sub>2</sub> emissions per year from these sources.

We have submitted the appropriate applications to co-fire natural gas at our ERGS coal-fired units and anticipate co-firing to begin in 2023. By the end of 2030, we expect to use coal only as a back-up fuel, and we plan to eliminate coal as an energy source by the end of 2035.

As our generation mix continues to evolve, we will be increasing our investments in zero-carbon resources. By 2026, we plan to invest \$3.5 billion to increase the amount of renewable generation in our Wisconsin utility system through our regulated utilities and another \$1.9 billion through our WEC Infrastructure subsidiary.

These utility investments will add 1,800 MW of renewable capacity to our portfolio. Included in this are plans to build 600 MW of battery storage to balance intermittent renewable resources and meet peak energy demand. In 2021, we filed with the Public Service Commission of Wisconsin for approval to take major steps towards this goal: building three new solar and battery storage projects in Wisconsin. The first project has been approved, totaling 180 MW of solar and 99 MW of battery storage. If approved, the other two projects would total another 495 MW of solar and 216 MW of battery storage. When taken together, the retirements and new investments should better balance our supply with our demand, while maintaining reliable, affordable energy for our customers. The retirements discussed above, as well as planned future retirements of coal-fired generation, will contribute to meeting our goals to reduce CO<sub>2</sub> emissions

from our electric generation.

(Note: On January 25, 2022, WEC Energy Group announced that we will be completing a pilot to test hydrogen in a blend with natural gas as a fuel source for power generation at one of our facilities later this year.)

**List the emissions reduction initiatives which contributed most to achieving this target**

## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to reduce methane emissions

### C4.2b

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

---

**Target reference number**

Oth 1

**Year target was set**

2021

**Target coverage**

Business activity

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Methane reduction target

Other, please specify

Net-zero methane emissions

**Target denominator (intensity targets only)**

**Base year**

2011

**Figure or percentage in base year**

100

**Target year**

2030

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

**% of target achieved relative to base year [auto-calculated]**

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

No, this is a standalone target.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain target coverage and identify any exclusions**

In May 2021, we set a target to achieve net-zero methane emissions from our natural gas distribution operations by the end of 2030.

**Plan for achieving target, and progress made to the end of the reporting year**

We continue to reduce methane emissions by improving our natural gas distribution system. We plan to achieve our net-zero goal through an effort that includes both continuous operational improvements and equipment upgrades, as well as the use of RNG throughout our utility systems. In 2022, we signed our first two contracts for RNG for our natural gas distribution business, which will be transporting the output of local dairy farms onto our gas distribution system. The RNG supplied will directly replace conventional fossil-based natural gas that would have entered our pipes. These two contracts represents approximately 50 percent of our 2030 goal for methane reduction. We expect to have RNG flowing to our distribution network by the end of 2022. At the end of 2021, we were 16% towards achieving our goal.

Additionally, our established ambitious greenhouse gas reduction goal for our natural gas distribution system, is aligned with or surpassing global emissions pathways aimed at limiting warming to 1.5°C.

**List the actions which contributed most to achieving this target**

---

**Target reference number**

Oth 2

**Year target was set**

2020

**Target coverage**

Business activity

**Target type: absolute or intensity**

**Target type: category & Metric (target numerator if reporting an intensity target)**

Other, please specify

Other, please specify

Sustainability goals for our vehicle fleet

**Target denominator (intensity targets only)**

**Base year**

2020

**Figure or percentage in base year**

**Target year**

2030

**Figure or percentage in target year**

**Figure or percentage in reporting year**

**% of target achieved relative to base year [auto-calculated]**

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

No, this target is to work toward fleet electrification

**Is this target part of an overarching initiative?**

Other, please specify

Internal fleet electrification

**Please explain target coverage and identify any exclusions**

The Fleet organization provides vehicles to the company in support of field services and other business area needs. By 2025, we will aim for 35% of our car and SUV purchases and 25% of Class 3 truck purchases to be plug-in electric vehicles, and will aim to electrify 40% of our storeroom equipment, increasing this share to 75% by 2030. We already have installed 58 charging stations with 114 charging ports across our service areas, including 50 charging ports available for public use.



**Plan for achieving target, and progress made to the end of the reporting year**

Tracking of the carbon emissions reduction will be an important element of this program. Concerns regarding range ability have been evaluated and are being addressed. A study of range from a full charge of the vehicle shows that the most common user of vehicles drives fewer miles per day than a charge can accommodate, thus demonstrating that the electric vehicles' charge range will be sufficient. Additionally, electric heavy-duty vehicles are not currently widely available, and are being built now. WEC Energy Group is working closely with automotive manufacturers to remain aware of vehicle manufacturing status and availability. The Peoples Gas territory is well equipped with charging stations, with the exception of the southern territory, which has installation of 30 stations planned. Fleet is working with the WEC Infrastructure and Fuels department to begin tracking the amount of gas/diesel that will be displaced by converting the fleet to electric vehicles. Future reporting will likely require technology enhancements, which are also currently being investigated.

**List the actions which contributed most to achieving this target**

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	1	4,800
Implemented*		
Not to be implemented		

**C4.3b**

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

---

**Initiative category & Initiative type**

Fugitive emissions reductions  
Oil/natural gas methane leak capture/prevention

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

4,800

**Scope(s) or Scope 3 category(ies) where emissions savings occur**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

0

**Investment required (unit currency – as specified in C0.4)**

290,000,000

**Payback period**

>25 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

Our natural gas utility subsidiary in Chicago, Peoples Gas, is engaged in the Safety Modernization Program, which involves replacing cast and ductile iron natural gas mains and aging service laterals with modern polyethylene pipes. Under the EPA's Methane Challenge, Peoples Gas initially committed to replace its remaining iron natural gas mains at an annual rate of at least 2% for five years beginning in 2017. In 2021, an additional three-year commitment through 2023 was finalized. Fugitive methane emissions will continue to decrease as we replace more mains each year.

In addition to continuous operational improvements and equipment upgrades taking place across WEC Energy Group utilities, we plan to utilize renewable natural gas to achieve methane reductions. This consists of blending renewable natural gas from dairy farms, and other sources with conventional natural gas, reducing the carbon intensity of natural gas supplies. The strength of the dairy industry in our service territories makes renewable natural gas an especially good fit with our operations.

## C4.3c

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Compliance with regulatory requirements/standards	We are continuing to analyze the GHG emission profile of our electric generation resources and to work with other stakeholders to determine the potential impacts to our operations of future legislation or regulation that may be adopted.
Other	We currently are implementing actions (e.g., power plant fuel and operational choices; investment in utility-scale renewables) that preserve fuel diversity, reduce costs to customers and reduce long-term greenhouse gas emissions, independent of greenhouse gas regulatory requirements/standards, all as part of our commitment to provide affordable, reliable and clean energy to our customers.

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?**

Yes

## C4.5a

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.**

### Level of aggregation

Group of products or services

### Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

Midwest Renewable Energy Tracking System program

### Type of product(s) or service(s)

Power

Other, please specify

We Energies' Dedicated Renewable Energy Resource and Solar Now pilot programs; and two successful "green pricing" renewable energy programs, We Energies' Energy for Tomorrow and Wisconsin Public Service's NatureWise®.

### Description of product(s) or service(s)

Under the Solar Now program, We Energies pays commercial, industrial, government and nonprofit customers to host solar panels on their roofs and property. We Energies handles installation, maintenance and operation of the solar equipment – providing a turnkey solution to customers wanting to participate in renewable generation. We continue to evaluate the impact of this program and other potential local generation across our electric energy companies' service areas. (As of June 1, 2022, We Energies has energized 24 Solar Now projects, together totaling more than 27 MW and reaching

a wide range of customer.)

Renewable Energy Credits (RECs) from both the Energy for Tomorrow and NatureWise® “green pricing” renewable energy programs are tracked and retired using the Midwest Renewable Energy Tracking System program. Energy for Tomorrow is accredited by the Center for Resource Solutions and is Green-e Energy certified.

**Have you estimated the avoided emissions of this low-carbon product(s) or service(s)**

Yes

**Methodology used to calculate avoided emissions**

Other, please specify

Intensity factor for owned generation

**Life cycle stage(s) covered for the low-carbon product(s) or services(s)**

**Functional unit used**

**Reference product/service or baseline scenario used**

**Life cycle stage(s) covered for the reference product/service or baseline scenario**

**Estimated avoided emissions (metric tons CO<sub>2</sub>e per functional unit) compared to reference product/service or baseline scenario**

13,339

**Explain your calculation of avoided emissions, including any assumptions**

We calculated avoided emissions based on our owned generation intensity and MWh production from the SolarNow program.

**Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year**

## C-EU4.6

**(C-EU4.6) Describe your organization’s efforts to reduce methane emissions from your activities.**

See our response to C4.2 where our methane reduction goal is described: In May 2021, we announced a new goal — to achieve net-zero methane emissions from our natural gas distribution system by the end of 2030.

## C5. Emissions methodology

### C5.1

**(C5.1) Is this your first year of reporting emissions data to CDP?**

No

#### C5.1a

**(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?**

Row 1

**Has there been a structural change?**

No

#### C5.1b

**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

Change(s) in methodology, boundary, and/or reporting year definition?	
Row 1	No

### C5.2

**(C5.2) Provide your base year and base year emissions.**

Scope 1

**Base year start**

January 1, 2005

**Base year end**

December 31, 2005

**Base year emissions (metric tons CO<sub>2</sub>e)**

35,700,000

**Comment**

The value represents emissions associated with electricity generation to meet customer demand, as well as power purchases that were used to meet demand that exceeded generating capability.

Scope 2 (location-based)

**Base year start**

January 1, 2005

**Base year end**

December 31, 2005

**Base year emissions (metric tons CO<sub>2</sub>e)**

0

**Comment**

WEC Energy Group did not calculate Scope 2 emissions in the base year. The only "purchased or acquired electricity, steam, heat or cooling consumed by the reporting company" would be from system losses associated with power purchases. Those amounts are assumed to have been de minimis in the base year.

---

**Scope 2 (market-based)**

**Base year start**

January 1, 2005

**Base year end**

December 31, 2005

**Base year emissions (metric tons CO<sub>2</sub>e)**

0

**Comment**

WEC Energy Group did not calculate Scope 2 emissions in the base year. The only "purchased or acquired electricity, steam, heat or cooling consumed by the reporting company" would be from system losses associated with power purchases. Those amounts are assumed to have been de minimis in the base year.

---

**Scope 3 category 1: Purchased goods and services**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to purchased goods and services. We are currently working on this with our Supply Chain department and have started the process of engaging suppliers.

### **Scope 3 category 2: Capital goods**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company is evaluating the potential relevance of its Scope 3 emissions for capital goods.

### **Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company includes information for its fuel and energy related activities in our goal calculation in question C4.1a.

### **Scope 3 category 4: Upstream transportation and distribution**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company has started to evaluate upstream transportation and distribution emissions and is evaluating metrics for a complete inventory.

### **Scope 3 category 5: Waste generated in operations**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

The company is in the process of evaluating potential methods of calculating estimates of Scope 3 emissions due to waste generated in operations.

### **Scope 3 category 6: Business travel**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

The company is in the process of starting to track their business travel emissions. An appropriate baseline is yet to be determined.

### **Scope 3 category 7: Employee commuting**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

The company is in the process of evaluating how to track their employee commuting.

### **Scope 3 category 8: Upstream leased assets**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**



**Comment**

The company has no upstream leased assets that produce Scope 3 emissions.

**Scope 3 category 9: Downstream transportation and distribution**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to downstream transportation and distribution.

**Scope 3 category 10: Processing of sold products**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company calculates beneficial use of coal combustion products sold that can result in avoidance of carbon dioxide emissions. However, the CDP reporting system does not permit reporting of reductions due to avoided emissions.

**Scope 3 category 11: Use of sold products**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company reports the use of sold product emissions, but an appropriate baseline has yet to be established.

**Scope 3 category 12: End of life treatment of sold products**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

Electricity and natural gas products do not have a conventional useful life.

---

**Scope 3 category 13: Downstream leased assets**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

The company has no downstream leased assets.

---

**Scope 3 category 14: Franchises**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

The company has no franchises that produce Scope 3 emissions.

---

**Scope 3 category 15: Investments**

**Base year start**

**Base year end**

**Base year emissions (metric tons CO2e)**

**Comment**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to investments.

### **Scope 3: Other (upstream)**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company has no other upstream sources of Scope 3 emissions.

### **Scope 3: Other (downstream)**

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

The company has no other downstream sources of Scope 3 emissions.

## **C5.3**

**(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

US EPA Mandatory Greenhouse Gas Reporting Rule

## **C6. Emissions data**

### **C6.1**

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

21,676,000

### Comment

The total includes:

21,239,900 metric tons CO<sub>2</sub>e from company-owned fossil generation

5,100 metric tons CO<sub>2</sub>e from biogenic carbon

397,000 metric tons CO<sub>2</sub>e from natural gas distribution lines and natural gas storage

34,000 metric tons CO<sub>2</sub>e from fleet vehicles

Our official goal tabulations include Scope 3 purchased power to meet customer load and are based on CO<sub>2</sub> only.

Extensive evaluation and usage tracking was performed to determine the most effective method to provide fuel to our vehicle fleet. Locations, mileage, costs, and patterns of driver fill-ups were analyzed, resulting in decisions to decommission various bulk fuel locations.

## C6.2

### (C6.2) Describe your organization's approach to reporting Scope 2 emissions.

#### Row 1

---

#### Scope 2, location-based

We are reporting a Scope 2, location-based figure

#### Scope 2, market-based

We have operations where we are able to access electricity supplier emission factors or residual emissions factors, but are unable to report a Scope 2, market-based figure

#### Comment

Emissions are from estimated distribution line losses associated with power purchased from emitting sources.

## C6.3

### (C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?

#### Reporting year

---

#### Scope 2, location-based

82,000

#### Comment

Emissions are from estimated distribution line losses associated with power purchased from emitting sources.

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

### C6.4a

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

---

**Source**

Building energy usage

**Relevance of Scope 1 emissions from this source**

Emissions are not evaluated

**Relevance of location-based Scope 2 emissions from this source**

Emissions are not evaluated

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

**Explain why this source is excluded**

We have not yet evaluated all of our facility energy used.

**Estimated percentage of total Scope 1+2 emissions this excluded source represents**

**Explain how you estimated the percentage of emissions this excluded source represents**

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

**Purchased goods and services**

---

**Evaluation status**

Relevant, not yet calculated

**Please explain**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to purchased goods and services. We are currently working on this with our Supply Chain department and have started the process of engaging suppliers.

## Capital goods

---

### Evaluation status

Relevant, not yet calculated

### Please explain

The company is evaluating the potential relevance of its Scope 3 emissions for capital goods.

## Fuel-and-energy-related activities (not included in Scope 1 or 2)

---

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

3,260,000

### Emissions calculation methodology

Other, please specify

For 2021, CO<sub>2</sub>e from MISO market purchases were determined for the combined utilities and utilized EIA CO<sub>2</sub> rates by fuel type and MISO fuel data mix.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

12

### Please explain

Emissions from purchased power: Most of our power purchases are from non-emitting sources — nuclear and renewable energy.

Actual fuel characteristics of purchased electricity are used where available. For remaining purchases, please see above for calculation methodology.

## Upstream transportation and distribution

---

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

213,845

### Emissions calculation methodology

Site-specific method

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

### Please explain

Emissions for upstream transportation of coal deliveries by rail to our Oak Creek site and Weston facilities were tabulated using the amount of coal purchases (short tons) multiplied by the distance travelled (in miles) to compute ton-miles. These values were then multiplied by the corresponding GHG factor (CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O) and GWP to determine CO<sub>2</sub>e. Emission factors from the Environmental Protection Agency's GHG Emission Factors Hub (Table 8- Scope 3 Category 4: Upstream Transportation and Distribution and Category 9: Downstream Transportation and Distribution updated 4/1/2022) were used to calculate CO<sub>2</sub>e values.

## Waste generated in operations

---

### Evaluation status

Relevant, not yet calculated

### Please explain

The company is in the process of evaluating potential methods of calculating estimates of Scope 3 emissions due to waste generated in operations.

## Business travel

---

### Evaluation status

Relevant, calculated

### Emissions in reporting year (metric tons CO<sub>2</sub>e)

1,206

### Emissions calculation methodology

Hybrid method

## Percentage of emissions calculated using data obtained from suppliers or value chain partners

8

### Please explain

Emissions for CO<sub>2</sub>e from air travel and rental vehicles are provided from our travel agency. Business travel mileage reimbursement CO<sub>2</sub>e was calculated using EPA emission factors.

## Employee commuting

---

### Evaluation status

Relevant, not yet calculated

### Please explain

The company has not yet developed a methodology to estimate Scope 3 emissions associated with employee commuting.

### Upstream leased assets

---

#### Evaluation status

Not relevant, explanation provided

#### Please explain

The company has no upstream leased assets that produce Scope 3 emissions.

### Downstream transportation and distribution

---

#### Evaluation status

Not relevant, explanation provided

#### Please explain

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to downstream transportation and distribution.

### Processing of sold products

---

#### Evaluation status

Relevant, not yet calculated

#### Please explain

Beneficial use of coal combustion products sold can result in avoidance of carbon dioxide emissions. However, the CDP reporting system does not permit reporting of reductions due to avoided emissions. The estimated amount of avoided emissions is 210,000 metric tons of CO<sub>2</sub>e.

### Use of sold products

---

#### Evaluation status

Relevant, calculated

#### Emissions in reporting year (metric tons CO<sub>2</sub>e)

25,562,000

#### Emissions calculation methodology

Other, please specify

U.S. EPA's Mandatory Greenhouse Gas Reporting Program Subpart NN

#### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

#### Please explain

Following the requirements of CFR 40 Part 98, Subpart NN, the company reports the potential CO<sub>2</sub> quantities associated with natural gas received by end-users that receive less than 460,000 mscf (thousand standard cubic feet) of natural gas per year at a



single meter from the company.

Billing records support the information reported under U.S. EPA's Mandatory Greenhouse Gas Reporting Program. Natural gas distribution companies must report the carbon dioxide emissions that would result from the complete combustion or oxidation of the annual volumes of natural gas provided to end-users that receive less than 460,000 mscf of natural gas per year at a single meter from the company.

## End of life treatment of sold products

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Electricity and natural gas products do not have a conventional useful life.

## Downstream leased assets

---

### Evaluation status

Not relevant, explanation provided

### Please explain

The company has no downstream leased assets.

## Franchises

---

### Evaluation status

Not relevant, explanation provided

### Please explain

The company has no franchises that produce Scope 3 emissions.

## Investments

---

### Evaluation status

Relevant, not yet calculated

### Please explain

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to investments.

## Other (upstream)

---

### Evaluation status

Not relevant, explanation provided

### Please explain

The company has no other upstream sources of Scope 3 emissions.

## Other (downstream)

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

The company has no other downstream sources of Scope 3 emissions.

**C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

Yes

**C6.7a**

**(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.**

	<b>CO2 emissions from biogenic carbon (metric tons CO2)</b>	<b>Comment</b>
Row 1	387,000	Emissions from biomass used at Rothschild Biomass Cogeneration Plant.

**C6.10**

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

**Intensity figure**

2.6

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

21,758,000

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

8,316,000

**Scope 2 figure used**

Location-based

**% change from previous year**

6

**Direction of change**

Decreased

**Reason for change**

Decrease in intensity figure is due to increased operating revenue in 2021.

**Intensity figure**

0.51

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

21,676,000

**Metric denominator**

megawatt hour generated (MWh)

**Metric denominator: Unit total**

42,973,000

**Scope 2 figure used**

Location-based

**% change from previous year**

4

**Direction of change**

Increased

**Reason for change**

Increase in intensity figure due to higher scope 1 and 2 emissions from fossil fuel in 2021.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
----------------	---	---------------

CO2	21,228,000	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	362,000	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	86,000	IPCC Fourth Assessment Report (AR4 - 100 year)

## C-EU7.1b

**(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.**

	Gross Scope 1 CO2 emissions (metric tons CO2)	Gross Scope 1 methane emissions (metric tons CH4)	Gross Scope 1 SF6 emissions (metric tons SF6)	Total gross Scope 1 emissions (metric tons CO2e)	Comment
Fugitives	5,000	14,160	0	359,000	Emissions from natural gas distribution lines
Combustion (Electric utilities)	21,151,000	272	0	21,239,900	Emissions from owned fossil generation; also 274 metric tons N2O or 81,600 metric tons CO2e from N2O.
Combustion (Gas utilities)	38,000		0	38,000	Emissions from combustion at natural gas storage facility
Combustion (Other)	0	28	0	5,100	Emissions from owned biomass generation; also 15 metric tons N2O or 4,400 metric tons CO2e from N2O
Emissions not elsewhere classified	34,000	0	0	34,000	Emissions generated from our vehicle fleet.

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	21,676,000

### C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By facility

### C7.3b

**(C7.3b) Break down your total gross global Scope 1 emissions by business facility.**

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Concord Generating Station	111,000	43.1669	-88.69
Germantown Power Plant	32,000	43.1952	-88.1496
Oak Creek Power Plant	4,778,000	42.8457	-87.8294
Paris Generating Station	115,000	42.6658	-88.0131
Port Washington Generating Station	2,645,000	43.3842	-87.8689
Valley Power Plant	398,000	43.0303	-87.9233
Rothschild Biomass Generating Plant	42,000	44.8878	-89.62978
Weston Generating Station	3,306,000	44.867778	-89.658889
J.P. Pulliam Generating Station	60,000	44.543889	-88.013889
Columbia Energy Center	1,755,000	43.488333	-89.422778
Fox Energy Center	1,562,000	44.322778	-88.214722
De Pere Energy Center	110,000	44.459167	-88.0775
West Marinette	50,000	45.089167	-87.691389
F. D. Kuester	266,000	46.513589	-87.510576
A. J. Mihm	119,000	46.79381	-88.616514
Elm Road Generating Station	5,894,000	42.8457	-87.8294

## C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility activities	21,243,000	This amount represents CO2e from generation of company-owned facilities and includes 5,100 metric tons of CO2e from N2O and methane from biogenic emissions.

## C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	82,000	

## C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

### C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Line losses from purchased power	82,000	

## C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

## C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change		Change in renewable energy consumption had no impact on our Scope 1 and Scope 2 emissions in 2021.
Other emissions reduction activities	0	No change		In 2021, we continued to expand our renewable energy generation fleet and generated more renewable power than 2020.
Divestment	0	No change		We did not make a divestment in 2021.
Acquisitions	0	No change		There are no emissions associated with acquisitions made in 2021.
Mergers	0	No change		There was no merger in 2021.
Change in output	1,517,000	Increased	7.5	Increase in emissions due to more fossil fuel generation in 2021 compared to 2020.
Change in methodology	0	No change		There were no changes in methodology in 2021.
Change in boundary	0	No change		There was no change in boundary in 2021.
Change in physical operating conditions	0	No change		There were no significant changes in physical operating conditions in 2021.
Unidentified	0	No change		There were no significant changes from unidentified factors in 2021.
Other	0	No change		There were no significant changes from other factors in 2021.

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 15% but less than or equal to 20%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

### C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh



Consumption of fuel (excluding feedstock)	HHV (higher heating value)	1,100,000	78,640,000	79,740,000
Consumption of purchased or acquired electricity		241,000	22,000	263,000
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		1,341,000	78,662,000	80,003,000

## C8.2b

**(C8.2b) Select the applications of your organization’s consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

### Sustainable biomass

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

1,100,000

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

**MWh fuel consumed for self- cogeneration or self-trigeneration**

**Comment**

The emission factor from U.S. EPA Part 98 (40 CFR Part 98 Table C-1) of 93.8 kg CO<sub>2</sub>/mmBTU is used for calculation methodologies to determine total fuel consumed. This is wood waste from our biomass plant.

**Other biomass**

---

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

**MWh fuel consumed for self- cogeneration or self-trigeneration**

**Comment**

We do not currently consume other biomass.

**Other renewable fuels (e.g. renewable hydrogen)**

---

**Heating value**

HHV

**Total fuel MWh consumed by the organization**

0

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

### **MWh fuel consumed for self- cogeneration or self-trigeneration**

#### **Comment**

We do not currently consume other renewable fuels.

#### **Coal**

---

##### **Heating value**

HHV

##### **Total fuel MWh consumed by the organization**

48,500,000

##### **MWh fuel consumed for self-generation of electricity**

0

##### **MWh fuel consumed for self-generation of heat**

0

##### **MWh fuel consumed for self-generation of steam**

### **MWh fuel consumed for self- cogeneration or self-trigeneration**

#### **Comment**

The emission factor from U.S. EPA Part 98 (40 CFR Part 98 Table C-1) of 93.28 kg CO<sub>2</sub>/mmBTU is used for calculation methodologies to determine total fuel consumed.

#### **Oil**

---

##### **Heating value**

HHV

##### **Total fuel MWh consumed by the organization**

140,000

##### **MWh fuel consumed for self-generation of electricity**

0

##### **MWh fuel consumed for self-generation of heat**

0

##### **MWh fuel consumed for self-generation of steam**

### **MWh fuel consumed for self- cogeneration or self-trigeneration**

#### **Comment**

The emission factor from U.S. EPA Part 98 (40 CFR Part 98 Table C-1) of 73.96 kg CO<sub>2</sub>/mmBTU is used for calculation methodologies to determine total fuel consumed.

## Gas

---

### Heating value

HHV

### Total fuel MWh consumed by the organization

30,000,000

### MWh fuel consumed for self-generation of electricity

0

### MWh fuel consumed for self-generation of heat

0

### MWh fuel consumed for self-generation of steam

### MWh fuel consumed for self- cogeneration or self-trigeneration

### Comment

The emission factor from U.S. EPA Part 98 (40 CFR Part 98 Table C-1) of 53.06 kg CO<sub>2</sub>/mmBTU is used for calculation methodologies to determine total fuel consumed.

## Other non-renewable fuels (e.g. non-renewable hydrogen)

---

### Heating value

HHV

### Total fuel MWh consumed by the organization

0

### MWh fuel consumed for self-generation of electricity

0

### MWh fuel consumed for self-generation of heat

0

### MWh fuel consumed for self-generation of steam

### MWh fuel consumed for self- cogeneration or self-trigeneration

### Comment

We do not currently consume other non-renewable fuels.

## Total fuel

---

**Heating value**

LHV

**Total fuel MWh consumed by the organization**

79,740,000

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**MWh fuel consumed for self-generation of steam**

**MWh fuel consumed for self- cogeneration or self-trigeneration**

**Comment**

## C8.2d

**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	<b>Total Gross generation (MWh)</b>	<b>Generation that is consumed by the organization (MWh)</b>	<b>Gross generation from renewable sources (MWh)</b>	<b>Generation from renewable sources that is consumed by the organization (MWh)</b>
Electricity	36,639,000	2,353,000	4,931,000	4,000
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C-EU8.2d

**(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.**

**Coal – hard**

**Nameplate capacity (MW)**

3,548

**Gross electricity generation (GWh)**

18,269

**Net electricity generation (GWh)**

16,352

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

15,718,000

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

860

**Comment**

No coal nameplate capacity was retired in 2021.

**Lignite**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

None of our facilities use lignite.

**Oil**

---

**Nameplate capacity (MW)**

245

**Gross electricity generation (GWh)**

15

**Net electricity generation (GWh)**

13

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

19,000

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

1,267

**Comment**

We updated classification of one facility to have oil be the primary fuel source for the appropriate units.

## Gas

---

**Nameplate capacity (MW)**

3,691

**Gross electricity generation (GWh)**

13,424

**Net electricity generation (GWh)**

12,994

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

5,465,000

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

407

**Comment**

One facility updated primary fuel type to be oil.

## Sustainable biomass

---

**Nameplate capacity (MW)**

58

**Gross electricity generation (GWh)**

139

**Net electricity generation (GWh)**

139

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

43,000

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

309

**Comment**

Approximately 90% of the emissions from our Rothschild Biomass Cogeneration Plant were from the use of wood waste (biogenic CO<sub>2</sub> not included in total), and 10% were due to the use of natural gas. In addition to reported emissions, there are 387,000 metric tons CO<sub>2</sub> associated with biogenic emissions not included in our Scope 1 total.

## Other biomass

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO2e)**

0

**Scope 1 emissions intensity (metric tons CO2e per GWh)**

0

**Comment**

None of our facilities use other biomass for fuel.

**Waste (non-biomass)**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO2e)**

0

**Scope 1 emissions intensity (metric tons CO2e per GWh)**

0

**Comment**

None of our facilities use waste for fuel.

**Nuclear**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO2e)**

0

**Scope 1 emissions intensity (metric tons CO2e per GWh)**



0

**Comment**

We own no nuclear generating facilities

**Fossil-fuel plants fitted with CCS**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

We currently own no fossil-fuel plants fitted with CCS.

**Geothermal**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

We currently own no geothermal generating facilities.

**Hydropower**

---

**Nameplate capacity (MW)**

154

**Gross electricity generation (GWh)**

747

**Net electricity generation (GWh)**

745

**Absolute scope 1 emissions (metric tons CO2e)**

0

**Scope 1 emissions intensity (metric tons CO2e per GWh)**

0

**Comment**

There are no CO2 emissions from our hydroelectric generation facilities.

**Wind**

---

**Nameplate capacity (MW)**

1,471

**Gross electricity generation (GWh)**

3,832

**Net electricity generation (GWh)**

3,830

**Absolute scope 1 emissions (metric tons CO2e)**

0

**Scope 1 emissions intensity (metric tons CO2e per GWh)**

0

**Comment**

There are no CO2 emissions from our wind generation facilities.

**Solar**

---

**Nameplate capacity (MW)**

258

**Gross electricity generation (GWh)**

213

**Net electricity generation (GWh)**

213

**Absolute scope 1 emissions (metric tons CO2e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

There are no CO<sub>2</sub> emissions from our solar generation facilities.

**Marine**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

We do not own any marine generating facilities.

**Other renewable**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

Our renewable generating facilities are reported in the previous categories.

**Other non-renewable**

---

**Nameplate capacity (MW)**

0

**Gross electricity generation (GWh)**

0

**Net electricity generation (GWh)**

0

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

0

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

0

**Comment**

Our non-renewable generating facilities are reported in the previous categories.

**Total**

---

**Nameplate capacity (MW)**

9,425

**Gross electricity generation (GWh)**

36,639

**Net electricity generation (GWh)**

34,286

**Absolute scope 1 emissions (metric tons CO<sub>2</sub>e)**

21,631,000

**Scope 1 emissions intensity (metric tons CO<sub>2</sub>e per GWh)**

590

**Comment**

Our Scope 1 emissions intensity including our long-term carbon-free power purchase from a nuclear generating facility is 494 metric tons CO<sub>2</sub>e per GWh. This intensity does not include biogenic emissions.

## C8.2g

**(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.**

---

**Country/area**

United States of America

**Consumption of electricity (MWh)**

2,353,000

**Consumption of heat, steam, and cooling (MWh)**

0

**Total non-fuel energy consumption (MWh) [Auto-calculated]**

2,353,000

## C-EU8.4

**(C-EU8.4) Does your electric utility organization have a transmission and distribution business?**

Yes

## C-EU8.4a

**(C-EU8.4a) Disclose the following information about your transmission and distribution business.**

---

**Country/Region**

United States of America

**Voltage level**

Distribution (low voltage)

**Annual load (GWh)**

41,933

**Annual energy losses (% of annual load)**

2.7

**Scope where emissions from energy losses are accounted for**

Scope 2 (location-based)

**Emissions from energy losses (metric tons CO<sub>2</sub>e)**

82,000

**Length of network (km)**

115,000

**Number of connections**

0

**Area covered (km<sup>2</sup>)**

51,700

**Comment**

There is no feasible method of determining the number of connections on our distribution system.

## C9. Additional metrics

### C9.1

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

---

**Description**

Other, please specify  
Combustion products produced

**Metric value**

602,600

**Metric numerator**

Metric tons of combustion products produced

**Metric denominator (intensity metric only)**

Metric is not an intensity metric

**% change from previous year**

21

**Direction of change**

Increased

**Please explain**

Metric tons of combustion products produced increased due to increased generation from coal combustion in 2021. The company beneficially used 95% of combustion products produced in 2021.

### C-EU9.5a

**(C-EU9.5a) Break down, by source, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.**

**Coal – hard**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

### **Lignite**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

### **Oil**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

### **Gas**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

6

**Explain your CAPEX calculations, including any assumptions**

By 2026, we plan to spend an additional \$0.4 billion investment in new gas generation.

#### **Sustainable biomass**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

#### **Other biomass**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

#### **Waste (non-biomass)**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**



**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

### **Nuclear**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

### **Geothermal**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

### **Hydropower**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

## Wind

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

29

**Explain your CAPEX calculations, including any assumptions**

By 2026, we plan to invest an additional \$1.9 billion in non-utility infrastructure portfolio investments in a number of wind generating facilities in the Midwest. Utility wind is included in our other renewable CAPEX.

## Solar

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

CAPEX for solar is included in our other renewables disclosure.

## Marine

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**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

#### **Fossil-fuel plants fitted with CCS**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

#### **Other renewable (e.g. renewable hydrogen)**

---

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

55

**Explain your CAPEX calculations, including any assumptions**

This information includes planned utility renewable investments. For the five-year period 2022-2026, we plan to invest \$3.5 billion in zero-carbon generation in Wisconsin, including solar, wind and battery storage.

**Other non-renewable (e.g. non-renewable hydrogen)**

**CAPEX in the reporting year for power generation from this source (unit currency as selected in C0.4)**

**CAPEX in the reporting year for power generation from this source as % of total CAPEX for power generation in the reporting year**

**CAPEX planned over the next 5 years for power generation from this source as % of total CAPEX planned for power generation over the next 5 years**

**Explain your CAPEX calculations, including any assumptions**

**C-EU9.5b**

**(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).**

Products and services	Description of product/service	CAPEX planned for product/service	Percentage of total CAPEX planned products and services	End of year CAPEX plan
Other, please specify Technology	We continue to invest CAPEX in products and services. The investments are not publicly disclosed at this time.			

**C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6**

**(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?**

	Investment in low-carbon R&D	Comment
Row 1	Yes	We are members of the Electric Power Research Institute (EPRI) and the Gas Technology Institute (GTI). In 2020, we joined the Low-Carbon Resources

		<p>Initiative (LCRI), a joint partnership between EPRI and GTI, which is focused on large-scale deployment of low-carbon technologies.</p> <p>The five-year initiative will:</p> <ol style="list-style-type: none"> <li>1. Identify and accelerate development of promising technologies, including hydrogen, bioenergy, CCUS and renewable natural gas.</li> <li>2. Demonstrate and assess the performance of key technologies and processes and identify possible improvements.</li> <li>3. Inform key stakeholders and the public about technology options and potential pathways to a low-carbon future.</li> </ol> <p>WEC Energy Group has participants on the following LCRI subcommittees: Hydrocarbon Technical, Renewable Fuels, Electrolytic Processes, Storage and Delivery, Power Generation, Transportation/Industry/Buildings, Integrated Energy Analysis, and Safety/Environmental Impacts. Each of these subcommittees meets regularly with LCRI peers for project updates, technical presentations on topics relevant to the low-carbon energy transition, and discussions on emerging issues.</p> <p>In collaboration with GTI, we help support the Utilization Technology Development program, which is a nonprofit, member-led organization composed of 20 natural gas distribution companies. Its mission is to identify, select, fund and oversee research projects to maximize the environmental performance, affordability, efficiency and safety of equipment and processes that use natural gas and renewable energy resources. Our company invests \$250,000 annually, a portion of this through energy efficiency dollars, to support projects that span all end-use sectors and cover a variety of topics, including technology to reduce emissions and improve efficiency.</p> <p>We also support research on emerging technologies and opportunities for our customers through Focus on Energy®, Wisconsin utilities' statewide energy efficiency and renewable resource program. These research projects have the goal of allowing Wisconsin to further its efforts toward reducing energy waste, costs and environmental impacts. In 2021, the Focus on Energy Environmental &amp; Economic Research and Development program completed research projects on topics including air source heat pumps, energy efficiency and load shaping, and energy management information systems.</p>
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### C-CO9.6a/C-EU9.6a/C-OG9.6a

**(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.**

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting	Comment

			year (optional)	
Renewable energy	Applied research and development	≤20%		We continue to invest in renewable research and development, including battery storage. There are multiple utility scale solar projects under construction with battery storage the company will acquire if approval is granted. WEC Energy Group already has utility scale solar, which became operational in 2020. (Note: In 2022, we plan to conduct a hydrogen pilot at our UMERG facility.)
Infrastructure	Applied research and development	≤20%		Peoples Gas invests in projects to reduce methane releases. For 2021 these projects included: <ul style="list-style-type: none"> <li>• Zero Emissions Process with Carbon Recovery</li> <li>• Mitigating Methane Emissions from Residential and Commercial End Use Equipment</li> </ul>
Infrastructure	Applied research and development	81-100%		We are members of the Electric Power Research Institute (EPRI) and the Gas Technology Institute (GTI). In 2020, we joined the Low-Carbon Resources Initiative (LCRI), a joint partnership between EPRI and GTI, which is focused on large-scale deployment of low-carbon technologies. The five-year initiative will: <ol style="list-style-type: none"> <li>1. Identify and accelerate development of promising technologies, including hydrogen, bioenergy, CCUS and renewable natural gas.</li> <li>2. Demonstrate and assess the performance of key technologies and processes and identify possible improvements.</li> <li>3. Inform key stakeholders and the public about technology options and potential pathways to a low-carbon future.</li> </ol> WEC Energy Group has participants on the following LCRI subcommittees: Hydrocarbon Technical, Renewable Fuels, Electrolytic Processes, Storage

			<p>and Delivery, Power Generation, Transportation/Industry/Buildings, Integrated Energy Analysis, and Safety/Environmental Impacts. Each of these subcommittees meets regularly with LCRI peers for project updates, technical presentations on topics relevant to the low-carbon energy transition, and discussions on emerging issues. In collaboration with GTI, we help support the Utilization Technology Development program, which is a nonprofit, member-led organization composed of 20 natural gas distribution companies. Its mission is to identify, select, fund and oversee research projects to maximize the environmental performance, affordability, efficiency and safety of equipment and processes that use natural gas and renewable energy resources. Our company invests \$250,000 annually, a portion of this through energy efficiency dollars, to support projects that span all end-use sectors and cover a variety of topics, including technology to reduce emissions and improve efficiency.</p> <p>We also support research on emerging technologies and opportunities for our customers through Focus on Energy, Wisconsin utilities' statewide energy efficiency and renewable resource program. These research projects have the goal of allowing Wisconsin to further its efforts toward reducing energy waste, costs and environmental impacts. In 2021, the Focus on Energy Environmental &amp; Economic Research and Development program completed research projects on topics including air source heat pumps, energy efficiency and load shaping, and energy management information systems.</p>
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## C10. Verification

### C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

### C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, we do not verify any other climate-related information reported in our CDP disclosure

## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

**(C11.3) Does your organization use an internal price on carbon?**

Yes

### C11.3a

**(C11.3a) Provide details of how your organization uses an internal price on carbon.**

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**Objective for implementing an internal carbon price**

Other, please specify



Sensitivity scenarios associated with power generation projects

**GHG Scope**

Scope 1

**Application**

We use a shadow price of \$20 per metric ton of CO2 in internal analyses of power generation projects in sensitivity scenarios.

**Actual price(s) used (Currency /metric ton)**

20

**Variance of price(s) used**

We use a shadow price of \$20 per metric ton of CO2.

**Type of internal carbon price**

Shadow price

**Impact & implication**

Using a shadow price on carbon provides a more robust analysis of power generation alternatives and decisions.

## C12. Engagement

### C12.1

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers/clients

### C12.1a

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

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**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Other, please specify

We did an initial survey with a select group of suppliers to understand their ESG efforts.

**% of suppliers by number**

**% total procurement spend (direct and indirect)**

## **% of supplier-related Scope 3 emissions as reported in C6.5**

### **Rationale for the coverage of your engagement**

The company does not yet have a system in place to track the information needed to estimate Scope 3 emissions due to purchased goods and services.

### **Impact of engagement, including measures of success**

At this time, we are evaluating engagement opportunities and metrics to be utilized.

### **Comment**

We are evaluating our Scope 3 emissions in relation to purchased goods and services. Pending the outcome of this evaluation, we will determine the appropriate actions moving forward.

## **C12.1b**

### **(C12.1b) Give details of your climate-related engagement strategy with your customers.**

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#### **Type of engagement & Details of engagement**

Education/information sharing  
Share information about your products and relevant certification schemes (i.e. Energy STAR)

#### **% of customers by number**

0

#### **% of customer - related Scope 3 emissions as reported in C6.5**

42

#### **Please explain the rationale for selecting this group of customers and scope of engagement**

We provide our customers with estimates of GHG emissions from their use of the natural gas we supply and are required to report to the U.S. EPA under 40 CFR 98.

- Rationale for customer selection: Customers targeted for outreach are those taking delivery of natural gas above a threshold level during the reporting year.
- Scope of engagement: Our key account managers reach out to large customers during the first quarter of the following year to provide information needed to estimate GHG emissions associated with the natural gas delivered to our customers during the reporting year. We provide this information to any customer upon request, as well as monthly high heating values of natural gas by company for customers to calculate their carbon footprint based upon billing information.

In addition we post on our website the generation mix for each electric utility that is referenced by customers for greenhouse gas tracking.

#### **Impact of engagement, including measures of success**

Customers have expressed appreciation for receiving consistent greenhouse gas reporting information for their use, such as goal tracking and energy management use.

## C12.2

**(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?**

No, and we do not plan to introduce climate-related requirements within the next two years

## C12.3

**(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?**

Row 1

**Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate**

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

**Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?**

Yes

**Attach commitment or position statement(s)**

Our direct lobbying is conducted in support of our corporate initiatives and targets, including our greenhouse gas reduction goals, and is consistent with the goals of the Paris Agreement. More information about our political activities is available on our website: <https://www.wecenergygroup.com/csr/political-activities.htm> .

**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

## C12.3a

**(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?**

**Focus of policy, law, or regulation that may impact the climate**

Adaptation and/or resilience to climate change

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Climate / clean energy at the Federal level  
Multiple bills — support legislation that advances research, development, demonstration and deployment of affordable and reliable carbon-free technologies to help achieve a net carbon neutral economy

**Policy, law, or regulation geographic coverage**

National

**Country/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

We support these policies.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

---

**Focus of policy, law, or regulation that may impact the climate**

Subsidies for renewable energy projects

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Renewable energy tax incentives at the federal level, including those included in the Infrastructure Investment and Jobs Act ("IIJA").

**Policy, law, or regulation geographic coverage**

National

**Country/region the policy, law, or regulation applies to**

United States of America

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

We support these policies.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Focus of policy, law, or regulation that may impact the climate**

Other, please specify

Illinois State legislative bills/resolution

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

House Bill 804 - Illinois Clean Jobs Coalition initiative that seeks to re-regulate Illinois' energy marketplace and move Illinois to 100% renewable energy by 2050 while achieving a carbon-free power sector by 2030.

House Bill 1472 - Climate Jobs Illinois initiative that seeks to preserve thousands of union jobs at plants at risk of closing while creating new jobs in the growing green-energy sector.

House Bill 2640 - Path to 100 initiative that incentivizes wind and solar projects as it pushes for increased renewable energy procurement.

Senate Bill 1100 - Climate Jobs Illinois initiative that seeks to preserve thousands of union jobs at plants at risk of closing while creating new jobs in the growing green-energy sector.

Senate Bill 1718 - Illinois Clean Jobs Coalition initiative that seeks to re-regulate Illinois' energy marketplace and move Illinois to 100% renewable energy by 2050, while achieving a carbon-free power sector by 2030.

Senate Bill 2408 - The Climate and Equitable Jobs Act. Comprehensive energy package that is a culmination of the Eight Principles for a Clean and Renewable Illinois Economy laid out by Gov. J.B. Pritzker in 2020.

**Policy, law, or regulation geographic coverage**

Sub-national

**Country/region the policy, law, or regulation applies to**

Other, please specify

Illinois

**Your organization's position on the policy, law, or regulation**

Neutral

**Description of engagement with policy makers**

We continue to monitor the status of these legislation bills and resolutions.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Focus of policy, law, or regulation that may impact the climate**

Other, please specify

Michigan State legislative bills/resolution

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Senate Bill 0138 of 2021 - Provides for an impact study related to feedstock capacity of renewable natural gas derived from biological materials.

Senate 0441 of 2021 - Clarifies valuation of wind energy systems in property tax assessments.

House Bill 4715 - Provides for public service commission rule-making on community solar facilities.

House Bill 4716 of 2021 - Provides for establishment of community solar facilities.

House Bill 4802 of 2021 - Provides for licensing of electric vehicle (EV) charging station operators.

House Bill 5326 of 2021 - Clarifies valuation of wind energy systems in property tax assessments.

As part of Gov. Gretchen Whitmer's goal to be carbon neutral by 2050, we are monitoring the Governor's Council on Climate Solutions' recommendations that target four areas: utilities, energy-intensive industry, building codes and electric charging infrastructure. These recommendations have been under a public comment period. We anticipate the administration may issue final recommendations in 2022.

**Policy, law, or regulation geographic coverage**

Sub-national

**Country/region the policy, law, or regulation applies to**

Other, please specify

Michigan

**Your organization's position on the policy, law, or regulation**

Neutral

**Description of engagement with policy makers**

We continue to monitor the status of these legislation bills and resolutions.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Focus of policy, law, or regulation that may impact the climate**

Renewable energy generation

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Minnesota - House File 10: Clean Energy First.

Wisconsin-

Assembly Bill 527 - Relates to authorizing community solar programs and granting rule-making authority.

Assembly Bill 731 - Relates to exemption from public utility regulation regarding renewable electricity.

Senate Bill 490 - Relates to authorizing community solar programs and granting rule-making authority.

Senate Bill 702 - Relates to exemption from public utility regulation regarding renewable electricity.

**Policy, law, or regulation geographic coverage**

Sub-national

**Country/region the policy, law, or regulation applies to**

Other, please specify

Minnesota and Wisconsin

**Your organization's position on the policy, law, or regulation**

Oppose

**Description of engagement with policy makers**

We oppose these policies.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

Generally speaking, the above proposed legislation would negatively impact reliability and utility costs for those customers that are not able to afford to renewable electric generation investments at their home or business. Furthermore, exempting renewable energy developers from utility regulation could potentially expose consumers to risks associated with misleading business of those developers.

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

---

**Focus of policy, law, or regulation that may impact the climate**

Renewable energy generation

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**

Wisconsin:

Assembly Bill 525 - Relates to establishing solar field designations and granting rule-making authority.

Senate Bill 522 - Relates to establishing solar field designations and granting rule-making authority.

Senate Bill 672 - Relates to modifying the sales and use tax exemption for renewable energy property.

**Policy, law, or regulation geographic coverage**

Sub-national

**Country/region the policy, law, or regulation applies to**

Other, please specify

Wisconsin

**Your organization's position on the policy, law, or regulation**

Support with no exceptions

**Description of engagement with policy makers**

We support these policies.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

---

**Focus of policy, law, or regulation that may impact the climate**

Climate-related targets

**Specify the policy, law, or regulation on which your organization is engaging with policy makers**



Minnesota - House File 278/Senate File 43: Carbon free by 2040.

**Policy, law, or regulation geographic coverage**

Sub-national

**Country/region the policy, law, or regulation applies to**

Other, please specify

Minnesota

**Your organization's position on the policy, law, or regulation**

Oppose

**Description of engagement with policy makers**

We oppose the proposed policy.

**Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation**

Because no known technology exists that will allow for the elimination of natural gas as a space heating source in our service territory, the proposed legislation does not take into account the impacts on reliability and customer costs of decarbonizing the economy by 2040.

**Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

## C12.3b

**(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.**

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**Trade association**

Edison Electric Institute (EII)

**Is your organization's position on climate change consistent with theirs?**

Mixed

**Has your organization influenced, or is your organization attempting to influence their position?**

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Climate change presents one of the greatest energy and environmental policy challenges this country – and the world – has ever faced. EEI member companies are committed to being part of the solution to climate change and have undertaken many initiatives over the last 30 years to reduce, avoid, or sequester greenhouse gas emissions.

Electric companies will continue to achieve emissions reductions thanks in part to new environmental regulations, investments in carbon-free technologies, the use of cleaner fuels, and increased electricity generation from renewables. Wind, solar, hydro, and energy storage can get us much of the way to a carbon-free future. Using an energy mix that includes nuclear energy and natural gas will help us get there faster and more reliably.

(From <https://www.eei.org/issues-and-policy/Environment>)

We attend meetings and discussions of the Edison Electric Institute regarding policy matters, including climate change, and provide input to ensure that the company's perspectives are considered.

Overall, we are consistent with EEI's views on cost-effective and beneficial electrification, especially in the transportation sector. WEC Energy Group has to consider a balanced approach, as we have both electric generation facilities and natural gas operations.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

1,229,394

**Describe the aim of your organization's funding**

Our funding contribution is 2021 Edison Electric Institute membership dues for participation.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Trade association**

Other, please specify  
American Gas Association

**Is your organization's position on climate change consistent with theirs?**

Consistent

**Has your organization influenced, or is your organization attempting to influence their position?**

**State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)**

Natural gas provides environmental benefits: Increased use of natural gas can help address several environmental concerns simultaneously, including smog, acid rain and greenhouse gas emissions.

Natural gas is an important tool in the suite of greenhouse gas emissions reduction options available to the United States. Natural gas will continue to benefit our nation as states move to further reduce carbon dioxide emissions created in electric power generation.

Greater direct use of natural gas for heating and cooling, water heating, cooking and clothes drying can cut carbon emissions nearly in half. That is because natural gas appliances and the network that delivers the energy to your home are extraordinarily efficient.

Electric system losses account for half the energy consumed in the U.S. residential sector. When you factor in energy use and emissions along the full fuel cycle, households with natural gas versus all-electric appliances produce 37% lower greenhouse gas emissions.

When natural gas is used directly, then from the place where it is extracted from the ground, to appliances in the home, natural gas achieves 92% energy efficiency.

(From <https://www.aga.org/natural-gas/clean-energy/>)

We attend meetings and discussions of the American Gas Association regarding policy matters, including climate change, and provide input to ensure that the company's perspectives are considered.

Additionally, in February 2022, American Gas Association (AGA) released its Net-Zero Emissions Opportunities for Gas Utilities study. AGA engaged ICF to conduct the first comprehensive analysis exploring natural gas utility pathways to achieve net-zero emissions.

By including natural gas, advanced fuels and our world class infrastructure, we can expand our opportunities to slash emissions, unleash greater innovation and enhance energy reliability.

(From: <https://www.aga.org/research/reports/net-zero-emissions-opportunities-for-gas-utilities/>)

We continue to evaluate how to incorporate findings from this study into our long-term plans for achieving our climate goals. This includes replacement of higher emitting pipes and equipment, assessing potential offsets, blending hydrogen with natural gas, using natural gas and continued involvement in our energy efficiency programs.

**Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)**

917,412

**Describe the aim of your organization's funding**

Our funding contribution is 2021 American Gas Association membership dues for participation.

**Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

## C12.3c

**(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.**

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Illinois Energy Association

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

40,000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Illinois Energy Association membership dues for participation.

The Illinois Energy Association is the trade association representing the investor-owned electric and natural gas utilities and power generation companies in the State of Illinois. The Energy Association serves as a vehicle to develop and promote industry positions and policies on legislative and regulatory issues.

(From: <https://www.ilenergyassn.org/>)

We engage with the Illinois Energy Association to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Illinois Manufacturers' Association

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

15,000

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Illinois Manufacturers' Association membership dues for participation.

For more than two hundred years, innovative and ingenious Illinois manufacturers have made the world a better place to live by creating life-saving products, building our infrastructure, transporting people and products around the globe and into space, feeding the world, powering our homes and businesses, developing pioneering technology and communication, and providing for our nation's defense.

Today's modern manufacturing sector is high-tech, diverse, innovative, sustainable, and moving at the speed of light. Our members employ 592,000 women and men on shop floors, producing \$304 billion in economic output – the single largest share of the Illinois economy. Manufacturers are the innovators and entrepreneurs, dreamers and leaders of America.

The Illinois Manufacturers' Association is marching forward, side-by-side with industry to address challenges and shape the future. A powerful and respected leader from the White House to the Governor's Office, Congress to the General Assembly, and City Halls across the state, the IMA is the unifying voice and champion of manufacturing in Illinois.

(From: <https://ima-net.org/membership/about-the-ima/>)

We engage with the Illinois Manufacturers' Association to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Metropolitan Milwaukee Association of Commerce

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

190,397

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Metropolitan Milwaukee Association of Commerce membership dues for participation.

As the Milwaukee Region's chamber of commerce, MMAC is a membership organization dedicated to serving the needs of our business community.

As an MMAC member, you can count on us to help you grow your business and develop your workforce, represent your concerns to elected officials and serve as responsible stewards of the Milwaukee Region's economy.

(From: <https://www.mmac.org/membership.html>)

We engage with the Metropolitan Milwaukee Association of Commerce to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Michigan Electric and Gas Association

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

92,595

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Michigan Electric and Gas Association membership dues for participation.

The Michigan Electric and Gas Association (MEGA) is a trade association established in 1984 to provide a collective voice in Michigan government and public affairs for its board member investor-owned electric and gas utilities. MEGA works with the Michigan legislature, federal and state regulatory agencies and the entire Michigan energy industry to assure safe, reliable and affordable electric and gas utility service.

MEGA serves as a forum for industry communication and information exchange on matters of public policy, legal issues, legislation and utility service. MEGA has coordinated joint member and industry filings in regulatory proceedings before the Michigan Public Service Commission and court cases. Input from committees and workgroups is used to identify issues and develop consensus positions. MEGA actively sponsors and co-sponsors industry conferences and meetings.

(From: <https://www.megautilities.org/about/>)

We engage with the Michigan Electric and Gas Association to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Michigan Manufacturers Association

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

4,930

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Michigan Manufacturers Association membership dues for participation.

The Michigan Manufacturers Association (MMA) is the state's leading advocate focused solely on securing a prosperous future for Michigan manufacturers through effective advocacy, meaningful education and strategic business services.

Established in 1902, MMA represents the interests and needs of nearly 1,700 member companies, ranging from small manufacturers to the world's largest and most well-known corporations. The MMA Board of Directors is an elected entity featuring industry leaders poised to enhance manufacturing's growth and long-term competitiveness.

MMA provides members regular updates on legislation, regulations, job creation, talent partnerships and advice from manufacturers of all sizes to help you succeed.

(From: <https://mimfg.org/ABOUT-US/About-MMA>)

We engage with the Michigan Manufacturers Association to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Wisconsin Manufacturers & Commerce

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

54,316

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Wisconsin Manufacturers & Commerce membership dues for participation.

Wisconsin Manufacturers & Commerce (WMC) is the largest and most influential business association in the state, working to make Wisconsin the best place in the nation to do business. We are the state chamber of commerce, state manufacturers' association and state safety council. WMC is also affiliated with WMC Foundation, which runs programs including the Future Wisconsin Project and Wisconsin Business World. WMC is proud to have been serving as Wisconsin's business voice since 1911, representing over 3,800 member companies, spanning all sectors of the economy.

Wisconsin employers face an increasingly costly environmental regulatory climate. Many environmental regulations in the state are more stringent than what is necessary to protect the environment, and more stringent than what is required by other states. WMC believes that Wisconsin employers need relief from costly and burdensome environmental regulations.

(From: <https://www.wmc.org/about-us/> and <https://www.wmc.org/environment/>)

We engage with Wisconsin Manufacturers & Commerce to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated



**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Wisconsin Utilities Association

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

237,823

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Wisconsin Utilities Association membership dues for participation.

The Wisconsin Utilities Association is a 501 (c) 6 non-profit organization that represents the investor-owned gas and electric utilities before the Wisconsin Legislature and regulatory bodies. WUA's membership is comprised of our state's major energy providers including WEC Energy Group; We Energies & Wisconsin Public Service Corporation; Madison Gas & Electric; Xcel Energy; Alliant Energy; American Transmission Company; Superior Water, Light & Power; NextEra-Point Beach; Dominion-Kewaunee; Midwest Natural Gas and many associate members. WUA members provide safe, reliable and affordable electricity and natural gas services to approximately 80% of Wisconsin's energy customers.

(From: <https://www.wiutilities.org/about-us>)

We engage with Wisconsin Utilities Association to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

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**Type of organization**

Non-Governmental Organization (NGO) or charitable organization

**State the organization to which you provided funding**

Wisconsin Utility Investors

**Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)**

121,463

**Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate**

Our funding contribution is 2021 Wisconsin Utility Investors membership dues for participation.

The Wisconsin Utility Investors Inc. (WUI) is a nationwide grassroots association of stockholders in Wisconsin gas, electric and telephone utilities who strengthen Wisconsin's economy and protect shareholder dividends through grassroots involvement in the political process.

Helping to insure a balance of public information about utilities by making sure that the investor's viewpoint is presented.

Educating Wisconsin's utility shareholders about emerging energy issues and the financial performance of Wisconsin utilities.

Empowering individual utility investors to make their voices heard through letters to the editor and contacts with elected officials.

Informing utility shareholders about new legislation and regulations that may have an impact on their investments.

(From: <https://www.wuiinc.org/about-us>)

We engage with Wisconsin Utility Investors to provide input to ensure that the company's perspectives are considered.

**Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?**

No, we have not evaluated

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

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**Publication**

In voluntary sustainability report

**Status**

Underway – previous year attached

**Attach the document**

 WEC-Corporate-Responsibility-Report-2020.pdf

 WEC Pathway to a Cleaner Energy Future - 2021 Climate Report.pdf

**Page/Section reference**

Pathway to a Cleaner Energy Future - All  
WEC 2020 Corporate Responsibility Report - pages 21-43

**Content elements**

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics  
Other, please specify  
    Environmental Policy Statement

**Comment**

Our publications also describe our environmental partnerships and stewardship activities in the communities we serve.  
WEC Energy Group's new 2022 Climate Report and 2021 Corporate Responsibility Report will be published later in 2022. The new publications along with other disclosures can be found on our Corporate Responsibility webpage:  
<https://www.wecenergygroup.com/csr/index.htm>.

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**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

 2021 Annual Report- WEC Energy Group- Notice of 2022 Annual Meeting and Proxy Statement.pdf

**Page/Section reference**

2021 Annual Report - Notice of 2022 Annual Meeting and Proxy Statement Pages 1-2, P-3, P-7, P-9, P-11, P-24, P-25, P-26, P27, P-28

**Content elements**

Strategy  
Emissions figures  
Emission targets  
Other metrics

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

 WEC Energy Group- July 2022 Investor Update.pdf

**Page/Section reference**

Monthly Investor Update (July 2022 attached as an example)- Slides 8-9, 12-13, 17-22, 26, 29-32

**Content elements**

Strategy  
Emissions figures  
Emission targets

**Comment**

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**Publication**

In voluntary communications

**Status**

Complete

**Attach the document**

**Page/Section reference**

Corporate Responsibility Webpage: All  
(<https://www.wecenergygroup.com/csr/index.htm>)  
Generation Reshaping Plan Webpage: All  
(<https://www.wecenergygroup.com/home/generation-reshaping-plan.htm>)

**Content elements**

Strategy  
Emission targets  
Other metrics

**Comment**

Generation reshaping plan webpage: Reducing emissions is essential to building a bright, sustainable future. We have established ambitious greenhouse gas reduction goals for our electric generating fleet and natural gas distribution system, aligned with or surpassing global emissions pathways aimed at limiting warming to 1.5°C.

For our electric generation fleet, we have set goals to achieve net carbon neutrality by 2050 and to reduce carbon dioxide emissions 60% by the end of 2025 and 80% by the end of 2030, compared to 2005 levels. We also expect to eliminate coal as an energy source by the end of 2035. Across our natural gas business, we are targeting net-zero methane emissions from the distribution system by the end of 2030.

## C15. Biodiversity

### C15.1

**(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?**

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, executive management-level responsibility	Executive management-level commitment of financial resources to preserve, enhance and protect the biodiversity on over 60,000 acres (figure includes We Energies, Wisconsin Public Service, and UMERC in Michigan and Wisconsin) of company fee-owned lands located in and around our electrical generating facilities and other electrical and gas distribution assets. These lands contain natural wetlands, grasslands and forest lands that support a wide-range of diverse plant and animal species that benefit from the active management of these landscapes.

### C15.2

**(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?**

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to respect legally designated protected areas	Other, please specify Full partner in Wisconsin's Karner blue butterfly

		Commitment to avoidance of negative impacts on threatened and protected species	Habitat Conservation Plan (HCP)
--	--	---	---------------------------------

### C15.3

**(C15.3) Does your organization assess the impact of its value chain on biodiversity?**

Does your organization assess the impact of its value chain on biodiversity?	
Row 1	Yes, we assess impacts on biodiversity in our downstream value chain only

### C15.4

**(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?**

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Livelihood, economic & other incentives

### C15.5


**(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?**

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Response indicators

### C15.6

**(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located

<p>In voluntary sustainability report or other voluntary communications</p>	<p>Content of biodiversity-related policies or commitments Impacts on biodiversity Details on biodiversity indicators Risks and opportunities Biodiversity strategy Other, please specify</p>	<p>WEC Energy Group 2020 Corporate Responsibility Report, pages 30-33 Our 2021 Corporate Responsibility Report that will be published later in 2022 and can be found on our Corporate Responsibility webpage: <a href="https://www.wecenergygroup.com/csr/index.htm">https://www.wecenergygroup.com/csr/index.htm</a>.  <sup>1</sup></p>
<p>In voluntary sustainability report or other voluntary communications</p>	<p>Other, please specify  Our involvement in Natural Heritage Inventory (NHI) data sharing licenses with Wisconsin and Michigan for the protection of rare species and Avian Protection Plan (APP) conforming to the Avian Power Line Interaction Committee (APLIC) standards.</p>	<p>Our involvement in these organizations is to be mentioned in our 2021 Corporate Responsibility Report that will be published later in 2022 and can be found on our Corporate Responsibility webpage: <a href="https://www.wecenergygroup.com/csr/index.htm">https://www.wecenergygroup.com/csr/index.htm</a>.</p>

 <sup>1</sup>WEC-Corporate-Responsibility-Report-2020.pdf

## C16. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

In 2021, we contracted with Trinity Consultants Inc. (Trinity) to conduct a limited assurance verification of the company's greenhouse gas (GHG) emissions inventory for calendar years (CY) 2005, 2011, 2015, and 2020 and decarbonization commitments outlined within WEC Energy Group's 2021 Climate Report.

The CY 2005, 2011, 2015, and 2020 data for the specified Scope 1, location-based Scope 2, and Scope 3 Use of Sold Products GHG emissions are fairly presented, in all material respects, in a manner consistent with the designated reporting criteria. Trinity has concluded that WEC Energy Group has implemented sufficient processes, systems and controls for the accurate collection and analysis of activity data used to determine the reported data.

However, Trinity recommends that WEC Energy Group abstain from reporting emissions associated with the Scope 3 category Fuel-and-Energy-Related Activities as the full life affiliated with this category are not included within WEC Energy Group's current emissions inventory.

We did report Scope 3 category Fuel-and-Energy-Related Activities per previous methodologies for 2021. In 2022, we continue to evaluate our Scope 3 inventory and additional sources of emissions that should be included within reported Fuel-and-Energy-Related Activities for completeness.

For C15.3 in our biodiversity value chain, we consider the downstream value chain to start once we acquire materials and conduct activities to produce our products. We do not assess biodiversity impacts of our suppliers and our customer's impacts on the use of our products. Our company is involved with assessing biodiversity impacts of our direct operations during our planning, design, construction, and restoration of sites under our ownership. Our direct operations includes energy production, storage and distribution.

## C16.1

**(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	President and Chief Executive Officer	Chief Executive Officer (CEO)

## SC. Supply chain module

### SC0.0

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

WEC Energy Group works with consultants, engineers and other suppliers to develop methods that are adopted to improve the efficiency and heat rates of our generating facilities, thereby lowering our emissions.

We are considering becoming a future participating supplier in CDP's Action Exchange initiative.

### SC0.1

**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	8,316,000,000

### SC1.1

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**



**Requesting member**

AT&T Inc.

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

0

**Major sources of emissions**

WEC Energy Group's Scope 1 greenhouse gas emissions that are applicable to this customer are from fossil-fueled electric generating facilities. Scope 3 emissions associated with customers' purchase and use of natural gas from WEC Energy Group are assumed not to be applicable to this customer.

**Verified**

No

**Allocation method**

Other, please specify

Please see below response to GHG source identification

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Most of WEC Energy Group's carbon dioxide emissions are from our fossil-fueled energy generating facilities. These facilities are identified by and reported on under the U.S. EPA Part 98 Mandatory Reporting of Greenhouse Gases rule, and there are no limitations or assumptions associated with the identification of these sources. CO<sub>2</sub> from MISO market purchases were determined for the combined utilities and utilized EIA CO<sub>2</sub> rates by fuel type and MISO fuel data mix. The allocation method mentions that the emissions provided reflect average fuel mix as a proxy for the actual fuel mix of certain electricity purchased by our electric utilities.

**Requesting member**

Senior Plc

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

0

**Major sources of emissions**

WEC Energy Group's Scope 1 greenhouse gas emissions that are applicable to this customer are from fossil-fueled electric generating facilities. Scope 3 emissions associated with customers' purchase and use of natural gas from WEC Energy Group are assumed not to be applicable to this customer.

**Verified**

No

**Allocation method**

Other, please specify

Please see below response to GHG source identification

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Most of WEC Energy Group's carbon dioxide emissions are from our fossil-fueled energy generating facilities. These facilities are identified by and reported on under the U.S. EPA Part 98 Mandatory Reporting of Greenhouse Gases rule, and there are no limitations or assumptions associated with the identification of these sources. CO<sub>2</sub> from MISO market purchases were determined for the combined utilities and utilized EIA CO<sub>2</sub> rates by fuel type and MISO fuel data mix. The allocation method mentions that the emissions provided reflect average fuel mix as a proxy for the actual fuel mix of certain electricity purchased by our electric utilities.

**Requesting member**

U.S. General Services Administration - OMB ICR #3090-0319

**Scope of emissions**

Scope 1

**Allocation level**

Company wide

**Allocation level detail**

**Emissions in metric tonnes of CO<sub>2</sub>e**

0

**Uncertainty (±%)**

0

**Major sources of emissions**

WEC Energy Group's Scope 1 greenhouse gas emissions that are applicable to this customer are from fossil-fueled electric generating facilities. Scope 3 emissions associated with customers' purchase and use of natural gas from WEC Energy Group are assumed not to be applicable to this customer.

**Verified**

No

**Allocation method**

Other, please specify

Please see below response to GHG source identification

**Market value or quantity of goods/services supplied to the requesting member**

**Unit for market value or quantity of goods/services supplied**

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

Most of WEC Energy Group's carbon dioxide emissions are from our fossil-fueled energy generating facilities. These facilities are identified by and reported on under the U.S. EPA Part 98 Mandatory Reporting of Greenhouse Gases rule, and there are no limitations or assumptions associated with the identification of these sources. CO<sub>2</sub> from MISO market purchases were determined for the combined utilities and utilized EIA CO<sub>2</sub> rates by fuel type and MISO fuel data mix. The allocation method mentions that the emissions provided reflect average fuel mix as a proxy for the actual fuel mix of certain electricity purchased by our electric utilities.

## SC1.2

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

System GHG intensity (metric tons/MWh) is published on page 24 of the WEC Energy Group 2020 Corporate Responsibility Report, found at

<https://www.wecenergygroup.com/csr/cr2020/wec-corporate-responsibility-report-2020.pdf#pagemode=bookmarks>.

Our 2021 Corporate Responsibility Report will be published on our Corporate Responsibility webpage in later 2022 and contain an updated system rate. Emission rates for each of our utilities are also linked here: <https://www.wecenergygroup.com/csr/index.htm>

## SC1.3

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	No method currently exists to identify and aggregate all purchases by these customers' various locations in order to apply an emission rate for calculating the emission values requested in SC1.1.

## SC1.4

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

No

### SC1.4b

**(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.**

Our current method is to provide greenhouse gas emission rates for customers to apply to their aggregate energy use in our service areas. No method currently exists to identify and aggregate all purchases by customers' various locations in order for us to apply an emission rate for calculating their total greenhouse gas emissions.

## SC2.1

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**

### Requesting member

### Group type of project

Other, please specify

Provide EEI CO2 emissions and resource mix reporting template to customers.

### Type of project

Other, please specify

Provide EEI CO2 emissions and resource mix reporting template to customers that is comparable across geographic areas.

### Emissions targeted

Other, please specify

Information for completing carbon footprint analyses to support reduction activities.

### Estimated timeframe for carbon reductions to be realized

Other, please specify

Depends on customer reduction activities.

### Estimated lifetime CO2e savings

0

### Estimated payback

Other, please specify

Depends on customer reduction activities.

### Details of proposal

The EEI CO2 emissions and resource mix reporting template provides information for customers who are completing carbon footprint analyses to support reduction activities across geographic areas.

## SC2.2

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC4.1

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	<b>I understand that my response will be shared with all requesting stakeholders</b>	<b>Response permission</b>
Please select your submission options	Yes	Public

**Please confirm below**