PARKER HANNIFIN CORP
Form 4
August 14, 2014

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
BANKS LEE C

(Last) (First) (Middle)

PARKER-HANNIFIN CORPORATION, 6035 PARKLAND BOULEVARD

(Street)

CLEVELAND, OH 44124-4141

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
PARKER HANNIFIN CORP [PH]

3. Date of Earliest Transaction (Month/Day/Year)
08/13/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
EVP - Operating Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities

Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)		Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		(Month/Day/Year)		(Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amour or Numbe of Shar
Stock Appreciation Right	$ 113.19	08/13/2014		A		26,240		(1)	08/12/2024	Common Stock	26,24

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BANKS LEE C PARKER-HANNIFIN CORPORATION 6035 PARKLAND BOULEVARD CLEVELAND, OH 44124-4141			EVP - Operating Officer	

Signatures

Rhoda M. Minichillo, Attorney-in-Fact	08/14/2014
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) The SAR vests in three equal annual installments beginning 8/13/2015.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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)

(114.8
)

(110.1
)

(105.2
)
Taxes other than income tax expense
(51.2
)

(52.1
)

(25.4
)

(26.7
)

(24.0
)

(23.5
)

Operating income

$316.9

$300.9

$153.3

$119.4

$147.4

$164.8

Operating Income Variances - Variances between periods in operating income for the three and six months ended June 30, 2018 compared to the same periods in 2017 were as follows (in millions):

	Three Months			Six Months		
	Alliant Energy	IPL	WPL	Alliant Energy	IPL	WPL
Total higher (lower) utility electric margin variance (refer to details below)	$19	$22	($2)	$53	$57	($4)
Total higher utility gas margin variance (refer to details below)	7	6	1	19	18	1
Total higher other operation and maintenance expenses variance (refer to details below)	(17)	(9)	(8)	(31)	(22)	(10)
Total higher depreciation and amortization expense, primarily due to new IPL depreciation rates effective May 2018 and additional plant in service in 2017 and 2018. Depreciation commenced on IPL's Marshalltown Generating Station in	(12)	(9)	(3)	(25)	(21)	(5)

April 2017.

Other	—	—	(1)	—	2	1
	($3)	$10	($13)	$16	$34	($17)

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Electric and Gas Revenues and Sales Summary - Electric and gas revenues (in millions), and MWh and Dth sales (in thousands), for the three and six months ended June 30 were as follows:

Alliant Energy	Electric Revenues		MWhs Sold		Gas Revenues		Dths Sold	
	2018	2017	2018	2017	2018	2017	2018	2017
Three Months								
Retail	$646.0	$602.8	6,171	5,936	$59.6	$55.0	7,963	6,667
Sales for resale	68.0	64.8	1,761	1,123	—	—	—	—
Transportation/Other	12.3	13.3	22	24	9.0	7.6	20,612	15,954
	$726.3	$680.9	7,954	7,083	$68.6	$62.6	28,575	22,621
Six Months								
Retail	$1,281.3	$1,204.7	12,507	12,129	$233.0	$199.5	31,811	27,227
Sales for resale	128.6	129.2	2,882	2,174	—	—	—	—
Transportation/Other	25.1	24.6	48	50	21.2	17.4	44,673	35,062
	$1,435.0	$1,358.5	15,437	14,353	$254.2	$216.9	76,484	62,289

IPL	Electric Revenues		MWhs Sold		Gas Revenues		Dths Sold	
	2018	2017	2018	2017	2018	2017	2018	2017
Three Months								
Retail	$382.3	$335.5	3,553	3,424	$36.0	$31.4	4,086	3,567
Sales for resale	30.9	27.6	1,000	485	—	—	—	—
Transportation/Other	8.9	9.3	9	11	6.2	5.3	8,676	8,978
	$422.1	$372.4	4,562	3,920	$42.2	$36.7	12,762	12,545
Six Months								
Retail	$750.9	$662.2	7,222	6,977	$135.8	$107.9	16,778	14,359
Sales for resale	60.6	49.9	1,527	835	—	—	—	—
Transportation/Other	16.3	16.5	18	21	14.5	11.9	19,899	19,718
	$827.8	$728.6	8,767	7,833	$150.3	$119.8	36,677	34,077

WPL	Electric Revenues		MWhs Sold		Gas Revenues		Dths Sold	
	2018	2017	2018	2017	2018	2017	2018	2017
Three Months								
Retail	$263.7	$267.3	2,618	2,512	$23.6	$23.6	3,877	3,100
Sales for resale	37.1	37.2	761	638	—	—	—	—
Transportation/Other	3.4	4.0	13	13	2.8	2.3	11,936	6,976
	$304.2	$308.5	3,392	3,163	$26.4	$25.9	15,813	10,076
Six Months								
Retail	$530.4	$542.5	5,285	5,152	$97.2	$91.6	15,033	12,868
Sales for resale	68.0	79.3	1,355	1,339	—	—	—	—
Transportation/Other	8.8	8.1	30	29	6.7	$5.5	24,774	15,344
	$607.2	$629.9	6,670	6,520	$103.9	$97.1	39,807	28,212

Temperatures - Heating degree days (HDD) and cooling degree days (CDD) are calculated using a simple average of the high and low temperatures each day compared to a 65 degree base. Normal degree days are calculated using a rolling 20-year average of historical HDD and CDD. The following table summarizes the approximate quarterly temperature statistics and resulting impacts on IPL's and WPL's electric and gas sales.

	2018	2017	Resulting Impact in 2018 Compared to 2017
First quarter (HDD)	2% colder than normal	13% warmer than normal	Increase in IPL's and WPL's electric and gas sales due to higher demand by customers for heating

Second quarter (CDD)	63% warmer than normal	2% cooler - 13% warmer than normal	Increase in IPL's and WPL's electric sales due to higher demand by customers for air cooling

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Estimated increases (decreases) to electric and gas margins from the impacts of temperatures for the three and six months ended June 30 were as follows (in millions):

	Electric Margins						Gas Margins					
	Three Months			Six Months			Three Months			Six Months		
	2018	2017	Change	2018	2017	Change	2018	2017	Change	2018	2017	Change
IPL	$14	$1	$13	$14	($4)	$18	$1	$—	$1	$1	($3)	$4
WPL	6	(1)	7	7	(5)	12	—	—	—	1	(2)	3
Total Alliant Energy	$20	$—	$20	$21	($9)	$30	$1	$—	$1	$2	($5)	$7

Utility Electric Margin Variances - The following items contributed to increased (decreased) utility electric margins for the three and six months ended June 30, 2018 compared to the same periods in 2017 as follows (in millions):

	Three Months			Six Months		
	Alliant Energy	IPL	WPL	Alliant Energy	IPL	WPL
Estimated changes in sales volumes caused by temperatures (Refer to “Temperatures” above for details)	$20	$13	$7	$30	$18	$12
Higher margins at IPL from the impact of its 2016 Test Year retail electric base rate increases (Refer to Note 2 for details)	5	5	—	28	28	—
Higher revenues at IPL due to changes in electric tax benefit rider credits on customers’ bills	11	11	—	28	28	—
Lower transmission cost recovery amortization at WPL (a)	7	—	7	13	—	13
Changes in electric fuel-related costs, net of recoveries at WPL (b)	2	—	2	8	—	8
Decrease in revenues due to deferral of higher taxes collected to be returned to customers (deferral is offset by lower tax expense from the effects of Federal Tax Reform) (Refer to Note 2 for details)	(17)	(7)	(10)	(34)	(14)	(20)
Lower wholesale margins at WPL primarily due to the expiration of wholesale power supply agreements in 2017	(3)	—	(3)	(10)	—	(10)
Other	(6)	—	(5)	(10)	(3)	(7)
	$19	$22	($2)	$53	$57	($4)

(a) The December 2016 PSCW order for WPL’s 2017/2018 Test Period electric and gas base rate review authorized changes in electric transmission cost recovery amortizations for 2018.

(b) WPL estimates the decrease to electric margins from amounts within the approved bandwidth of plus or minus 2% of forecasted fuel-related expenses determined by the PSCW each year was approximately $6 million for the six months ended June 30, 2017. The impact to electric margins from amounts within the bandwidth was an increase of $2 million for both the three and six months ended June 30, 2018.

Electric Sales Trends - Alliant Energy’s retail electric sales volumes increased 4% and 3% for the three and six months ended June 30, 2018 compared to the same periods in 2017, respectively. The increase was primarily due to the impact of higher residential and commercial sales due to colder temperatures during the three months ended March 31, 2018 and extreme temperatures during the three months ended June 30, 2018, compared to the same periods in 2017. April 2018 HDDs were much higher than normal, and May 2018 and June 2018 CDDs were much higher than normal.

Utility Gas Margin Variances - The following items contributed to increased (decreased) utility gas margins for the three and six months ended June 30, 2018 compared to the same periods in 2017 as follows (in millions):

	Three Months		Six Months	
	IPL	WPL	IPL	WPL

	Alliant Energy			Alliant Energy		
Higher revenues at IPL related to changes in recovery amounts for energy efficiency costs through the energy efficiency rider (mostly offset by changes in energy efficiency expense included in other operation and maintenance expenses)	$3	$3	$—	$10	$10	$—
Estimated changes in sales volumes caused by temperatures (Refer to “Temperatures” above for details)	1	1	—	7	4	3
Higher margins at IPL from the impact of its 2017 Test Year interim retail gas base rate increase (Refer to Note 2 for details)	1	1	—	1	1	—
Other	2	1	1	1	3	(2)
	$7	$6	$1	$19	$18	$1

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Other Operation and Maintenance Expenses - The following items contributed to (increased) decreased other operation and maintenance expenses for the three and six months ended June 30, 2018 compared to the same periods in 2017 as follows (in millions):

	Three Months			Six Months		
	Alliant Energy	IPL	WPL	Alliant Energy	IPL	WPL
Higher generation operation and maintenance expenses, primarily due to timing of expenditures	($5)	$—	($5)	($10)	($3)	($7)
Higher performance compensation expense	(8)	(5)	(3)	(9)	(5)	(3)
Higher energy efficiency expense at IPL (primarily offset by gas revenues)	(2)	(2)	—	(8)	(8)	—
Other	(2)	(2)	—	(4)	(6)	—
	($17)	($9)	($8)	($31)	($22)	($10)

Other Income and Deductions Variances - The following items contributed to (increased) decreased other income and deductions for the three and six months ended June 30, 2018 compared to the same periods in 2017 as follows (in millions):

	Three Months			Six Months		
	Alliant Energy	IPL	WPL	Alliant Energy	IPL	WPL
Higher interest expense primarily due to higher average outstanding long-term debt balances	($9)	($3)	($2)	($15)	($5)	($3)
Higher (lower) AFUDC primarily due to increased (decreased) construction work in progress balances, including new wind generation	8	4	4	6	(3)	9
Higher equity income primarily related to increased earnings from the non-utility wind farm in Oklahoma (Refer to Note 5 for details)	—	—	—	9	—	—
Other	2	1	2	4	2	2
	$1	$2	$4	$4	($6)	$8

Income Taxes - Refer to Note 9 for details of effective income tax rates from continuing operations.

STRATEGIC OVERVIEW

The strategic overview summary included in the 2017 Form 10-K has not changed materially, except as described below.

Generation Plans -
Wind Generation - The strategic plan includes the planned development of up to 1,200 MW of wind generation in aggregate (up to 1,000 MW at IPL and up to 200 MW at WPL).

IPL's Expansion of Wind Generation - In April 2018, IPL received approval from the IUB for advance rate-making principles for up to 500 MW of new wind generation, which is in addition to the 500 MW of new generation approved by the IUB in October 2016. The April 2018 IUB decision approved IPL's requested advance rate-making principles, except for the return on common equity for the calculation of AFUDC during the construction period, of which the IUB approved a return of 9.6%.

IPL currently has on-going, new wind generation development of up to 1,000 MW utilizing the following wind sites:

Wind Site	Nameplate Capacity	Location
Upland Prairie	Up to 300 MW	Clay and Dickinson Counties, Iowa
Richland	Up to 210 MW	Sac County, Iowa

Golden Plains	Up to 200 MW	Winnebago and Kossuth Counties, Iowa
Whispering Willow Expansion	Up to 200 MW	Franklin County, Iowa
English Farms	Up to 170 MW	Poweshiek County, Iowa

WPL's Expansion of Wind Generation - In May 2018, WPL filed for approval from the PSCW to own up to 150 MW of new wind generation in Kossuth County, Iowa. WPL has entered into an agreement to purchase the wind farm after development is complete, pending approval from the PSCW, which is currently expected in early 2019. If approved, construction is currently expected to start in summer 2019.

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Refer to Note 3 for discussion of WPL's April 2018 acquisition of 55 MW of the Forward Wind Energy Center.

Coal-Fired Generation -
Plant Retirement - Refer to Note 2 for discussion of the June 2018 retirement of IPL's M.L. Kapp Unit 2.

RATE MATTERS

The rate matters summary included in the 2017 Form 10-K has not changed materially, except as described below.

Retail Base Rate Filings -
WPL's Retail Electric and Gas Rate Review (2019/2020 Test Period) - In August 2018, the PSCW issued a decision approving WPL's proposed settlement for its retail electric and gas rate review covering the 2019/2020 Test Period, which was based on a stipulated agreement between WPL and intervener groups. Under the settlement, WPL retail electric and gas base rates will not change through the end of 2020. Retail electric revenue requirements resulting from increasing investments in rate base (including West Riverside) are being offset by lower fuel-related costs and Federal Tax Reform refunds. Retail gas revenue requirements resulting from increasing investments in rate base are being offset by Federal Tax Reform refunds. Any changes granted from this decision will be effective January 1, 2019. The fuel-related cost component of WPL's retail electric rates for 2020 will be addressed in a separate filing, which is currently expected to occur in the second or third quarter of 2019.

WPL's settlement maintains the currently authorized return on common equity (ROE) of 10.0% and extends, with certain modifications, an earnings sharing mechanism through 2020. Under the earnings sharing mechanism, WPL will defer a portion of its earnings if its annual regulatory ROE exceeds 10.25% during the 2019 and 2020 Test Period. WPL must defer 50% of its excess earnings between 10.25% and 10.75%, and 100% of any excess earnings above 10.75%. The settlement was calculated based on the following key assumptions (Common Equity (CE); Long-term Debt (LD); Short-term Debt (SD); Weighted-average Cost of Capital (WACC); Net Investment Rate Base (NIRB)):

Utility	Test	Regulatory Capital Structure			After-tax	Return on	Average Rate Base
Type	Period	CE	LD	SD	WACC	NIRB (a)	(in millions) (b)
Electric	2019	52.6%	43.5%	3.9%	7.47%	6.95%	$3,507
Electric	2020	52.5%	43.8%	3.7%	7.44%	7.08%	3,955
Gas	2019	52.6%	43.5%	3.9%	7.47%	6.84%	363
Gas	2020	52.5%	43.8%	3.7%	7.44%	6.97%	387

(a) Return on NIRB includes an adjustment to the after-tax WACC to account for working capital, including impacts from Federal Tax Reform reclassifications of excess deferred taxes.

(b) Average rate base amounts reflect WPL's allocated retail share of rate base and do not include construction work in progress or a cash working capital allowance, and were calculated using a forecasted 13-month average for the test periods. The PSCW provides a return on selected construction work in progress and a cash working capital allowance by adjusting the percentage return on rate base.

IPL's Retail Gas Rate Review (2017 Test Year) - Refer to Note 2 for discussion of the request IPL filed with the IUB in May 2018 to increase annual gas base rates for its Iowa retail gas customers and the subsequent interim retail gas rate increase, which was implemented effective May 14, 2018.

IPL's Retail Electric Rate Review (2016 Test Year) - Refer to Note 2 for discussion of IPL's final annual retail electric rate increase for the 2016 Test Year, which was effective May 1, 2018.

Federal Tax Reform - In January 2018, the IUB issued an order requiring IPL and other investor-owned utilities in Iowa to track all calculated differences since January 1, 2018 resulting from Federal Tax Reform. In April 2018, the IUB issued an order on IPL's electric and gas Federal Tax Reform proposals. The IUB order approved the return of approximately $35 million of estimated annual tax benefits for 2018 to IPL's retail electric customers utilizing the tax benefit rider effective May 1, 2018. These benefits are subject to true-up. For the three months ended June 30, 2018, $7 million of tax benefits were returned to IPL's retail electric customers. The IUB order also approved the return of approximately $3 million of estimated annual tax benefits for 2018 to IPL's retail gas customers utilizing interim rates implemented May 14, 2018 for IPL's 2017 Test Year gas rate review. These benefits are subject to further review by the IUB. Lastly, the IUB order determined the excess deferred taxes resulting from the remeasurement of accumulated deferred income taxes caused by Federal Tax Reform (approximately $365 million revenue requirement) will be addressed in IPL's current and future retail electric and gas rate reviews.

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In January 2018, the PSCW issued an order directing WPL and other investor-owned utilities in Wisconsin to defer the revenue requirement impacts since January 1, 2018 resulting from Federal Tax Reform. In May 2018, the PSCW issued an order directing WPL to return annual tax benefits for 2018 to WPL's retail electric and gas customers. WPL is refunding a total of $36 million and $4 million in 2018 to its retail electric and gas customers, respectively. The estimated tax benefits related to the first half of 2018 were provided as a one-time credit of $18 million and $2 million on WPL's retail electric and gas customers' June 2018 bills, respectively. Thereafter, WPL currently expects to provide a monthly refund equal to one-twelfth of the estimated annual tax benefits for 2018 to its retail electric and gas customers through the end of 2018. The PSCW decision also determined the excess deferred taxes resulting from the remeasurement of accumulated deferred income taxes caused by Federal Tax Reform (approximately $460 million revenue requirement) will be addressed in WPL's current and future retail electric and gas rate reviews.

In March 2018, FERC issued an order granting a waiver request filed in February 2018 by a group of MISO transmission owners, including ITC Midwest LLC and ATC, allowing transmission rates to be updated to reflect the impacts resulting from Federal Tax Reform. As a result, beginning in March 2018, amounts billed by ITC Midwest LLC and ATC decreased due to the impacts from Federal Tax Reform. IPL and WPL currently expect lower electric transmission service expense of approximately $35 million and $10 million, respectively, in 2018 due to Federal Tax Reform. IPL began providing the benefits of the lower transmission service expenses to its electric customers utilizing the transmission cost recovery mechanism effective May 1, 2018. WPL will defer the benefits of the lower transmission service expenses from Federal Tax Reform until a future electric rate review. Based on IPL's and WPL's electric transmission cost recovery mechanisms, they currently do not expect that any changes to electric transmission service costs billed by ITC Midwest LLC and ATC, respectively, will have a material impact on their financial condition and results of operations.

Iowa Tax Reform - Refer to Note 2 for discussion of changes to the Iowa state income tax rate due to Iowa tax reform enacted in May 2018 and the resulting impact on Alliant Energy's and IPL's financial statements.

Iowa Energy Legislation - In May 2018, Iowa enacted new energy-related legislation. The most significant provisions of the legislation for Alliant Energy and IPL include the option for energy providers to use a forward-looking test year instead of the current historical test year approach for electric and gas rate reviews, and adjustment of electric transmission service costs through a permanent transmission rider.

IPL's Duane Arnold Energy Center Purchased Power Agreement - In 2012, IPL entered into a nuclear generation PPA for the purchase of approximately 430 MW of capacity and the resulting energy from DAEC for a term from February 2014 through December 2025. In July 2018, IPL entered into an amendment to shorten the term of the DAEC PPA by five years in exchange for a $110 million buyout payment by IPL in September 2020, which would change Alliant Energy's and IPL's future commitments related to the DAEC PPA. To replace some of the energy from DAEC, IPL entered into four new PPAs with expected 20-year terms beginning in 2020 and 2021 for the purchase of approximately 340 MW of energy in aggregate from existing Iowa wind farms that are expected to be repowered. The amendment to shorten the term of the DAEC PPA and the four new wind PPAs are expected to provide significant energy cost savings to IPL customers.

In July 2018, IPL filed an application with the IUB for approval to recover the buyout payment from IPL's retail customers over a five-year period at IPL's pre-tax weighted average cost of capital in effect at the time recovery commences. Three of the four wind PPAs and the amendment to the DAEC PPA are contingent upon IUB approval of IPL's application regarding the recovery of the buyout payment. IPL requested a decision from the IUB on its application by November 30, 2018.

LIQUIDITY AND CAPITAL RESOURCES

The liquidity and capital resources summary included in the 2017 Form 10-K has not changed materially, except as described below.

Liquidity Position - At June 30, 2018, Alliant Energy had $5 million of cash and cash equivalents, $793 million ($344 million at the parent company, $125 million at IPL and $324 million at WPL) of available capacity under the revolving credit facility and $61 million of available capacity at IPL under its sales of accounts receivable program.

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Capital Structure - Capital structures at June 30, 2018 were as follows (Long-term Debt (including current maturities) (LD); Short-term Debt (SD); Common Equity (CE); IPL's Preferred Stock (PS)):
Federal Tax Reform - Refer to "Rate Matters" for discussion of actual and expected refunds in 2018 to IPL's and WPL's retail electric and gas customers related to tax benefits resulting from Federal Tax Reform.

Cash Flows - Selected information from the cash flows statements was as follows (in millions):

	Alliant Energy		IPL		WPL	
	2018	2017	2018	2017	2018	2017
Cash, cash equivalents and restricted cash, January 1	$33.9	$13.1	$7.2	$4.2	$24.2	$6.9
Cash flows from (used for):						
Operating activities	(65.0)	127.5	(326.7)	(106.6)	225.9	229.9
Investing activities	(178.5)	(251.9)	160.4	68.6	(325.5)	(322.4)
Financing activities	221.6	123.5	164.4	38.6	80.0	91.1
Net increase (decrease)	(21.9)	(0.9)	(1.9)	0.6	(19.6)	(1.4)
Cash, cash equivalents and restricted cash, June 30	$12.0	$12.2	$5.3	$4.8	$4.6	$5.5

Operating Activities - The following items contributed to increased (decreased) operating activity cash flows for the six months ended June 30, 2018 compared to the same period in 2017 (in millions):

	Alliant Energy	IPL	WPL
Changes in the sales of accounts receivable at IPL	($222)	($222)	$—
Refunds received from ITC Midwest LLC and ATC in 2017	(50)	(39)	(11)
Increased collections from IPL's and WPL's retail customers caused by temperature impacts on electric and gas sales	37	22	15
Higher collections at IPL due to interim retail electric base rate increase effective April 13, 2017, final retail electric base rate increase effective May 1, 2018, and interim retail gas base rate increase effective May 14, 2018	29	29	—
Other (primarily due to other changes in working capital)	13	(10)	(8)
	($193)	($220)	($4)

Investing Activities - The following items contributed to increased (decreased) investing activity cash flows for the six months ended June 30, 2018 compared to the same period in 2017 (in millions):

	Alliant Energy	IPL	WPL
Changes in the amount of cash receipts on sold receivables	$197	$197	$—
Higher utility construction expenditures (a)	(134)	(101)	(2)
Other	10	(4)	(1)
	$73	$92	($3)

(a) Largely due to higher expenditures for IPL's and WPL's expansion of wind generation and IPL's advanced metering infrastructure, partially offset by lower expenditures for IPL's Marshalltown Generating Station, IPL's and WPL's electric and gas distribution systems, and WPL's West Riverside Energy Center.

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Financing Activities - The following items contributed to increased (decreased) financing activity cash flows for the six months ended June 30, 2018 compared to the same period in 2017 (in millions):

	Alliant Energy	IPL	WPL
Proceeds from issuance of long-term debt at AEF	$1,000	$—	$—
Payments to retire long-term debt	(501)	—	—
Net changes in the amount of commercial paper and short-term borrowings outstanding	(372)	85	(159)
Higher capital contributions from IPL's and WPL's parent company, Alliant Energy	—	30	150
Lower net proceeds from common stock issuances	(37)	—	—
Other	8	11	(2)
	$98	$126	($11)

Common Stock Issuances - Refer to Note 6 for discussion of common stock issuances by Alliant Energy during the six months ended June 30, 2018. Alliant Energy currently expects to issue up to $400 million of common stock in 2019 through one or more offerings and its Shareowner Direct Plan.

Short-term Debt - Refer to Note 7 for discussion of the June 2018 retirement of AEF's $95 million term loan credit agreement expiring in 2018.

Long-term Debt - Refer to Note 7(b) for discussion of $125 million of commercial paper outstanding at June 30, 2018 classified as long-term debt at Alliant Energy and IPL, $1 billion of long-term debt issued by AEF in the second quarter of 2018 (with Alliant Energy as guarantor), and the June 2018 retirement of AEF's $500 million term loan credit agreement expiring in 2018. IPL and WPL currently expect to issue up to $500 million and $400 million of long-term debt securities in 2019, respectively.

Impact of Credit Ratings on Liquidity and Collateral Obligations -
Ratings Triggers - In May 2018, Moody's Investors Service changed Alliant Energy's, IPL's and WPL's outlook from stable to negative. These outlook changes are not expected to have a material impact on Alliant Energy's, IPL's, and WPL's liquidity or collateral obligations. Standard & Poor's Ratings Services and Moody's Investors Service issued credit ratings of BBB+ and Baa1, respectively, for the senior notes issued by AEF in June 2018.

Off-Balance Sheet Arrangements - A summary of Alliant Energy's off-balance sheet arrangements is included in the 2017 Form 10-K and has not changed materially from the items reported in the 2017 Form 10-K, except for the items described in Note 4.

Certain Financial Commitments -
Contractual Obligations - A summary of Alliant Energy's, IPL's and WPL's contractual obligations is included in the 2017 Form 10-K and has not changed materially from the items reported in the 2017 Form 10-K, except for the items described in Notes 7, 13(a) and 13(b).

OTHER MATTERS

New Accounting Standards - Refer to Note 1(d) for discussion of new accounting standards impacting Alliant Energy, IPL and WPL.

Critical Accounting Policies and Estimates - The summary of critical accounting policies and estimates included in the 2017 Form 10-K has not changed materially, except as described below.

Long-Lived Assets -

Regulated Operations -
Generating Units Subject to Early Retirement - In June 2018, IPL retired M.L. Kapp Unit 2, which had a net book value of $30 million as of June 30, 2018. IPL is currently allowed a full recovery of and a full return on this EGU from both its retail and wholesale customers, and as a result, Alliant Energy and IPL concluded that no impairment was required as of June 30, 2018.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and Qualitative Disclosures About Market Risk are reported in the 2017 Form 10-K and have not changed materially.

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ITEM 4. CONTROLS AND PROCEDURES

Alliant Energy’s, IPL’s and WPL’s management evaluated, with the participation of each of Alliant Energy’s, IPL’s and WPL’s Chief Executive Officer, Chief Financial Officer and Disclosure Committee, the effectiveness of the design and operation of Alliant Energy’s, IPL’s and WPL’s disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934) as of June 30, 2018 pursuant to the requirements of the Securities Exchange Act of 1934, as amended. Based on their evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that Alliant Energy’s, IPL’s and WPL’s disclosure controls and procedures were effective as of the quarter ended June 30, 2018.

There was no change in Alliant Energy’s, IPL’s and WPL’s internal control over financial reporting that occurred during the quarter ended June 30, 2018 that has materially affected, or is reasonably likely to materially affect, Alliant Energy’s, IPL’s or WPL’s internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1A. RISK FACTORS

The risk factors described in Item 1A in the 2017 Form 10-K have not changed materially.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

A summary of Alliant Energy common stock repurchases for the quarter ended June 30, 2018 was as follows:

Period	Total Number of Shares Purchased (a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Maximum Number (or Approximate Dollar Value) of Shares That May Yet Be Purchased Under the Plan (a)
April 1 through April 30	3,779	$40.56	—	N/A
May 1 through May 31	3,956	41.09	—	N/A
June 1 through June 30	280	40.95	—	N/A
	8,015	40.83	—	

(a) All shares were purchased on the open market and held in a rabbi trust under the Alliant Energy Deferred Compensation Plan. There is no limit on the number of shares of Alliant Energy common stock that may be held under the Deferred Compensation Plan, which currently does not have an expiration date.

Refer to Note 6 for discussion of IPL’s and WPL’s dividend restrictions and limitations on distributions to their parent company, Alliant Energy.

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ITEM 6. EXHIBITS

The following Exhibits are filed herewith or incorporated herein by reference.

Exhibit Number	Description
1.1	Distribution Agreement, dated May 18, 2018, among Alliant Energy, Barclays Capital Inc., BNY Mellon Capital Markets, LLC and J.P. Morgan Securities LLC (incorporated by reference to Exhibit 1.1 to Alliant Energy's Form 8-K, filed May 21, 2018 (File No. 1-9894))
3.1	Amended and Restated Bylaws of Alliant Energy, effective July 25, 2018 (incorporated by reference to Exhibit 3.1 to Alliant Energy's Form 8-K, filed July 26, 2018 (File No. 1-9894))
3.2	Amended and Restated Bylaws of IPL, effective July 25, 2018 (incorporated by reference to Exhibit 3.2 to IPL's Form 8-K, filed July 26, 2018 (File No. 1-4117))
3.3	Amended and Restated Bylaws of WPL, effective July 25, 2018 (incorporated by reference to Exhibit 3.3 to WPL's Form 8-K, filed July 26, 2018 (File No. 0-337))
4.1	Indenture, dated as of June 12, 2018, among AEF, Alliant Energy, as guarantor, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to Alliant Energy's Form 8-K, filed June 12, 2018 (File No. 1-9894))
12.1	Ratio of Earnings to Fixed Charges for Alliant Energy
12.2	Ratio of Earnings to Fixed Charges and Ratio of Earnings to Combined Fixed Charges and Preferred Dividend Requirements for IPL
12.3	Ratio of Earnings to Fixed Charges for WPL
31.1	Certification of the Chairman and Chief Executive Officer for Alliant Energy
31.2	Certification of the Senior Vice President, Chief Financial Officer and Treasurer for Alliant Energy
31.3	Certification of the Chairman and Chief Executive Officer for IPL
31.4	Certification of the Senior Vice President, Chief Financial Officer and Treasurer for IPL
31.5	Certification of the Chairman and Chief Executive Officer for WPL
31.6	Certification of the Senior Vice President, Chief Financial Officer and Treasurer for WPL
32.1	Written Statement of the Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C.§1350 for Alliant Energy
32.2	Written Statement of the Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C.§1350 for IPL
32.3	Written Statement of the Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C.§1350 for WPL
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Alliant Energy Corporation, Interstate Power and Light Company and Wisconsin Power and Light Company have each duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on the 3rd day of August 2018.

ALLIANT ENERGY CORPORATION
Registrant

By: /s/ Benjamin M. Bilitz Chief Accounting Officer and Controller

Benjamin M. Bilitz (Principal Accounting Officer and Authorized Signatory)
INTERSTATE POWER AND LIGHT COMPANY
Registrant

By: /s/ Benjamin M. Bilitz Chief Accounting Officer and Controller
Benjamin M. Bilitz (Principal Accounting Officer and Authorized Signatory)
WISCONSIN POWER AND LIGHT COMPANY
Registrant

By: /s/ Benjamin M. Bilitz Chief Accounting Officer and Controller
Benjamin M. Bilitz (Principal Accounting Officer and Authorized Signatory)

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