



March 28, 2011

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

James H. Gallegos
Vice President and General Counsel
Alliant Energy Corporation
4902 North Biltmore Lane
Suite 1000
Madison, WI 53718-2148

Office: 608.458-5522
Fax: 608.458.4820
jamesgallegos@alliantenergy.com

RE: File No. S7-18-08

Dear Ms. Murphy:

Alliant Energy Corporation (“Alliant Energy”) appreciates the opportunity to offer comments on the proposed amendment to the eligibility requirement for Form S-3 set forth in Release No. 33-9186, File No. S7-18-08 (the “Release”), issued by the Securities and Exchange Commission (the “Commission”). In the Release, the Commission proposed eliminating Form S-3 eligibility for issuers offering investment grade, non-convertible securities (the “Investment Grade Test”). The Commission proposed replacing the Investment Grade Test by permitting registrants that have issued over \$1 billion of non-convertible securities in registered offerings in the last three years (the “Billion Dollar Test”) to use Form S-3.

Alliant Energy has reviewed the comment letter (the “EEI Comment Letter”) submitted by the Edison Electric Institute (“EEI”) and agrees with the comments of EEI. In particular, Alliant Energy agrees that a substantial number of regulated electric utilities will be adversely impacted by the proposed rule change and concurs with EEI’s description of those adverse impacts, particularly increased costs and reduced market access. Alliant Energy agrees with EEI that the proposed Billion Dollar Test is not the appropriate standard for Form S-3 eligibility. Alliant Energy supports the alternative Form S-3 eligibility criteria outlined in the EEI Comment Letter, particularly permitting subsidiaries of WKSIs to use Form S-3. Alliant Energy also asks the Commission to consider permitting utilities regulated by federal, state or local regulatory commissions to use Form S-3.

Background

Alliant Energy (NYSE: LNT) is a well-known seasoned issuer (“WKSI”) with a current market capitalization over \$4 billion. Alliant Energy is a public utility holding company with wholly-owned regulated electric and gas utility subsidiaries and non-utility

subsidiaries. Alliant Energy's principal subsidiaries are Interstate Power and Light Company ("IPL") and Wisconsin Power and Light Company ("WPL"). Alliant Energy, IPL and WPL are separate registrants who file joint periodic reports with the Commission under the Securities Exchange Act of 1934 (the "Exchange Act") and have done so since 1998. IPL and WPL and their predecessors also filed standalone periodic reports with the Commission for decades prior to that time.

In 2010, Alliant Energy had net income of \$306 million, including \$143 million of net income at IPL and \$152 million of net income at WPL. Alliant Energy had revenues of \$3.4 billion, including \$1.8 billion in revenue at IPL and \$1.4 billion in revenue at WPL. Alliant Energy had assets of \$9.3 billion, including \$4.9 billion of assets at IPL and \$3.9 billion of assets at WPL. IPL and WPL together comprise over 94% of each of Alliant Energy's net income, revenue and assets.

IPL and WPL issue registered debt securities and preferred stock "off the shelf" under Rule 415 of the Securities Act of 1933 and Form S-3 registration statements. Both companies rely on the Investment Grade Test for Form S-3 eligibility. The Commission's proposed rule would render IPL and WPL ineligible for Form S-3.

Regulated Utilities Should Be Permitted to Rely on Form S-3 Without Meeting the Proposed Billion Dollar Test

Alliant Energy believes the Commission should consider replacing the Form S-3 Investment Grade Test with one allowing public utility companies that are regulated by federal, state or local utility regulatory commissions to be eligible for Form S-3. Federal, state and local regulatory commissions regulate securities offerings by public utilities. Regulation by such commissions is based on public need and the desire to protect the financial viability of the utilities under their respective jurisdictions. If the goal of the Investment Grade Test was to permit credit-worthy issuers to use Form S-3, then Alliant Energy believes this alternative is a good substitute. The regulation of securities offerings for IPL and WPL, as described below, are provided as examples of regulation securities issuances.

Securities issuances by IPL are regulated by the Federal Energy Regulatory Commission ("FERC"). FERC regulates securities issuances of public utilities if those issuances are not subject to state utility regulatory oversight. FERC authorizes securities issuances over a two year period if it finds they are necessary, appropriate for and consistent with the proper performance by IPL of its service as a public utility, and that the issuances will not impair IPL's ability to perform that service. Financial information is considered by FERC in making its determination to permit the securities issuances. FERC places conditions on the issuance of securities, including limits on the amount of securities that may be offered, on-going reporting obligations and general conditions on the use of proceeds of the offerings. FERC can retract its authorization for IPL to issue additional securities if it finds that IPL no longer meets the pertinent regulatory requirements.

Securities issuances by WPL are regulated by the Public Service Commission of Wisconsin (“PSCW”). The PSCW authorizes securities issuances if it finds, among other things, that they are reasonable, necessary and in the public interest, and that they afford reasonable protection to the purchasers of the securities. A great deal of financial information is considered by the PSCW in making its determination to permit the securities issuances. The PSCW places conditions on the issuance of the securities, including limits on the amount that may be offered, on-going reporting obligations and general conditions on the use of proceeds of the offerings. The PSCW can retract its authorization for WPL to issue additional securities if it finds that WPL no longer meets the pertinent regulatory requirements.

The utility regulatory commissions consider the financial need for the securities issuances and the impact of their issuance on the financial health of the issuer and on the public interest, considerations that provide extra protection to investors. Further, the rates that IPL and WPL charge customers for utility services are authorized by state utilities commissions and are designed to enable IPL and WPL to service their debt, pay for operations, recover capital investments and earn an appropriate rate of return. While not a guaranty of creditworthiness, the regulation of securities issuances and rates charged to customers provides justification for permitting regulated public utilities to continue to use Form S-3 under the same rationale that public utilities were permitted to use Form S-3 under the Investment Grade Test.

Subsidiaries of WKSIs Should Be Eligible for Form S-3

WKSIs have been deemed by the Commission to be established issuers who are well-followed in the market. As such, WKSIs are eligible for Form S-3 and can file a Form S-3 that becomes immediately effective without staff review or comment.

Alliant Energy, as a WKSI, is permitted to file a Form S-3 which becomes effective without review by Commission staff because it is well-followed by the market. In order for the market to determine the financial strength of Alliant Energy, the market must necessarily consider the financial strength of IPL and WPL, because IPL and WPL constitute over 94% of certain key financial parameters of Alliant Energy, as previously described. A decision to invest in Alliant Energy cannot be made without deciding whether to invest in IPL and WPL. Further, the information necessary to make an investment decision in Alliant Energy, IPL and WPL can all be found in the same Exchange Act reports filed with the Commission. While IPL and WPL are not WKSIs under Commission rules, they are as well-followed in the market as Alliant Energy, their WKSI parent, because they are the primary components to Alliant Energy’s overall financial results.

Principal subsidiaries of utility holding companies are as well-followed in the market as their parent WKSIs. Therefore, the rationale for permitting WKSIs to file Form S-3 would also apply to a WKSIs’ principal subsidiaries. This is especially true in the case of a WKSI holding company, such as Alliant Energy, where the WKSI’s financial condition is nearly entirely dependent on the financial conditions of the WKSI’s

subsidiaries, and where the subsidiaries and the WKSI file combined Exchange Act reports.

The \$1 Billion Threshold is Not the Appropriate Threshold

Both IPL and WPL would be precluded from using the Form S-3 under the Billion Dollar Test. IPL has issued \$900 million in debt securities during the three-year period ended December 31, 2010. WPL has issued \$650 million in debt securities during the three-year period ended December 31, 2010. Under the Billion Dollar Test, IPL and WPL may be eligible for Form S-3 in some years, but required to complete Form S-1 in others, given the cyclical nature of financing needs.

Alliant Energy agrees with EEI that if the Commission does not allow regulated utilities or subsidiaries of WKSIs to use Form S-3 or imposes a threshold in connection with allowing such alternatives, then the threshold should be lowered and/or the look-back period should be lengthened. For example, applying a \$500 million threshold over a five-year period to each of IPL and WPL might be consistent with applying the proposed Billion Dollar Test to Alliant Energy. This is based on the premise that a public utility holding company is the sum of its parts, so the threshold could be split up proportionally among its subsidiaries. The longer time period addresses the uneven timing of issuances. As an alternative, the Commission might consider aggregating those utility operating companies that are registrants with the Commission and are also wholly-owned by the same public utility holding company in applying its proposed Billion Dollar Test or any other threshold.

Conclusion

Alliant Energy requests the Commission to consider proposals to permit public utility companies to continue to be eligible for Form S-3. The EEI Comment Letter explains the detrimental impacts eliminating Form S-3 eligibility will have on public utility companies. IPL and WPL expect to experience all of the detrimental impacts discussed in the EEI Comment Letter. We believe alternative Form S-3 eligibility proposals discussed in the EEI Comment Letter and this comment letter should be reviewed and adopted by the Commission.

If the Commission has any question about these comments, please feel free to contact either me or Jake Blavat at (608) 458-3844. Thank you.

Respectfully Submitted,



James H. Gallegos
Vice President and General Counsel