

ALLIANT ENERGY CORP
Form DEF 14A
April 03, 2008
Table of Contents

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY**
(AS PERMITTED BY RULE 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

ALLIANT ENERGY CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(3) Filing Party:

(4) Date Filed:

Table of Contents

ALLIANT ENERGY CORPORATION
ANNUAL MEETING OF SHAREOWNERS

DATE: Thursday, May 15, 2008

TIME: 1:00 p.m. (Central Daylight Time)

LOCATION: Alliant Energy Center of Dane County

Exhibition Hall

1919 Alliant Energy Center Way

Madison, Wisconsin 53713

SHAREOWNER INFORMATION

Wells Fargo Shareowner Services

161 North Concord Exchange

P. O. Box 64854

St. Paul, MN 55164-0854

1-800-356-5343

www.wellsfargo.com/shareownerservices

Table of Contents

Alliant Energy Corporation

4902 North Biltmore Lane

P. O. Box 14720

Madison, WI 53708-0720

Phone: 608-458-3110

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

Dear Alliant Energy Corporation Shareowner:

On Thursday, May 15, 2008, Alliant Energy Corporation will hold its 2008 Annual Meeting of Shareowners at the Alliant Energy Center of Dane County, Exhibition Hall, 1919 Alliant Energy Center Way, Madison, Wisconsin. The meeting will begin at 1:00 p.m. (Central Daylight Time).

Only our shareowners of record at the close of business on March 20, 2008 may vote at this meeting. All shareowners are requested to be present at the meeting in person or by proxy so that a quorum may be ensured. At the meeting, our shareowners will be asked to:

1. Elect three directors to serve on our Board of Directors for terms expiring at the 2011 Annual Meeting;
2. Ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008; and
3. Attend to any other business properly presented at the meeting.

Our Board of Directors presently knows of no other business to come before the meeting.

If your shares are registered directly with our Shareowner Direct Plan, the Alliant Energy 401(k) Savings Plan or the IES Employee Stock Ownership Plan, then you may vote those shares by telephone or Internet. Instructions for voting by these convenient methods are shown on the enclosed proxy card. If you prefer, you may sign and date the enclosed proxy card and return it in the postage-paid envelope.

A copy of our 2007 Annual Report was included in the mailing of this Notice of Annual Meeting and Proxy Statement.

Important Notice Regarding the Availability of Proxy Materials for the Shareowner Meeting to Be Held on May 15, 2008. The Alliant Energy Corporation proxy statement for the 2008 Annual Meeting of Shareowners and the 2007 Annual Report to Shareowners are available at <http://www.alliantenergy.com/eproxy>.

By Order of the Board of Directors,

F. J. Buri

Corporate Secretary

Dated, mailed and made available on the

Internet on or about April 3, 2008.

Table of Contents

TABLE OF CONTENTS

<u>Questions and Answers</u>	1
<u>Election of Directors</u>	4
<u>Meetings and Committees of the Board</u>	6
<u>Corporate Governance</u>	8
<u>Ownership of Voting Securities</u>	11
<u>Compensation Discussion and Analysis</u>	12
<u>Compensation and Personnel Committee Report</u>	21
<u>Summary Compensation Table</u>	22
<u>Grants of Plan-Based Awards</u>	24
<u>Outstanding Equity Awards at Fiscal Year-End</u>	25
<u>Option Exercises and Stock Vested</u>	26
<u>Pension Benefits</u>	27
<u>Nonqualified Deferred Compensation</u>	30
<u>Potential Payments Upon Termination or Change in Control</u>	31
<u>Director Compensation</u>	37
<u>Report of the Audit Committee</u>	40
<u>Proposal for the Ratification of the Appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for 2008</u>	41
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	42

Table of Contents

QUESTIONS AND ANSWERS

1. Q: Why am I receiving these materials?

A: Our Board of Directors is providing these proxy materials to you in connection with our Annual Meeting of Shareowners (the Annual Meeting), which will take place on Thursday, May 15, 2008. As a shareowner, you are invited to attend the Annual Meeting and are entitled to and requested to vote on the proposals described in this proxy statement.

2. Q: What is Alliant Energy Corporation?

A: We are a public utility holding company whose primary first tier subsidiaries are Interstate Power and Light Company (IPL), Wisconsin Power and Light Company (WPL), Alliant Energy Resources, Inc. (Resources) and Alliant Energy Corporate Services, Inc. (Corporate Services).

3. Q: Who is entitled to vote at the Annual Meeting?

A: Only shareowners of record at the close of business on March 20, 2008 are entitled to vote at the Annual Meeting. As of the record date, 110,436,824 shares of our common stock were issued and outstanding. Each shareowner is entitled to one vote for each share of our common stock held on the record date.

4. Q: What may I vote on at the Annual Meeting?

A: You may vote on:

The election of three nominees to serve on our Board of Directors for terms expiring at the 2011 Annual Meeting; and
The ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008.

5. Q: How does the Board of Directors recommend I vote?

A: Our Board of Directors recommends that you vote your shares FOR each of the listed director nominees; and FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008.

6. Q: How can I vote my shares?

A: You may vote either in person at the Annual Meeting or by appointing a proxy. If your shares are registered directly with our Shareowner Direct Plan, the Alliant Energy 401(k) Savings Plan or the IES Employee Stock Ownership Plan, then you have three options to appoint a proxy:

By telephone;
By Internet; or
By mailing the proxy card.

Please refer to the instructions included on your proxy card to vote by proxy. If you hold your shares through a bank, broker or other record holder, then you may vote by the methods your bank or broker make available, in which case the bank or broker will include instructions with this proxy statement. If you vote by the Internet, then you should understand that there might be costs associated with electronic access that you must bear, such as usage charges from Internet access providers and telephone companies. Appointing a proxy will not affect your right to vote your shares if you attend the Annual Meeting and desire to vote in person.

7. Q: How are votes counted?

A:

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In voting for the election of directors, you may vote FOR all of the director nominees or you may WITHHOLD your vote with respect to one or more nominees. In voting on the proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008, you may vote FOR, AGAINST or you may ABSTAIN. If you return your signed proxy card but do not mark the boxes showing how you wish to vote, your shares will be voted FOR all listed director nominees and FOR the proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008. If your proxy card is not signed, your votes will not be counted.

8. Q: Can I change my vote?

A: You have the right to revoke your proxy at any time before the Annual Meeting by:

Providing written notice to our Corporate Secretary and voting in person at the Annual Meeting; or

Table of Contents

Appointing a new proxy prior to the start of the Annual Meeting.

Attendance at the Annual Meeting will not cause your previously appointed proxy to be revoked unless you specifically so request in writing.

9. Q: What shares are included on the proxy card(s)?

A: Your proxy card(s) covers all of your shares of our common stock, including any shares held in your account under our Shareowner Direct Plan and the 401(k) Savings Plan. For present or past employees of IPL, your proxy card includes any shares held in your account under the IES Employee Stock Ownership Plan.

10. Q: How is the Company's common stock held for employees in the Alliant Energy Corporation 401(k) Savings Plan voted?

A: Your shares held in the 401(k) Savings Plan will be included on the proxy card that covers all of your shares of our common stock. You will not receive a separate proxy card for these shares.

11. Q: What does it mean if I get more than one proxy card?

A: If your shares are registered differently and are in more than one account, then you will receive more than one proxy card. Be sure to vote all of your accounts to ensure that all of your shares are voted. We encourage you to have all accounts registered in the same name and address (whenever possible). You can accomplish this by contacting Wells Fargo Shareowner Services at the shareowner information number shown at the front of this proxy statement.

12. Q: Who may attend the Annual Meeting?

A: All shareowners who owned our shares of common stock on March 20, 2008 may attend the Annual Meeting. You will be asked to indicate whether you plan to attend the Annual Meeting when voting by telephone or Internet, or you may indicate your intention to attend the Annual Meeting on the enclosed proxy card.

13. Q: How will voting on any other business be conducted?

A: Our Board of Directors does not know of any business to be considered at the Annual Meeting other than the election of directors and the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2008. If any other business is properly presented at the Annual Meeting, your proxy gives William D. Harvey, our Chairman, President and Chief Executive Officer, and F. J. Buri, our Corporate Secretary, authority to vote on such matters at their discretion.

14. Q: Where and when will I be able to find the results of the voting?

A: The results of the voting will be announced at the Annual Meeting. You may also call us at the information number shown at the Notice of Annual Meeting for the results. We will also publish the final results in our Quarterly Report on Form 10-Q for the second quarter of 2008 to be filed with the Securities and Exchange Commission (SEC).

15. Q: Are our 2007 Annual Report and these proxy materials available on the Internet?

A: Yes. As required by rules adopted by the SEC, we are making our proxy statement and our annual report available to our shareowners electronically via the Internet. You can access these materials at <http://www.alliantenergy.com/eproxy>.

16. Q: How can I access future proxy materials and annual reports on the Internet?

A: We are offering you the opportunity to consent to access our future notices of shareowner meetings, proxy materials and annual reports electronically through our web site.

If you are a shareowner of record, you can consent to access these materials electronically to allow us to save the cost of producing and mailing these materials by marking the appropriate box on your proxy card or by following the instructions provided if you vote over the Internet or by telephone. If you consent to access these materials over the Internet, then you will receive a proxy card in the mail next year with instructions containing the Internet address to access those materials. However, you will not receive those proxy materials and the annual report by mail. Your consent will remain in effect unless it is revoked by writing to Wells Fargo Shareowner Services at the shareowner information address

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shown at the front of this proxy statement.

If you hold your stock through a bank, broker or other holder of record, please refer to the information provided by that entity for instructions on how to elect to view future proxy statements and annual reports over the Internet.

Table of Contents

If you consent to electronic access, then you will be responsible for your usual Internet-related charges (e.g., on-line fees and telephone charges) in connection with electronic viewing and printing of proxy materials and annual reports. We will continue to distribute printed materials to shareowners who do not consent to access these materials electronically.

17. Q: When are shareowner proposals for the 2009 Annual Meeting due?

A: All shareowner proposals to be considered for inclusion in our proxy statement for the 2009 Annual Meeting, pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 (Rule 14a-8), must be received at our principal office by Dec. 5, 2008.

In addition, any shareowner who intends to present a proposal at the 2009 Annual Meeting must comply with the requirements set forth in our Bylaws. Our Bylaws state, among other things, that to bring business before an annual meeting, a shareowner must give written notice that complies with the Bylaws to our Corporate Secretary not later than 45 days in advance of the first annual anniversary of the date we first mailed our proxy statement to shareowners for the prior year's annual meeting. Accordingly, we must receive notice of a shareowner's proposal submitted other than pursuant to Rule 14a-8 no later than Feb. 16, 2009. If the notice is received after Feb. 16, 2009, then the notice will be considered untimely and we are not required to present such proposal at the 2009 Annual Meeting. If our Board of Directors chooses to present a proposal submitted other than pursuant to Rule 14a-8 at the 2009 Annual Meeting, then the persons named in the proxies solicited by the Board of Directors for the 2009 Annual Meeting may exercise discretionary voting power with respect to such proposal.

18. Q: Who is our independent registered public accounting firm and how is it appointed?

A: Deloitte & Touche LLP audited our financial statements for the year ended Dec. 31, 2007. Representatives of Deloitte & Touche LLP are expected to be present at the Annual Meeting with the opportunity to make a statement if they so desire and to be available to respond to appropriate questions. The Audit Committee of the Board of Directors has appointed, and is recommending for ratification by shareowners its appointment of, Deloitte & Touche LLP as our independent registered public accounting firm for the year ending Dec. 31, 2008.

19. Q: Who will bear the cost of soliciting proxies for the Annual Meeting and how will these proxies be solicited?

A: We will pay the cost of preparing, assembling, printing, mailing and distributing these proxy materials. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone or by electronic communication by our officers and employees who will not receive any additional compensation for these solicitation activities. We will pay banks, brokers, nominees and other fiduciaries reasonable charges and expenses incurred in forwarding the proxy materials to their principals. We have retained Laurel Hill Advisory Group LLC to aid in the solicitation at an estimated cost of \$7,500 plus reimbursable out-of-pocket expenses.

20. Q: If more than one shareowner lives in my household, how can I obtain an extra copy of the 2007 Annual Report and proxy statement?

A: Pursuant to the rules of the SEC, services that deliver our communications to shareowners that hold their stock through a bank, broker or other holder of record may deliver to multiple shareowners sharing the same address a single copy of our 2007 Annual Report and proxy statement. Upon written or oral request, we will mail a copy of the 2007 Annual Report and proxy statement to any shareowner at a shared address to which a single copy of the document was previously delivered. You may notify us of your request by calling or writing to us, as the case may be, at the information address or number shown on the Notice of Annual Meeting. You may also access these materials at <http://www.alliantenergy.com/eproxy>.

Table of Contents

ELECTION OF DIRECTORS

At the Annual Meeting, three directors will be elected for terms expiring in 2011. The nominees for election as recommended by the Nominating and Governance Committee and selected by the Board of Directors are William D. Harvey, James A. Leach and Singleton B. McAllister. Each of the nominees is currently serving on our Board of Directors. Each person elected as a director will serve until our Annual Meeting of Shareowners in 2011, or until his or her successor has been duly qualified and elected.

Directors will be elected by a plurality of the votes cast at the meeting (assuming a quorum is present). Consequently, any shares not voted at the meeting will have no effect on the election of directors. The proxies solicited may be voted for a substitute nominee or nominees if any of the nominees are unable to serve, or for good reason will not serve, a contingency not now anticipated.

Brief biographies of the director nominees and continuing directors follow. These biographies include their ages (as of Dec. 31, 2007), an account of their business experience and the names of publicly held and certain other corporations of which they are also directors. Except as otherwise indicated, each nominee and continuing director has been engaged in his or her present occupation for at least the past five years.

NOMINEES

WILLIAM D. HARVEY

Director since 2005

Age 58

Nominated Term expires in 2011

Mr. Harvey has served as Chairman of the Board of the Company, IPL, WPL and Resources since February 2006. He has served as President and Chief Executive Officer of the Company and as the Chief Executive Officer of IPL, WPL and Resources since July 2005 and as President of Resources since January 2005. He previously served as President and Chief Operating Officer of the Company and Chief Operating Officer of IPL, WPL and Resources since January 2004 and as Executive Vice President Generation for the Company, IPL and Resources and President of WPL from 1998 to January 2004.

JAMES A. LEACH

Director since 2007

Age 65

Nominated Term expires in 2011

Former Congressman Leach has served as the interim Director of the Institute of Politics at the John F. Kennedy School of Government at Harvard University in Boston, Mass. since July 2007. He has also served as the John L. Weinberg Professor of Public and International Policy at the Woodrow Wilson School of Princeton University in Princeton, N.J. since Jan. 2007. Congressman Leach served as a member of the United States House of Representatives from the State of Iowa during the period of 1977 through 2006. He serves on the Board of Directors of United Fire and Casualty Company and on a series of non-profit organization boards. Mr. Leach has served as a Director of IPL, WPL and Resources since 2007.

SINGLETON B. MCALLISTER

Director since 2001

Age 55

Nominated Term expires in 2011

Ms. McAllister has been a partner in the Washington D. C. office of the law firm of LeClair & Ryan LLP based in Richmond, Va. since October 2007. She previously served as a partner in the law firm of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo P. C. from July 2005 to October 2007. Ms. McAllister served as the Corporate Diversity Counsel practice group chair and in the public law and policy strategies group of the Washington, D.C. law firm office of Sonnenschein, Nath & Rosenthal, LLP from 2003 to July 2005. She serves on the Board of Directors of United Rentals, Inc. Ms. McAllister has served as a Director of IPL (or predecessor companies), WPL and Resources since 2001. Ms. McAllister is Chairperson of the Compensation and Personnel Committee.

The Board of Directors unanimously recommends a vote FOR all nominees for election as directors.

Table of Contents**CONTINUING DIRECTORS****MICHAEL L. BENNETT**

Director since 2003

Age 54

Term expires in 2010

Mr. Bennett has served as President and Chief Executive Officer of Terra Industries Inc., an international producer of nitrogen products and methanol ingredients headquartered in Sioux City, Iowa, since April 2001. He also serves as Chairman of the Board for Terra Nitrogen GP Inc., a subsidiary of Terra Industries Inc. Mr. Bennett has served as a Director of IPL, WPL and Resources since 2003. Mr. Bennett is Chairperson of the Nominating and Governance Committee and the Lead Independent Director.

DARRYL B. HAZEL

Director since 2006

Age 59

Term expires in 2010

Mr. Hazel has served as President of the Customer Service Division and Senior Vice President of Ford Motor Company, an automobile manufacturer, since March 2006. He previously served as President of Marketing of Ford Motor Company from September 2005 to March 2006; President of the Ford Division from April 2005 to September 2005; and President of the Lincoln Mercury Division from August 2002 to April 2005. Mr. Hazel has served as Director of IPL, WPL and Resources since 2006.

ANN K. NEWHALL

Director since 2003

Age 56

Term expires in 2009

Ms. Newhall is Executive Vice President, Chief Operating Officer, Secretary and a Director of Rural Cellular Corporation (RRC), a cellular communications corporation located in Alexandria, Minn. She has served as Executive Vice President and Chief Operating Officer since August 2000, as Secretary since February 2000 and as a Director since August 1999. RRC has entered into a publicly announced merger agreement with Verizon that has been approved by RRC's shareowners. The merger is expected to close in the first half of 2008. Ms. Newhall has served as a Director of IPL, WPL and Resources since 2003.

DEAN C. OESTREICH

Director since 2005

Age 55

Term expires in 2009

Mr. Oestreich has been Chairman of Pioneer Hi-Bred International, Inc., developer and supplier of advanced plant genetics, and a wholly-owned subsidiary of DuPont Corporation, located in Johnston, Iowa, since Nov. 2007. He has served as Vice President of DuPont Corporation since 2004. He previously served as President of Pioneer Hi-Bred International, Inc. from 2004 to 2007. Mr. Oestreich previously served as Vice President and Business Director of North America from 2002 to 2004 and Vice President and Director of Supply Management from 2001 to 2002. Mr. Oestreich has served as a Director of IPL, WPL and Resources since 2005. Mr. Oestreich is Chairperson of the Environmental, Nuclear, Health and Safety Committee.

DAVID A. PERDUE

Director since 2001

Age 58

Term expires in 2010

Mr. Perdue retired in July 2007 from his position as Chairman of the Board and Chief Executive Officer of Dollar General Corporation, a retail organization headquartered in Goodlettsville, Tenn., following its sale to a private equity firm. He was named Chief Executive Officer and a Director in April 2003 and elected Chairman of the Board in June 2003. From July 2002 to March 2003, he was Chairman and Chief Executive Officer of Pillowtex Corporation, a textile manufacturing company located in Kannapolis, N.C. From 1998 to 2002, he was employed by Reebok International Limited, where he served as President of the Reebok Brand from 2000 to 2002. Mr. Perdue has served as a Director of IPL (or predecessor companies), WPL and Resources since 2001.

JUDITH D. PYLE

Director since 1992

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Age 64

Term expires in 2010

Ms. Pyle is President of Judith Dion Pyle and Associates, a financial services company located in Middleton, Wis. Prior to assuming her current position in 2003, she served as Vice Chair of The Pyle Group, a financial services company located in Madison, Wis. She previously served as Vice Chair and Senior Vice President of Corporate Marketing of Rayovac Corporation, a battery and lighting products manufacturer located in Madison, Wis. In addition, Ms. Pyle is a Director of Uniek, Inc. Ms. Pyle has served as a Director of WPL since 1994, of Resources since 1992 and of IPL (or predecessor companies) since 1998.

Table of Contents

CAROL P. SANDERS

Director since 2005

Age 40

Term expires in 2009

Ms. Sanders has served as Chief Financial Officer and Corporate Secretary of Jewelers Mutual Insurance Company of Neenah, Wis., a nationwide insurer that specializes in protecting jewelers and personal jewelry, since 2004. She previously served as Controller and Assistant Treasurer of Sentry Insurance located in Stevens Point, Wis. from 2001 to 2004. Ms. Sanders has served as a Director of IPL, WPL and Resources since 2005. Ms. Sanders is Chairperson of the Audit Committee.

MEETINGS AND COMMITTEES OF THE BOARD

The Board of Directors has standing Audit; Compensation and Personnel; Nominating and Governance; Environmental, Nuclear, Health and Safety; Capital Approval; and Executive Committees. The Board of Directors has adopted formal written charters for each of the Audit, Compensation and Personnel, and Nominating and Governance Committees, which are available, free of charge, on our web site at www.alliantenergy.com/investors under the Corporate Governance caption or in print to any shareowner who requests them from our Corporate Secretary. The following is a description of each of these committees:

Audit Committee

The Audit Committee held seven meetings in 2007. The Committee currently consists of C. P. Sanders (Chair), D. B. Hazel, A. K. Newhall and D. A. Perdue. Each of the members of the Committee is independent as defined by the New York Stock Exchange (NYSE) listing standards and SEC rules. The Board of Directors has determined that Ms. Sanders and two additional Audit Committee members qualify as audit committee financial experts as defined by SEC rules. The Audit Committee is responsible for assisting Board oversight of: (1) the integrity of our financial statements; (2) our compliance with legal and regulatory requirements; (3) the independent registered public accounting firm's qualifications and independence; and (4) the performance of our internal audit function and independent registered public accounting firm. The Audit Committee is also directly responsible for the appointment, retention, termination, compensation and oversight of our independent registered public accounting firm.

Compensation and Personnel Committee

The Compensation and Personnel Committee held six meetings in 2007. The Committee currently consists of S. B. McAllister (Chair), M. L. Bennett, D. B. Hazel and D. C. Oestreich. Each of the members of the Committee is independent as defined by the NYSE listing standards and SEC rules. This Committee reviews and approves corporate goals and objectives relevant to chief executive officer compensation and the compensation of the other principal executive officers, evaluates the chief executive officer's performance and determines and approves as a committee, or together with the other independent directors, the chief executive officer's compensation level based on its evaluation of the chief executive officer's performance in addition to reviewing and approving the recommendations of the chief executive officer with regard to the other executive officers. The Committee has responsibilities with respect to our executive compensation and incentive programs and management development programs. It also makes recommendations to the Nominating and Governance Committee regarding compensation for the non-management directors.

To support the Committee in carrying out its mission, the Committee has the authority to engage the services of outside advisors, experts and others to assist the Committee with the expense of such outside consultants provided for by us. For 2007, the Committee formally engaged Towers Perrin as an outside compensation consultant to serve as an advisor in evaluating the compensation of our chief executive officer, other named executive officers and our outside non-management directors. Towers Perrin also provides assistance and serves as an advisor and provides market information and trends regarding executive compensation programs; provides benchmarking and competitive market reviews of our executive officer total compensation; assists with the design of our short- and long-term incentive programs and executive retirement programs as well as assisting management with the implementation of these programs; and provides technical considerations and actuarial services. We provide for the appropriate funding, as determined by the Committee, for payment of fees and out of pocket expenses to Towers Perrin. The Committee has the authority to retain and terminate the outside compensation consultant. During 2007 and previously, Towers Perrin, through a separate part of its organization, also provided certain services for management purposes that are recommended and approved by the chief executive officer, Vice President of Shared Services, Chief Human Resources Officer, and/or the Director of Executive, Board and Total Compensation. In the capacity as a consultant to management, Towers Perrin provides competitive market data and business and technical insight, but does not recommend pay program and pay level changes.

Table of Contents

The Committee reviews and approves all elements of our executive compensation programs. Our chief executive officer provides input to the Committee in the assessment, design and recommendation of executive compensation programs, plans and awards. Annually, the chief executive officer reviews with the Committee market data provided by Towers Perrin about our peer group to help verify survey job information adequately captures officers' duties. Based on that data, the chief executive officer recommends to the Committee base salary adjustments and short- and long-term incentive targets in relation to external market data while also considering internal equity considerations and executive officers' individual performance. The chief executive officer provides recommendations to the Committee for total annual compensation of executive officers. The chief executive officer does not, however, make any recommendation to the Committee regarding his own compensation. Further, the chief executive officer and other executive officers assess the performance of those executive officers reporting to them. The chief executive officer is invited to attend all Committee meetings to provide an update of progress made towards achievement of annual performance goals and to provide management's views on compensation program design features and components.

The Committee has reviewed and approved the charter for our internal Total Compensation Committee made up of Vice Presidents of our energy delivery, generation, finance, shared services and treasury business units. The Total Compensation Committee has been delegated with various powers of design and administration associated with our employee benefit plans for salaried and hourly employees.

Nominating and Governance Committee

The Nominating and Governance Committee held four meetings in 2007. The Committee currently consists of M. L. Bennett (Chair), J. A. Leach, A. K. Newhall, D. A. Perdue and J. D. Pyle. Each of the members of the Committee is independent as defined by the NYSE listing standards and SEC rules. This Committee's responsibilities are to: (1) identify individuals qualified to become Board members, consistent with the criteria approved by the Board, and to recommend nominees for directorships to be filled by the Board or shareowners; (2) identify and recommend Board members qualified to serve on Board committees; (3) develop and recommend to the Board a set of corporate governance principles; (4) oversee the evaluation of the Board and our management; (5) oversee our related person transaction policy; and (6) advise the Board with respect to other matters relating to our corporate governance.

In making recommendations of nominees to serve as directors to the Board of Directors, the Committee will examine each director nominee on a case-by-case basis regardless of who recommended the nominee and take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity of viewpoint and industry knowledge. However, the Committee believes that, to be recommended as a director nominee, each candidate must:

display the highest personal and professional ethics, integrity and values;

have the ability to exercise sound business judgment;

be highly accomplished in his or her respective field, with superior credentials and recognition and broad experience at the administrative and/or policy-making level in business, government, education, technology or public interest;

have relevant expertise and experience, and be able to offer advice and guidance to the Chief Executive Officer based on that expertise and experience;

be independent of any particular constituency, be able to represent all of our shareowners and be committed to enhancing long-term shareowner value; and

have sufficient time available to devote to activities of the Board of Directors and to enhance his or her knowledge of our business. The Committee also believes the following qualities or skills are necessary for one or more directors to possess:

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At least one director should have the requisite experience and expertise to be designated as an audit committee financial expert as defined by the applicable rules of the SEC.

Directors generally should be active or former senior executive officers of public companies or leaders of major and/or complex organizations, including commercial, governmental, educational and other non-profit institutions.

Table of Contents

Directors should be selected so that the Board of Directors is a diverse body, with diversity reflecting age, gender, race and political experience.

The Committee will consider nominees recommended by shareowners in accordance with our Nominating and Governance Committee Charter and the Corporate Governance Principles. Any shareowner wishing to make a recommendation should write to our Corporate Secretary and include appropriate biographical information concerning each proposed nominee. The Corporate Secretary will forward all recommendations to the Committee. Our Bylaws also set forth certain requirements for shareowners wishing to nominate director candidates directly for consideration by shareowners. These provisions require such nominations to be made pursuant to timely notice (as specified in the Bylaws) in writing to our Corporate Secretary.

We and the Committee maintain a file of recommended potential director nominees, which is reviewed at the time a search for a new director needs to be performed. To assist the Committee in its identification of qualified director candidates, the Committee may engage an outside search firm.

Environmental, Nuclear, Health and Safety Committee

The Environmental, Nuclear, Health and Safety Committee held two meetings in 2007. The Committee currently consists of D. C. Oestreich (Chair), J. A. Leach, S. B. McAllister, J. D. Pyle, and C. P. Sanders. Each of the members of the Committee is independent as defined by the NYSE listing standards and SEC rules. The Committee's responsibilities are to review environmental policy and planning issues of interest to us, including matters involving our company before environmental regulatory agencies and compliance with air, water and waste regulations. The Committee also reviews health and safety-related policies, activities and operational issues as they affect employees, customers and the general public. In addition, the Committee reviews issues related to nuclear generating facilities from which our utility subsidiaries purchase power.

Capital Approval Committee

The Capital Approval Committee held no meetings in 2007. The Committee currently consists of M. L. Bennett, A. K. Newhall and D. A. Perdue. Mr. Harvey is the Chair and a non-voting member of this Committee. The purpose of this Committee is to evaluate certain investment proposals where (1) an iterative bidding process is required, and/or (2) the required timelines for a proposal would not permit the proposal to be brought before a regular meeting of the Board of Directors and/or a special meeting of the full Board of Directors is not practical or merited.

Executive Committee

The Executive Committee held no meetings in 2007. The Committee currently consists of M. L. Bennett, S. B. McAllister, D. C. Oestreich and C. P. Sanders. Mr. Harvey is the Chair and a non-voting member of this Committee. The purpose of this Committee is to possess all the powers and authorities of the Board of Directors when the Board is not in session, except for the powers and authorities excluded for such a Committee under the Wisconsin Business Corporation Law.

Attendance and Performance Evaluations

The Board of Directors held seven meetings during 2007. Each director attended at least 75% of the aggregate number of meetings of the Board and Board committees on which he or she served.

The Board and each Board committee conduct performance evaluations annually to determine their effectiveness and suggest improvements for consideration and implementation. In addition, the Compensation and Personnel Committee evaluates Mr. Harvey's performance as chief executive officer on an annual basis.

Board members are expected to attend our annual meetings of shareowners. All Board members were present for our 2007 Annual Meeting.

CORPORATE GOVERNANCE

Corporate Governance Principles

The Board of Directors has adopted Corporate Governance Principles that, in conjunction with the Board committee charters, establish processes and procedures to help ensure effective and responsive governance by the Board. The Corporate Governance Principles are available, free of charge, on our web site at www.alliantenergy.com/investors under the Corporate Governance caption or in print to any shareowner who requests them from our Corporate Secretary.

Table of Contents

The Board of Directors has adopted certain categorical standards of independence to assist it in making determinations of director independence under the NYSE listing standards. Under these categorical standards, the following relationships that currently exist or that have existed, including during the preceding three years, will *not* be considered to be material relationships that would impair a director's independence:

A family member of the director is or was an employee (other than an executive officer) of ours.

A director, or a family member of the director, receives or received less than \$100,000 during any twelve-month period in direct compensation from us, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service with us).

A director, or a family member of the director, is a former partner or employee of our internal or external auditor but did not personally work on our audit within the last three years; or a family member of a director is employed by an internal or external auditor of ours but does not participate in such auditor's audit, assurance or tax compliance practice.

A director, or a family member of the director, is or was employed other than as an executive officer of another company where any of our present executives serve on that company's compensation committee.

A director is or was an executive officer, employee or director of, or has or had any other relationship (including through a family member) with, another company, that makes payments (other than contributions to tax exempt organizations) to, or receives payments from, us for property or services in an amount which, in any of the last three fiscal years, does not exceed the greater of \$1 million or 2% of such other company's consolidated gross revenues.

A director is or was an executive officer, employee or director of, or has or had any other relationship (including through a family member) with a tax exempt organization to which our discretionary charitable contributions in any single fiscal year do not exceed the greater of \$1 million or 2% of such organization's consolidated gross revenues.

In addition, any relationship that a director (or an immediate family member of the director) previously had that constituted an automatic bar to independence under NYSE listing standards will not be considered to be a material relationship that would impair a director's independence three years after the end of such relationship in accordance with NYSE listing standards.

The Board of Directors also gave consideration to certain other factors in relation to an independence determination. Messrs. Bennett, Hazel, Oestreich and Ms. Pyle serve, or served, in the case of Mr. Perdue, as executive officers and/or directors of companies that are customers of our public utility subsidiaries. These customer relationships do not constitute a material relationship under the standards cited above or the SEC rules governing related person transactions. Mr. Leach is a shareowner in an electrical supply company which has not done any business with our public utility subsidiaries in a substantial number of years. However, each of these circumstances was evaluated under the applicable SEC rules and, in the case of Mr. Leach, the Federal Energy Regulatory Commission regulations. The Board determined that these factors did not impair the independence of these directors.

Based on these standards and this evaluation, the Board of Directors has affirmatively determined by resolution that each of Messrs. Bennett, Hazel, Oestreich, Perdue and Leach and Ms. McAllister, Newhall, Pyle and Sanders has no material relationship with us and, therefore, is independent in accordance with the NYSE listing standards. The Board of Directors will regularly review the continuing independence of the directors.

The Corporate Governance Principles provide that at least 75% of the members of the Board of Directors must be independent directors under the NYSE listing standards. The Audit, Compensation and Personnel, and Nominating and Governance Committees must consist of all independent directors.

Related Person Transactions

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We have adopted a written policy that we will annually disclose information regarding related person transactions that is required by regulations of the SEC to be disclosed, or incorporated by reference, in our Annual Report on Form 10-K. For purposes of the policy:

The term related person means any of our directors or executive officers, or nominee for director, and any member of the immediate family of such person.

Table of Contents

A related person transaction is generally a consummated or currently proposed transaction in which we were or are to be a participant and the amount involved exceeds \$120,000, and in which the related person had or will have a direct or indirect material interest. A related person transaction does not include:

the payment of compensation by us to our executive officers, directors or nominee for director;

a transaction if the interest of the related person arises solely from the ownership of our shares and all shareowners receive the same benefit on a pro-rata basis;

a transaction in which the rates or charges involved are determined by competitive bids, or that involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed and conformity with law or governmental authority;

a transaction that involves our services as a bank, transfer agent, registrar, trustee under a trust indenture, or similar services.

Furthermore, a related person is not deemed to have a material interest in a transaction if the person's interest arises only (i) from the person's position as a director of another party to the transaction; (ii) from the ownership by such person and all other related persons, in the aggregate, of less than a 10% equity interest in another person (other than a partnership) that is a party to the transaction; (iii) from such person's position as a limited partner in a partnership and all other related persons have an interest of less than 10% of and the person is not a general partner of or holds another position in, the partnership; and (iv) from both such director position and ownership interest. Pursuant to the policy, each of our executive officers, directors and nominees for director is required to disclose to the Nominating and Governance Committee of the Board of Directors certain information regarding the related person transaction for review, approval or ratification by the Nominating and Governance Committee. Such disclosure to the Nominating and Governance Committee should occur before, if possible, or as soon as practicable after the related person transaction is effected, but in any event as soon as practicable after the executive officer, director or nominee for director becomes aware of the related person transaction.

The Nominating and Governance Committee's decision whether or not to approve or ratify the related person transaction should be made in light of the Committee's determination as to whether consummation of the transaction is believed by the Committee to not be, or to have been contrary to, the best interests of our Company. The Committee may take into account the effect of a director's related person transaction on such person's status as an independent member of our board of directors and eligibility to serve on board committees under SEC and NYSE rules.

Based on these standards, we had no related person transactions in 2007, and no related person transactions are currently proposed.

Lead Independent Director; Executive Sessions

The Corporate Governance Principles provide that the chairperson of the Nominating and Governance Committee will be the designated Lead Independent Director and will preside as the chair at meetings or executive sessions of the independent directors. As the Chairperson of the Nominating and Governance Committee, Mr. Bennett is currently designated as the Lead Independent Director. At every regular in-person meeting of the Board of Directors, the independent directors meet in executive session with no member of our management present.

Communication with Directors

Shareowners and other interested parties may communicate with the full Board, non-management directors as a group or individual directors, including the Lead Independent Director, by providing such communication in writing to our Corporate Secretary, who will post such communications directly to our Board of Directors' web site.

Ethical and Legal Compliance Policy

We have adopted a Code of Conduct that applies to all employees, including our chief executive officer, chief financial officer and chief accounting officer, as well as our Board of Directors. We make our Code of Conduct available, free of charge, on our web site at www.alliantenergy.com/investors under the Corporate Governance caption or in print to any shareowner who requests it from our Corporate Secretary. We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to, or waivers from, the Code of

Conduct by posting such information on our web site.

Table of Contents**OWNERSHIP OF VOTING SECURITIES**

Listed in the following table are the number of shares of our common stock beneficially owned as of Feb. 29, 2008 by (1) the executive officers listed in the Summary Compensation Table, (2) all of our director nominees and directors and (3) all director nominees, directors and the executive officers as a group. The directors and executive officers as a group owned less than 1% of the outstanding shares of common stock on that date. No individual director or officer owned more than 1% of the outstanding shares of common stock on that date.

NAME OF BENEFICIAL OWNER	SHARES BENEFICIALLY OWNED⁽¹⁾
Executive Officers ⁽²⁾	
Thomas L. Aller	118,281 ⁽³⁾
Dundeana K. Doyle	22,682 ⁽³⁾
Eliot G. Protsch	111,219 ⁽³⁾
Barbara J. Swan	55,392 ⁽³⁾
Director Nominees	
William D. Harvey	215,849 ⁽³⁾
James A. Leach	100
Singleton B. McAllister	10,534 ⁽³⁾