

Connected Together

for a **strong** energy future



MGE Energy increases dividend for 49th consecutive year

In August, the board of directors of MGE Energy increased the regular quarterly dividend rate 5.3% to \$0.45 per share on the outstanding shares of the company's common stock. The dividend is payable Sept. 15, 2024, to shareholders of record Sept. 1, 2024. This raises the annualized dividend rate by 9 cents from \$1.71 per share to \$1.80 per share.

"MGE Energy continues to focus on its mission to provide safe, reliable, affordable and sustainable energy and to provide value to our customers and shareholders," said Chairman, President and CEO Jeff Keebler. "This action by our board reinforces our commitment to regular,

predictable and sustainable dividend growth, and it signals the continued strength and resilience of MGE Energy's long-term business strategy for building your community energy company for the future."

MGE Energy has increased its dividend annually for the past 49 years and has paid cash dividends for more than 110 years.

Second-quarter earnings announced

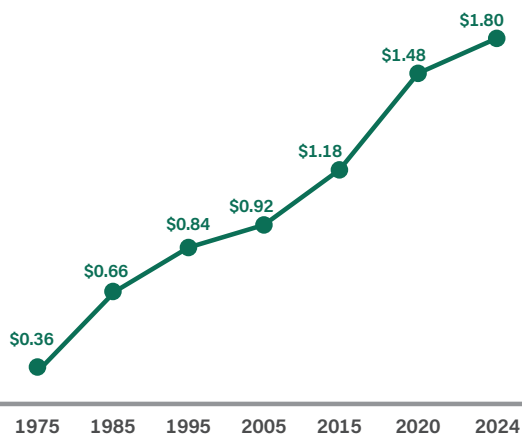
MGE Energy's GAAP (Generally Accepted Accounting Principles) earnings for the second quarter of 2024 were \$23.8 million, or \$0.66 per share, compared to \$28.7 million, or \$0.79 per share, for the same period in the prior year.

Electric net income decreased \$6 million in the second quarter compared to the second quarter of 2023. Second-quarter results were partially driven by higher fuel costs this year compared to the 2024 fuel cost plan approved by State regulators.

Weather also was a driver of lower electric and gas sales for the quarter. Electric residential sales decreased approximately 4% and gas retail sales decreased approximately 10% compared to the same period in the prior year.

Despite lower earnings, shareholders continue to benefit from an increase in investments included in rates.

49 Years of Dividend Increases (Annualized Dividend Rate - Rounded)



MGE expands agrivoltaics through livestock grazing at solar facility

In mid-July, about 100 grazing sheep arrived at Madison Gas and Electric's (MGE) 6-megawatt Tyto Solar facility in Fitchburg. The sheep, from nearby Wiscovery Farm, arrived at Tyto Solar to help control ground cover during the growing season. The practice, known as agrivoltaics, offers sustainable vegetation management of grass and brush in and around the site's more than 13,000 solar panels. The growing season typically lasts through October, at which time the sheep will return to their local farm.

Agrivoltaics, also known as dual-use solar, is the use of land for solar generation and agriculture. "Solar grazing" by the sheep keeps the grasses and brush from shading the panels, which avoids drops in efficiency. The grazing also avoids fossil fuel use associated with mowing.



About 100 sheep help control ground cover sustainably during the growing season at MGE's Tyto Solar in Fitchburg.

Pollinator habitat at solar facilities

The use of sheep for solar grazing builds on MGE's use of agrivoltaics, which includes efforts to incorporate pollinator-friendly habitat for monarch butterflies and other pollinators at MGE's other owned and operated solar facilities. MGE's environmental affairs and renewable engineering teams

collaborate with vegetation management consultants to make sure the seed mixes planted are viable in the climate and that they support monarch butterflies, bees and other pollinators from spring through fall.

Habitats needed by pollinators to survive are shrinking. MGE actively manages the solar sites to ensure the plantings establish and that invasive and undesirable woody plants do not overtake the native plantings.

Partners seek regulatory approval for energy storage project

In August, an application for State regulatory approval was filed for the Columbia Energy Storage project. If approved, the long-duration energy storage (LDES) project would be the first of its kind in the United States.

The innovative project received an award for a cooperative agreement with the U.S. Department of Energy in July 2024 to support the construction of a compressed carbon dioxide LDES system at the site of the Columbia Energy Center. As a co-owner of the Columbia plant and cost-share partner to the project, MGE supports this effort.

The 18-megawatt facility would be capable of providing at least 10 hours of energy storage, enhancing reliability and dispatchability on the grid by storing energy to help meet peak demand. Located near the existing Columbia plant, which is scheduled for retirement in mid-2026, the site allows for the use of existing electrical infrastructure. Pending approval, the energy storage system is expected to be operational by the end of 2027.

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The Inside View is published periodically to provide investors with information about MGE Energy. MGE Energy's primary asset, Madison Gas and Electric, provides highly reliable gas and electric service and promotes economic development in south-central and western Wisconsin.