NEW ISSUE–BOOK ENTRY ONLY **RATINGS: SEE "RATINGS" HEREIN**

In the opinion of Norton Rose Fulbright US LLP, Federal Tax Counsel, under current law and assuming compliance with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), as described herein, interest on the Series 2021A Bonds will not be includable in the gross income of the owners of the Series 2021A Bonds for purposes of federal income taxation. In the opinion of Dinsmore & Shohl LLP, Bond Counsel, interest on the Series 2021A Bonds will be exempt from certain Ohio taxes.

$98,245,000
AMERICAN MUNICIPAL POWER, INC.
COMBINED HYDROELECTRIC PROJECTS REVENUE BONDS
SERIES 2021A

consisting of

$7,060,000 Subseries 2021A-1
$91,185,000 Subseries 2021A-2

DATED: DATE OF ISSUANCE **DUE: FEBRUARY 15, AS SHOWN ON THE INSIDE COVER PAGE**

The Combined Hydroelectric Projects Revenue Bonds, Series 2021A will be issued by American Municipal Power, Inc. ("AMP") in two subseries, the Subseries 2021A-1 Bonds (the "2021A-1 Bonds") and the Subseries 2021A-2 Bonds (the "2021A-2 Bonds" and, together with the 2021A-1 Bonds, the "Series 2021A Bonds") in book-entry only form through The Depository Trust Company, which will act as securities depository. Purchases of the Series 2021A Bonds will be made in book-entry form through DTC participants in denominations of $5,000 or any integral multiple thereof. Payments of principal and interest on the Series 2021A Bonds will be made to beneficial owners by DTC through its participants. See APPENDIX F hereto. The Series 2021A Bonds will bear interest at the rates, and mature on the dates, as described on the inside cover hereof. Interest on the Series 2021A Bonds will accrue from their date of issuance and will be paid each February 15 and August 15, commencing on August 15, 2021 as more fully described herein.

The 2021A-2 Bonds will initially bear interest at the Initial Term Rate set forth on the inside cover hereof (the "Initial Term Rate") and will be subject to mandatory tender for purchase on any date on or after the First Call Date, including the Mandatory Tender Date (each as described herein). As set forth herein, while the 2021A-2 Bonds bear interest at the Initial Term Rate, AMP is not obligated to pay the purchase price of any 2021A-2 Bonds tendered for purchase by the holders thereof. **The purchase price of the 2021A-2 Bonds tendered for purchase will be payable solely from amounts available from the proceeds of the remarketing thereof, as described herein. If AMP does not purchase 2021A-2 Bonds on a purchase date, including the Mandatory Tender Date, such non-purchase shall not constitute an event of default.** The method of determining the interest rate on the 2021A-2 Bonds may be converted from time to time in accordance with the terms of the Indenture (as defined below), but no such conversion will occur prior to the Mandatory Tender Date.

The 2021A-1 Bonds will not be subject to redemption prior to maturity. The 2021A-2 Bonds are subject to redemption prior to maturity as described herein.

The Series 2021A Bonds are being issued and will be secured under the Master Trust Indenture, as supplemented, dated as of November 1, 2009, by and between AMP and U.S. Bank National Association, as trustee. The Master Trust Indenture, as so supplemented and as further supplemented and amended from time to time, is herein called the "Indenture".

The Series 2021A Bonds are being issued to (i) refinance a note evidencing a draw on the Line of Credit (as defined herein) that was utilized to refund, in whole, AMP's Combined Hydroelectric Projects Revenue Bonds, Series 2018A and (ii) pay the costs of issuance of the Series 2021A Bonds.

AMP has entered into a Power Sales Contract dated as of November 1, 2007 (the "Power Sales Contract") with various municipalities in the States of Kentucky, Michigan, Ohio, Virginia and West Virginia (the "Participants"). Each Participant is a Member of AMP and owns and operates its own electric system (each, an "Electric System"). Under the terms of the Power Sales Contract, each Participant agrees to pay from the revenues of its Electric System, on a take-or-pay basis, for its respective share of electric power and energy from the Projects.

The Series 2021A Bonds are special and limited obligations of AMP payable from and secured solely by the Trust Estate pledged under the Indenture, which includes payments to be made to AMP by the Participants pursuant to the Power Sales Contract.

The Series 2021A Bonds are not obligations of or guaranteed by the State of Kentucky, Ohio, Michigan, Virginia or West Virginia, the Members of AMP, the Participants or any political subdivision or instrumentality thereof. Neither the faith and credit nor the taxing power of the State of Kentucky, Ohio, Michigan, Virginia or West Virginia or any political subdivision thereof, including the Members of AMP and the Participants, is pledged for the payment of the Series 2021A Bonds. AMP has no taxing power.

The Series 2021A Bonds are offered, subject to prior sale, when, as and if issued and accepted by the Underwriters, subject to the approval of legality by Dinsmore & Shohl LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for AMP by its General Counsel for Corporate Affairs, and by its Federal Tax Counsel, Norton Rose Fulbright US LLP, and for the Underwriters by Nixon Peabody LLP. It is expected that delivery of the Series 2021A Bonds will be made on or about April 29, 2021, through the facilities of DTC.

RBC Capital Markets

Barclays **Huntington Capital Markets** **Wells Fargo Securities**

This cover page is only a brief and general summary. Investors must read the entire Official Statement to obtain essential information for making an informed investment decision. This Official Statement is dated April 20, 2021 and the information contained herein speaks only as of that date.

MATURITY SCHEDULE, INTEREST RATES, PRICES OR YIELDS, AND CUSIPS

AMERICAN MUNICIPAL POWER, INC.
COMBINED HYDROELECTRIC PROJECTS REVENUE BONDS
SERIES 2021A

$7,060,000 SERIES 2021A (SUBSERIES 2021A-1)

DUE FEBRUARY 15	PRINCIPAL AMOUNT	INTEREST RATE	YIELD	CUSIP[(1)]
2022	$2,240,000	4.00%	0.13%	02765UQF4
2023	2,360,000	4.00	0.17	02765UQG2
2024	2,460,000	4.00	0.25	02765UQH0

$91,185,000 SERIES 2021A (SUBSERIES 2021A-2)

Final Maturity (February 15)	Initial Term Rate	First Call Date	Mandatory Tender Date[(2)]	Yield	CUSIP[(1)]
2048	1.00%	February 15, 2024	August 15, 2024	0.45%[†]	02765UQJ6

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† Priced at stated yield to the February 15, 2024 optional redemption date at a redemption price of par.

(1) Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS), which is managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers have been assigned by an independent company not affiliated with AMP and are included solely for the convenience of the registered owners of the Series 2021A Bonds. Neither AMP nor the Underwriters are responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2021A Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the execution and delivery of the Series 2021A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2021A Bonds.

(2) Unless all of the 2021A-2 Bonds are purchased on the Mandatory Tender Date, none of the 2021A-2 Bonds will be purchased. In such event the Tender Agent will return all 2021A-2 Bonds to the Holders thereof and all 2021A-2 Bonds will then bear interest at successively higher interest rates until all of the 2021A-2 Bonds are remarketed, redeemed or paid at maturity as further described herein. See "THE SERIES 2021A BONDS – Tender of the 2021A-2 Bonds."

AMERICAN MUNICIPAL POWER, INC.
BOARD OF TRUSTEES

The incumbent municipalities (located in Ohio unless otherwise noted) on the AMP Board of Trustees (the "*Board of Trustees*") and their representatives to the Board are as follows:

Executive Management

Bond Counsel
Dinsmore & Shohl LLP
Columbus, Ohio

Federal Tax Counsel
Norton Rose Fulbright US LLP
New York, New York

Financial Advisor
Ramirez & Co., Inc.
New York, New York

Trustee
U.S. Bank National Association
Columbus, Ohio

The information contained in this Official Statement has been obtained from AMP, DTC and other sources believed to be reliable. This Official Statement is submitted in connection with the sale of the securities described herein and may not be reproduced or used, in whole or in part, for any other purpose. The information contained in this Official Statement is subject to change without notice and neither the delivery of this Official Statement nor any sale made by means of it shall, under any circumstances, create any implication that there have not been changes in the affairs of any party since the date of this Official Statement.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements are generally identifiable by the terminology used, such as "plan," "project," "expect," "anticipate," "intend," "believe," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. AMP does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

The Underwriters have provided the following sentence for inclusion in this Official Statement: They have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but they do not guarantee the accuracy or completeness of such information.

No broker, dealer, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering made hereby and, if given or made, such information or representations must not be relied upon as having been authorized by AMP or the Underwriters. This Official Statement does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

The Series 2021A Bonds will not be registered under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other government entity or agency has or will have passed upon the adequacy of this Official Statement or approved the Series 2021A Bonds for sale.

In making an investment decision, investors must rely on their own examination of the terms of the offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. No commission or authority has confirmed the accuracy or determined the adequacy of this document.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICE OF THE SERIES 2021A BONDS. SUCH TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

$98,245,000
AMERICAN MUNICIPAL POWER, INC.
COMBINED HYDROELECTRIC PROJECTS REVENUE BONDS
SERIES 2021A

consisting of
$7,060,000 Subseries 2021A-1
$91,185,000 Subseries 2021A-2

INTRODUCTION

PURPOSE

This Official Statement, which includes the cover and inside cover pages and appendices attached hereto, contains information concerning (a) American Municipal Power, Inc. ("*AMP*"), an Ohio nonprofit corporation established pursuant to the laws of the State of Ohio, (b) AMP's Combined Hydroelectric Projects Revenue Bonds, Series 2021A, which shall initially be issued in two subseries, the Subseries 2021A-1 Bonds (the "*2021A-1 Bonds*") and the Subseries 2021A-2 Bonds (the "*2021A-2 Bonds*" and, together with the 2021A-1 Bonds, the "*Series 2021A Bonds*") and (c) the Cannelton Hydroelectric Project (the "*Cannelton Project*"), the Smithland Hydroelectric Project (the "*Smithland Project*") and the Willow Island Hydroelectric Project (the "*Willow Island Project*" and, together with the Cannelton Project and the Smithland Project, the "*Projects*").

The Series 2021A Bonds are being issued by AMP to (i) refinance a note evidencing a draw on the Line of Credit (as hereinafter defined) that was utilized on February 24, 2021 to refund, in whole, AMP's Combined Hydroelectric Projects Revenue Bonds, Series 2018A (the "*Series 2018A Bonds*") and (ii) pay the costs of issuance of the Series 2021A Bonds. See "ESTIMATED SOURCES AND USES" herein.

AUTHORIZATION FOR THE SERIES 2021A BONDS

The Series 2021A Bonds will be issued and secured under the Master Trust Indenture, dated as of November 1, 2009 (the "*Master Trust Indenture*"), entered into between AMP and U.S. Bank National Association, Columbus, Ohio, as trustee (the "*Trustee*"), as supplemented by the Twelfth Supplemental Indenture (the "*Twelfth Supplemental Indenture*"), to be dated as of April 1, 2021, between AMP and the Trustee. The Master Trust Indenture, as so supplemented and further supplemented and amended from time to time, is herein called the "*Indenture*". The Series 2021A Bonds are the eleventh series of Bonds (as defined below) to be issued under the Master Trust Indenture. The Series 2021A Bonds, together with AMP's Combined Hydroelectric Projects Revenue Bonds, Series 2009B (Federally Taxable – Issuer Subsidy – Build America Bonds) (the "*Series 2009B BABs*"), Series 2009D (Federally Taxable – Clean Renewable Energy Bonds) (the "*Series 2009D Bonds*"), Series 2010A (Federally Taxable) (the "*Series 2010A Bonds*"), Series 2010B (Federally Taxable – Issuer Subsidy – Build America Bonds) (the "*Series 2010B BABs*"), Series 2010C (Federally Taxable – Issuer Subsidy – New Clean Renewable Energy Bonds) (the "*Series 2010C CREBs*") and Series 2016A (Green Bonds) (the "*Series 2016A Bonds*") and Series 2020A (the "*Series 2020A Bonds*") (collectively, the "*Outstanding Bonds*") and any additional bonds issued under the Indenture on a parity with the Series 2021A Bonds (collectively, with the Series 2021A Bonds, "*Bonds*") and any Parity Debt are herein called collectively "*Parity Obligations.*" See "THE BONDS." As of March 1, 2021, AMP had $2,022,267,059 aggregate principal amount of Bonds and approximately $116.3 million aggregate principal amount of Subordinate Obligations, consisting of notes evidencing draws on the Line of Credit, including the draw to be refinanced with a portion of the proceeds of the Series 2021A Bonds, outstanding under the Master Trust Indenture.

The Board of Trustees of AMP by a resolution adopted on March 18, 2021, authorized the issuance and sale of the Series 2021A Bonds and approved the form and authorized the execution and delivery of the Twelfth Supplemental Indenture.

POWER SALES CONTRACT

The Series 2021A Bonds, including the Bonds, are payable primarily from payments owing to AMP by 79 of its Members ("*Participants*") that entered into a Power Sales Contract, dated as of November 1, 2007 (the "*Power Sales Contract*"), with AMP. In the Power Sales Contract, AMP agreed to issue bonds to finance the Projects and to construct and operate the Projects, all subject to certain conditions set forth therein, and the Participants agreed to take or pay for shares of the output of the Projects. See "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2021A BONDS – Power Sales Contract" and APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACT."

AMP

AMP was formed under Ohio Revised Code Chapter 1702 as a nonprofit corporation in 1971. Under applicable law, AMP has perpetual existence and the duration of its existence is not otherwise limited by its certificate of incorporation or by any agreement with its members (the "*Members*").

AMP operates on a cooperative nonprofit basis for the mutual benefit of its Members, all of which own and/or operate municipal electric utility systems that include distribution facilities (except in the case of DEMEC (as hereinafter defined)) and in some cases (including DEMEC) generation assets (each, an "*Electric System*" and collectively, the "*Electric Systems*"). As of March 1, 2021, AMP had 135 Members – 85 municipalities in Ohio, 29 boroughs in Pennsylvania, six municipalities in Michigan, five municipalities in Virginia, five municipalities in Kentucky (three of which are members through their electric plant boards), two cities in West Virginia, one city in Indiana, one town in Maryland and the Delaware Municipal Electric Corporation ("*DEMEC*"), a political subdivision and joint action agency of the State of Delaware with eight municipal members.

AMP has also received letters to the effect that AMP is exempt from federal income tax under Section 501(c)(12) of the Internal Revenue Code of 1986, as amended (the "Code"), that its income is excludable from federal income tax under Section 115 of the Code and that it may issue on behalf of its Members obligations the interest on which is excludible from the gross income of holders thereof for federal income tax purposes, and that it is a wholly owned instrumentality of its Members with the consequence that use of tax-exempt financed facilities by AMP will not result in private use under the Code. See "AMERICAN MUNICIPAL POWER, INC. – Tax Status".

THE PROJECTS

The Projects consist of three run-of-the-river hydroelectric generation facilities located on United States Army Corps of Engineers dams on the Ohio River and associated transmission facilities:

- The Cannelton Project is located on the Kentucky shore of the Cannelton Locks and Dam on the Ohio River, utilizes three 29.3 MW turbines and has a total rated capacity of 88 MW. The first unit of the Cannelton Project entered commercial operation in January 2016, the second unit entered commercial operation in March 2016 and the third and final unit entered commercial operation in June 2016.

- The Willow Island Project is located on the West Virginia shore of the Willow Island Locks and Dam on the Ohio River, utilizes two 22 MW turbines and has a total rated capacity of 44 MW. The first unit at the Willow Island Project entered commercial operation in January 2016 and the second and final unit at Willow Island Project entered commercial operation in February 2016.

- The Smithland Project is located on the Kentucky shore of the Smithland Locks and Dam on the Ohio River, utilizes three 25.3 MW turbines and has a total rated capacity of 76 MW. The first and second units at the Smithland Project entered commercial operation in July 2017 and the third and final unit entered commercial operation in September 2017.

AMP holds the Federal Energy Regulatory Commission ("*FERC*") licenses necessary to operate each of the Projects. See "THE PROJECTS" herein.

VALIDATION

In December 2007, the Franklin County, Ohio, Court of Common Pleas issued an order validating bonds to be issued pursuant to and secured by the Master Trust Indenture, as well as the agreements providing the underlying security for such bonds. In particular, the order specifically found that the take-or-pay and step-up provisions of the Power Sales Contract related to the Projects are valid and binding obligations of the Ohio municipalities executing the contract. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS – Power Sales Contract – *Validation and Legislation*" and "APPROVAL OF LEGAL MATTERS – Power Sales Contract." The order is final and non-appealable.

In its opinion, the form of which appears as Appendix E-1, Bond Counsel will provide its unqualified approving opinion as to the validity of the Master Trust Indenture and the Series 2021A Bonds. In connection with the initial issuance of Bonds under the Master Trust Indenture in 2009, AMP's Ohio State Counsel, as well as counsel for the Participants located in the other states, Kentucky, Michigan, Virginia and West Virginia, provided their unqualified opinions as to the validity of the Power Sales Contract, and the take-or-pay and step-up provisions thereof, as to the Participants located in their state. See "APPROVAL OF LEGAL MATTERS – Power Sales Contract."

Under Ohio law, a validation action is not required prior to the issuance of bonds. AMP has not brought, and does not intend to bring, a validation action with respect to the Series 2021A Bonds.

OTHER

This Official Statement includes information regarding and descriptions of AMP, the Projects, the Participants and the Series 2021A Bonds, and summaries of certain provisions of the Indenture and the Power Sales Contract. Such descriptions and summaries do not purport to be complete or definitive, and such summaries are qualified by reference to such documents, copies of which may be obtained from AMP or the Underwriters. Descriptions of the Indenture, the Series 2021A Bonds and the Power Sales Contract are qualified by reference to bankruptcy laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of police and regulatory powers by federal and state authorities.

ESTIMATED SOURCES AND USES OF PROCEEDS OF THE SERIES 2021A BONDS

The sources and uses of funds in connection with the issuance of Series 2021A Bonds are estimated to be as follows:

SOURCES:	
Par Amount	$98,245,000
Net Offering Premium	1,877,935
Release from Parity Common Reserve Account	127,947
Total Sources	$100,250,882
USES:	
Payment of Note Evidencing Draw on Line of Credit	$99,500,000
Costs of Issuance[1]	$750,882
Total Uses	$100,250,882

Numbers may not add to totals due to rounding.

[1] Includes underwriting discount and rating agency, Trustee, consultant and legal fees and other expenses related to the issuance of the Series 2021A Bonds.

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2021A BONDS

The Series 2021A Bonds are payable from and secured solely by the Trust Estate pledged under the Indenture. The Series 2021A Bonds are equally and ratably secured and are payable solely from the Gross Receipts (subject to the provisions of the Master Trust Indenture which permit AMP to apply such Gross Receipts to the payment of AMP Operating Expenses) and certain amounts held under the Indenture. The Gross Receipts include payments made by the Participants under the Power Sales Contract (excluding amounts paid for transmission service and amounts representing administration fees, which are retained by AMP), and the investment income on moneys and securities held by the Trustee in certain subfunds, accounts and subaccounts established pursuant to the Indenture.

THE SERIES 2021A BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF AMP PAYABLE SOLELY FROM THE REVENUES, MONEYS, SECURITIES AND FUNDS PLEDGED THEREFOR IN THE INDENTURE. THE PAYMENT OF THE SERIES 2021A BONDS IS NOT GUARANTEED BY AMP, ITS MEMBERS OR THE PARTICIPANTS. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE MEMBERS, THE PARTICIPANTS, THE STATE OF KENTUCKY, MICHIGAN, OHIO, VIRGINIA OR WEST VIRGINIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF IS PLEDGED FOR THE PAYMENT OF THE SERIES 2021A BONDS. AMP HAS NO TAXING POWER.

THE INDENTURE

The Series 2021A Bonds are secured under the Indenture by the "Trust Estate" which includes the Gross Receipts (except as stated above), AMP's rights under the Power Sales Contract (subject to certain reserved rights), and certain other amounts credited to certain subfunds, accounts and subaccounts under the Indenture. For a description of the other subfunds, accounts and subaccounts established pursuant to the Indenture, as well as other provisions of the Indenture, see APPENDIX D – "Summary of Certain Provisions of the Indenture".

The pledge of the Gross Receipts is subject to the provisions of the Indenture permitting AMP to apply such Gross Receipts to the payment of AMP Operating Expenses. AMP Operating Expenses generally will include all of AMP's costs and expenses reasonably related to the operating and maintenance of the Projects and the satisfaction of AMP's obligations pursuant to the Power Sales Contract. See APPENDIX D – "Summary of Certain Provisions of the Indenture – *Definitions*" for the definition of AMP Operating Expenses.

AMP designated the Series 2009B BABs and Series 2010B BABs as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 (as amended, the "*Recovery Act*"). As a result, AMP receives semi-annually cash subsidy payments from the United States Treasury equal to

35% of the interest payable on the Series 2009B BABs and Series 2010B BABs, less a reduction mandated by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (the "*BABs Federal Subsidies*"). In addition, AMP issued the Series 2010C CREBs as "New Clean Renewable Energy Bonds" and, pursuant to the Hiring Incentives to Restore Employment Act (the "*HIRE Act*"), AMP elected to receive semi-annual cash subsidy payments equal to 70% of interest payable on the Series 2010C CREBs if the amount of such interest were determined by reference to the applicable tax credit rate under Section 54A(b)(3) of the Internal Revenue Code, as amended, less a reduction mandated by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (the "*New CREBs Federal Subsidy*" and, together with the BABs Federal Subsidy, the "*Federal Subsidies*"). See "CERTAIN FACTORS AFFECTING AMP, THE PARTICIPANTS AND THE ELECTRIC UTILITY INDUSTRY – FEDERAL SUBSIDIES". The BABs Federal Subsidies relating to the Series 2009B BABs and Series 2010B BABs are pledged solely to the payment of the Series 2009B BABs and Series 2010B BABs, respectively, and the New CREBs Federal Subsidy relating to the Series 2010C CREBs is pledged solely to the payment of the Series 2010C CREBs. The Federal Subsidies are not pledged to the payment of other Bonds, including the Series 2021A Bonds.

The Supplemental Indentures providing for the issuance of the Series 2009B BABs, the Series 2010B BABs and Series 2010C CREBs effectively provide a credit for the scheduled amount of each Federal Subsidy payment against the computation of debt service on the Series 2009B BABs, the Series 2010B BABs and Series 2010C CREBs, respectively, such that for the calculation of "*Debt Service Requirement*" as used to determine the Parity Common Reserve Requirement, the rate covenant and the test for the issuance of additional Bonds, the amount of the Federal Subsidy payments scheduled to be received in the relevant period will be excluded from the relevant calculation of debt service for such period. See "DEBT SERVICE REQUIREMENTS" for the amounts of the scheduled payments of the Federal Subsidies payments and APPENDIX D – "Summary of Certain Provisions of the Indenture – *Definitions*" for the definition of "Debt Service Requirements." The calculation of the scheduled amount of each Federal Subsidy payment described above takes into account the reductions mandated by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, which, for the federal government's fiscal year ending September 30, 2021 is 5.7% of each Federal Subsidy payment.

PARITY COMMON RESERVE ACCOUNT

Pursuant to the Indenture, the Series 2021A Bonds are secured by amounts on deposit in the Parity Common Reserve Account of the Bond Subfund, including the investments, if any, thereof, which amounts are pledged to the Trustee as additional security for the payment of the principal of, and interest on, and premium, if any, on such Bonds. AMP may elect to secure additional Parity Obligations with amounts held in the Parity Common Reserve Account (the Outstanding Bonds, except Series 2009D Bonds, and any other Parity Obligations having the benefit of the Parity Common Reserve Account, collectively, "*PCRA-Secured Parity Obligations*"). AMP's Series 2009D Bonds are not PCRA-Secured Parity Obligations.

Under the Indenture, AMP is required to deposit and maintain an amount equal to the Parity Common Reserve Requirement in the Parity Common Reserve Account. The Parity Common Reserve Requirement is defined in the Indenture, as of any date of calculation, as an amount in respect of the outstanding PCRA-Secured Parity Obligations equal to the least of (i) the maximum Debt Service Requirements for such Parity Obligations in any Fiscal Year ("*MADS*"), (ii) 125% of the average annual Debt Service Requirements for such outstanding Parity Obligations, and (iii) 10% of the original principal amount of such Parity Obligations, provided that if a Series of such Tax Exempt Parity Obligations has more than a *de minimis* amount of original issue discount or original issue premium, as described in Treasury Regulation Section 1-148-1(b), the issue price of such Parity Obligations is substituted for the principal amount of such Parity Obligations. Amounts held in the Parity Common Reserve Account are to be applied to make payment of the principal of, sinking fund redemption price of, or interest on, PCRA-Secured Parity Obligations, including the Series 2021A Bonds, in the event that amounts on deposit in the Bond Subfund are not sufficient therefor.

As of the date hereof, the Parity Common Reserve Requirement is $142,595,700 (calculated net of the scheduled payments of the Federal Subsidies). Following the issuance of the Series 2021A Bonds, the Parity Common Reserve Account Requirement will be reduced to $142,467,753. On the date of issuance of the Series 2021A Bonds, amounts credited to the Parity Common Reserve Account in excess of the Parity Common Reserve Account Requirement will be used to pay off a portion of the note evidencing the draw on the Line of Credit used to refund the Series 2018A Bonds. See Appendix D – "Summary of Certain Provisions of the Indenture" for a description of the Parity Common Reserve Account and the Parity Common Reserve Account Requirement.

Additional Parity Obligations, including additional Bonds, may be secured by the Parity Common Reserve Account or by a Special Reserve Account or may have no debt service reserve. If AMP undertakes to issue additional PCRA-Secured Parity Obligations, AMP may do so only if the amount to the credit of the Parity Common Reserve Account immediately following their issuance shall be at least equal to the Parity Common Reserve Account Requirement.

SPECIAL RESERVE ACCOUNTS FOR THE SERIES 2009B BABS, SERIES 2010B BABS AND SERIES 2010C CREBS

The Series 2009B BABs, the Series 2010B BABs and the Series 2010C CREBs are each secured by Special Reserve Accounts (the "*Special Reserve Accounts*"), each of which is sized in an amount equal to the maximum semi-annual Federal Subsidy payable in respect of the related Bonds. Amounts deposited to the Special Reserve Accounts are pledged to the Trustee under the applicable Supplemental Indentures to pay interest on the related Bonds in the event that the applicable Federal Subsidy is not received by the Trustee on a timely basis or the amount of the Federal Subsidy received is less than scheduled; provided, however, that if the Parity Common Reserve Account has been completely depleted, such Special Reserve Accounts may be drawn upon to pay the principal of and interest on the related Bonds. The Special Reserve Accounts secure only the Series 2009B BABs, the Series 2010B BABs and the Series 2010C CREBs, respectively. The Special Reserve Accounts do not secure any of the other Outstanding Bonds or the Series 2021A Bonds.

THE POWER SALES CONTRACT

General. The Bonds, including the Series 2021A Bonds, are payable primarily from payments owing to AMP by the 79 Participants that entered into the Power Sales Contract with AMP. The term of the Power Sales Contract expires no earlier than December 31, 2057. Under the Power Sales Contract, each Participant is entitled to receive its Project Share (the "*Project Share*") of the nominal power and associated energy from the Power Sales Contract Resources, which consists of the electric power and energy from the AMP Entitlement and transmission services. See Appendix C – "SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACT – No Replacement Power" for a discussion of the amendment to the Power Sales Contract effected by the Participants. In exchange therefor, each Participant is required to make monthly payments to AMP in amounts equal to such Participant's proportionate share (equal to such Participant's Project Share) of AMP's Revenue Requirements, which will include the fixed and variable costs incurred by AMP in connection with the AMP Entitlement, including debt service on the Series 2021A Bonds. With two exceptions, each Participant's obligation to make payments pursuant to the Power Sales Contract is a limited obligation payable solely out of the revenues, and as an operating expense, of its Electric System. In the case of each of the City of Coldwater, Michigan (3.12% Project Share) and the City of Marshall, Michigan (1.35% Project Share), in certain circumstances as more fully described in Appendix C – "SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACT – *Rates and Charges; Method of Payment*," its obligations under the Power Sales Contract may be payable from the revenues of its Electric System on a basis subordinate to the payment of the operating expenses of its Electric System and to debt service on its outstanding (but not future) senior Electric System revenue bonds until such revenue bonds are retired.

Take-or-Pay. Each Participant's obligation to make payments pursuant to the Power Sales Contract are "Take-or-Pay" obligations of such Participant. Therefore, such payments shall not be subject to any reduction, whether by offset, counterclaim, or otherwise, shall not be conditioned upon the performance by AMP or any other Participant of its obligations under the Power Sales Contract, or any other agreement, and such payments shall be made whether or not any generating unit of any Project or any other Power Sales Contract Resource is completed, operable, operating and notwithstanding the suspension, interruption, interference, reduction or curtailment, in whole or in part, for any reason whatsoever, of the AMP Entitlement or the Participant's Project Share, including Step Up Power (as defined herein), if any.

Step Up Provisions. The Power Sales Contract contains a "Step Up" provision that requires, in the event of a default by a Participant (the "*Defaulting Participant*"), the non-defaulting Participants (the "*Non-Defaulting Participants*") to purchase a pro rata share, based upon each Non-Defaulting Participant's original Project Share, of the Defaulting Participant's entitlement to its Project Share which, together with the shares of the other Non-Defaulting Participants, is equal to the Defaulting Participant's Project Share ("*Step Up Power*"). Under the terms of the Power Sales Contract, no Non-Defaulting Participant is obligated to accept Step Up Power in excess of 25% of such Non-Defaulting Participant's original Project Share. See APPENDIX C – "Summary of Certain Provisions of the Power Sales Contract".

Enforceability of the Power Sales Contract; Legislation. In December 2007, the Franklin County, Ohio, Court of Common Pleas issued an order validating the Power Sales Contract relating to the Projects, between AMP and the Ohio Participants. Specifically, the court held that the Take-or-Pay and Step-Up provisions in the Power Sales Contract constitute valid and binding obligations of the Ohio Participants. Based on such validation order and the constitutional home-rule powers granted Ohio municipalities, Ohio State Counsel is of the opinion that such provisions are binding and enforceable obligations of the Ohio Participants. The Michigan, Virginia and West Virginia Participants have specific legislative authority to enter into long-term power sales agreements, such as the Power Sales Contract including Take-or-Pay and Step-Up provisions. Kentucky State Counsel is of the opinion that the Kentucky Participants have the power under Kentucky statutes applicable to municipal electric systems to enter into and perform their obligations under the Power Sales Contract. See "APPROVAL OF LEGAL MATTERS – POWER SALES CONTRACT" herein for a description of the opinions of AMP's Kentucky, Michigan, Ohio, Virginia and West Virginia State Counsel as to the validity and enforceability as to the Participants in such states of the Power Sales Contract, including the Take-or-Pay and Step-Up provisions thereof.

AMP to Control Enforcement. So long as AMP is not in default under the Indenture, AMP will retain the authority to enforce the provisions of the Power Sales Contract against Defaulting Participants. Furthermore, events of default under the Power Sales Contract are not automatically Events of Default under the Indenture.

RATE COVENANT AND COVERAGE

AMP has covenanted under the Indenture that, so long as the Series 2021A Bonds remain outstanding thereunder, it will fix, and if necessary adjust, rates and charges so that the Net Revenues will be sufficient to provide an amount in each Fiscal Year at least equal to the greater of (y) 110% of the Debt

Service Requirements for such Fiscal Year on account of the Bonds and any Parity Debt then outstanding and (z) 100% of the sum of the Debt Service Requirements for such fiscal year on account of the Bonds and Parity Debt then outstanding and the amount required to make all other deposits required by the Indenture and to pay all other obligations of AMP related to the Projects, including any Subordinate Obligations, as the same become due.

INCURRENCE TEST

Generally, in order to incur Parity Obligations, including additional Bonds, to finance additional costs related to the Projects, AMP must be able to comply with the terms of the Incurrence Test set forth in the Indenture. AMP may comply with the Incurrence Test with respect to such additional Parity Obligations by providing the Trustee an Officer's Certificate, which may rely upon certificates or other documentation delivered by an Independent Consultant, certifying that for each Fiscal Year thereafter for which sufficient proceeds of the Parity Obligations and other available funds have not been set aside with the Trustee to pay the interest due in such Fiscal Year, in the signer's good faith estimation, (i) the Debt Service Coverage Ratio will be not less than 1.10x the Maximum Annual Debt Service Requirement for all of the Parity Obligations, including the proposed additional Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Parity Obligations and (ii) the Debt Service Coverage Ratio is not less than 1.00x the Maximum Annual Debt Service Requirement for all of the Indebtedness, including the proposed additional Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Parity Obligations.

For a more detailed explanation of the Incurrence Test, including its application to Parity Obligations issued to refund Outstanding Indebtedness, see APPENDIX D – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Certain Covenants of AMP".

SUBORDINATED INDEBTEDNESS

The Indenture provides for the issuance of Subordinate Obligations thereunder. Such Subordinate Obligations are subordinate and junior in right of payment, or provision for payment, to the prior payment in full of Parity Obligations. AMP has from time to time made loans from the Line of Credit, which loans are treated as Subordinate Obligations under the Indenture, to provide interim financing for capital expenditures relating to the Projects and to reduce the financial impact to the Participants of the cost of power delivered from the Projects in the years following Commercial Operation. As of March 1, 2021, approximately $116.3 million aggregate principal amount of such Subordinate Obligations were outstanding, which included the draw on the Line of Credit evidenced by the note to be refinanced with a portion of the proceeds of the Series 2021A Bonds. Any additional draws on the Line of Credit for the benefit of the Projects, including any amounts related to a rate levelization program, will constitute Subordinate Obligations under the Indenture.

THE SERIES 2021A BONDS

GENERAL

The 2021A-1 Bonds. The 2021A-1 Bonds will be dated their date of delivery, will bear interest from that date at the rates per annum set forth on the inside cover page hereof, payable semiannually on February 15 and August 15 of each year, commencing August 15, 2021, and will mature on February 15 in the years and in the principal amounts set forth on the inside cover page hereof.

The 2021A-1 Bonds will be issuable only in fully registered form in denominations of $5,000 or any integral multiple thereof. Interest on any 2021A-1 Bond will be paid to the person in whose name such bond is registered as of the applicable Regular Record Date, which is February 1 for interest due on February 15, and August 1 for interest due on August 15. Interest on the 2021A-1 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The 2021A-2 Bonds. The 2021A-2 Bonds will be dated their date of delivery, will initially bear interest in the Initial Term Rate from that date at the rate per annum set forth on the inside cover page hereof, payable semiannually on February 15 and August 15 of each year, commencing August 15, 2021, and will mature, subject to prior redemption, on February 15 in the years and in the principal amounts set forth on the inside cover page hereof.

The 2021A-2 Bonds will be issuable only in fully registered form in denominations of $5,000 or any integral multiple thereof. Interest on any 2021A-2 Bond will be paid to the person in whose name such bond is registered as of the Regular Record Date, which, while the 2021A-2 Bonds bear interest at the Initial Term Rate, is February 1 for interest due on February 15, and August 1 for interest due on August 15. While bearing interest at the Initial Term Rate, interest on the 2021A-2 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

This Official Statement only describes the 2021A-2 Bonds while bearing interest at the Initial Term Rate. If the 2021A-2 Bonds are converted to bear interest in another Interest Rate Mode, AMP will deliver, prior to the Conversion Date thereof, a Reoffering Memorandum describing the 2021A-2 Bonds bearing interest in such Interest Rate Mode. Any 2021A-2 Bonds may be divided into subseries or combined into new series, and references herein to the 2021A-2 Bonds shall be deemed to refer to any or all subseries, as appropriate.

DEFINITIONS RELATING TO THE 2021A-2 BONDS

As used herein, each of the following terms will have the meaning indicated with respect to, and solely with respect to the 2021A-2 Bonds:

"*Alternate Credit Facility*" means any direct pay letter of credit or any letter of credit, guaranty, surety bond, line of credit, revolving credit agreement, standby bond purchase agreement or other agreement or security device delivered to the Trustee pursuant to the Twelfth Supplemental Indenture and providing for (i) payment of the principal, interest and redemption premium on the 2021A-2 Bonds or a portion thereof, (ii) payment of the purchase price of the 2021A-2 Bonds or (iii) both (i) and (ii).

"*Business Day*" means any day other than (a) a Saturday or Sunday or legal holiday or a day on which banking institutions in the city or cities in which the Designated Offices of the Trustee, the Tender Agent, the Paying Agent or Principal Office of the Credit Facility Issuer, if any (or, in the case of a foreign bank, the licensed branch thereof which has issued, or will honor draws upon, any such Credit

Facility), are located are authorized or required by law or executive order to close or (b) a day on which the New York Stock Exchange or principal office of the Remarketing Agent is closed.

"*Commercial Paper Rate Period*" means the period beginning on, and including, the Conversion Date of 2021A-2 Bonds to the Commercial Paper Rate and ending on a day preceding a Business Day determined in accordance with the Indenture (which may be from 1 day to 270 days (or such lower maximum number as is then permitted under the Twelfth Supplemental Indenture)).

"*Conversion*" means, with respect to a 2021A-2 Bond, any conversion from time to time in accordance with the terms of the Indenture of that 2021A-2 Bond, in whole or in part, from one Interest Rate Mode to another Interest Rate Mode.

"*Conversion Date*" means the date on which any Conversion becomes effective. In respect of the 2021A-2 Bonds bearing interest at an Initial Term Rate, the Initial Purchase Date shall constitute the Conversion Date.

"*Credit Facility*" means any letter of credit or other credit enhancement or support facility or any Alternate Credit Facility delivered to the Trustee pursuant to the Indenture.

"*Credit Facility Issuer*" means the issuer of any Credit Facility or any Alternate Credit Facility. "*Principal Office*" of any Credit Facility Issuer shall mean the principal office thereof designated in the corresponding Credit Facility and which shall mean, in the case of a foreign bank, the licensed branch or agency thereof in the United States which has issued the Credit Facility.

"*Daily Rate Period*" means the period beginning on, and including, the Conversion Date of the 2021A-2 Bonds to the Daily Rate and ending on, and including, the day preceding the next Business Day and each period thereafter beginning on, and including, a Business Day and ending on, and including, the day preceding the next succeeding Business Day until the day preceding the earlier of the Conversion of the 2021A-2 Bonds to a different Interest Rate Mode or the maturity of the 2021A-2 Bonds.

"*Initial Purchase Date*" means the date on which the 2021A-2 Bonds are converted to bear interest in another Interest Rate Mode, such date to be determined as set forth below under "Tender of the 2021A-2 Bonds – *Mandatory Tender for Purchase*."

"*Initial Term Rate*" means for the Initial Term Rate Period (i) to, but not including, August 15, 2024, a per annum rate of interest shown on the inside cover hereof and (ii) on and after August 15, 2024, the Stepped Rate shown below under "- Tender of the 2021A-2 Bonds - *Consequences if 2021A-2 Bonds are not Purchased on a Mandatory Tender Date, Notice of Mandatory Tender after a Mandatory Tender Date; Stepped Interest Rate*."

"*Initial Term Rate Period*" means the period beginning on, and including, the date of issuance of the 2021A-2 Bonds, and, in each case, ending the earlier to occur of the Conversion Date for the 2021A-2 Bonds and the redemption date for 2021A-2 Bonds.

"*Interest Payment Date*" means (a) (i) if the Interest Rate Mode is the Daily Rate or the Weekly Rate, the first Business Day of each month, (ii) if the Interest Rate Mode is the Commercial Paper Rate, the day following the last day of each Commercial Paper Rate Period for such 2021A-2 Bond, (iii) if the Interest Rate Mode is the Term Rate, each February 15 and August 15, provided, however, that if any such February 15 and August 15 which is a Conversion Date for Conversion to the Daily Rate, the Weekly Rate or the Commercial Paper Rate, is not a Business Day, then the first Business Day immediately succeeding such February 15 and August 15, as applicable and (iv) while the Interest Rate

Mode is the Initial Term Rate, each February 15 and August 15, the Initial Purchase Date and any redemption date, and (b) the Conversion Date or the effective date of a change to a new Term Rate Period for such 2021A-2 Bond. In any case, the final Interest Payment Date shall be the maturity date.

"*Interest Period*" means for any 2021A-2 Bond the period from, and including, each Interest Payment Date for such 2021A-2 Bond to, and including, the day next preceding the next Interest Payment Date for such 2021A-2 Bond, provided, however, that the first Interest Period for any 2021A-2 Bond will begin on (and include) the date of issuance of the 2021A-2 Bonds and the final Interest Period will end on the day next preceding the maturity date of the 2021A-2 Bonds.

"*Interest Rate Mode*" means the Commercial Paper Rate, the Daily Rate, the Weekly Rate, the Term Rate and the Initial Term Rate.

"*Mandatory Tender Date*" means the date shown on the inside cover hereof.

"*Record Date*" means, as the case may be, the applicable Regular or Special Record Date.

"*Regular Record Date*" means (a) with respect to any Interest Period during which the Interest Rate Mode is the Commercial Paper Rate, the Daily Rate or the Weekly Rate, the close of business on the last Business Day of such Interest Period and (b) with respect to any Interest Period during which the Interest Rate Mode is the Term Rate or the Initial Term Rate, February 1 and August 1 (whether or not a Business Day).

"*Remarketing Agent*" means the remarketing agent or agents appointed by AMP in accordance with the provisions of the Twelfth Supplemental Indenture. AMP has appointed RBC Capital Markets, LLC as the initial Remarketing Agent for the 2021A-2 Bonds.

"*Special Record Date*" means such date as may be fixed for the payment of Defaulted Interest by the Trustee in accordance with the Indenture.

"*Stepped Rate*" means the rates shown below under "- Tender of the 2021A-2 Bonds - *Consequences if 2021A-2 Bonds are not Purchased on a Mandatory Tender Date, Notice of Mandatory Tender after a Mandatory Tender Date; Stepped Interest Rate*".

"*Tender Agent*" means U.S. Bank National Association, its successors and assigns.

"*Term Rate Period*" means the period beginning on, and including, the Conversion Date of 2021A-2 Bonds to the Term Rate and ending on, and including the day preceding the last Interest Payment Date for such period, and thereafter, each successive period, if any, of substantially the same duration as that established period until the day preceding the earliest of the change to a different Term Rate Period, the Conversion of such 2021A-2 Bonds to a different Interest Rate Mode or the maturity of the Bonds.

"*Weekly Rate Period*" means the period beginning on, and including, the Conversion Date of 2021A-2 Bonds to the Weekly Rate, and ending on, and including, the next Tuesday, and thereafter the period beginning on, and including, any Wednesday and ending on, and including, the earliest of the following Tuesday, the day preceding the Conversion of such 2021A-2 Bonds to a different Interest Rate Mode or the maturity of the Bonds.

TENDER OF THE 2021A-2 BONDS

No Optional Tender. The 2021A-2 Bonds are not subject to optional tender by Bondholders.

Mandatory Tender for Purchase. The 2021A-2 Bonds are subject to mandatory tender for purchase on any date on or after the Initial Purchase Date (each such date, a "*Purchase Date*"), including the Mandatory Tender Date, at a purchase price equal to 100% of the principal amount thereof, without premium, plus accrued interest to the Initial Purchase Date. Unless all of the 2021A-2 Bonds subject to mandatory tender on an Initial Purchase Date, including the Mandatory Tender Date, are purchased on such date, none of the 2021A-2 Bonds will be purchased. In such event the Tender Agent will return all 2021A-2 Bonds to the Holders thereof and the Tender Agent and the Remarketing Agent shall promptly return all remarketing proceeds to the persons providing such moneys without interest, and such 2021A-2 Bonds will remain outstanding and will bear interest at the then-effective interest rate for such 2021A-2 Bonds; provided, however, if the 2021A-2 Bonds are not purchased on the Mandatory Tender Date, the 2021A-2 Bonds will, on and after such date, accrue interest at successively higher interest rates until all 2021A-2 Bonds are remarketed, redeemed or paid at maturity. See *"Consequences if 2021A-2 Bonds are not Purchased on a Mandatory Tender Date,· Notice of Mandatory Tender after a Mandatory Tender Date; Stepped Interest Rate"* below.

If the 2021A-2 Bonds are not purchased on the Initial Purchase Date, including the related Mandatory Tender Date, such non-purchase shall not constitute an event of default under the Indenture. See *"-Sources of Funds for Purchase of 2021A-2 Bonds"* below.

Notice of Mandatory Tender for Purchase on or Prior to a Mandatory Tender Date. With respect to a mandatory tender for purchase of the 2021A-2 Bonds on or prior to the Mandatory Tender Date, AMP will direct the Trustee to give notice of mandatory tender of the 2021A-2 Bonds by electronic means only to DTC (not to the Beneficial Owners of the 2021A-2 Bonds), at least 30 and not more than 60 days prior to the Purchase Date, which notice will state (1) the Interest Rate Mode to the 2021A-2 Bonds from and after the Purchase Date; (2) that the 2021A-2 Bonds will be subject to mandatory tender for purchase and specify the Purchase Date; (3) the procedures for such mandatory tender for purchase; (4) the purchase price of the 2021A-2 Bonds; and (5) the consequences of a failed remarketing. DTC, in turn, is to send the notice of mandatory tender to its Participants for distribution to the Beneficial Owners of the 2021A-2 Bonds. See APPENDIX F – "Book-Entry System".

Sources of Funds for Purchase of 2021A-2 Bonds. Tendered 2021A-2 Bonds will be purchased solely with proceeds from the remarketing or refunding thereof. AMP will direct the Remarketing Agent to use its best efforts to remarket the 2021A-2 Bonds into the Interest Rate Mode designated by AMP.

There is no source of moneys to pay the purchase price of the 2021A-2 Bonds upon mandatory tender thereof on a Purchase Date, including the Mandatory Tender Date, other than proceeds of remarketing or refunding thereof. If AMP does not purchase the 2021A-2 Bonds on the related Mandatory Tender Date, such non-purchase shall not constitute an event of default. There is no Credit Facility in place for the payment of the purchase price any 2021A-2 Bond on a Purchase Date, including the Mandatory Tender Date.

Consequences if 2021A-2 Bonds are not Purchased on a Mandatory Tender Date, Notice of Mandatory Tender after a Mandatory Tender Date; Stepped Interest Rate. If on the Mandatory Tender Date, all of the 2021A-2 Bonds subject to tender on such date are not purchased, then none of the 2021A-2 Bonds will be purchased and all tendered 2021A-2 Bonds shall be returned to their respective Holders. In such event, such 2021A-2 Bonds will bear interest at the Stepped Rate (defined below) from the Mandatory Tender Date until all the 2021A-2 Bonds are remarketed, redeemed or paid at maturity.

On each Business Day following a Mandatory Tender Date on which all of the 2021A-2 Bonds were not purchased, the Remarketing Agent shall continue to use its best efforts to remarket the 2021A-2 Bonds into such Interest Rate Mode as directed by AMP. Once the Remarketing Agent has advised AMP that it has a good faith belief that it is able to remarket all of the then-Outstanding 2021A-2 Bonds into the directed Interest Rate Mode, AMP will establish a new mandatory tender date and the Trustee will give notice thereof, by electronic means only to DTC (not to the Beneficial Owners of the 2021A-2 Bonds) not later than five Business Days prior to the date on which the 2021A-2 Bonds are to be purchased, which notice will state (1) the Interest Rate Mode to such 2021A-2 Bonds from and after the Purchase Date; (2) that such 2021A-2 Bonds will be subject to mandatory tender for purchase and specify the Purchase Date; (3) the procedures for such mandatory tender for purchase; (4) the purchase price of such 2021A-2 Bonds; and (5) the consequences of a failed remarketing. DTC, in turn, is to send notice of mandatory tender to its Participants for distribution to the Beneficial Owners of such 2021A-2 Bonds. See APPENDIX F – "Book-Entry System".

2021A-2 Bonds bearing interest at the Initial Term Rate that have not been purchased or redeemed on the Mandatory Tender Date shall bear interest from and including such Mandatory Tender Date until the date such 2021A-2 Bonds are remarketed, redeemed or paid at maturity at the respective rates per annum for the period as set forth in the following table (the "*Stepped Rate*"):

Period	**Stepped Rate**
August 15, 2024 to November 14, 2024	6.5%
November 15, 2024 and thereafter	8.0%

Delivery of Tendered 2021A-2 Bonds. With respect to any Book-Entry Bond, delivery of such 2021A-2 Bond to the Tender Agent in connection with the mandatory tender of 2021A-2 Bonds on a Purchase Date, including the Mandatory Tender Date, will be effected by the making of, or the irrevocable authorization to make, appropriate entries on the books of DTC or any DTC Participant to reflect the transfer of the beneficial ownership interest in such Bond to the account of the Tender Agent, or to the account of a DTC Participant acting on behalf of the Tender Agent.

2021A-2 Bonds Deemed Purchased. If moneys sufficient to pay the purchase price of 2021A-2 Bonds to be purchased pursuant to the Indenture will be held by the Tender Agent on the date and at the time such 2021A-2 Bonds are to be purchased, such 2021A-2 Bonds will be deemed to have been purchased for all purposes of the Indenture, irrespective of whether or not such 2021A-2 Bonds will have been delivered to the Tender Agent, and neither the former holder of such 2021A-2 Bonds nor any other person will have any claim thereon, under the Indenture or otherwise, for any amount other than the purchase price thereof.

In the event of non-delivery of any 2021A-2 Bond to be purchased pursuant to the Indenture, the Tender Agent will segregate and hold uninvested the moneys for the purchase price of such 2021A-2 Bonds in trust, without liability for interest thereon, for the benefit of the former holders of such 2021A-2 Bonds, who will, except as provided in the following sentence, thereafter be restricted exclusively to such moneys for the satisfaction of any claim for the purchase price of such 2021A-2 Bonds. Any moneys which are held by the Tender Agent and remain unclaimed for a period of five years after the date of purchase will be paid to AMP free of any trust and thereafter the holders of such 2021A-2 Bonds shall look only to AMP for payment and then only to the amounts so received by AMP without any interest thereon, and the Tender Agent and the Trustee shall have no responsibility with respect to those moneys.

SPECIAL CONSIDERATIONS CONCERNING THE 2021A-2 BONDS

The Remarketing Agent is Paid by AMP. The Remarketing Agent's responsibilities include determining the interest rate from time to time and remarketing 2021A-2 Bonds that are tendered by the owners thereof (subject, in each case, to the terms of the Remarketing Agreement). The Remarketing Agent is appointed by AMP and is paid by AMP for its services. As a result, the interests of the Remarketing Agent may differ from those of existing holders and potential purchasers of the 2021A-2 Bonds.

The Ability to Sell the 2021A-2 Bonds other than through Tender Process May Be Limited. The Remarketing Agent may buy and sell 2021A-2 Bonds other than through the tender process. However, it is not obligated to do so and may cease doing so at any time without notice and may require holders that wish to tender their 2021A-2 Bonds to do so through the Tender Agent with appropriate notice. Thus, investors who purchase the 2021A-2 Bonds should not assume that they will be able to sell their 2021A-2 Bonds other than by tendering the 2021A-2 Bonds in accordance with the tender process, subject to the limitations of such process described above.

Under Certain Circumstances, the Remarketing Agent May Resign or Cease Remarketing the 2021A-2 Bonds, Without a Successor Being Named. Under certain circumstances the Remarketing Agent may resign or cease its remarketing efforts, without a successor having been named, subject to the terms of the Remarketing Agreement. In the event AMP removes the Remarketing Agent or if there is no Remarketing Agent, AMP will appoint a successor Remarketing Agent.

REDEMPTION

2021A-1 Bonds. The 2021A-1 Bonds will not be subject to redemption prior to maturity.

2021A-2 Bonds.

Optional Redemption. From any available moneys, AMP may, at its option, redeem prior to their respective maturities, in whole or in part, the 2021A-2 Bonds on any date beginning February 15, 2024 at a Redemption Price equal to the principal amount thereof, plus accrued interest on the 2021A-2 Bonds to the Redemption Date.

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Mandatory Sinking Fund Redemption. The 2021A-2 Bonds are subject to mandatory sinking fund redemption on the Principal Payment Date in the following years in the following principal amounts at a Redemption Price equal to par, together with interest accrued to the date of redemption:

Year	Principal Amount	Year	Principal Amount
2025	$2,905,000	2037	$3,795,000
2026	2,970,000	2038	3,880,000
2027	3,040,000	2039	3,970,000
2028	3,110,000	2040	4,060,000
2029	3,180,000	2041	4,150,000
2030	3,250,000	2042	4,245,000
2031	3,320,000	2043	4,340,000
2032	3,395,000	2044	4,435,000
2033	3,475,000	2045	4,535,000
2034	3,550,000	2046	4,640,000
2035	3,630,000	2047	4,745,000
2036	3,715,000	2048†	4,850,000

† Final Maturity

In determining the amount of 2021A-2 Bonds to be redeemed with any sinking fund installment, there will be deducted the principal amount of any 2021A-2 Bonds which have been purchased, to the extent permitted by the Indenture, with amounts in the related 2021A Sinking Fund Subaccount in the Sinking Account of the Bond Subfund (exclusive of amounts deposited from proceeds of 2021A-2 Bonds, if any). In addition, if any 2021A-2 Bonds are (a) purchased or redeemed with amounts other than moneys on deposit in the 2021A Sinking Subaccount or (b) deemed to have been paid within the meaning of the Indenture and, with respect to the 2021A-2 Bonds which have been deemed paid, irrevocable instructions have been given to the Trustee to redeem or purchase the same on or prior to the due date of the sinking fund installment to be credited, the 2021A-2 may be credited against any future sinking fund installment established for the 2021A-2 Bonds determined by AMP at any time.

Selection of Bonds to be Redeemed. The 2021A-2 Bonds may be redeemed only in authorized denominations. If less than all 2021A-2 Bonds shall be called for optional redemption, such 2021A-2 Bonds shall be redeemed from the maturity or maturities selected by AMP. If less than all 2021A-2 Bonds of any maturity are to be redeemed, the particular 2021A-2 Bonds to be redeemed shall be selected by the Trustee by such method as the Trustee in its sole discretion shall determine.

Notice of Redemption. Unless waived by any owner of 2021A-2 Bonds to be redeemed, official notice of any such redemption shall be given by the Trustee by certified mail, return receipt requested, at least 30, but not more than 90, days prior to the redemption date (provided, however, that while the 2021A Bonds bear interest at an Initial Term Rate, if such redemption occurs after the Initial Mandatory Redemption Date such notice is to be provided not less than five (5) Business Days prior to the redemption date) to each registered owner of the related 2021A-2 Bonds to be redeemed at the address shown on the bond register.

With respect to optional redemptions, such notice may be conditioned upon moneys being on deposit with the Trustee on or prior to the redemption date in an amount sufficient to pay the redemption price on the redemption date. If such notice is conditional and moneys are not received, such notice shall be of no force and effect, the Trustee shall not redeem such 2021A-2 Bonds and the Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such 2021A-2 Bonds will not be redeemed.

The failure of any owner of 2021A-2 Bonds to receive such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any 2021A-2 Bonds. Any notice mailed as provided in this section shall be conclusively presumed to have been duly given and shall become effective upon mailing, whether or not any owner receives such notice.

So long as DTC is effecting book-entry transfers of the 2021A-2 Bonds, the Trustee shall provide the notices specified above only to DTC. It is expected that DTC will, in turn, notify the Direct Participants, that the Direct Participants will, in turn, notify the Indirect Participants and that the Direct Participants and the Indirect Participants will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC, a Direct Participant or an Indirect Participant, or failure on the part of a nominee of a Beneficial Owner of a 2021A-2 Bond (having been mailed notice from the Trustee, a Direct Participant, an Indirect Participant or otherwise), to notify the Beneficial Owner of the 2021A-2 Bond so affected, shall not affect the validity of the redemption of such 2021A-2 Bond.

Defeasance. The Series 2021A Bonds may be defeased as described in Appendix D – "Summary of Certain Provisions of the Indenture – DEFEASANCE."

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Series 2021A Bonds and on the Outstanding Bonds. Principal of and interest on the Bonds are shown in the table below in the year in which the same comes due.

	Series 2021A Bonds[1]						
Year Ending December 31,	Principal	Interest	Total Debt Service	**Gross Debt Service on Outstanding Bonds**	**Total Gross Debt Service[2]**	**Federal Subsidies[3]**	**Total Net Debt Service[4]**
2021	-	$ 351,640	$ 351,640	$165,309,066	$165,660,706	$(41,536,689)	$124,124,017
2022	$2,240,000	1,149,450	3,389,450	165,830,081	169,219,531	(41,350,333)	127,869,198
2023	2,360,000	1,057,450	3,417,450	175,265,415	178,682,865	(40,982,119)	137,700,746
2024	2,460,000	961,050	3,421,050	174,787,420	178,208,470	(40,492,157)	137,716,313
2025	2,905,000	2,018,981	4,923,981	174,133,814	179,057,795	(39,825,505)	139,232,290
2026	2,970,000	1,952,888	4,922,888	176,350,615	181,273,502	(39,085,441)	142,188,061
2027	3,040,000	1,885,275	4,925,275	175,511,163	180,436,438	(38,308,813)	142,127,624
2028	3,110,000	1,816,088	4,926,088	174,634,281	179,560,369	(37,504,620)	142,055,748
2029	3,180,000	1,745,325	4,925,325	174,174,623	179,099,948	(37,095,536)	142,004,412
2030	3,250,000	1,672,988	4,922,988	173,969,445	178,892,433	(36,906,464)	141,985,969
2031	3,320,000	1,599,075	4,919,075	173,558,701	178,477,776	(38,727,799)	139,749,977
2032	3,395,000	1,523,531	4,918,531	173,129,943	178,048,474	(38,300,884)	139,747,590
2033	3,475,000	1,446,244	4,921,244	172,555,534	177,476,777	(37,725,935)	139,750,842
2034	3,550,000	1,367,213	4,917,213	171,515,253	176,432,465	(36,686,660)	139,745,806
2035	3,630,000	1,286,438	4,916,438	170,116,124	175,032,562	(35,287,743)	139,744,818
2036	3,715,000	1,203,806	4,918,806	168,651,406	173,570,213	(33,818,227)	139,751,985
2037	3,795,000	1,119,319	4,914,319	167,105,467	172,019,786	(32,274,442)	139,745,344
2038	3,880,000	1,032,975	4,912,975	165,484,845	170,397,820	(30,652,631)	139,745,189
2039	3,970,000	944,663	4,914,663	163,777,523	168,692,185	(28,948,806)	139,743,380
2040	4,060,000	854,325	4,914,325	161,990,839	166,905,164	(27,158,797)	139,746,367
2041	4,150,000	761,963	4,911,963	160,106,650	165,018,613	(25,278,313)	139,740,300
2042	4,245,000	667,519	4,912,519	158,113,155	163,025,674	(23,280,366)	139,745,308
2043	4,340,000	570,938	4,910,938	155,990,415	160,901,352	(21,157,628)	139,743,725
2044	4,435,000	472,219	4,907,219	153,755,371	158,662,590	(18,924,752)	139,737,837
2045	4,535,000	371,306	4,906,306	151,308,337	156,214,643	(16,479,982)	139,734,662
2046	4,640,000	268,088	4,908,088	148,644,507	153,552,594	(13,812,070)	139,740,524
2047	4,745,000	162,506	4,907,506	133,168,324	138,075,831	(11,005,164)	127,070,667
2048	4,850,000	54,563	4,904,563	130,030,649	134,935,212	(8,051,977)	126,883,235
2049	-	-	-	126,728,407	126,728,407	(4,944,942)	121,783,464
2050	-	-	-	123,258,557	123,258,557	(1,675,995)	121,582,562
Total	$98,245,000	$30,317,822	$128,562,822	$4,858,955,930	$4,987,518,752	$(877,280,791)	$4,110,237,961

Numbers may not add to totals due to rounding.

(1) Reflects actual debt service on the 2021A-1 Bonds through maturity and actual debt service on the 2021A-2 Bonds through the Mandatory Tender Date and at 2.25% thereafter. The actual interest rate or rates on the 2021A-2 Bonds, or any Bonds issued to refund the 2021A-2 Bonds after the Mandatory Tender Date, may be higher or lower than the rate assumed.

(2) Reflects total gross debt service on all Outstanding Bonds without regard to receipt of Federal Subsidies payable on the Series 2009B BABs, Series 2010B BABs and Series 2010C CREBs.

(3) Consistent with current law, Federal Subsidies reflected in the table above assume a 5.7% reduction in such Federal Subsidies through 2030 and no reduction thereafter. The actual reduction in the Federal Subsidies may be greater than or less than such amount. See "CERTAIN FACTORS AFFECTING AMP, THE PARTICIPANTS AND THE ELECTRIC UTILITY INDUSTRY – Federal Subsidies."

(4) Total reflects total gross debt service on the Bonds net of the Federal Subsidies.

THE PROJECTS

GENERAL

The Projects consist of three separate, run-of-the-river hydroelectric generating facilities on the Ohio River. Each Project utilizes substantially the same design elements and entails the diversion of water from an existing Army Corps dam through bulb turbines to generate electricity. The Projects have an aggregate net rated capacity of 208 MW (88 MW from the Cannelton Project, 44 MW from the Willow Island Project and 76 MW from the Smithland Project).

THE PROJECTS

Cannelton. The Cannelton Project is located on the Kentucky shore of the Cannelton Locks and Dam on the Ohio River. It is three miles upstream from Cannelton, Indiana. The Cannelton Project utilizes three 29.3 MW turbines and has a total rated capacity of 88 MW. The first unit of the Cannelton Project entered commercial operation in January 2016, the second unit entered commercial operation in March 2016 and the third and final unit entered commercial operation in June 2016.

Willow Island. The Willow Island Project is located on the West Virginia shore of the Willow Island Locks and Dam on the Ohio River, approximately 3.4 miles upstream from Waverly, West Virginia. The Willow Island Project utilizes two 22 MW turbines and has a total rated capacity of 44 MW. The first unit at the Willow Island Project entered commercial operation in January 2016 and the second and final unit at the Willow Island Project entered commercial operation in February 2016.

Smithland. The Smithland Project is located on the Kentucky shore of the Smithland Locks and Dam on the Ohio River, approximately 62.5 miles upstream of the confluence of the Ohio and Mississippi Rivers. The Smithland Project utilizes three 25.3 MW turbines and has a total rated capacity of 76 MW. The first and second units at the Smithland Project entered commercial operation in July 2017 and the third and final unit entered commercial operation in September 2017.

RECENT OPERATING RESULTS

The Projects have generally operated in-line with expectations during their initial years of service, though, from time-to-time, above-average rainfall has negatively impacted generation and associated capacity factors. The operating characteristics of the Projects are similar to those of the Belleville Hydroelectric Project owned by OMEGA JV5 that AMP has successfully operated since 1999. The aggregate equivalent availability, net capacity factor, and annual net generation are set forth in the data below:

Projects' Equivalent Availability Factor (expressed as a percentage)[1]

Plant	2018	2019	2020
Cannelton	94.2	99.6	99.2
Smithland	79.3	97.7	99.5
Willow Island	94.0	98.6	99.1

[1] Equivalent Availability Factor is the amount of time that the Projects are available to produce electricity over a given period. Periods of outages, planned or forced, are deducted.

Projects' Net Capacity Factor (expressed as a percentage)[1]

Plant	2018	2019	2020
Cannelton	46.0	50.9	53.8
Smithland	32.8	27.1	49.8
Willow Island	53.9	63.2	53.8

Projects' Net Generation (in Megawatt Hours)[2]

Plant	2018	2019	2020
Cannelton	354,851	392,271	414,438
Smithland	218,690	180,750	331,868
Willow Island	207,698	243,583	207,457

Source: AMP

The energy generation profile of the Projects is, consistent with other run-of-the-river generation facilities, dependent on precipitation and water flow from the Ohio River and its tributaries. The Projects are unable to generate energy during periods of both low flow and high flow. The generation and associated capacity factors in the initial years of operation were, measured on an annual basis, at least consistent with the projections utilized by AMP in modeling the feasibility of the Projects.

FERC LICENSES, ENVIRONMENTAL CONSIDERATIONS AND PERMITTING

AMP currently holds the FERC licenses (collectively, the "*FERC Licenses*") to operate the Projects. The FERC Licenses for the Cannelton Project, the Smithland Project and the Willow Island Project expire on May 31, 2041, May 31, 2038 and August 31, 2039, respectively. AMP expects to file an application for a new license prior to the expiration of each FERC License. Under existing law, an application for a new license must be filed no later than two years prior to the expiration of the original license.

To date, FERC has only once denied an application for a new license by an existing licensee. In such instance, the new license was opposed on environmental grounds and the matter was resolved through a settlement agreement. If there is competition for a new license between an existing municipal licensee and another applicant, and FERC ultimately awards the new license to the new applicant, the new licensee is required to pay the existing municipal licensee fair market value, plus severance damages. To date, FERC has not awarded a new license to any non-licensee applicant.

The FERC licenses contain general environmental conditions, including, but not limited to, erosion control, endangered species protection and fish entrainment, which have been addressed. In addition, the individual licenses contain specific license articles which require AMP to submit plans to protect certain endangered species particular to the location of the related Project. AMP has been involved in endangered species consultation relating to such license articles and has addressed the issues

[1] Net Capacity Factor reflects the actual energy production over a given period expressed as a percentage of maximum possible energy production over the same period.
[2] Net Generation reflects the amount of gross energy production less energy utilized to operate the related Project.

involved. The plans have been approved by various governmental agencies, including the United States Fish and Wildlife Service, the Army Corps and state agencies having jurisdiction in the state where the related Project is located.

AMP holds the necessary permits under Section 404 of the Clean Water Act and certifications under Section 401 of the Clean Water Act to operate the Projects.

OPERATION OF THE PROJECTS

AMP personnel operate each of the Projects. AMP staff has significant hydroelectric generation experience gained from its operation of the Belleville Hydroelectric Plant, a hydroelectric plant located on the Ohio River that has been in commercial operation since 1999. See "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS." AMP personnel provide continuous operation and maintenance activities 24 hours a day and seven days a week to optimize electrical power generation. The staffing structure for each of the Projects currently includes eight AMP full-time equivalent operations and maintenance employees working rotating shifts plus one operation and maintenance supervisor at each plant. Two AMP hydro projects coordinators perform facility management and project management for the Projects plus the Belleville Hydroelectric Plant.

As a result of an election held on February 23, 2018, the National Labor Relations Board (the "*NLRB*") certified the International Brotherhood of Electrical Workers (the "*IBEW*") as the bargaining representative for operators employed at the Smithland Project. Negotiations with the IBEW for an initial collective bargaining agreement are ongoing.

MAINTENANCE OF PROJECTS

As with most run-of-the-river generating facilities, the annual cost of operating the Projects is relatively low compared with fossil fuel fired generation. AMP does not anticipate the need to make any substantial capital improvements over the next five to ten years.

ELECTRICAL INTERCONNECTION

The Cannelton and Smithland Projects are within the Midcontinent Independent System Operator, Inc. ("*MISO*") geographical footprint. The Willow Island Project is located within the PJM Interconnection ("*PJM*") geographical footprint. AMP has executed an interconnection agreement with respect to each Project. The Cannelton Project is connected through a 1,000 foot 138kV transmission line. The Willow Island Project is connected through a 1.6 mile 138kV transmission line. The Smithland Project is connected through a 2.3 mile 161kV transmission line.

TAXES

Under Ohio, Kentucky and West Virginia law, AMP currently pays applicable taxes or makes payments in lieu of taxes, but AMP could challenge the application of those taxes in the future.

AMERICAN MUNICIPAL POWER, INC.

NONPROFIT CORPORATION

AMP was formed in 1971 as a nonprofit corporation pursuant to Ohio Revised Code Chapter 1702. Under applicable law, AMP has perpetual existence and the duration of its existence is not otherwise limited by its certificate of incorporation or by any agreement with its Members. AMP must file, however, at certain times, Statements of Continued Existence with the Ohio Secretary of State pursuant to Ohio Revised Code § 1702.59. AMP has made all such required filings and is in good standing.

As of March 1, 2021, AMP had 135 Members – 85 municipalities in Ohio, 29 boroughs in Pennsylvania, six municipalities in Michigan, five municipalities in Virginia, five municipalities in Kentucky (three of which are Members through their electric utility boards), two cities in West Virginia, one city in Indiana, one town in Maryland and DEMEC.

TAX STATUS

AMP obtained a determination letter from the IRS on July 31, 1980, supplemented by letters dated January 19, 1981 and December 16, 1987, determining that the income of AMP is excludable under Section 501(c)(12) of Code, provided that at least 85% of AMP's total revenue consists of amounts collected from its Members for the sole purpose of meeting losses and expenses (which includes debt service). AMP believes that it has met the requirements for maintenance of Section 501(c)(12) status each year since it received the initial letter. AMP intends to retain its Section 501(c)(12) status.

AMP has also obtained a private letter ruling (the "*Section 115 Ruling*") from the IRS determining that its income is excludable under Section 115 of the Code because the income of AMP is derived from the exercise of an essential governmental function and will accrue to a state or a political subdivision thereof. The Section 115 Ruling complements AMP's 501(c)(12) status and provides some flexibility in respect of AMP's operations.

AMP has also received private letter rulings from the IRS to the effect that it may issue, on behalf of its Members, obligations the interest on which is excludible from the gross income of holders of the obligations for federal income tax purposes and that it is a wholly owned instrumentality of its Members with the consequence that use of tax-exempt financed facilities by AMP will not result in private use under the Code. See also "TAX MATTERS".

Under Ohio law, AMP currently pays applicable taxes or makes payments in lieu of taxes, but AMP could challenge the application of those taxes in the future.

AFFILIATES; SERVICES

AMP is closely aligned with another Ohio statewide municipal power organization, the Ohio Municipal Electric Association ("*OMEA*"), which is the legislative liaison for the state's municipal electric systems and for AMP. AMP has also facilitated the formation of a number of municipal joint ventures pursuant to Ohio Revised Code § 715.02 and the Ohio Constitution. In addition to Ohio Municipal Electric Generating Agency ("*OMEGA*") Joint Ventures 2, 4, 5 and 6 (See "AMERICAN MUNICIPAL POWER, INC. – Other Projects – JVs 2, 4, 5 and 6; Combustion Turbine Project"), the Municipal Energy Services Agency ("*MESA*") was also formed. Together with AMP employees, MESA provides management and technical services to AMP and its Members. AMP and MESA combined employ approximately 175 people.

AMP purchases wholesale electric power and energy and resells the same to its Members at rates based on cost and a service fee structured to recover AMP's costs. AMP also develops alternative power resources for its Members to meet their short- and long-term needs, including generation projects owned or operated by AMP. See "AMERICAN MUNICIPAL POWER, INC. – Other Projects" below. In 2020, the total cost of power sold or arranged by AMP for its Members, including wholesale power arranged by AMP and power sold by AMP to Members under the power sales contracts relating to AMP's generation projects, was approximately $1.061 billion, at an average rate of $68.35/MWh, which rate includes capacity, energy and delivery related services.

AMP's Energy Control Center monitors loads, buys and sells power and energy for its Members, 24 hours a day, 365 days a year, and controls certain AMP and Member-owned generation. In-house engineering, operations, safety, power supply, rate, legal, financial, risk management and environmental staff is available at AMP's headquarters to assist Member communities in addition to performing AMP duties and providing support to the joint ventures.

In addition, on July 1, 2020, AMP executed an Agreement for Operations, Management Services and Agency (the "*MSCPA Agreement*") with Michigan South Central Power Agency ("*MSCPA*"), a joint action agency, to provide a comprehensive suite of management services through June 30, 2025. Among other things, the MSCPA Agreement provides that Pamala Sullivan, AMP's Chief Operating Officer, will serve as Acting General Manager of MSCPA. The five members of MSCPA are also AMP Members.

Transmission. One of AMP's strategic initiatives is focused on transmission cost control and risk management for its Members. This is being accomplished through advocacy and strategic investment in transmission planning, development of transmission projects and engagement at the FERC and RTOs. In addition, on August 23, 2018, AMP formed a wholly-owned, not-for-profit subsidiary, AMP Transmission, LLC ("*AMPT*"), to purchase certain transmission assets from Members that had become subject to certain North American Electric Reliability Corporation ("*NERC*") bulk electric system ("*BES*") requirements. AMPT became a transmission owner ("*TO*") in PJM and executed the PJM Consolidated Transmission Owners Agreement in October 2018. AMPT's FERC rate was approved in March 2019 and was effective as of January 1, 2019.

RELATIONSHIP WITH THE ENERGY AUTHORITY AND HOMETOWN CONNECTIONS, INC.

AMP is a member of The Energy Authority ("*TEA*"), a nonprofit power marketing corporation that is owned by AMP and other public power entities. TEA assists in wholesale marketing and related responsibilities of its members. TEA's mission is to maximize the value of its members' and other public power partners' assets in the wholesale energy markets. TEA also provides its members with natural gas procurement and management services for supplying physical natural gas used in the generation of electricity, services which AMP utilizes in connection with the Fremont Energy Center. See "–Other Projects – *AMP Fremont Energy Center*" below.

AMP is also a member of TEA Solutions, a sister company of TEA ("*TEA Solutions*"). As with TEA, TEA Solutions is owned by AMP and other public power utilities. TEA Solutions was created to bring further economies of scale and market experience to TEA's members by providing portfolio management, RTO trading, bilateral power trading, power supply management, natural gas trading services and risk management services.

AMP, and several other public power entities, formed Hometown Connections, Inc. ("*HCI*") which, on June 1, 2018, purchased substantially all of the assets of Hometown Connections International Inc., an indirect subsidiary of the American Public Power Association ("*APPA*"). HCI offers products and consulting services to public power entities throughout the United States.

AMP'S INTEGRATED RESOURCE STRATEGY AND APPROACH TO SUSTAINABILITY

Wind, run-of-the-river hydroelectric, landfill gas, solar and fossil fuels, collectively, are all part of AMP's power supply resource mix. AMP's integrated resource strategy is consistent with its corporate sustainability commitment, and includes a portfolio consisting of fossil fuel and a variety of renewable generation projects, energy efficiency initiatives and carbon management activities described below. In addition, AMP's actions are guided by a set of Environmental Stewardship Principles approved by the AMP Board of Trustees.

R.I.C.E. Peaking Generation. AMP entered into a Master Agreement for EPC Distributive Generation BTM Peaking Projects with PowerSecure, Inc., a subsidiary of Southern Company ("*PowerSecure*"), for the engineering, procurement and construction of behind the meter diesel reciprocating internal combustion engines ("*R.I.C.E.*"). AMP and PowerSecure entered into an engineering, procurement and construction agreement for each installation located behind an AMP Member's meter, and PowerSecure provides monitoring, operation and maintenance services for each installation. Two (2) R.I.C.E peaking projects have been established. AMP anticipates that the two R.I.C.E. Peaking Generation projects will ultimately include approximately 74 MW in aggregate with 27 total Members participating. Currently there are 27 MWs operational at 4 host sites with another 38 MWs under construction at 8 host sites. The remaining peaking units are anticipated to be installed at 2 host sites in Ohio and Pennsylvania with an anticipated commercial operation date of December 2021. As of March 1, 2021, AMP was supporting the R.I.C.E projects, with approximately $34.8 million carried on the Line of Credit.

Renewable Energy; Energy Efficiency. As noted above, wind, run-of-the-river hydroelectric, solar and landfill gas are all part of the renewable generation portfolio mix currently owned or contracted for by AMP or its Members. AMP owns, operates, or owns and operates approximately 390 MW of run-of-the-river hydroelectric power generation at existing dams on the Ohio River, including the Projects. See "–OTHER PROJECTS – *JV 2, 4, 5 and 6; Combustion Turbine Project*", "– OTHER PROJECTS – Meldahl Hydroelectric Project" and "– OTHER PROJECTS – Greenup Hydroelectric Project" herein.

In addition, AMP entered into a power purchase agreement for 52 MW of wind generation, purchases 58.325 MW of power and energy from solar generation facilities pursuant to a power purchase agreement between AMP and an affiliate of NextEra (the "*NextEra PPA*") and has developed a 3.5 MW solar facility in the City of Napoleon, Ohio. See "– OTHER PROJECTS – Solar Electricity Prepayment Project" and "– OTHER PROJECTS – Napoleon Solar Project" herein. In addition, TEA, acting on behalf of AMP, has recently issued a request for proposals for up to 150 MW of additional solar energy resources.

In 2010, partly in connection with a consent decree (the "*Consent Decree*") relating to Richard H. Gorsuch Station, a now-retired coal-fired generating facility, AMP executed a 3-year contract with the Vermont Energy Investment Corp. ("*VEIC*") to implement a set of state-of-the-art energy efficiency services for AMP's Members. AMP fulfilled its obligations regarding the Consent Decree in 2013. VEIC is a nationally recognized leader in developing energy efficiency programs. The contract created an Ohio-based turnkey entity – Efficiency Smart – which utilized VEIC's technical expertise and financial incentives for participating Members to provide a portfolio of energy efficiency services to all major retail customer classes (i.e., residential, commercial, and industrial). AMP's contract with VEIC is performance-based, meaning a portion of VEIC's fee is at risk if the contract's performance targets are not met. The savings claims are verified by an independent third party evaluation, measurement and verification team headed by Integral Analytics. Participating Members also receive a performance guarantee from VEIC. The contract with VEIC has been updated and renewed, and currently runs through 2022. The program currently has 18 participating communities and has achieved 245,648 MWh of energy savings since its inception through January 1, 2021.

Carbon Management. AMP has taken action to report and reduce CO2 and other greenhouse gas ("*GHG*") emissions. Through 2016, AMP included an annual fee assessment on all AMP-owned fossil fuel generation to fund various CO_2 offset projects, primarily focused on forestry and landfill gas projects that capture or reduce CO_2 and methane, throughout its footprint. AMP coordinated with the Ohio Department of Natural Resources, Appalachian Regional Reforestation Initiative, American Chestnut Foundation, Green Forests Work and local entities to plant more than 465 acres of seedlings in Ohio, including substantial portions on former strip-mined land. On May 21, 2020, the AMP Board of Trustees adopted a Policy Position on Carbon Reductions to guide the organization on carbon policy and management.

GOVERNANCE

AMP is governed by a Board of Trustees. The current Member Trustees and their representatives are shown immediately following the inside cover page of this Official Statement. The AMP Board of Trustees consists of 21 members, currently DEMEC and 20 communities, each of which designates a representative to the Board. Thirteen of these Trustee communities are chosen by their fellow public power communities in each of AMP's Member service groups (DEMEC constitutes its own service group), which assures representation by at least one community from each state that has five or more Members. The other eight are elected at large. The officers of AMP are: Chair of the Board, Vice Chair, Secretary, Treasurer, President and General Counsel for Corporate Affairs. The President and General Counsel for Corporate Affairs are appointed by the Board of Trustees and are ex officio members of the Board.

Board of Trustees committees concentrate on vital functions of the organization. Current committees include finance, hydro projects, Prairie State project, AMP Fremont Energy Center project, Efficiency Smart, solar project, joint ventures oversight, legislative, member services, mutual aid, personnel, policy, power supply and generation, risk management, AMPT and transmission/regional transmission organizations.

AMP EXECUTIVE MANAGEMENT

The principal members of the executive management team of AMP, with information concerning their background and experience, are listed below.

Jolene Thompson serves as President and Chief Executive Officer, positions to which she was appointed on February 20, 2020, which became effective upon the retirement of Marc Gerken on April 1, 2020. Ms. Thompson previously served as Executive Vice President, Member Services and External Affairs, where she oversaw government relations and external affairs, human resources and administrative services, sustainability programs and energy efficiency, environmental compliance, NERC compliance, safety compliance, technical services and the risk department. Ms. Thompson has been part of the AMP member relations area since 1990, also serving as Executive Director of OMEA since 1997. Ms. Thompson currently serves as chair of the Board of Directors of APPA and on the board of directors of the Transmission Access Policy Study Group and is a member of the executive committees of both boards. She holds a B.A. in Journalism from Otterbein University.

Pamala Sullivan serves as Chief Operating Officer, a position to which she was appointed on April 23, 2020. Ms. Sullivan previously served as Executive Vice President, Power Supply & Generation, where she provided supervisory oversight to AMP's power supply and generation operations, including the company's energy control center, commodity procurement, power supply planning, regional transmission organization affairs, generation development and operations. As Chief Operating Officer, she has retained this portfolio and works with Ms. Thompson to implement business operations and strategic goals, and represents AMP on various boards and committees. Before joining AMP in 2003, Ms. Sullivan was vice president, director of marketing, for a consulting engineering firm specializing in power generation and distribution, where she was responsible for developing and implementing marketing plans and strategies. Ms. Sullivan also serves as President of AMPT. She holds a B.S. in Electrical Engineering from the University of Toledo.

Marcy Steckman serves as Senior Vice President, Finance and Chief Financial Officer. Ms. Steckman joined AMP in 2013 and served as Chief Accounting Officer until July 1, 2016. She is responsible for all treasury, cash management, debt management, financial planning and analysis, financial reporting, Member credit and Member billing activities. She held similar financial leadership positions with American Electric Power, Ohio Power Company, Huntington National Bank, and Nationwide Mutual Insurance Company. Ms. Steckman also serves as Chief Financial Officer of AMPT. Ms. Steckman holds a B.S. in Accounting from the University of Akron and is a Certified Public Accountant in the State of Ohio.

Rachel Gerrick serves as Senior Vice President and General Counsel for Corporate Affairs. Ms. Gerrick joined AMP in 2012, serving as Deputy General Counsel until January 31, 2017, when she assumed her current role. Prior to coming to AMP, she served as associate assistant attorney general at the Ohio Attorney General's Office in the Business Counsel Section. Before that, she was an associate in the Columbus office of Squire, Sanders & Dempsey LLP and in the Chicago office of Winston & Strawn LLP. She holds a bachelor's degree in economics and history from Emory University and a J.D. from the University of Virginia School of Law.

Lisa McAlister serves as Senior Vice President and General Counsel for Regulatory Affairs. Ms. McAlister joined AMP in 2012, serving as Deputy General Counsel for Regulatory Affairs until January 31, 2017, when she assumed her current role. She previously served as the chair of APPA's Legal Section. As an active participant on PJM committees, she served three years on the PJM Board Nominating Committee as the Electric Distributor Sector representative, and has represented the Electric Distributor Sector on various PJM Board Liaison Committees and Grid 20/20 panels. She was previously Of Counsel at Bricker & Eckler LLP, and represented the Ohio Manufacturers' Association and the OMA Energy Group. Prior to that, she was a senior attorney and partner-elect at McNees Wallace & Nurick LLC, representing industrial customers on energy issues. Ms. McAlister also serves as General Counsel for AMPT. She holds a bachelor's degree from Elon University and a J.D. from The Ohio State University.

Scott Kiesewetter serves as Senior Vice President, Generation Operations. Mr. Kiesewetter was named senior vice president of generation operations in 2014 and oversees all functions of the Power Generation Group, including all generation resources. He has worked for AMP since 1992 in various positions both at headquarters and generation facilities. For nearly 30 years he has served in several roles within the organization, gaining experience across-the-board from generation to the Energy Control Center. His efforts have included work on the Prairie State Energy Campus and construction completion and start-up of the AMP Fremont Energy Center. Prior to AMP, Kiesewetter held various positions with the Philadelphia Electric Company both in its corporate offices and at the Peach Bottom Atomic Power Station. He holds a B.S. in electrical engineering from The Ohio State University with a concentration in power engineering.

Paul Beckhusen serves Senior Vice President of Power Supply Operations and Energy Marketing. Mr. Beckhusen oversees the planning, strategy, development, negotiation and implementation of all power supply, energy and fuel-related matters. Prior to joining AMP in 2019, he served as the general manager for MSCPA. Mr. Beckhusen began his career in the public power sector in 2000 with the Coldwater Board of Public Utilities, where he was the director from 2003 to 2017. Mr. Beckhusen served on the board of the APPA from 2011 to 2014. He holds a B.S. in Electrical Engineering from Trine University.

Adam Ward serves as Senior Vice President of Member Services and External Affairs, a position to which he was named in April 2020. Mr. Ward provides oversight to AMP's member focused business and economic development efforts, sustainability initiatives, internal and external communications, government relations, technical services and member programs. Mr. Ward joined AMP in 2016 as assistant vice president of environmental affairs, sustainability and energy policy. Prior to joining AMP, Mr. Ward served as assistant chief of the Air Pollution Control Division with the Ohio Environmental Protection Agency, where he worked for 20 years. Mr. Ward has a bachelor's degree in environmental health from Bowling Green State University, a master's degree in environmental, safety and emergency management from the University of Findlay, and is a Certified Public Manager through the Ohio State University John Glenn School of Public Affairs.

Branndon Kelley serves as Senior Vice President of Technology and Chief Information Officer. Mr. Kelley has been with AMP since 2009 and has more than 20 years of experience in IT operations, infrastructure, application development, project management, executive leadership, strategy and business development. Mr. Kelley has led a complete IT transformation at AMP and was named Intelligent Utility's CIO of the Year in 2012. He oversees all information technology, information security and supervisory control and data acquisition functions, projects and people. He is responsible for setting, facilitating and leading technology strategy and tactical execution. He was the 2012 chair for TechTomorrow and the 2013 chair for the APPA IT Committee. Mr. Kelley has a B.S. in Computer Information Systems from DeVry University and a MBA in Finance and General Management from the Keller School of Management.

Terry Leach serves as Vice President of Risk and Chief Risk Officer. Mr. Leach has been with AMP since 2006, holding various positions during his tenure. Mr. Leach is responsible for chairing the Risk Management Committee and providing overall management of the Middle Office – the independent oversight, compliance, control and monitoring office for the organization. His other responsibilities include management of AMP's Corporate Energy Risk Control Policy, overseeing the Enterprise Risk Management Program, the strategic planning process, and ensuring compliance with enterprise wide internal controls. Prior to joining AMP, Mr. Leach served as Green Mountain Energy Company's Midwest and Eastern regions operation manager, and also served as assistant Ohio Secretary of State from 1996 to 1999. He holds a bachelor's degree in business management from Franklin University and is a veteran of the United States Air Force.

Tracy Reimbold serves as Vice President of Human Resources and Administrative Services and Chief People Officer. She leads AMP's efforts in talent acquisition, onboarding, employee development, compensation and benefits, along with building maintenance and fleet operations. Ms. Reimbold joined AMP in 2016, previously serving as Assistant Vice President of Business Operations. Prior to joining AMP, Ms. Reimbold served as finance director for AMP Member Newton Falls, Ohio, representing the city on the AMP Board of Trustees. She holds a bachelor's degree in business administration from the University of Texas.

LIQUIDITY

AMP is party to a Credit Agreement, dated as of May 3, 2017 (the "*Line of Credit*"), with a syndicate of commercial banks led by Royal Bank of Canada, with a total available line of $600 million, which total availability, subject to certain conditions, may be increased to $850 million. The current expiration date of the Line of Credit is May 2, 2022. AMP may, subject to certain limitations, borrow directly on the Line of Credit or request the issuance of letters of credit against the Line of Credit to support its operations, to provide interim financing for its projects and to pay its obligations to TEA, TEA Solutions, AMPT and HCI, including capital contributions and guarantees. As of March 1, 2021, approximately $307.4 million had been drawn or reserved on the Line of Credit, approximately $271.6

million of which is supported by Member commitments, such as the draws on the Line of Credit that are evidenced as subordinated obligations and issued from time-to-time under the Indenture and comparable draws on the Line of Credit used to refund obligations or provide working capital for other AMP projects. See "AMP's Integrated Resource Strategy and Approach to Sustainability – *R.I.C.E. Peaking Generation*" above and "–Other Projects – *JV 2, 4, 5 and 6; Combustion Turbine Project*", "*– AMPGS*", "*– Meldahl Hydroelectric Project*", "*– Greenup Hydroelectric Project*", "*– Solar Electricity Prepayment Project*" and "*– Napoleon Solar Project*" below.

In respect of its obligations to TEA, AMP has executed guarantees for TEA (the "*TEA Guarantees*") in the aggregate amount of approximately $59 million, including $25 million to support business growth and trading relating to TEA's California Community Aggregation ("*CCA*") program that provides for TEA or others to supply electricity to communities that were previously served by investor owned utilities. AMP reserves amounts on its Line of Credit in the event that the TEA Guarantees are triggered. Such amounts, except for the TEA Guarantee relating to CCA, are included in the amounts detailed in the preceding paragraph.

OTHER PROJECTS

Several of the studies of alternative power supply and transmission arrangements AMP has made or commissioned have resulted in cooperative undertakings by AMP and one or more of its Members. Included among these projects are the following:

JVs 2, 4, 5 and 6; Combustion Turbine Project. In 1992, AMP began sponsoring the creation and organization of project specific joint ventures (the "*JVs*") among certain of its Members and other AMP owned or controlled projects for the purpose of acquiring certain electric utility assets. Several, described below, remain active.

- *OMEGA JV2* (36 Members): OMEGA JV2 owns 138.65 MW of distributed generation, consisting of two 32 MW gas-fired turbines, one 11 MW gas-fired turbine and thirty-four 1.825 MW diesel generators. AMP is responsible for the operation of the JV2 Project. As of March 1, 2021, $1,722,443 on AMP's Line of Credit was allocable to the financing of costs related to the JV2 Project.

- *OMEGA JV4* (4 Members): OMEGA JV4 owns a 69 kV sub-transmission line located in Williams County, Ohio that electrically connects Members Bryan, Montpelier and Pioneer, providing additional reliability to their Electric Systems and the ability to make power sales to one industrial customer. AMP constructed the initial phase of the line in 1995 and then transferred title to the participants in December 1995 at no markup of its cost. OMEGA JV4 has no debt.

- *OMEGA JV5* (42 Members): In 1993, OMEGA JV5 assigned to a trustee the obligations of its participants to make payments for their respective ownership shares in the "Belleville Project," a 42 MW run-of-the-river hydroelectric generating facility on an Army Corps dam near Parkersburg, West Virginia and an associated transmission line in Ohio owned by OMEGA JV5. AMP is responsible for operation of the Belleville Project. The hydroelectric generation associated with the Belleville Project has been operational since June 1999. The Federal Energy Regulatory Commission license for the Belleville Project runs through August 31, 2039. As of March 1, 2021, $40,476,764 of the 2001 Belleville Beneficial Interest Certificates ("*2001 BICs*") with a final maturity of 2030 was outstanding. The 2001 BICs are capital appreciation bonds with a final aggregate maturity amount of $56,125,000. In addition, on February 15, 2014, AMP redeemed

$70,990,000 of the 2004 Belleville Beneficial Interest Certificates with the proceeds of a draw on the Line of Credit, which draw was evidenced by the proceeds of a note (the "*JV5 Note*"). On January 29, 2016, OMEGA JV5 caused the issuance of $49,745,000 Belleville Beneficial Interest Refunding Certificates, Series 2016 (the "*2016 BICs*") to pay a portion of the outstanding balance of the JV5 Note and to pay costs of issuance. The balance of the JV5 Note has since been retired. The 2016 BICs were redeemed in whole on February 15, 2021 with a draw on the Line of Credit which is evidenced by a subordinated note (the "*2021 JV5 Note*"). As of March 1, 2021, $8,651,841 on AMP's Line of Credit was allocable to the 2021 JV5 Note.

- *OMEGA JV6* (10 Members): OMEGA JV6 owns four 1.8 MW wind turbines located in Bowling Green, Ohio. AMP is responsible for the operation of the JV6 assets. OMEGA JV6 has no debt outstanding.

- *Combustion Turbine Project* (33 Members – AMP-owned, not a JV): In August 2003, AMP financed, with a draw on its Line of Credit, the acquisition of three gas turbine installations, located in Bowling Green, Galion and Napoleon, Ohio (each of which is an AMP Member), plus an inventory of spare parts. Each installation consists of two gas-fired turbine generators, one 32 MW and one 16.5 MW, with an aggregate nameplate capacity for all three installations of 145.5 MW. The Combustion Turbine Project has no debt outstanding.

AMPGS (81 Members). Until November 2009, AMP had been developing a 960 MW twin unit, supercritical boiler, coal-fired, steam and electric generating facility, to be known as the American Municipal Power Generating Station ("*AMPGS*"), in Meigs County, in southeastern Ohio, on the Ohio River. AMP had planned for AMPGS to enter commercial operation in 2014 at a total capital cost of approximately $3 billion. In the fourth quarter of 2009, however, the estimated capital costs increased by 37% and Bechtel Power Corporation ("*Bechtel*"), the EPC (engineer, procure and construct) contractor, would not guarantee that the costs would not continue to escalate. As a result of the estimated cost increases and prior to the commencement of major construction at the project site, the 81 AMP Members that had subscribed for capacity from AMPGS ("*AMPGS Participants*") voted to cease development of AMPGS as a coal fired project.

In August 2016, AMP and Bechtel engaged in court-ordered mediation to resolve disputes raised in litigation relating to the cancellation of the AMPGS Project. Following the mediation, AMP and Bechtel reached a comprehensive settlement which resolved all claims. The terms of such settlement are confidential.

As of March 1, 2021, $9,215,571 on AMP's Line of Credit was allocable to the stranded costs recoverable from the AMPGS Participants and $37,424,450 on AMP's Line of Credit was allocable to plant held for future use.

Prairie State Energy Campus (68 Members)*:* On December 20, 2007, AMP acquired a 23.26% undivided ownership interest (the "*PSEC Ownership Interest*") in the Prairie State Energy Campus ("*PSEC*"), a two-unit, supercritical coal-fired power plant designed to have a net rated capacity of approximately 1,582 MW and associated facilities in southwest Illinois. The PSEC Ownership Interest is held by AMP 368 LLC, a single-member Delaware limited liability company ("*AMP 368 LLC*"). AMP is the owner of the sole membership interest in AMP 368 LLC. Construction of the PSEC commenced in October 2007. Unit 1 of the PSEC commenced operations in the second quarter of 2012 and Unit 2 of the PSEC commenced operations in the fourth quarter of 2012.

From July 2008 through September 2010, AMP issued five series of Prairie State Energy Campus Revenue Bonds (collectively, the "*Initial Prairie State Bonds*") to finance PSEC project costs and PSEC related expenses. The Initial Prairie State Bonds consist of tax-exempt, taxable and tax advantaged Build America Bonds issued in the original aggregate principal amount of $1,696,800,000. In 2015, 2017 and 2019, AMP issued bonds (the "*Prairie State Refunding Bonds*" and, together with the Initial Prairie State Bonds, the "*Prairie State Bonds*") to refund all of the callable tax-exempt Initial Prairie State Bonds issued in 2008 and 2009, certain of callable outstanding Initial Prairie State Bonds issued as Build America Bonds and certain of the bonds issued in 2015 to refund the Initial Prairie State Bonds. As of March 1, 2021, AMP had $1,439,610,000 aggregate principal amount of Prairie State Bonds outstanding.

AMP sells the power and energy from the PSEC Ownership Interest pursuant to a take-or-pay power sales contract (the "*Prairie State Power Sales Contract*") with 68 Members (the "*Prairie State Participants*"). The Prairie State Bonds are net revenue obligations of AMP, secured by a master trust indenture, payable primarily from the payments to be made by the Prairie State Participants under the terms of the Prairie State Power Sales Contract.

AMP Fremont Energy Center (86 Members). On July 28, 2011, AMP acquired from FirstEnergy Generation Corporation ("*FirstEnergy*") the Fremont Energy Center ("*AFEC*"), a combined cycle, natural gas fueled electric generating plant, then nearing completion of construction and located in Fremont, Sandusky County, Ohio. Following completion of the commissioning and testing, AMP declared AFEC to be in commercial operation as of January 20, 2012. AFEC has a capacity of 512 MW (unfired)/675 MW (fired) and consists of two combustion turbines, two heat recovery steam generators and one steam turbine and condenser.

AMP subsequently sold a 5.16% undivided ownership interest in AFEC to the Michigan Public Power Agency and entered into a power sales contract with the Central Virginia Electric Cooperative for the output associated with a 4.15% undivided ownership interest in AFEC. The output of AFEC associated with the remaining 90.69% undivided ownership interest (the "*90.69% Interest*") is sold to AMP Members pursuant to a take-or-pay power sales contract with 86 of its Members (the "*AFEC Power Sales Contract*").

In 2012, to provide permanent financing for the 90.69% Interest, AMP issued, in two series, $546,085,000 of its AMP Fremont Energy Center Project Revenue Bonds (the "*2012 AFEC Bonds*"), consisting of taxable and tax-exempt obligations. The AFEC Bonds are net revenue obligations of AMP, secured by a master trust indenture and payable from amounts received by AMP under the AFEC Power Sales Contract. In 2017, AMP issued bonds (the "*AFEC Refunding Bonds*" and, together with the 2012 AFEC Bonds, the "*AFEC Bonds*") to refund a portion of the 2012 AFEC Bonds. As of March 1, 2021, $468,135,000 aggregate principal amount of AFEC Bonds was outstanding.

In April 2021, AMP executed a Gas Supply Contract (the "*Gas Supply Contract*") with Tennergy Corporation ("*Tennergy*") under the terms of which Tennergy will provide a portion of the natural gas made available to Tennergy under the terms of a Prepaid Natural Gas Sales Agreement ("*Prepaid Natural Gas Sales Agreement*") between Tennergy and a subsidiary of Morgan Stanley. Under the Gas Supply Contract, AMP will receive the benefit of a discount from market index gas priced.

Meldahl Hydroelectric Project (48 Members). AMP owns and, together with the City of Hamilton, Ohio, an AMP Member, developed and constructed a 108.8 MW, three-unit hydroelectric generation facility on the Captain Anthony Meldahl Locks and Dam, an existing Army Corps dam on the Ohio River, and related equipment and associated transmission facilities (the "*Meldahl Project*"). The Meldahl Project is operated by the City of Hamilton.

In order to finance the construction of the Meldahl Project and related costs, AMP issued seven series of its Meldahl Hydroelectric Project Revenue Bonds ("*Meldahl Bonds*") in an original aggregate principal amount of $820,185,000 consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Meldahl Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 48 of its Members. As of March 1, 2021, $655,050,000 aggregate principal amount of the Meldahl Bonds and approximately $1.8 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the Meldahl Bonds.

Greenup Hydroelectric Project (47 Members). In connection with the development of the Meldahl Project, Hamilton agreed to sell and AMP agreed to purchase a 48.6% undivided ownership interest (the "*AMP Interest*") in the Greenup Hydroelectric Facility. On May 11, 2016, AMP issued $125,630,000 aggregate principal amount of its Greenup Hydroelectric Project Revenue Bonds, Series 2016A (the "*Greenup Bonds*") and, with a portion of the proceeds thereof, acquired the AMP Interest. The Greenup Bonds are secured by a separate power sales contract that has been executed by the same Members (with the exception of Hamilton, which retained title to a 51.4% ownership interest in the Greenup Hydroelectric Facility) that executed the Meldahl Power Sales Contract. As of March 1, 2021, $120,600,000 aggregate principal amount of the Greenup Bonds was outstanding and approximately $404,000 aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit were outstanding under the indenture securing the Greenup Bonds.

Solar Electricity Prepayment Project (22 Members). As discussed above, AMP entered into the NextEra PPA pursuant to the terms of which AMP agreed to purchase and a subsidiary of NextEra agreed to sell all of the power and energy generated by solar generation facilities (each, a "*System*"), each of which is located behind the meter of an AMP Member's Electric System. Under the terms of the NextEra PPA, AMP has prepaid for twenty-five years of energy to be generated by each System at a "*P90*" confidence interval, meaning that, in any given year, the probability of exceeding such level of production is ninety percent (90%), and assuming a 0.5% degradation factor. The development of the Systems covered by the PPA is complete, with sixteen Systems with a rated capacity of approximately 58.325 MW in commercial operation.

On January 31, 2019, AMP issued $55,195,000 of its Solar Electricity Prepayment Project Revenue Bonds, Series 2019A (the "*2019 Solar Prepayment Bonds*") to refinance draws on its Line of Credit associated with the first 13 Systems, with a rated capacity of approximately 36.83 MW. On August 20, 2020, AMP issued its $25,480,000 Solar Electricity Prepayment Project Revenue Bonds, Series 2020 (Green Bonds) (collectively, with the 2019 Solar Prepayment Bonds, the "*Solar Prepayment Bonds*") to refinance draws on the Line of Credit associated with the remaining three Systems. Such Solar Prepayment Bonds are secured by a trust indenture (the "*Solar Indenture*") and payable from amounts received by AMP under a take-and-pay power sales contract with 22 of its Members. As of March 1, 2021, $77,605,000 aggregate principal amount of Solar Prepayment Bonds were outstanding under the Solar Indenture and approximately $6.9 million aggregate principal amount was on the Line of Credit, which represent certain developmental costs. Amounts on the Line of Credit are payable as a subordinate obligation under the Solar Indenture.

Napoleon Solar Project (3 Members). AMP owns the Napoleon Solar Project, a 3.54 MW solar installation, located in Napoleon, Ohio. The Napoleon Solar Project entered commercial operation in August 2012. The output of the Napoleon Solar Project is sold pursuant to the terms of a take-or-pay power sales contract with three of AMP's Members. The cost of the Napoleon Solar Project was financed with the proceeds of a draw on the Line of Credit. As of March 1, 2021, $4,086,974 on AMP's Line of Credit was allocable to the financing of costs related to the Napoleon Solar Project.

THE PARTICIPANTS

GENERAL

Each of the Participants is a Member of AMP. The Participants, together with their respective Project Shares, are listed in APPENDIX A hereto. The Electric Systems owned by the Participants provide, among other things, electric utility service primarily to retail consumers located in their respective service areas.

Of the 79 Participants, six of the Participants have combined a 47.32% of all Participants' Project Shares. These Participants are the City of Danville, Virginia; the City of Coldwater, Michigan; the City of Paducah, Kentucky; and the Cities of Cleveland, Bowling Green and Cuyahoga Falls, Ohio (collectively, the "*Large Participants*"). With the exception of Cleveland, each Participant is the only authorized supplier of electricity in the corporate limits of the municipality. Cleveland is in direct competition with Cleveland Electric & Illuminating ("*CEI*"), an operating company of First Energy Corp. APPENDIX B to this Official Statement contains certain financial and other information about the Large Participants.

TRANSFERABILITY OF PROJECT SHARES AND PSCR SHARES

Certain Participants have, from time to time, indicated an interest in realigning certain portions of their power supply portfolio, including their Project Shares from the Projects and shares of power sales contract resources (each, a "*PSCR Share*") from certain of the projects detailed above under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS," as part of their broader power supply planning process. AMP has facilitated the realignment process by creating a procedure whereby AMP solicits non-binding indications of interests from the Members, including the Participants, seeking their interest in increasing or reducing their project shares in various AMP generating projects. While AMP, at the request of its Members, initiates this process, the non-binding indications of interest are forwarded to TEA, which in the past has investigated potential arrangements between prospective sellers and prospective buyers among AMP Members. The realignment process detailed in this paragraph is undertaken periodically. In future iterations of the realignment process, it is possible that a Participant may wish to transfer its Project Share in the Projects.

To date, however, only five transfers of project shares relating to an AMP-owned or AMP-operated generating project have been completed, each relating to AFEC. On June 1, 2016, Yellow Springs, Ohio assigned a 0.09% project share in the AMP entitlement to the 90.69% Interest in AFEC (the "*AMP Entitlement in AFEC*") to Coldwater, Michigan. On May 1, 2018, Hamilton, Ohio and Dover, Ohio transferred a 1.51% project share and a 0.65% project share, respectively, in the AMP Entitlement in AFEC to DEMEC. On April 1, 2019, Hamilton, Ohio transferred an approximately 0.02% project share in the AMP Entitlement in AFEC to Holiday City, Ohio. On June 1, 2019, Hamilton, Ohio transferred a 1.51% project share in the AMP Entitlement in AFEC to DEMEC. Additional transfers may occur from time to time, either in connection with the realignment process, a bilateral transaction among AMP Members or otherwise. Given the restrictions on the transferability of project shares, including those discussed in the following paragraph, if any Participant were to increase or reduce its Project Share in the Projects, the most likely assignee in any such scenario would be another Participant or AMP Member that is not currently a Participant.

Under the terms of the Power Sales Contract, the Participants may only assign their rights under the Power Sales Contract in accordance with the terms and conditions set forth therein, including evidence that the proposed assignee does not materially adversely affect the security for the Bonds and receipt of an opinion of counsel of recognized standing that such assignment will not affect the regulatory or tax status of AMP or any Bonds. In addition, the Participants are granted a right-of-first refusal, allowing the Participants to match any bona fide offer for assignment. See APPENDIX C – "Summary of Certain Provisions of the Power Sales Contract – Additional Covenants of the Participants."

CERTAIN FACTORS AFFECTING AMP, THE PARTICIPANTS AND THE ELECTRIC UTILITY INDUSTRY

GENERAL

Various factors will affect the operations of AMP and the electric utility systems operated by the Participants, as well as the sellers and transmitters of electric power. They include, for example: (a) retention of existing retail customers by Participants, (b) local, regional and national economic conditions, (c) the market price of electricity and the market price of alternate forms of energy, (d) the price of commodities and equipment used in electric generating facilities, (e) energy conservation measures, (f) the price of coal and natural gas, (g) the availability of alternate energy sources, (h) climatic conditions, (i) government regulation and deregulation of the energy industries, (j) the price and availability of transmission service, (k) technological advances in fuel economy and energy generation devices, and (l) "self-generation" or "distributed generation" (such as photovoltaic arrays, microturbines and fuel cells) by industrial and commercial customers and others.

In addition, the effects of the pandemic caused by the novel coronavirus ("*COVID-19*"), continue to impact the operations of AMP and other public utilities. COVID-19 has created a unique set of operational challenges, including variations in demand, the necessity to maintain a safe work environment for employees and limitations placed on normal collection activities, whether such limitations are self-imposed or as a result of state action. In respect of self-imposed or state-ordered restrictions on disconnection, any new or amended regulations or orders might affect the ability of utilities to disconnect customers for nonpayment or prevent the disconnection of certain classes of customers.

AMP is unable to predict the impact of the foregoing factors, and other factors, on the Participants and their electric operations. However, the electricity supply and services to be provided by AMP are intended to maintain and improve the competitive position of the Participants by providing them with services and with competitive prices for all or a portion of their required electricity supply.

The following sections under this caption provide brief discussions of some of the factors that affect the operations of AMP and the electric utility systems operated by the Participants. These discussions do not purport to be comprehensive or definitive, however, and the matters discussed are subject to change subsequent to the date hereof.

RECENT DEVELOPMENTS

The global pandemic caused by COVID-19 began to impact AMP and its Members in March 2020. While most stay-at-home or safer-at-home orders implemented by state and local authorities throughout AMP's footprint have ended, some restrictions, such as mask orders and business hour limitations, remain in effect, either as directed by a state in AMP's footprint, or by local ordinance.

AMP has continued to serve its Members during the pandemic without interruption. None of AMP's generating facilities has had material impacts to its operations as a result of the pandemic, although some planned maintenance at the facilities was temporarily deferred. At this point, however, substantially all of the temporarily deferred maintenance at AMP's generation facilities, including the Projects, has been completed. Certain employees who work at AMP headquarters continue to work from home, though essential employees continue to report and AMP has put in place rigorous protocols to maintain a safe work environment. AMP does not believe that having a significant portion of its employees working from home has had any material adverse impact on its operations or services to Members.

AMP will continue to evaluate reopening processes for headquarters staff, particularly in light of the status of the vaccination program in Ohio. While many AMP employees are already vaccinated, this trend should accelerate as the State of Ohio has determined that, as of March 29, 2021, all adults are eligible for vaccination. In respect of AMP's Members, some utility employees were given vaccine priority.

None of AMP's Members have experienced material adverse impacts to their physical plant as a result of the pandemic. While Members with large industrial or commercial loads, or which served institutions of higher education, experienced moderate weather normalized load reductions in the first six months following the adoption of the stay-at-home or safer-at-home orders, these were offset, in part, by higher residential loads. Member loads have largely returned to the pre-COVID-19 baseline as measured on a weather-adjusted basis.

The majority of AMP's Members implemented shut-off moratoriums early in the pandemic, either voluntarily or as a result of government requirements. At this point, however, the majority of Members have resumed disconnections, subject to pre-COVID-19 disconnection rules limiting disconnections during certain weather events, such as extreme cold. While customer account delinquencies rose modestly due to the pandemic and related economic impacts, customer delinquencies have not led to any Member payment defaults to AMP.

There can be no assurances that the spread of COVID-19 will not materially adversely affect the financial condition of any Participant's electric system. Potential impacts to the Participants associated with the COVID-19 pandemic include, but are not limited to, temporary or permanent reductions in system load, loss of customers, payment delinquencies and increased pressure for rate or payment accommodations. The degree of any such impact on a Participant's system operations and finances is extremely difficult to predict due to the evolving nature of the transmission of COVID-19, including uncertainties relating to (i) the duration of the outbreak, (ii) the severity of the outbreak and (iii) the ultimate geographic spread of the outbreak, as well as with regard to what actions may be taken by governmental authorities to contain or mitigate its impact. Any adverse impact on the financial condition of a Participant may impact the Participant's ability to fulfill its financial obligations to AMP.

ENFORCEABILITY OF CONTRACTS AND BANKRUPTCY

The enforceability of the various legal agreements relating to the Projects and the Series 2021A Bonds may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting the rights of creditors or secured parties generally and by the exercise of judicial discretion in accordance with general principles of equity. The Power Sales Contract and other agreements relating to the Projects are executory contracts. If AMP or any of the parties with which AMP has contracted under such agreements (including the Power Sales Contract) is involved in a bankruptcy proceeding, the relevant agreement could be discharged in return for a claim for damages against the party's estate with uncertain value. In such an event, the Gross Receipts could be materially and adversely affected. Similarly, in the event that AMP is involved in a bankruptcy proceeding, exercise of the remedies afforded to the Trustee under the Indenture may be stayed.

AMP. In the event of a bankruptcy of AMP, a party in interest might take the position that the remittance to the Trustee by AMP of the payments received from the Participants pursuant to the Power Sales Contract constitutes a preference under bankruptcy law if such remittance were deemed to be paid on account of a preexisting debt. If a court were to hold that the remittance of funds constitutes a preference, any such remittance within 90 days of the filing of the bankruptcy petition could be avoidable, and funds could be required to be returned to the bankruptcy estate of AMP. Because the payments by the Participants will be commingled by AMP with other payments by the Participants and its other Members pending the transfer of such payments to the Trustee, the risk that a court would hold that a remittance of those funds by AMP to the Trustee was a preference is increased. If AMP is considered an "insider" with the Participants, any such remittance made within one year of the filing of the bankruptcy petition could be avoidable as well if the court were to hold that such remittance constitutes a preference. In either case, the Trustee would be merely an unsecured creditor of AMP.

Municipal Bankruptcy. Chapter 9 of the Federal Bankruptcy Code (the "*Bankruptcy Code*") contains provisions relating to the adjustment of debts of a state's political subdivisions, public agencies and instrumentalities (each an "eligible entity"), such as the Participants. Pursuant to the Bankruptcy Code, political subdivisions, public agencies and instrumentalities must be specifically authorized under state law to file a petition under Chapter 9. States are free to pass, and amend, legislation granting or denying such entities the authority to file a petition under the Bankruptcy Code. Under the Bankruptcy Code and in certain circumstances described therein, an eligible entity may be authorized to initiate Chapter 9 proceedings without prior notice to or consent of its creditors, which proceedings may result in a material and adverse modification or alteration of the rights of its secured and unsecured creditors, including holders of its bonds and notes.

In almost all cases, political subdivisions, public agencies and instrumentalities must have specific statutory authorization under state law to constitute an eligible entity. Moreover, prior to initiating any Chapter 9 proceedings certain otherwise eligible entities must first participate in a state-sponsored rehabilitation process before filing a Chapter 9 petition. See "– *Michigan Participants*" and "– *Ohio Participants*" herein.

Kentucky Participants. Section 66.400 of the Kentucky Revised Statutes permits taxing agencies or instrumentalities, as defined in the Bankruptcy Code, such as the Participants, to petition for relief under Chapter 9 of Title 11 of the Bankruptcy Code, stating that the taxing agency or instrumentality, is insolvent or unable to meet its debts as they mature, and that it desires to effect a plan for the composition or readjustment of its debts, and to take such further proceedings as are set forth in the Bankruptcy Code as they relate to such taxing agency or instrumentality. Section 66.400(3) of the Kentucky Revised Statutes creates a first lien in favor of debt holders on any tax revenues pledged to the repayment of debt issued by Kentucky taxing agencies or instrumentalities. However, the validity and priority of the statutory lien provided under Section 66.400 of the Kentucky Revised Statutes has not been adjudicated in any Chapter 9 bankruptcy proceeding or otherwise.

Section 96.720 of the Kentucky Revised Statutes controls receivership for boards of municipal electric plants. In the event that a municipal electric board issues bonds and then defaults on the payment of those bonds, the holders of not less than twenty-five percent of the outstanding bonds may petition the court of competent jurisdiction to appoint a receiver to administer the electric plant on behalf of the board. Such a receiver has the power to charge and collect rates sufficient to provide for the payment of any obligations outstanding and for the payment of operating expenses.

Michigan Participants. Local governments in Michigan are prohibited from voluntarily becoming debtors under Chapter 9 of the U.S. Bankruptcy Code except as provided by the Local Financial Stability and Choice Act, Act 436, Public Acts of Michigan, 2012, as amended ("Act 436"), pursuant to which, the State Treasurer is charged with monitoring the fiscal health of Michigan political subdivisions. Under Act 436, upon the occurrence of one or more financial triggers, the State Treasurer may conduct a preliminary review of a local government. If the State Treasurer conducts a preliminary review upon the occurrence of a triggering event, and makes a finding of probable financial stress, and that finding is confirmed by the local emergency financial assistance loan board, the Governor is required to appoint a review team to undertake a local financial management review. Upon receipt of a report that concludes that a financial emergency exists within the local government from the review team, the Governor is required to determine whether or not a financial emergency exists in the local government. If the Governor determines that a financial emergency exists, the Governor shall provide the governing body and chief administrative officer of the local government with a written notification of the determination. The chief administrative officer or the governing body of the local government has seven days after the date of the notification to request a hearing conducted by the State Treasurer. Following the hearing, or if no hearing is requested, the Governor shall either confirm or revoke the determination of the existence of a financial emergency. A local government for which a financial emergency determination has been confirmed to exist may, by resolution adopted by a vote of 2/3 of the members of its governing body elected and serving, appeal this determination within ten business days to the Michigan court of claims.

If the Governor confirms that a financial emergency exists, the governing body of the local government has seven days to select one of the following: (1) a consent agreement with the State to address the financial emergency, (2) the appointment of an emergency manager with broad powers to address the financial emergency and operations of the local government, (3) a neutral mediation process with creditors and other interested parties, or (4) Chapter 9 bankruptcy, with the Governor's approval. If the governing body of the local government does not make a choice within seven days, the local government will be placed in neutral mediation.

In addition to the option available to a Michigan local government to request the Governor's approval for a Chapter 9 bankruptcy filing upon confirmation of the existence of a financial emergency, a Chapter 9 bankruptcy filing may also be initiated by an emergency manager appointed to a local government upon a determination that no alternative exists to address the financial emergency, or if the neutral mediation process fails to result in an agreement. The Governor's approval is required for a bankruptcy filing in either scenario.

Ohio Participants. The State Auditor is charged with monitoring the fiscal health of Ohio municipal corporations. On the request of a municipal corporation, or upon the occurrence of certain triggering events, such as casual general fund deficits exceeding a certain threshold, the State Auditor may place any municipal corporation in fiscal watch ("*Fiscal Watch*"). If a municipal corporation is placed on Fiscal Watch, the State Auditor will provide various administrative and technical expertise, at the state's expense, in an effort to alleviate the conditions which led to the Fiscal Watch.

Again, on the request of a municipal corporation, or upon the occurrence of certain more onerous triggering events, such as large general fund deficits or a default on debt obligations, the State Auditor may place a municipal corporation in fiscal emergency ("*Fiscal Emergency*"). If a Fiscal Emergency is determined to exist, the municipality is subjected to state oversight through a seven-member Financial Planning and Supervision Commission (the "*Commission*"). The Commission is assisted by certified public accountants designated as the Financial Supervisor to be engaged by the Commission. The State Auditor may also be required to assist the Commission.

The Commission or, when authorized by the Commission, the Financial Supervisor, among other powers, shall require the municipal corporation to establish monthly levels of expenditures and encumbrances consistent with the financial plan and shall monitor such monthly levels and require justification to substantiate any departure from an approved level. Expenditures may not be made contrary to an approved financial plan. Moreover, the Commission must approve the issuance of additional cashflow or long-term borrowing and may require the use of certain credit enhancements, such as the use of a fiscal agent to handle debt service payments, in connection with the issuance of such indebtedness.

A municipality must develop and submit a detailed financial plan for the approval or rejection of the Commission; develop an effective financial accounting and reporting system; prepare budgets, appropriations and expenditures that are consistent with the purposes of the financial plan; and may only issue debt on a limited basis, the purpose and principal amount of which must be approved by the Commission.

Upon the release of Niles, Ohio from fiscal emergency by the Ohio Auditor of State on March 11, 2019, none of the Ohio Participants is currently in fiscal emergency.

The Ohio Revised Code permits a political subdivision, such as any of the Ohio Participants, upon approval of the State Tax Commissioner, to file a petition stating that the subdivision is insolvent or unable to meet its debts as they mature, and that it desires to effect a plan for the composition or readjustment of its debts, and to take such further proceedings as are set forth in the Bankruptcy Code as they relate to such subdivision. The taxing authority of such subdivision may, upon like approval of the State Tax Commissioner, refund its outstanding securities, whether matured or unmatured, and exchange bonds for the securities being refunded. In its order approving such refunding, the State Tax Commissioner shall fix the maturities of the bonds to be issued, which shall not exceed thirty years. No taxing subdivision is permitted, in availing itself of the provisions of the Bankruptcy Code, to scale down, cut down or reduce the principal sum of its securities except that interest thereon may be reduced in whole or in part.

West Virginia and Virginia Participants. Neither the existing law of Virginia nor the existing law of West Virginia specifically authorizes, as required by the Bankruptcy Code, its municipalities to file for bankruptcy under the Bankruptcy Act. Neither existing Virginia nor existing West Virginia law has provisions similar to those of Ohio and Michigan law, discussed above, respecting fiscal emergencies of municipalities or their public utilities.

FEDERAL ENERGY LEGISLATION

The Energy Policy Act of 1992. The Energy Policy Act of 1992 ("*EPACT 1992*") made fundamental changes in the federal regulation of the electric utility industry, particularly in the area of transmission access under Sections 211, 212 and 213 of the Federal Power Act. The purpose of these changes, in part, was to bring about increased competition in the electric utility industry. As amended by EPACT 1992, Sections 211, 212 and 213 of the Federal Power Act provide FERC authority, upon application by any electric utility, federal power marketing agency or other person or entity generating electric energy for sale or resale, to require a transmitting utility to provide transmission services (including any enlargement of transmission capacity necessary to provide such services) to the applicant at rates, charges, terms and conditions set by FERC based on standards and provisions in the Federal Power Act. Under EPACT 1992, electric utilities owned by municipalities and other public agencies which own or operate electric power transmission facilities that are used for the sale of electric energy at wholesale are "transmitting utilities" subject to the requirements of Sections 211, 212 and 213.

The Energy Policy Act of 2005. The Energy Policy Act of 2005 ("*EPACT 2005*") addressed a wide array of energy matters affecting the entire electric utility industry, including AMP and the electric systems of the Participants. It expanded FERC's jurisdiction to require open access transmission by municipal utilities that sell more than four million megawatt hours of energy annually and to order the payment of refunds under certain circumstances by municipal utilities that sell more than eight million megawatt hours of energy annually. No Participant is able to predict when, if ever, its sales of electricity would reach either four million or eight million megawatt hours, although no Participant now sells more than 1.7 million megawatt hours annually. EPACT 2005 provided for mandatory reliability standards to increase the electric grid's reliability and minimize blackouts, criminal penalties for manipulative energy trading practices and the repeal of the Public Utility Holding Company Act of 1935, which prohibited certain mergers and consolidations involving electric utilities. EPACT 2005 also authorized FERC to issue a permit authorizing the permit holder to obtain transmission rights of way by eminent domain if FERC determines that a state or locality has unreasonably withheld approval and if the facilities for which the permit is sought will significantly reduce transmission congestion in interstate commerce and protect or benefit consumers. EPACT 2005 contained provisions designed to increase imports of liquefied natural gas and incentives to support renewable energy technologies. EPACT 2005 also extended for 20 years the Price-Anderson Act, which concerns nuclear power liability protection, and provides incentives for the construction of new nuclear plants.

Energy Independence and Security Act of 2007. The Energy Independence and Security Act of 2007 ("*EISA 2007*") was designed to boost energy independence and reduce dependence on imported oil. The most prominent features of the legislation were provisions updating the fuel economy standard for automobiles and expanding the renewable fuel standard for ethanol in gasoline. EISA 2007 included several elements impacting the electric utility sector. The legislation updated appliance efficiency standards for a wide array of consumer products. EISA 2007 also set lighting standards, including the discontinuation of incandescent light bulbs. In addition, the legislation began federal involvement in development of the "smart grid," including standard-setting on interoperability, establishment of federal research and development efforts, and creation of an advisory task force.

Fixing America's Surface Transportation Act. On December 4, 2015, Congress passed the Fixing America's Surface Transportation ("*FAST*") Act. Included in this transportation bill were a number of provisions important to AMP. One provision of the FAST Act streamlined the permitting process for larger infrastructure projects, including hydropower projects, by facilitating coordination between federal agencies, requiring concurrent rather than sequential regulatory review, and expediting federal regulatory action. The FAST Act also included in a number of refinements of the grid reliability provisions contained in EPACT 2005. These provisions grant the Secretary of Energy authority to take actions to avert or respond to a grid security emergency, allow for the sharing of classified information with electric utilities, and enables public power systems to shield such classified information from public disclosure laws. Congress's decision to make targeted refinements of the existing federal system addressing grid security was an endorsement of the EPACT 2005 model of mandatory requirements under NERC, operating under FERC review.

Other Congressional Action. Congress has not passed major energy legislation in the past few years. However, the energy landscape—particularly climate change—has moved to the forefront. The House of Representatives has created a Select Committee on the Climate Crisis, and nearly every House committee held climate related hearings in 2019. Various legislative proposals have been introduced to set carbon fees, cap-and-trade programs, and increased climate-related research and development. In the Senate, bipartisan legislation has been authored to advance carbon capture, utilization and storage. While it is impossible to predict when Congress will act on climate change legislation and what form it will take, the likelihood of legislation in the future is steadily increasing. In addition, more targeted proposals on the extension of renewable tax credits and new tax credits for energy storage are pending. Senate Finance Committee Ranking Democrat Ron Wyden has also proposed a wholesale rewrite of energy tax law to provide incentives focused on the greenhouse gas content of energy production. AMP is unable to predict at this time what form such legislation will take, when it will be enacted, or whether the impact on AMP and the Participants will be material.

OPEN ACCESS TRANSMISSION AND RTOS

In 1996, FERC in Order No. 888 required utilities under its jurisdiction to provide access to their transmission systems for interstate wholesale transactions on terms and at rates comparable to those available to the owning utility for its own use. In 2007, FERC issued another rulemaking order that was meant to fine-tune the Open Access Transmission Tariff setting minimum standards for transmission owners.

In 1999, FERC in Order No. 2000 adopted regulations aimed at promoting the formation of regional transmission organizations ("*RTOs*"), which would be established as the sole providers of electric transmission services in large regions of the country, each of which would encompass the service territory of several (or more) electric utilities. These RTOs would operate and control, but would not own, the transmission facilities, pursuant to contracts with the transmission owners.

The investor-owned electric utilities whose respective transmission systems serve the vast majority of AMP's Members are participants in the PJM RTO, which coordinates the movement of wholesale electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia. FirstEnergy (Cleveland Electric Illuminating, Toledo Edison, Ohio Edison and American Transmission Systems, Inc.) and Duke Energy-Ohio, Inc. initially participated in MISO but left that organization and joined PJM in 2011 and 2012 respectively.

Although AMP and the Participants are not for most purposes subject to the jurisdiction of FERC, they have been and will continue to be significantly affected by the establishment of RTOs in Ohio and the region.

RTO-OPERATED MARKETS

In addition to coordinating wholesale transmission operations and services, RTOs operate centralized markets for wholesale electricity products such as capacity, energy and ancillary services. By virtue of having members and generating resources located in MISO and PJM, AMP is subject to the tariff provisions and business practices governing the operation of wholesale electricity markets in each of those RTOs. As a result, AMP's costs of securing power to meet its Members' needs are affected by the market and administrative mechanisms approved by FERC for use in setting prices for energy, capacity and ancillary services (as well as transmission service) in MISO and PJM.

The nature and operations of RTOs and RTO markets continue to evolve, and AMP cannot predict whether their existence will meet FERC's goal of reducing transmission congestion and costs and creating a competitive power market.

CLIMATE CHANGE AND REGULATION OF GREENHOUSE GASES

This section provides a brief summary of certain actions taken or under consideration regarding the regulation and control of greenhouse gases ("*GHGs*") that have the potential to impact certain AMP-owned assets.

Limitations on emissions of GHGs, including CO_2, create significant exposure for electric fossil-fuel-fired generation facilities. The United States Environmental Protection Agency ("*EPA*") issued final rules regulating CO_2 emissions from various classes of electric generating units ("*EGUs*") in October 2015. The rules for existing generation, known as the Clean Power Plan (the "*CPP*"), would not directly regulate GHG emissions by specific EGUs, but instead would impose state-by-state caps on aggregate GHG emissions, allowing respective states to develop their own method to comply with their emissions cap.

EPA issued its final rules for the CPP on October 23, 2015. These rules were designed to reduce CO_2 emissions from existing power plants under the Clean Air Act ("*CAA*") Section 111(d) by 32 percent from 2005 levels by 2030. In addition to recognizing hydropower as a renewable, the final rule allowed for new hydropower projects and incremental uprates to existing facilities to be eligible to create Emission Rate Credits under rate-based compliance scenarios.

On February 9, 2016, the Supreme Court of the United States voted 5-4 to place a stay on the final EPA action. Subsequently, the United States Court of Appeals for the District of Columbia Circuit (the "*D.C. Circuit*") placed the case in abeyance, recognizing that the CPP was under review by the Trump Administration, which indicated that it would seek to rescind and replace the CPP. The Affordable Clean Energy ("*ACE*") rule, finalized on July 8, 2019, replaced the CPP and applied only to large coal-fired power generating plants. On January 19, 2021, the D.C. Circuit vacated the ACE rule. EPA has indicated that it will revisit options for regulating electric fossil-fuel-fired generation sources.

The Biden Administration has signaled a renewed focus on mitigating the effects of climate change as demonstrated through executive orders, the U.S. rejoining the Paris Climate Accords and announcement of a "whole government" approach to climate change efforts. In addition, Congressional Democrats have announced their intent to pursue climate mitigation measures and clean energy actions as a legislative priority. AMP continues to actively review and track legislative proposals, draft bills, hearings, and regulatory activity that impacts GHG emissions, clean energy standards or climate activity.

AMP is unable to predict at this time whether mandatory GHG emissions limitations will be imposed by EPA, states, or through some other legislative or regulatory vehicle, and what impact any such limitations would have on the costs and reliability of wholesale electricity supplies. Although AMP is unable to predict the outcome of these matters, the potential impacts of mandatory GHG emissions limitations on AMP and the Participants could be material.

IMPACTS OF OTHER ENVIRONMENTAL REGULATIONS

Cross-State Air Pollution Rule ("CSAPR"). In 2011, EPA promulgated the Cross-State Air Pollution Rule ("*CSAPR*") to reduce power plant emissions of SO_2 and NO_x in 27 states. CSAPR is a regional program that seeks to reduce the contributions of these emission sources to impaired air quality in downwind neighboring states. CSAPR imposed Federal Implementation Plans ("*FIPs*") that establish state budgets for SO_2 and NO_x emissions from EGUs in 28 upwind states. EPA targeted these two pollutants because they are precursors to the formation of $PM_{2.5}$ and ozone in the atmosphere. The budgets are allocated to individual EGUs in the form of allowances, and CSAPR allows for limited interstate emissions trading and unlimited intrastate emissions trading as a means of compliance.

On October 26, 2016, EPA released its CSAPR rule for the 2008 ozone standard to address the impact of emissions on the ability of downwind states to attain NAAQS (the "*CSAPR Update Rule*"). The revised allowance budgets outlined in the final rule were effective for the 2017 ozone season which began on May 1, 2017. The D.C. Circuit remanded the final CSAPR Update Rule to EPA on September 13, 2019 because "it allows downwind air quality problems to persist beyond the statutory deadlines by which downwind States must demonstrate their attainment of air quality standards." The rule remains in effect while EPA addresses this issue on remand.

On December 21, 2018, EPA finalized the "*Close-Out Rule*", a determination that the CSAPR Update fully addresses interstate pollution transport obligations under the 2008 ozone National Ambient Air Quality Standards ("*NAAQS*") for all remaining states. The Close-Out Rule relied on EPA's data and modeling released in October 2017 to assess air quality nonattainment and maintenance for the 2008 ozone NAAQS. The analysis projected there would be no nonattainment or maintenance receptors in the eastern

United States by 2023. Therefore, EPA determined that these remaining 20 states did not need to submit state implementation plans establishing additional control requirements beyond the existing CSAPR Update to address transported ozone pollution with respect to the 2008 ozone NAAQS. The D.C. Circuit vacated the Close-Out rule on October 1, 2019 because EPA relied on the same statutory interpretation that the D.C. Circuit had rejected for the CSAPR Update. On March 15, 2021, EPA finalized a revision to the CSAPR Update in order to resolve outstanding interstate pollution transport obligations for the 2008 ozone NAAQS. AMP is unable to predict whether the impact on AMP and the Participants will be material.

NAAQS. EPA establishes NAAQS for several criteria pollutants, including particulate matter and ozone, which are emitted during the combustion of fossil fuels or formed in the atmosphere from precursor pollutants emitted by such combustion.

> Particulate matter: On April 30, 2020 EPA proposed maintaining the particulate matter standard at the same level as the previous standard (for fine particulate matter, there is an annual average standard with a level of 12.0 mg/m3 and a 24-hour standard with a 98th percentile form and a level of 35 mg/m3). The final rule maintaining the previous standard was promulgated on December 7, 2020.
>
> Ozone: On October 1, 2015, EPA issued the final standard for ground-level ozone (70 parts per billion, fourth-highest daily maximum averaged over three years). On June 13, 2020, EPA proposed maintaining the ozone standard at the same level as the prior standard. The final rule maintaining the previous standard was finalized on December 31, 2020. This rule is being challenged by multiple parties in the D.C. Circuit.

ELECTRIC SYSTEM RELIABILITY

In response to the August 14, 2003 blackout that affected much of northeastern United States, Congress enacted a new Section 215 of the Federal Power Act as part of the EPACT 2005. Section 215 provides for mandatory compliance by electric utilities with reliability standards promulgated by an "electric reliability organization" (currently, NERC). Pursuant to FERC authorization, NERC delegates authority for enforcing the mandatory reliability standards to eight regional entities. One of these regional entities, ReliabilityFirst Corporation ("*RFC*"), is charged with enforcing the mandatory reliability standards in much of the Midwest, including Ohio. NERC has the authority to impose (subject to FERC review) substantial financial penalties on entities that fail to comply with applicable reliability standards.

AMP and some of its Members are subject to NERC registration requirements and compliance obligations with respect to specific reliability standards. AMP is registered with NERC as, and is responsible for compliance with reliability standards applicable to, a Generation Owner, Generation Operator, and Resource Planner. Additionally, AMPT, as a TO is responsible for compliance with reliability standards applicable to a transmission owner as well as those standards delegated from PJM as the Transmission Operator. Entities registered with NERC are subject to periodic audit for their compliance with applicable reliability standards. AMP is audited for compliance on a six-year cycle. AMP participated in a RFC audit on the Generation Owner, Generation Operator and Resource Planner standards in 2018. No monetary violations were identified by RFC. AMP participated in a Critical Infrastructure Protection Self-Certification in 2020 and RFC identified no findings.

DEREGULATION LEGISLATION

Because of the number and diversity of prior and possible future proposed bills on this issue, AMP is not able to predict the final forms and possible effects of all such legislation which ultimately may be introduced in the current or future sessions of Congress or state legislatures. AMP is also not able to predict whether any such legislation, after introduction, will be enacted into law, with or without amendment. Further, AMP is unable to predict the extent to which any such electric utility restructuring legislation may have a material, adverse effect on the financial operations of the Participants.

STATE ENERGY LEGISLATION

Because of the number and diversity of prior and possible future proposed bills on this issue, AMP is not able to predict the final forms and possible effects of all such legislation which ultimately may be introduced in the current or future sessions of state legislatures within AMP's footprint. AMP is also not able to predict whether any such legislation, after introduction, will be enacted into law, with or without amendment. Further, AMP is unable to predict the extent to which any such electric utility restructuring legislation may have a material, adverse effect on the financial operations of the Participants.

KENTUCKY LEGISLATION

General. Kentucky has a historical patchwork of statutory schemes that generally permit municipalities to furnish utility services. Today, in most cases, those statutory schemes are historical relics and have been superseded by Sections 96.550 to 96.900 of the Kentucky Revised Statutes (the "*TVA Act*"). Enacted in 1942, the TVA Act is intended to be the "complete law" of Kentucky with respect to municipalities acquiring electric plants after June 1, 1942, and with respect to the operation of electric plants acquired by any municipality after June 1, 1942. All laws that conflict with the TVA Act have been expressly repealed.

The TVA Act vests all Kentucky municipalities, regardless of class, with the power and authority to establish, acquire, own and operate "electric plants." The TVA Act broadly defines "electric plant" as "any plant, works, systems, facilities, and properties (including poles, wires, stations, transformers, and any and all equipment and machinery), together with all parts thereof and appurtenances thereto, used or useful in the generation, production, transmission, or distribution of energy."

Kentucky municipalities that operate an electric plant under the TVA Act are managed by a board consisting of four (4) residents of the municipality appointed by the mayor or chief executive. The board has the power and capacity to perform any act not repugnant to law and has the express power and capacity to do any act or thing necessary or convenient for carrying out its statutory purpose.

A municipality providing electric service is generally (with limited exceptions) not subject to direct competition and has the right to determine how electricity will be sold within its borders. A municipality operating an electric plant under the TVA Act is forbidden from entering into competition with rural electric cooperative corporations or electric plants operated by another municipality, but may enter into cooperative agreements and/or seek franchises to provide electric service in other municipalities under certain circumstances.

The Kentucky Public Service Commission (the "*Kentucky Commissio*n") regulates the intrastate rates and services of investor-owned electric utilities and customer-owned electric cooperatives. The Kentucky Commission has regulatory responsibility for rate increases or reductions, expansion or reduction of utility service boundaries, construction and operation of utility facilities and compliance with service and safety regulations, amongst other things. Generally, retail electric suppliers have the exclusive right to furnish retail electric service to all electric-consuming facilities located within its certified territory and are forbidden from furnishing its retail electric service to a consumer located within the certified territory of another retail electric supplier. Municipally owned or operated electric utilities are generally not subject to the authority or regulation of the Kentucky Commission except in limited circumstances.

Recent Legislation.

Renewable Portfolio Standards ("RPS") RPS regulations require or incentivize renewable energy products in order to increase a state's overall share of energy created by renewable sources. In 2009, Kentucky legislators introduced a bill, HB 3, which would have enacted RPS, but it did not become law. Since 2009, the Kentucky legislature has held informational hearings on RPS in 2012, 2013, 2014, and 2015. The legislation was once again introduced in 2016, 2017 and 2018, it did not, however, receive a committee hearing during any of those legislative sessions.

In February 2019, HB 213 was introduced. HB 213 would have required retail electric suppliers to use increasing amounts of renewable energy as well as other energy-efficiency measures and programs. HB 213 was never given a hearing by a committee during the 2019 Legislative session and has not subsequently been re-introduced If and when Kentucky enacts energy legislation in the future, the particular effect on electric utilities, including municipally owned electric utilities, is not clear.

Net Metering. During the 2019 legislative session, the Kentucky legislature passed SB 100, "an act relating to net metering." The law governs customer private systems which use solar, wind, biomass, biofuel, or hydro power to generate energy and the subsequent compensation these customers receive when they supply electricity to the grid. SB 100 caps private generation facilities at forty-five (45) kilowatts and provides that the compensation provided to the customers for this electricity is to be set by the Kentucky Public Service Commission, and which compensation will be based on the dollar value of the electricity provided to the grid, and provided in the form of a non-transferrable credit on the customer's utility bill, SB 100 became effective on January 1, 2020.

While SB 100 doesn't apply to municipal corporations, both of the Kentucky Participants have adopted a Customer-Owned Renewable Energy Policy, pursuant to which customers of each Participant with renewable energy facilities buys all their power and energy needs from each Participant under the rate schedule applicable to customers in their rate classification and then is able to sell all of the renewable energy generated by them to the Participant at the Participant's avoided cost.

The 2021 session of the Kentucky General Assembly adjourned for the year on March 29, 2021 following their regular session schedule. Any legislation introduced but not enacted will need to be reintroduced in 2022 session for further consideration.

MICHIGAN LEGISLATION

General. In 2000, the Michigan legislature enacted a package of bills intended to provide the framework for re-structuring and partially de-regulating a portion of the electricity market in Michigan. This legislation introduced customer choice programs and froze rates for investor owned utilities for a period of time. Except as described below, however, this legislation did not directly impact municipal-owned utilities.

Under Michigan law, Michigan municipalities are authorized to establish electric systems to provide service within the boundaries of the municipality and in a limited amount of territory outside those boundaries. Michigan municipal utility electric rates are not subject to approval by the Michigan Public Service Commission or any other entity, except for the governing bodies of the utility and the municipality.

With respect to service within the borders of a municipality providing electric service, the municipality is generally (with limited exceptions) not subject to direct competition, since under the Michigan constitution, utilities may not operate within any city, village or township without the consent of and receiving a franchise from, that municipality.

Utilities may compete with a municipality for new (not presently being served) customers located outside of the borders of a municipality if the utility has or can acquire a necessary franchise and any required certificate of convenience and necessity from the Michigan Public Service Commission. With respect to services provided by alternative electric suppliers, no person shall provide delivery service or customer account service to a customer of a municipal electric utility without the written consent of the municipal utility, so long as the municipal utility allows all customers living outside its boundaries the option of choosing an alternative electric supplier.

Other Legislation. In March 2008, Michigan enacted into law amendments to the act under which joint power agencies in Michigan are organized. These amendments provided for, among other things, the power of municipalities which are members of a joint agency, and the joint agencies themselves, to enter into power acquisition contracts with "take or pay" and "step up" provisions, as are provided in the Power Sales Contracts.

Effective October 6, 2008, Michigan enacted Renewable Energy Portfolio Standards and Energy Optimization/Waste Reduction requirements, which apply to, among other entities, municipally-owned utilities. Pursuant to the statute and Michigan Public Service Commission orders, municipally-owned utilities file Energy Optimization plans and Renewable Energy Plans every two years. Regarding Renewable Energy Portfolio requirements, the 2008 legislation requires, subject to certain conditions, limitations and rate caps, municipally-owned electric utilities to serve by 2015 10% of their energy requirements with qualified renewable energy resources. Regarding Energy Optimization/Waste Reduction, the new statute requires utilities to either: (a) file and implement a plan which produces incremental energy savings each year up to a maximum requirement of 1% of retail sales in a prior year; or alternatively (b) pay up to 2.0% of revenues for the 2 years preceding to an independent energy optimization program administer selected by the Michigan Public Service Commission. After December 31, 2021, municipal utilities are not required to file Energy Optimization/Waste Reduction plans with the Michigan Public Service Commission.

In 2009, Michigan enacted legislation which applied certain limitations on shut-off remedies to municipally owned utilities, with civil penalties for failure to comply. These limitations are similar to those imposed on investor owned utilities.

In 2013, Michigan created a new low-income energy assistance fund. The Michigan Public Service Commission has jurisdiction to annually approve a low-income energy assistance funding factor, and funds collected from customers are remitted to the state treasurer. A municipally owned electric utility may elect, but is not required, to collect a low-income energy assistance funding factor. A municipally owned electric utility that opts out is prohibited from shutting off service to any residential customer from November 1 to April 15 for nonpayment of a delinquent account. A municipally owned electric utility that does not opt out must annually provide to the Michigan Public Service Commission by July 1 the number of retail billing meters it serves that are subject to the funding factor.

Pursuant to Act 408, Public Acts of Michigan, 2014, a city, village, or township, all or some of whose residents are served by a municipal electric utility, may adopt a residential clean energy program to promote the use of renewable energy systems and energy efficiency improvements by owners of certain real property in certain districts. The legislation provides for the financing of those programs through commercial lending, loans by a nonprofit corporation, utility bill charges, and other means, and it authorizes municipalities to issue bonds, notes, and other evidences of indebtedness and to pay the cost of renewable energy systems and energy efficiency improvements.

Effective November 15, 2019, Michigan increased the annual air quality fees imposed on municipal electric generating facilities and delayed the sunset of these fees until October 1, 2023 (Act 119, Public Acts of Michigan, 2019).

Effective August 17, 2016, 2016 Public Acts 119 through 123 amended existing law to provide additional financing methods for cities, villages, townships, and counties for energy conservation ("*EC*") projects. The new legislation authorized lease-purchase agreements as a new financing method. During the term of the lease-purchase agreement, the legislative body would be the vested owner of the EC improvements, and local officials could grant a security interest in the improvements to the provider of the lease-purchase agreement. Upon termination of the lease-purchase agreement (and the satisfaction of the obligations of the legislative body), the provider of the lease-purchase agreement would be required to release its security interest. The lease-purchase agreement would terminate immediately, and without further obligation, at the close of the fiscal year in which it was executed or renewed, or at such time as appropriations (and otherwise unobligated funds) were no longer available to satisfy the obligations.

The amendments increased the maximum financing period for EC projects to 20 years (from 10 years) from the date of final completion of the EC improvements or their useful life, whichever is less. The amendments expanded the permissible types of EC improvement projects to include ventilating, air conditioning, information technology, and municipal utility improvements. Prior to entering into a contract for EC improvements, the city, village, township or county must make certain required determinations, including (but not limited to) project costs and expenditures, and estimated energy savings.

In 2016, the Michigan Legislature passed 2016 Public Act 341 and 2016 Public Act 342, both of which became effective April 20, 2017. Among other things, 2016 Public Act 341 amended Michigan law regarding regulated utility rate cases and ratemaking, consumer representation funding, certificates of necessity, integrated resource planning, and resource adequacy. The resource adequacy requirements of 2016 Public Act 341 require a municipally owned electric utility to own or have contractual rights to sufficient capacity to meet its capacity obligations. If the Michigan Public Service Commission finds that a municipal electric provider has failed to demonstrate it can meet a portion or all of its capacity obligation, the Michigan Public Service Commission is required to recommend to the Michigan Attorney General ("*MAG*") that suit be brought to require that procurement, and require any audits and reporting as the Michigan Public Service Commission considers necessary to determine if sufficient capacity is procured. The MAG or any customer of a municipally owned electric utility may commence a civil action for injunctive relief against a municipally owned electric utility if the municipally owned electric utility fails to meet the resource adequacy requirements. No action can be filed unless the MAG or customer gives the municipally owned electric utility at least 60 days' written notice of the intent to sue, the basis for the suit, and the relief sought. Within 30 days of receiving the written notice, the municipally owned electric utility and the MAG or customer must meet and make a good-faith attempt to determine if there is a credible basis for the action, and the municipally owned electric utility must take all reasonable and prudent steps necessary to comply with the adequacy resource requirements within 90 days after the meeting if there is a credible basis for the action. If the parties do not agree as to whether there is a credible basis for the action, the MAG or customer may proceed to file the suit.

2016 Public Act 342 among other things, established a renewable portfolio standards goal of 35% by 2025 (with lower targets during intervening years), and generally maintains the 10% choice cap (with exceptions) but requires alternative electric providers to prove their ability to serve customers. 2016 Public Act 342 also made changes to the customer choice program and energy waste reduction plans. Utilities, including municipally-owned electric utilities must file voluntary green pricing programs. 2016 Public Act 342 also makes Energy Optimization plans effective as Energy Waste Reduction ("*EWR*") plans, which are subject to review every two years and are subject to reporting requirements. The amended law allows municipally owned electric utilities to design and administer EWR plans in a manner consistent with the administrative changes approved in prior Michigan Public Service Commission orders. The MAG and any customer of a municipally owned electric utility may commence a civil action for injunctive relief against the municipally owned electric utility if the municipally owned electric utility or cooperative electric utility fails to meet the applicable EWR requirements. No action can be filed unless the MAG or customer has given the municipally owned electric utility at least 60 days' written notice of the intent to sue, the basis for the suit, and the relief sought. Within 30 days of receiving the notice, the municipally owned electric utility and the MAG or customer must meet and make a good-faith attempt to determine if there is a credible basis for the action. The municipally owned electric utility must take all reasonable and prudent steps necessary to comply with the applicable requirements within 90 days after the meeting if there is a credible basis for the action. If the parties do not agree as to whether there is a credible basis for the action, the MAG or customer may proceed to file the suit.

In December 2018, the Michigan Legislature enacted 2018 Public Acts 515 through 517, which limit the circumstances under which an existing customer may switch from taking electric service from a public utility to a municipal utility and vice versa. The bills define an existing customer as any structure or facility that has received electric service within the past three years. The restrictions in the bills apply in cases where the electric service would be delivered by a municipal utility to customers outside the municipality or where service is being delivered to customers within such a municipality by a utility that is not the municipal utility.

OHIO LEGISLATION

General. Article XVIII, Section 4, of the Ohio Constitution provides in part that "any municipality may acquire, construct, own, lease and operate within or without its corporate limits any public utility the product or service of which is or is to be supplied to the municipality or its inhabitants, and may contract with others for any such product or service".

Ohio's current energy policy is based largely on several landmark restructuring bills. In these cases, the bills primarily impact the state's for-profit, investor-owned electric utilities ("*IOUs*"), which serve approximately 88% of customers and are subject to oversight from the Public Utilities Commission of Ohio. Non-profit municipal electric and rural cooperative electric utilities, which serve the remaining approximately 12% of customers in the state, are governed and regulated at the local level, were not directly impacted by the changes in the Ohio Revised Code, and maintain local decision making authority.

Senate Bill 3, enacted in 1999, opened Ohio's retail electric utility industry to competition, allowing customers of the state's IOUs to shop for competitive electric supply. This "customer choice" was effective in January 2001. However, customer choice for municipal electric systems is not mandated under the bill. Unless federal regulations are adopted requiring municipalities to implement customer choice, the decision of whether an Ohio municipality remains the only authorized supplier of electricity within its corporate limits remains a decision of the municipality.

In 2008, Senate Bill 221, comprehensive legislation to update the laws governing the electric industry and implement an alternative energy portfolio standard and energy efficiency standard, was signed into law. The major provisions of the legislation apply directly to the state's four IOUs. Ohio's municipal electric systems and rural electric cooperatives maintain local decision-making authority. Staff and counsel to the OMEA (legislative liaison to 80 Ohio municipal electric systems and to AMP) were successful in including favorable language regarding customer switches, treatment of hydroelectric facilities, and generation already in operation in the legislation.

In 2014, lawmakers adopted Senate Bill 310, legislation to modify the alternative energy portfolio standard. Among other things, the legislation imposed a two-year freeze, at 2014 levels, on annual renewable and energy efficiency increased applicable to Ohio's investor-owned utilities, created the Energy Mandates Study Committee to review possible future changes to the law, and eliminated the in-state requirement that half of renewables need to come from resources located in Ohio. Staff and counsel to the OMEA were successful in securing favorable language for the Greenup hydroelectric generating facility – it was included by definition as a renewable energy resource and is now eligible to generate renewable energy certificates. The legislation otherwise had no direct impact on Ohio municipal electric systems. Ohio municipal electric systems and rural electric cooperatives maintain local decision making authority.

In 2015, the Energy Mandates Study Committee issued their final report. The report made several recommendations, none of which have a direct impact on AMP or municipal electric members.

On June 28, 2016, HB 390 was signed into law. The legislation, among other things, repeals the authority of counties to levy a utility services tax. The tax, first enacted in 1967 but never adopted by any county, had permitted counties to levy a tax up to 2% on utility services, including utility service provided by a municipality.

In 2017, HB 49 was signed into law to, among other things, include small hydro facilities as an eligible renewable energy resource and to establish a process for the dissolution of a village. The small hydro provision permits the three Ohio municipal electric utilities that own small hydro facilities to generate renewable energy certificates.

In 2018, legislation (HB 143) was considered that would make changes to the definition of self-generator for the purposes of assessing the state's kilowatt-hour (kWh) tax, which was established as part of the deregulation law in 1999. The legislation would classify facilities owned or hosted by customers as self-generators, exempt from the kilowatt-hour tax. Some discussions took place as part of the deliberations over this legislation regarding the local share of the tax retained by municipal electric systems. Ultimately, no changes detrimental to the kWh tax treatment of municipal electric systems were adopted.

In 2019, HB 6 was signed into law to provide subsidies to the state's two nuclear power plants, owned by Energy Harbor (formerly known as FirstEnergy Solutions), require customers of investor-owned utilities to pay for two coal plants, owned by the Ohio Valley Electric Corporation ("*OVEC*"), and made changes to the alternative energy portfolio standard. Municipal electric utility customers are not required to pay the nuclear subsidy or coal plant subsidy costs. The changes to the alternative energy portfolio standard include reducing the annual increases, from 1% to 0.5%, that investor-owned utilities are required to comply with, and elimination of the alternative energy portfolio standard beginning in 2027.

In 2020, the Ohio House and Senate began consideration of a number of bills proposing changes to HB 6. These changes include eliminating the nuclear and OVEC subsidies. HB 128, introduced in

2021, eliminated the nuclear subsidies and includes language supported by AMP and OMEA to require the Ohio Power Siting Board to study transmission costs and issue a report which may include recommendations to address the rising cost of transmission service. HB 128 was signed into law on March 31, 2021. Legislation reinstituting the alternative energy portfolio standard in some form has been introduced in the Senate, but no action has yet been taken on the bill.

VIRGINIA LEGISLATION

General. Virginia municipal corporations are authorized by statute, and in some instances by charter, to acquire, establish, and operate public utilities for the generation and distribution of electricity. The operation of such public utilities by cities and towns (with a minor exception relating to service areas) and the rates charged to customers are not generally regulated by Virginia's State Corporation Commission ("*SCC*").

In 1999, the Virginia General Assembly adopted the Virginia Electric Utility Restructuring Act ("*Restructuring Act*"), which was comprehensive legislation that provided for the deregulation of the generation component of electric service while retaining transmission and distribution as regulated services. *The Restructuring Act specifically exempted municipal power systems from retail competition and other Restructuring Act provisions unless a municipality (a) elected to become subject to such provisions, or (b) competed for certain electric customers outside the geographic area served by its system as of 1999, subject to certain exceptions (Va. Code §56-580 F).*

In 2007 and 2008, the Virginia General Assembly adopted legislation that amended the Restructuring Act and renamed it the Virginia Electric Utility Regulation Act ("Re-Regulation Act"). To a large degree, the Re-Regulation Act ended Virginia's experiment with deregulation. It restored full cost-of-service regulation by the SCC and provided incentives for utilities to build new generation to meet growing demand and to add environmental equipment at their power stations. It also provided incentives for utilities to invest in renewable forms of energy and demand-side management and conservation programs. *The Re-Regulation Act maintained the Restructuring Act's exemption for municipal power systems.*

Customer Choice. Retail choice of generation providers generally was eliminated under the Re-Regulation Act for all retail customers except those with an individual demand of more than 5 megawatts and non-residential customers who obtain SCC approval to aggregate their load to reach the 5-megawatt threshold, subject to a cap of 1% of the peak load of the customers' electric utility (Va. Code §§ 56-577A3 and 56-577A4). In addition, individual retail customers are permitted to purchase renewable energy from competitive suppliers if the incumbent electric utility does not offer a tariff approved by the SCC for the sale of electric energy provided entirely from renewable energy (Va. Code § 56-577A5). *These provisions have no direct impact on Virginia municipal power systems.*

Renewable Energy. The Re-Regulation Act in Virginia also established a voluntary renewable portfolio standard ("RPS") program with the goal of meeting 12% of base year electric energy sales from renewable sources by 2022 and 15% from renewable sources by 2025. "Renewable energy" generally means energy derived from sunlight, wind, falling water, biomass, waste, landfill gas, municipal solid waste, wave motion, tides, and geothermal power, and does not include energy derived from coal, oil, natural gas, or nuclear power. The Re-Regulation Act provided for an enhanced rate of return for utility investments in certain generating facilities using renewable energy (Va. Code §§ 56-585.1 and former § 56-585.2). *These provisions have no direct impact on Virginia municipal power systems, but were substantially revised in the 2020 Virginia Clean Economy Act described in this section.*

Energy Conservation. The Re-Regulation Act provided that Virginia shall have a stated goal of reducing the consumption of electric energy by retail customers through the implementation of demand side management, conservation, energy efficiency, and load management programs, including consumer education, by the year 2022, by an amount equal to 10 percent of the amount of electric energy consumed by retail customers in 2006. *These provisions have no direct impact on Virginia municipal power systems.*

Authority for Purchase of Electric Power. In 2007, the Virginia General Assembly also adopted a bill that expanded the authority for municipalities to enter into long-term contracts for the purchase of electric power. Specifically, the legislation authorized cities and towns to enter into power purchase contracts with any other entity, including among others any investor-owned utility or not-for-profit corporation organized under the laws of Virginia or another state. The contract could include a "take-or-pay" requirement by which the municipality is obligated to make payments whether or not a project is completed, operable, or operating, and by which such payments shall not be subject to reduction or conditioned upon the performance or nonperformance by any party (Va. Code § 15.2-1133). A municipality is also required to set rates and charges sufficient to provide revenues adequate to meet its obligations under any such contract.

2020 Legislation; Virginia Clean Economy Act. Set forth below are summaries of certain energy-related bills that were approved during the 2020 session of the Virginia General Assembly, which was a very busy one in the areas of customer choice, renewable energy and/or energy conservation, most notably through the passage of the Virginia Clean Economy Act of 2020. Unless otherwise noted, such bills became law effective July 1, 2020. Several of these bills affect Virginia municipal power systems.

Chapters 1193 (House Bill 1526) and 1194 (Senate Bill 851), which are identical, are known as the Virginia Clean Economy Act of 2020 ("*VCEA*") and place Virginia on a path to 100% clean energy by the middle of this century, eliminate carbon emissions, deploy millions of dollars in new renewable energy generation, mandate significant energy efficiency investments, and open the market for rooftop solar on homes and businesses, with the potential of making Virginia a leading state in renewable energy development. The VCEA establishes a schedule by which Dominion Energy Virginia and American Electric Power are required to retire electric generating units located in the Commonwealth that emit carbon as a by-product of combusting fuel to generate electricity and by which they are required to construct, acquire, or enter into agreements to purchase generating capacity located in the Commonwealth using energy derived from sunlight or onshore wind. The VCEA replaces the existing voluntary renewable energy portfolio standard program with a mandatory RPS Program (the "*RPS Program*"). Under the RPS Program, Dominion Energy Virginia and American Electric Power are required to produce their electricity from 100 percent renewable sources by 2045 and 2050, respectively. A utility that does not meet its targets is required to pay a specific deficiency payment or purchase renewable energy certificates. The proceeds from the deficiency payments are to be deposited into an account administered by the Department of Mines, Minerals and Energy, which is directed to distribute specific percentages of the moneys to job training and renewable energy programs in historically economically disadvantaged communities, energy efficiency measures, and administrative costs. The VCEA also requires the State Air Pollution Control Board to adopt regulations to reduce the carbon dioxide emissions from certain electricity generating units in the Commonwealth and authorizes the Board to establish, implement, and manage an auction program to sell allowances to carry out the purposes of such regulations and to utilize its existing regulations to reduce carbon dioxide emissions from electric power generating facilities. Among other things, the VCEA also (i) requires, by 2035, American Electric Power and Dominion Energy Virginia to construct or acquire 400 and 2,700 megawatts of energy storage capacity, respectively; (ii) establishes an energy efficiency standard under which each investor-owned incumbent electric utility is required to achieve incremental annual energy efficiency savings that start in 2022 at 0.5 percent for American Electric Power and 1.25 percent for Dominion Energy Virginia of the average annual energy retail sales by that utility in 2019 and increases those savings annually; (iii) exempts large general service customers from energy savings requirements; (iv) revises the incentive for electric utility energy efficiency programs; (v) provides that if the Commission finds in any triennial review that revenue reductions related to energy efficiency measures or programs approved and deployed since the utility's previous triennial review have caused the utility to earn more than 50 basis points below a fair combined rate of return on its generation and distribution services or, for any test period commencing after December 31, 2012, for Dominion Energy Virginia and after December 31, 2013, for American Electric Power, more than 70 basis points below a fair combined rate of return on its generation and distribution services, the Commission shall order increases to the utility's rates for generation and distribution services necessary to recover such revenue reductions; (vi) establishes requirements regarding the development by Dominion Energy Virginia of qualified offshore wind projects having an aggregate rated capacity of not less than 5,200 megawatts by December 31, 2034, and provide that in constructing any such facility, the utility shall (a) identify options for utilizing local workers; (b) identify the economic development benefits of the project for the Commonwealth, including capital investments and job creation; (c) consult with relevant governmental entities, including the Commonwealth's Chief Workforce Development Officer and the Virginia Economic Development Partnership, on opportunities to advance the Commonwealth's workforce and economic development goals, including furtherance of apprenticeship and other workforce training programs; and (d) give priority to the hiring, apprenticeship, and training of veterans, local workers, and workers from historically economically disadvantaged communities; (vii) requires each utility to include, and the Commission to consider, in any application to construct a new generating facility the social cost of carbon, as determined by the Commission, as a benefit or cost, whichever is appropriate; (viii) removes provisions that authorize nuclear and offshore wind generating facilities to continue to be eligible for an enhanced rate of return on common equity during the construction phase of the facility and the approved first portion of its service life of between 12 and 25 years in the case of a facility utilizing nuclear power and for a service life of between five and 15 years in the case of a facility utilizing energy derived from offshore wind; (ix) removes a provision that declares that planning and development activities for new nuclear generation facilities are in the public interest; (x) increases the limit from 5,000 megawatts to 16,100 megawatts on those solar and onshore wind generation facilities that are declared to be in the public interest and increases the limit from 16 megawatts to 3,000 megawatts on those offshore wind generation facilities that are declared to be in the public interest; (xi) amends the net energy metering program by increasing the maximum capacity of renewable generation facilities of participating nonresidential eligible customer-generators from one to three megawatts, increases the cap on the capacity of generation from facilities from the customer's expected annual energy consumption to 150 percent of such amount for customers in Dominion Energy Virginia's service territory, increases each utility's system-wide cap from one percent of its adjusted Virginia peak-load forecast for the previous year to six percent of such amount, five percent of which is available to all customers and one percent of which is available only to low-income utility customers; (xii) establishes the Percentage of Income Payment Program (the "*PIPP*"), which caps the monthly electric utility payment of low-income participants at six percent, or, if the participant's home uses electric heat, 10 percent, of the participant's household income, requires the Commission to issue its final order regarding the PIPP by December 31, 2020, and requires the Department of Housing and Community Development and the Department of Social Services to convene a stakeholder group to develop recommendations for implementing the PIPP and to submit the stakeholder recommendations to the Chairs of the House Committee on Labor and Commerce and the Senate Committee on Commerce and Labor by December 1, 2020; (xiii) increases the cap on third party power purchase agreements to 500 megawatts for jurisdictional customers and 500 megawatts for non-jurisdictional customers of Dominion Energy Virginia and to 40 megawatts for customers of American Electric Power; (xiv) requires each investor-owned utility to consult with the Clean Energy Advisory Board in how best to inform low-income customers of opportunities to lower electric bills through access to solar energy; (xv) require the Department of Mines, Minerals and Energy, in consultation with the Council on Environmental Justice, to prepare a report to the Chairs of the House Committee on Labor and Commerce and the Senate

Committee on Commerce and Labor that determines if the implementation of the measure imposes a disproportionate burden on historically economically disadvantaged communities; (xvi) requires the Secretary of Natural Resources and the Secretary of Commerce and Trade, in consultation with the State Corporation Commission and the Council on Environmental Justice and appropriate stakeholders, to report to the General Assembly by January 1, 2022, any recommendations on how to achieve 100 percent carbon-free electric energy generation by 2045 at least cost for ratepayers; and (xvii) provides that it is the policy of the Commonwealth that the State Corporation Commission, Department of Environmental Quality, Department of Mines, Minerals and Energy, Virginia Council on Environmental Justice, and other applicable state agencies, in the development of energy programs, job training programs, and placement of renewable energy facilities, shall consider those facilities and programs being to the benefit of low-income geographic areas and historically economically disadvantaged communities that are located near previously and presently permitted fossil fuel facilities or coal mines.

Chapters 1187 (Senate Bill 710), 1188 (House Bill 572), 1189 (House Bill 1184), and 1239 (House Bill 1647) are identical and promote the establishment of distributed renewable solar and other renewable energy. The measures (i) require the State Corporation Commission to establish by regulation a shared solar program that allows multifamily customers of investor-owned utilities, other than American Electric Power, to purchase electric power through a subscription in a shared solar facility; (ii) raise the cap on the total amount of renewable energy that can be net metered in a utility's service territory from one percent to six percent, five percent of which is available to all customers and one percent of which is available only to low-income utility customers; (iii) raise the cap for net-metered nonresidential generation facilities from one megawatt to three megawatts; (iv) allow certain localities to install solar or wind facilities of up to five megawatts on government-owned property and use the electricity for government-owned buildings; (v) increase the cap on the capacity of generation from facilities from the customer's expected annual energy consumption to 150 percent of such amount for customers in Dominion Energy Virginia's service territory; (vi) prohibit standby charges for any residential customer-generator or agricultural customer-generator of an investor-owned utility other than Dominion Energy Virginia; and (vii) increase the cap on third party power purchase agreements to 500 megawatts for jurisdictional customers and 500 megawatts for non-jurisdictional customers of Dominion Energy Virginia and to 40 megawatts for customers of American Electric Power. The measures also amend the Commonwealth Energy Policy to include provisions supporting distributed generation of renewable energy.

2021 Legislation. Set forth below are summaries of certain energy-related bills that have been approved during the 2021 sessions of the Virginia General Assembly, which adjourned on March 1, 2021. In some cases, these bills are subject to veto or amendment by the Governor. Generally, such bills will become law effective July 1, 2021, unless otherwise vetoed or amended. The General Assembly is scheduled to reconvene on April 7, 2021 to consider actions by the Governor.

Chapter 41 and Chapter 42, signed by the Governor and effective July 1, 2020, require each owner of a large carbon-emitting power plant to provide notice to relevant localities and state agencies about the decision to close the plant within 30 days of making such decision The legislation requires localities in which such facilities are located, and planning district commissions in such localities, to conduct public hearings regarding the impending closure within six months of receipt of such notice. The legislation also requires the Division of Energy to maintain a public website listing the facilities subject to the requirements of the bill and their anticipated closure dates. As part of an integrated resource plan, each utility shall submit a facility retirement study for its carbon-emitting facilities and disclose the study to relevant localities and state agencies.

Chapter 327 updates the Commonwealth’s Clean Energy Policy to provide guidance to agencies and political subdivisions of the Commonwealth in taking discretionary action with regard to energy issues. The legislation sets out the energy policy and objectives of the Commonwealth Clean Energy Policy, which include recognition that effectively addressing climate change and enhancing resilience will advance the health, welfare, and safety of the residents of the Commonwealth and that addressing climate change requires reducing greenhouse gas emissions across the Commonwealth's economy sufficient to reach net-zero emission by 2045 in all sectors, including the electric power, transportation, industrial, agricultural, building, and infrastructure sectors, along with recognition of the need to promote environmental justice and ensure that it is carried out throughout the Commonwealth and the need to address and prevent energy inequities in historically economically disadvantaged communities together with prioritization of economic competiveness and workforce development in an equitable manner.

COVID-19 Response. On November 18, 2020, the Governor of the Commonwealth of Virginia signed into law HB 5005, the revised biennial budget, which, in addition to providing $100 million in relief funds to support jurisdictional and municipal utility customers facing financial hardship, provided for a moratorium on residential utility disconnections, including water and electricity, with limited exceptions where a utility provider's accounts receivable arrearages exceed 1% of its annual operating revenues. The moratorium will remain in effect until the Governor determines that the economic and public health conditions have improved such that the prohibition does not need to be in place or until at least 60 days after the declared state of emergency ends. The budget also included protections for utility providers dealing with revenue shortfalls and established a repayment plan to give customers the opportunity to pay off back debt over a longer period.

WEST VIRGINIA LEGISLATION

General. Under W. Va. Code § 8-19-1, any West Virginia municipality or county commission is authorized to "acquire, construct, establish, extend, equip, repair, maintain and operate, or lease to others for operation a waterworks system or an electric power system or construct, maintain and operate additions, betterments and improvements to an existing waterworks system or an existing electric power system . . . *Provided*, that such municipality or county commission shall not serve or supply water facilities or electric power facilities or services within the corporate limits of any other municipality or county commission without the consent of the governing body of such other municipality or county commission."

Contracts for purchase of electric power by municipality. In 2007, the West Virginia Legislature passed S.B. 615, authorizing municipalities to enter into long-term take-or-pay contracts for the purchase of electricity. Under the legislation, municipalities operating an electrical power system may enter into a contract with any other party for the purchase of electricity from one or more projects. The contract may include provisions that the contracting municipality is obligated to make payments whether or not the project is completed, operable, or operating, and that payments shall not be subject to reduction or conditioned upon performance or nonperformance by any party. Contracts may provide that if a municipality or other party defaults, any nondefaulting municipality or other party to the contract shall on a *pro rata* basis succeed to the rights and assume the obligations of the defaulting party. The contract shall not create an obligation, pledge, charge, lien, or encumbrance on the property of the municipality, except revenues of the municipality's electric power system. The law requires the municipality to set rates sufficient to provide adequate revenues to meet the contract obligations, subject to the notice and review procedure set forth below.

Removal of West Virginia Public Service Commission's jurisdiction over rate-setting by municipal power systems. In 2018, the Legislature passed S.B. 10, which removed the setting and adjustment of rates, fees, and charges of municipal power systems from the jurisdiction of the West Virginia Public Service Commission ("*WVPSC*"). In addition, the WVPSC does not have the authority to enforce, establish, change, or promulgate tariffs, rates, joint rates, tolls and schedules for municipal power systems. Note, however, that municipal power systems are still required to submit information regarding their rates, fees, and charges to the WVPSC pursuant to West Virginia Code § 24-2-9.

Municipal-operated electric utility rate-setting. In addition to removing rate-setting from the WVPSC's jurisdiction in 2018, the Legislature also revised the procedures for rate-setting in new § 8-19-2a. Under § 8-19-2a, "all rates and charges shall be based upon the measured or reasonably estimated cost of service and the equitable sharing of costs between customers based upon the cost of providing the service received by the customer, including a reasonable slant-in-service depreciation expense."

A municipal power system can change a rate by a municipal ordinance that is adopted by the governing body of the power system. Generally, the rate change will be effective no sooner than 45 days after the ordinance is adopted. However, the 45-day period can be waived by a public vote of the governing body if it finds and declares that the power system is in "financial distress" such that the 45-day waiting period would be detrimental to the power system's ability to continue providing its services.

The power system is further required to provide notice of its intent to effect a rate change in customers' billing statements for the month next preceding the month in which the rate increase is effective. In addition, the governing body of the power system shall give its customers other reasonable notices so that (a) customers have an opportunity to file timely objections and (b) customers can fully participate in a public forum in which customers can comment on the rate increase prior to an enactment vote.

New § 8-19-2b permits customers to appeal a rate increase by filing a petition in the circuit court of the county in which the municipality is located. The petition must be signed by at least 750 customers or 25% of the customers served by the utility, whichever is fewer. Customers can only appeal on the grounds that the rate ordinance or its passage does not comply with Article 19.

Sale of municipally owned utilities. S.B. 234 (2015 Reg.) also removed the requirement that the sale or lease of any municipal utility asset must be voted on and approved by municipal voters. In the place of this election requirement, S.B. 234 allowed that such transactions may be approved by a 60% vote of the municipality's governing body, after a public hearing. Approval of the transaction by the WVPSC, however, is still required.

Competition. West Virginia has not deregulated its electric utility industry. West Virginia currently does not have statutes similar to those in Ohio concerning electric utility competition.

Integrated Resource Planning. In 2014, the Legislature passed H.B. 2803, requiring the WVPSC to issue an Order by March 31, 2015, directing electric utilities to engage in "integrated resource planning," *i.e.*, a process to evaluate both supply-side and demand-side resource alternatives to ensure that projected power demand is met. Utilities without an existing integrated resource planning requirement, must submit an initial plan by January 1, 2016. All utilities are required to file an updated plan every five years.

Greenhouse Gas Emissions. In 2007, the West Virginia Legislature passed S.B. 337, authorizing the Secretary of the Department of Environmental Protection to establish a greenhouse gas inventory ("*GHG Inventory*") for the State. Pursuant to the legislation, the Secretary promulgated rules establishing GHG Inventory requirements for all sources that emit greater than a *de minimis* amount of GHGs on an annual basis. On March 10, 2012, however, the West Virginia Legislature passed legislation (S.B. 496) that eliminated the state reporting requirement and directs the DEP to obtain its emissions data for the GHG Inventory directly from federal entities, such as the Environmental Protection Agency.

In 2014, the Legislature passed H.B. 4346, establishing a list of factors the West Virginia Department of Environmental Protection ("*WVDEP*") must consider in developing any State Implementation Plan (SIP) in connection with the CPP. H.B. 4346 called for WVDEP to propose requirements that avoid moving away from coal and natural gas and that allow maximum flexibility in how reductions may be achieved. In addition, in 2015, the Legislature passed H.B. 2004, establishing an approval process by which any SIP would have to be approved by the Legislature before being submitted to EPA. Under the new process, prior to even preparing a draft SIP, WVDEP was first required to study the feasibility of a state 111(d) plan and submit its findings to the Legislature. If the WVDEP found a state plan was feasible, it was then required to submit a draft SIP to the Legislature for its consideration and a vote before submission to EPA. On April 20, 2016, the WVDEP submitted an initial feasibility study to the Legislature finding that a state plan was feasible, but the WVDEP has indicated that will not begin to develop a SIP unless the United States Supreme Court's stay of the Clean Power Plan rule is lifted.

2017 Enactment of Air Quality Rules by the WVDEP. During the 2017 Legislative Session, the Legislature approved several new and amended air quality rules issued by the WVDEP. 45 CSR 1 creates a procedure for seeking alternative emission limitations where a source may have excess emissions during periods of startup, shutdown, or maintenance. This procedure is unavailable to sources of hazardous air pollutants or new stationary sources. The WVDEP developed this rule in response to EPA's June 2015 SSM SIP Call, which concluded that certain SIP provisions in 36 states, including West Virginia, were substantially inadequate to meet the CAA's requirements concerning emissions during periods of startup, shutdown, and malfunction.

The WVDEP also amended 45 CSR 13, which sets forth in part the criteria for obtaining a permit to construct, operate, modify, or relocate non-major stationary sources. The WVDEP amended the definitions of "modification" and "stationary source" to clarify that the discharge of greenhouse gases of more than 6 pounds per hour and 10 tons per year, or 144 pounds per calendar day will not trigger a permitting event. The WVDEP also removed the requirement that a permit application be noticed in a newspaper, and instead opted for publication on the WVDEP's website.

2018 Adoption of Cross-State Air Pollution Rule. During the 2019 Legislative Session, the Legislature authorized the WVDEP to promulgate a cross-state air pollution rule ("CSAPR") to control annual nitrogen oxide emissions, annual sulfur dioxide emissions, and ozone season nitrogen oxides emissions. The WVDEP approved a CSAPR that will eliminate West Virginia large electric generating units' requirements under the corresponding federal rules, thus addressing West Virginia's good neighbor obligations for the 1997 fine particulate matter (PM2.5) national ambient air quality standard (NAAQS), the 2006 PM2.5 NAAQS, and the 2008 ozone NAAQS.

2019 Incorporation of Federal Regulations Concerning Air Ambient Quality. Pursuant to amendments to W. Va. Code St. R. § 45-8 and § 45-40, West Virginia incorporated certain changes to federal regulations, including (1) the EPA's retention of the 2010 NAAQS for sulfur dioxide, (2) designation of a new equivalent method of measuring nitrogen dioxide in ambient air, (3) designation of a new equivalent method of measuring carbon monoxide in ambient air, and (4) inclusion of optional monitoring and reporting requirements for large industrial boilers and combustion turbines that have a maximum design heat input greater than 250 mmBTU/hr and that are not subject to the CSAPR, such amendment being in response to the NOx SIP call.

Alternative and Renewable Energy Portfolio Standard & Credit Trading. During the 2015 Regular Session, the Legislature repealed nearly all of the "Alternative and Renewable Energy Portfolio Act" (H.B. 103 and for purposes of this section, the "*Act*"), including all of the renewable source requirements and credit-trading system that were approved originally in 2009 and 2010.

The Act also established a tradable credit system under which a utility would receive one credit for each megawatt hour of alternative energy generated or purchased and two credits for each megawatt hour of renewable energy generated or purchased. In 2012, the Supreme Court of Appeals of West Virginia ruled that purchasing utilities, and not generators (such as AMP member New Martinsville, West Virginia), own the credits associated with electricity bought under Public Utility Regulatory Policies Act (PURPA) electricity energy purchase agreements (EEPA) that were entered into before the creation of West Virginia's credit trading system. *See City of New Martinsville v. Public Service Com'n of West Virginia*, 229 W.Va. 353, 729 S.E.2d 188 (2012).

Net Metering. Notably, the only portion of the Act the Legislature left intact when it passed H.B. 2001 was W. Va. Code § 24-2F-8, which authorizes net metering for Customer-generators. *See also* H.B. 2201 (2015 Reg.) (amending and reenacting net metering provisions of W. Va. Code § 24-2F-8). The legislative rule establishing procedures for net metering arrangements and the interconnection of eligible electric generating facilities was adopted by the WVPSC, pursuant to the Act, on June 30, 2010 (the "*Net Metering Rule*"). Among other things, the Net Metering Rule limits the maximum nameplate capacity that may be contributed by residential Customer-generators, commercial Customer-generators, and industrial Customer-generators to 25 kilowatts, 500 kilowatts and 2 megawatts, respectively. Significantly, the rule defines West Virginia municipally-owned electric facilities, rural electric cooperatives, and utilities serving less than 30,000 residential customers as "electric utilities," thereby requiring that they must offer net metering to Customer-generators. However, such entities are not obligated to offer net metering to Customer-generators with nameplate capacity exceeding 50 kilowatts. In reauthorizing net metering with the passage of H.B. 2201 (2015 Reg.), the Legislature directed the WVPSC to promulgate a new net-metering rule and conduct a general investigation for the purposes of developing that rule.

After conducting this investigation, accepting public comments, and holding hearings, on October 16, 2019, the WVPSC issued final rules for net-metering (the "*Final Rule*"). Under the Final Rule, utilities must offer net-metering to Customer-generators on a first-come, first-served basis so long as the total capacity from the Customer-generators does not exceed 3% of the utility's peak demand for the previous year. At least 0.5% of that capacity is reserved for residential Customer-generators. A Customer-generator is required to pay the incremental costs of construction or upgrades that would not be required to connect a regular customer. Customer-generators must also pay additional charges for equipment, labor, testing, or inspections they request. Electric utilities, Customer-generators, and other persons governed by the Final Rule must comply with the Institute of the Electrical and Electronics Engineers standards ("*IEEE*"). However, preexisting Customer-generators have a six-month grace period to make changes to comply with the IEEE. The grace period starts from the date the utility provides notice of the Final Rule. Customer-generators are also required to maintain liability insurance at certain thresholds depending on their nameplate capacity. Monthly charges for energy consumption contained in the net metering tariff must be the same as charges for energy consumption contained in the standard service tariff that would otherwise apply to the Customer-generator. Fixed monthly bills and charges shall not exceed the comparable charges in the standard service tariff that would otherwise apply to the Customer-generator by more than the costs directly incurred by the electric utility in accommodating a net-metering system. Under the Final Rule, Customer-generators can get retail rate credits; however, the credits cannot reduce the bill below the fixed monthly minimum plus separate charges for the incremental cost of connection. In addition, if a Customer-generator applies for net-metering after November 15, 2019, the Customer-generator must install a blank meter socket (which directly measures the Customer-generator's output) but the utility must pay for the cost of this meter. Finally, utilities must submit an annual net-metering report to the WVPSC.

Enforceability of solar energy covenants. On March 10, 2012, the West Virginia Legislature passed legislation (H.B. 2740) declaring that, with certain exceptions, any covenant in a housing association governing document that prohibits or restricts installation of solar energy systems and has not been approved by a vote of the housing association members will be void and unenforceable.

Modification of siting certificate requirements for exempt wholesale generators. Effective May 19, 2020, the WVPSC revised the rules governing siting certificates for exempt wholesale generators (W. Va. Code St. R. § 150-30). The purpose of the revision was to modify and eliminate some of the filing requirements for siting certificates granted by the WVPSC. Some of the changes include: (1) the rules no longer cover material modifications to an electric generating facility; (2) instead of providing the project schedule in a Gantt Chart, the applicant only needs to provide the projected date for placing the facility in service; (3) applicants are no longer required to provide information concerning the fuel transportation route; (4) applicants no longer have to provide studies of the cultural impact of the project; (5) applicants are no longer required to provide pro forma financial statements; (6) for hydro projects, the applicant no longer needs to provide an analysis of floods for the area or flood mitigation plan; (8) applicants only need to provide a description (rather than a study) of how the project and water use will affect identified water sources; and (7) applicants are no longer required to provide an analysis of the hypothetical taxes they would have paid without the aid of tax abatement.

Recovery of expanded net energy costs. On March 7, 2012, the West Virginia Legislature passed H.B. 4530, which authorizes the WVPSC to issue financing orders that would permit electric utilities to issue consumer rate relief bonds to recover expanded net energy costs reflected in schedules of rates filed in calendar year 2012. To issue such a financing order, the WVPSC must find, among other things, that such financing is reasonably expected to result in cost savings and rate mitigation to customers when compared with traditional financing or cost-recovery methods available to the electric utility.

Special rates for energy intensive industrial consumers. In an effort to retain and attract certain energy–intensive industries to the State, the West Virginia Legislature passed S.B. 656 on March 9, 2010. The legislation authorized the WVPSC to establish special rates for energy-intensive industrial consumers of electric power. Qualifying industrial consumers must first attempt to negotiate with their utility a joint filing requesting such rates. If agreement is not reached, then the consumer may submit a petition to the WVPSC for the special rate. To qualify for a special rate, a consumer must, among other things, have a contract demand of at least 50,000 kW of electric power under normal operating conditions; create or retain at least 25 full-time jobs in the State; invest at least $500,000 in fixed assets in the State; and demonstrate that without the special rate, the facility is not economically viable. The legislation tasks the WVPSC with determining whether the excess revenue or revenue shortfall caused by the special rate should be allocated among the utility's other customers.

Expedited cost recovery for coal-fired boiler maintenance. In an effort to encourage modernization and improvement of coal-fired boilers owned by electric utilities in the State, the West Virginia Legislature passed H.B. 4435 in the 2016 Regular Session. Pursuant to this bill, codified at W. Va. Code § 24-2-1*l*, electric utilities can establish a multiyear plan for modernization and improvement of coal-fired boilers located within the State, file an application to the WVPSC, and if approved, receive expedited cost recovery through increased rates.

West Virginia Business Ready Sites Program. As part of a continued effort to attract businesses to the State, during the 2019 First Special Session, the West Virginia legislature passed H.B. 144, which established the West Virginia Business Ready Sites Program. Under the program, if the Secretary of the Department of Commerce certifies an "industrial development site", a public utility may apply to the WVPSC for a multi-year infrastructure development plan to (a) construct a public utility and (b) provide services to the site. An "industrial development site" is a site that (1) is at least 50 contiguous acres, (2) is identified by the Secretary as having a potential for industrial development, and (3) does not currently have adequate public utility services from a WVPSC-regulated utility. The application process under the program would be in lieu of certificate of need proceedings. In addition to filing an application, the public utility would be required to publish a notice of its application as well as its anticipated rates and rate increases. The WVPSC shall hold a hearing within 90 days of the notice or the hearing can be waived if there is no opposition. The WVPSC shall issue a final order within 150 days of the application filing date. Upon approval, a public utility shall include in its rates an increment that recovers certain costs "associated with the public utility's estimated infrastructure program investments for the upcoming year, net of contributions to recovery of those incremental costs provided by new customers served by the infrastructure program investments, if any." Each subsequent year, the utility must file a petition setting forth a new proposed incremental cost recovery. No more than four industrial development sites may be located in one congressional district, and if the number of congressional districts is reduced to two, no more than five industrial development sites may be located in any one district. This program expires on December 31, 2024.

Exemption from tax for certain merchant power plants. During the 2019 First Special Session, the West Virginia Legislature enacted H.B. 207, which exempts "merchant power plants" from the West Virginia's business and occupation tax. A "merchant power plant" is defined as "an electricity generating plant" that "(1) [i]s not subject to regulation of its rates by the WVPSC, (2) sells electricity it generates only on the wholesale market, (3) does not sell electricity pursuant to one or more long-term sales contracts, and (4) does not sell electricity to retail consumers."

Tax credit for providing reduced rates to qualified low-income residential customers. During the 2019 First Special Session, the West Virginia legislature passed H.B. 117, which provides a tax credit for utilities providing services to qualified low-income residential customers at reduced rates. The amount of the credit is reduced by any reimbursement that the utility has received through other means.

TAX LEGISLATION

Bills have been and in the future may be introduced that could impact the issuance of tax-exempt bonds for transmission and generation facilities. AMP is unable to predict whether any of these bills or any similar federal bills proposed in the future will become law or, if they become law, what their final form or effect would be. Such effect, however, could be material to the Participants.

FEDERAL SUBSIDIES

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, certain federal expenditures are subject to automatic reductions, including the interest subsidies payable on bonds issued as "Build America Bonds" under the Recovery Act. The exact amount of such reduction is determined on or about the beginning the federal government's fiscal year, or October 1, and is subject to adjustment thereafter.

It is impossible to predict the precise amount of the reduction in any given year, but if the automatic reductions become substantially larger than the current 5.7%, the effect could be material to the Participants. AMP has issued three series of Outstanding Bonds as Build America Bonds or New Clean Renewable Energy Bonds and, for the year commencing August 16, 2019 through August 15, 2020, the total financial impact of the automatic reductions was equal to $2,681,088 To date, AMP has timely paid debt service on all of its bonds issued as Build America Bonds and New Clean Renewable Energy Bonds, notwithstanding the automatic reductions of the federal subsidies.

LITIGATION

GENERAL

AMP reports that there is no litigation pending or, to the knowledge of AMP, threatened against or affecting AMP, in any way questioning or in any manner affecting the validity or enforceability of the Series 2021A Bonds, the Power Sales Contract or the Indenture.

AMP is a party from time to time to litigation typical for electric utilities of its size and type. In the opinion of AMP's General Counsel for Corporate Affairs, no such litigation is pending or, to her knowledge threatened, against AMP that is material to the Projects. Further, the General Counsel for Corporate Affairs is of the opinion that, except as described in this Official Statement, no such litigation is pending or, to her knowledge threatened, that would be material to the financial condition of AMP taken as a whole.

RELATING TO PROJECTS AND MELDAHL PROJECT

On August 14, 2017, AMP filed a lawsuit in the U.S. District Court for the Southern District of Ohio against Voith Hydro, Inc. ("*Voith*"), which was the supplier of major powerhouse equipment, including the turbines and generators for the Combined Hydroelectric Projects and the Meldahl Project. In the lawsuit, AMP alleges, among other things that Voith failed to deliver equipment on a timely basis and that certain of the equipment delivered was materially defective, causing significant delays. AMP has alleged proven damages of at least $40 million. On October 16, 2017, Voith filed its answer, denying each of AMP's claims, and asserting two counterclaims seeking the payment of amounts it claims are due under the contract, amounts currently held by AMP as purported liquidated damages and $40 million in damages, plus interest and legal fees. On December 1, 2017, AMP filed its answer to the Voith counterclaims, denying all liability to Voith.

As part of the initial disclosures, AMP listed 70 potential witnesses and $90 million in gross damages, while Voith listed over 100 potential witnesses and $65 million in gross damages. A scheduling order has been established which provides for an October 31, 2022 trial date.

CONTINUING DISCLOSURE UNDERTAKING

Pursuant to a Continuing Disclosure Undertaking to be entered into by AMP simultaneously with the delivery of the Series 2021A Bonds (the "*Continuing Disclosure Undertaking*"), AMP will covenant for the benefit of the Bondowners and the "Beneficial Owners" (as defined in the Continuing Disclosure Undertaking) of the Series 2021A Bonds to provide, on an annual basis, by November 30 of each year, commencing with the report for AMP fiscal year ending December 31, 2021, certain financial information and operating data relating to the Large Participants (the "*Annual Disclosure Report*"), and to provide notices of the occurrence of certain enumerated events with respect to the Series 2021A Bonds. Pursuant to Securities and Exchange Commission Rule 15c2-12 (as the same may be amended from time to time, "*Rule 15c2-12*"), the Annual Disclosure Report will be filed by or on behalf of AMP with the Municipal Securities Rulemaking Board ("*MSRB*"), through its Electronic Municipal Market Access ("*EMMA*") system, in the electronic format prescribed by the MSRB. The notices of such material events will be filed by or on behalf of AMP with the MSRB. The specific nature of the information to be contained in the Annual Disclosure Report or the notices of material events is set forth in the form of the Continuing Disclosure Undertaking attached hereto as APPENDIX G. These covenants have been made in order to assist the Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

In connection with the issuance of AMP's Prairie State Energy Campus Project Revenue Bonds, Series 2015 (the "*Prairie State 2015 Bonds*"), certain portions of the maturities of the Prairie State Energy Campus Project Revenue Bonds, Series 2008 refunded with a portion of the proceeds of the Prairie State 2015 Bonds were left outstanding and assigned new CUSIP numbers. Filings made with EMMA after the date of the issuance of the Prairie State 2015 Bonds pursuant to the continuing disclosure undertaking given by AMP in connection with the Series 2008 Bonds inadvertently omitted such new CUSIP numbers. The information not previously filed under such CUSIPs was filed with EMMA by AMP on October 19, 2017. In connection with the issuance of ratings for the 2016A Bonds, the ratings on all Bonds secured by the Indenture were upgraded by Moody's and downgraded by Fitch. While such ratings were accurately reflected in the official statement relating to the 2016A Bonds, no listed event filing was made in connection with the ratings actions. Notice of such rating actions was filed with EMMA by AMP on October 20, 2017. In connection with the undertaking entered into in connection with the 2016 Greenup Bonds, AMP agreed to provide certain operating information. Information relating to the capacity factor of the Greenup Hydroelectric Facility was inadvertently omitted from the filing for fiscal year 2016. AMP filed the omitted information on November 30, 2017. In connection with the bonds issued for the PSEC, AMP inadvertently filed the audited financials for the City of Celina, Ohio for the fiscal year ended December 31, 2015 for the reporting period for the fiscal year ended December 31, 2016. The related audit for the City of Celina was finalized in January 2018 and the audited financial statements for the fiscal year ended December 31, 2016 were filed with EMMA by AMP on December 28, 2018. Other than as set forth in this paragraph, in the five years preceding the date of this Official Statement, AMP has materially complied with its other continuing disclosure undertakings under Rule 15c2-12.

As will be provided in the Continuing Disclosure Undertaking, if AMP fails to comply with any provision of the Continuing Disclosure Undertaking, any Bondowner or "Beneficial Owner" of the Series 2021A Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause AMP to comply with its obligations under the Continuing Disclosure Undertaking. "Beneficial Owner" will be defined in the Continuing Disclosure Undertaking to mean any person holding a beneficial ownership interest in Series 2021A Bonds through nominees or depositories (including any person holding such interest through the book-entry only system of DTC). IF ANY PERSON SEEKS TO CAUSE AMP TO COMPLY WITH ITS OBLIGATIONS UNDER THE CONTINUING DISCLOSURE UNDERTAKING, IT IS THE RESPONSIBILITY OF SUCH PERSON TO DEMONSTRATE THAT IT IS A "BENEFICIAL OWNER" WITHIN THE MEANING OF THE CONTINUING DISCLOSURE UNDERTAKING.

UNDERWRITING

The Series 2021A Bonds are being purchased by RBC Capital Markets, LLC, Barclays Capital Inc., Huntington Capital Markets and Wells Fargo Bank, National Association (the "*Underwriters*") pursuant to a Purchase Contract (the "*Purchase Contract*") between AMP and RBC Capital Markets, LLC, as representative of the Underwriters. The Purchase Contract sets forth the Underwriters' obligation to purchase the Series 2021A Bonds at a purchase price reflecting an aggregate underwriters' discount of $315,678.49 from the initial public offering price derived from the yield or yield derived from the price on the inside cover of this Official Statement, subject to certain terms and conditions, including the approval of certain matters by counsel. The Purchase Contract provides that the Underwriters will purchase all of the Series 2021A Bonds if any are purchased.

Huntington Capital Markets has provided the following paragraph for inclusion in this Official Statement and AMP cannot and does not assume any responsibility for the accuracy or completeness of such statements or information:

Huntington Capital Markets is a trade name under which securities and investment banking products and services of Huntington Bancshares Incorporated and its subsidiaries, including Huntington Securities, Inc. ("*HSI*"), are marketed. Municipal sales, trading and underwriting services are provided through HSI, which is a broker-dealer registered with the Securities and Exchange Commission.

Wells Fargo Securities has provided the following two paragraphs for inclusion in this Official Statement and AMP cannot and does not assume any responsibility for the accuracy or completeness of such statements or information:

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Products Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Products Group ("*WFBNA*"), one of the underwriters of the Series 2021A Bonds, has entered into an agreement (the "*WFA Distribution Agreement*") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "*Wells Fargo Advisors*") ("*WFA*"), for the distribution of certain municipal securities offerings, including the Series 2021A Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2021A Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("*WFSLLC*"), for the distribution of municipal securities offerings, including the Series 2021A Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

Each of the Underwriters are either affiliates of members or members of the syndicate of commercial banks that are parties to the Line of Credit. A portion of the proceeds of the Series 2021A Bonds will be used to pay a portion of the obligations outstanding under the Line of Credit. As a result, the Underwriters or affiliates of the Underwriters will receive a portion of the proceeds of the Series 2021A Bonds. See "PLAN OF FINANCE – Estimated Sources and Uses of Funds" herein.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services.

Under certain circumstances, the Underwriters and their affiliates may have certain creditor and/or other rights against AMP in connection with such activities.

In the course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of AMP (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with AMP.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

RATINGS

The Series 2021A Bonds have been rated "A1" by Moody's Investors Service, Inc. and "A" by Standard & Poor's Global Ratings.

Certain information and materials not included in this Official Statement were furnished to the rating agencies. A securities rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating, once obtained, will continue for any given period of time or that it will not be revised downward or withdrawn entirely if, in the opinion of the rating agency, circumstances so warrant. Any such downward revision or withdrawal could have an adverse effect on the marketability or market price of the Series 2021A Bonds. AMP has not undertaken any responsibility after issuance of the Series 2021A Bonds to assure the maintenance of the ratings applicable thereto or to oppose any revision or withdrawal of such ratings.

TAX MATTERS

GENERAL

The Code includes requirements regarding the use, expenditure and investment of bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, which must continue to be satisfied by AMP and the Participants after the issuance of the Series 2021A Bonds in order that interest on the Series 2021A Bonds not be includable in gross income for federal income tax purposes. The failure to meet these requirements by AMP or the Participants may cause interest on the Series 2021A Bonds to be includable in gross income for federal income tax purposes retroactive the date of issuance of the Series 2021A Bonds. AMP and each Participant has covenanted that it will comply with the requirements of the Code in order to maintain the exclusion from gross income of interest on the Series 2021A Bonds for federal income tax purposes.

In the opinion of Norton Rose Fulbright US LLP, Federal Tax Counsel ("*Federal Tax Counsel*"), assuming continuing compliance by AMP and the Participants with the tax covenants referred to above, under current law, interest on the Series 2021A Bonds will not be includable in the gross income of the owners of the Series 2021A Bonds for federal income tax purposes. No opinion is expressed as to the effect of any change to any document pertaining to the Series 2021A Bonds or of any action taken or not taken where such change is made or action is taken or not taken without the approval of Federal Tax Counsel or in reliance upon the advice of counsel other than Federal Tax Counsel with respect to the exclusion from gross income of the interest on the Series 2021A Bonds for federal income tax purposes. Interest on the Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax under the Code.

The Code contains other provisions that could result in tax consequences, upon which Federal Tax Counsel renders no opinion, as a result of ownership of such Series 2021A Bonds or the inclusion in certain computations of interest that is excluded from gross income.

DISCOUNT BONDS

The excess, if any, of the amount payable at maturity of any maturity of the Series 2021A Bonds over the issue price thereof constitutes original issue discount. The amount of original issue discount that has accrued and is properly allocable to an owner of any maturity of the Series 2021A Bonds with original issue discount (a "*Discount Bond*") will be excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2021A Bonds. In general, the issue price of a maturity of the Series 2021A Bonds is the first price at which a substantial amount of Series 2021A Bonds of that maturity was sold (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers), which may not be the same as the price shown on the inside cover page of this Official Statement, and the amount of original issue discount accrues in accordance with a constant yield method based on the compounding of interest. A purchaser's adjusted basis in a Discount Bond will be increased by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale, redemption or other disposition of such Discount Bond for federal income tax purposes.

Original issue discount that accrues in each year to an owner of a Discount Bond is included in the calculation of the distribution requirements of certain regulated investment companies and may result in some of the collateral federal income tax consequences discussed herein. Consequently, an owner of a Discount Bond should be aware that the accrual of original issue discount in each year may result in additional distribution requirements or other collateral federal income tax consequences although the owner of such Discount Bond has not received cash attributable to such original issue discount in such year.

The accrual of original issue discount and its effect on the redemption, sale or other disposition of any maturity of a Discount Bond that is not purchased in the initial offering at the first price at which a substantial amount of Discount Bond of that maturity is sold to the public may be determined according to rules that differ from those described above. An owner of a Discount Bond should consult his tax advisor with respect to the determination for federal income tax purposes of the amount of original issue discount with respect to such Discount Bond and with respect to state and local tax consequences of owning and disposing of such Discount Bond.

PREMIUM BONDS

The excess of the tax basis of a Series 2021A Bond to a purchaser (other than a purchaser who holds such Bond as inventory, stock in trade, or for sale to customers in the ordinary course of business) who purchases such Bond as part of the initial offering and an issue price greater than the amount payable at maturity of such Bond is "Bond Premium." Bond Premium is amortized over the term of such Bond for federal income tax purposes (or, in the case of a bond with bond premium callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Bond). No deduction is allowed for such amortization of Bond Premium; however, United States Treasury regulations provide that Bond Premium is treated as an offset to qualified stated interest received on the Bond. An owner of such Series 2021A Bond is required to decrease his adjusted basis in such Series 2021A Bond by the amount of amortizable Bond Premium attributable to each taxable year such Series 2021A Bond is held. An owner of such Series 2021A Bond should consult his tax advisor with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon sale, redemption or other disposition of such Series 2021A Bond.

OTHER TAX CONSIDERATIONS

Ownership of tax-exempt obligations such as the Series 2021A Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations, certain S Corporations with excess passive income, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers who may be eligible for the earned income tax credit.

Prospective purchasers of the Series 2021A Bonds should consult their tax advisors as to the applicability and impact of any collateral consequences.

INFORMATION REPORTING AND BACKUP WITHHOLDING

Interest paid on tax-exempt obligations is subject to information reporting in a manner similar to interest paid on taxable obligations. While this reporting requirement does not, by itself, affect the excludability of interest from gross income for federal income tax purposes, the reporting requirement causes the payment of interest on the Series 2021A Bonds to be subject to backup withholding if such interest is paid to beneficial owners that (a) are not "exempt recipients," and (b) either fail to provide certain identifying information (such as the beneficial owner's taxpayer identification number) in the required manner or have been identified by the IRS as having failed to report all interest and dividends required to be shown on their income tax returns. Generally, individuals are not exempt recipients, whereas corporations and certain other entities are exempt recipients. Amounts withheld under the backup withholding rules from a payment to a beneficial owner are allowed as a refund or credit against such beneficial owner's federal income tax liability so long as the required information is furnished to the IRS.

FUTURE DEVELOPMENTS

Future or pending legislative proposals, if enacted, regulations, rulings or court decisions may cause interest on the Series 2021A Bonds to be subject, directly or indirectly, to federal income taxation or to State of Ohio or local income taxation, or may otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. Legislation or regulatory actions and future or pending proposals may also affect the economic value of the federal or State of Ohio tax exemption or the market value of the Series 2021A Bonds. Prospective purchasers of the Series 2021A Bonds should consult their tax advisors regarding any future, pending or proposed federal or State of Ohio tax legislation, regulations, rulings or litigation as to which Bond Counsel and Federal Tax Counsel express no opinion.

OHIO TAX CONSIDERATIONS

In the opinion of Dinsmore & Shohl LLP, Bond Counsel, interest on all the Series 2021A Bonds will be exempt from taxes levied by the State of Ohio and its subdivisions, including the Ohio personal income tax, and will also be excludable from the net income base used in calculating the Ohio corporate franchise tax.

FINANCIAL ADVISOR

AMP has retained Ramirez & Co., Inc. as financial advisor (the "*Financial Advisor*") in connection with the issuance of the Series 2021A Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.

APPROVAL OF LEGAL MATTERS

GENERAL

Certain legal matters incident to the authorization, issuance and delivery of the Series 2021A Bonds by AMP are subject to the approving opinion of Dinsmore & Shohl LLP, Bond Counsel. The approving opinion of Bond Counsel, in substantially the form set forth as APPENDIX E-1 to this Official Statement, will be delivered with the Series 2021A Bonds.

Certain federal tax matters regarding the Series 2021A Bonds will be passed upon for AMP by Norton Rose Fulbright US LLP, Federal Tax Counsel. The form of its opinion regarding the Series 2021A Bonds is set forth as APPENDIX E-2 to this Official Statement.

Certain legal matters will be passed upon for AMP by its General Counsel for Corporate Affairs. Certain legal matters will be passed upon for the Underwriters by Nixon Peabody LLP.

POWER SALES CONTRACT

In connection with the initial issuance of Bonds under the Master Trust Indenture in 2009, counsel for each of the Participants ("*Local Counsel*") delivered to AMP their opinions to the effect that such Participant duly authorized and executed the Power Sales Contract. In reliance on the opinions of Local Counsel for the Participants located in their states, Kentucky, Michigan, Ohio, West Virginia, Virginia and counsel for AMP ("*State Counsel*") delivered in connection with the initial issuance of Bonds in 2009 their opinions as to the validity and enforceability of the Power Sales Contract as to the Participants located therein.

In 2007, the legislatures of Virginia and West Virginia enacted similar statutes expressly authorizing municipalities therein to enter into long-term take-or-pay contracts, including step up provisions, with out-of-state corporations, including non-profit corporations. In early March 2008, the legislature of Michigan enacted amendments to existing statutes expressly authorizing municipalities therein to enter into long-term take-or-pay contracts, including step up provisions, with out-of-state persons.

On December 7, 2007, the Franklin County, Ohio, Court of Common Pleas, issued an order validating the Master Trust Indenture and the Power Sales Contract. In particular, the order specifically found that the Take-or-Pay and Step-Up provisions of the Power Sales Contract are valid and binding obligations of the Ohio Participants. The order is final and non-appealable. Ohio State Counsel will reference such order in its opinion as to the validity of the Power Sales Contract.

Kentucky State Counsel advises that although there is no Kentucky statute that specifically authorizes cities such as Paducah and Princeton or their electric plant boards to enter into long-term take-or-pay contracts with private, out-of-state corporations or with step up provisions with out-of-state municipalities, such counsel is of the opinion that Kentucky statutes generally and in particular the provisions of Chapter 96 of the Kentucky Revised Statutes grant electric plant boards such as the City of Paducah Electric Plant Board and the City of Princeton Electric Plant Board sufficient power and authority to enter into and comply with the material provisions of the Power Sales Contract.

MISCELLANEOUS

Any statements in this Official Statement involving matters of opinion, estimates or forecasts, whether or not expressly so stated, are intended as such and not as representations of fact. The Appendices attached hereto are an integral part of this Official Statement and must be read in conjunction with the foregoing material. This Official Statement is not to be construed as a contract or agreement between AMP and the purchasers or owners of the Series 2021A Bonds.

The delivery of this Official Statement has been duly authorized by the Board of Trustees of AMP.

AMERICAN MUNICIPAL POWER, INC.

By /s/ Jolene Thompson
President and Chief Executive Officer

By /s/ Marcy Steckman
Senior Vice President of Finance and
Chief Financial Officer

APPENDIX A

THE PARTICIPANTS[1]

Participant	Allocation (kW)	Allocation (%)	Participant	Allocation (kW)	Allocation (%)
Cleveland	35,000	16.83	St. Clairsville	1,099	0.53
Danville, Virginia	22,084	10.62	Versailles	1,099	0.53
Bowling Green	19,986	9.61	Deshler	999	0.48
Paducah, Kentucky	7,550	3.63	Pioneer	999	0.48
Cuyahoga Falls	7,294	3.51	Grafton	899	0.43
Coldwater, Michigan	6,496	3.12	Edgerton	799	0.38
Piqua	5,996	2.88	New Martinsville, West Virginia	799	0.38
Orrville	5,896	2.83	Yellow Springs	799	0.38
Dover	5,197	2.50	Clinton, Michigan	700	0.34
Painesville	4,997	2.40	New Bremen	700	0.34
Celina	4,497	2.16	Philippi, West Virginia	700	0.34
Martinsville, Virginia	4,297	2.07	Greenwich	500	0.24
St. Marys	4,297	2.07	Jackson Center	500	0.24
Clyde	4,197	2.02	Oak Harbor	500	0.24
Jackson	3,598	1.73	Arcanum	400	0.19
Tipp City	3,598	1.73	Beach City	400	0.19
Napoleon	3,498	1.68	Elmore	300	0.14
Hillsdale, Michigan	3,398	1.63	New Knoxville	300	0.14
Marshall, Michigan	2,798	1.35	Plymouth	300	0.14
Oberlin	2,598	1.25	Bradner	200	0.10
Shelby	2,598	1.25	Genoa	200	0.10
Amherst	2,398	1.15	Lakeview	200	0.10
Minster	2,398	1.15	Prospect	200	0.10
Columbiana	1,899	0.91	Sycamore	200	0.10
Bryan	1,800	0.87	Waynesfield	200	0.10
Carey	1,800	0.87	Woodville	200	0.10
Front Royal, Virginia	1,800	0.87	Arcadia	100	0.05
Galion	1,800	0.87	Bloomdale	100	0.05
Niles	1,800	0.87	Custar	100	0.05
Seville	1,800	0.87	Cygnet	100	0.05
Wadsworth	1,800	0.87	Eldorado	100	0.05
Wapakoneta	1,800	0.87	Lucas	100	0.05
Montpelier	1,799	0.86	Mendon	100	0.05
Wellington	1,599	0.77	Milan	100	0.05
Richlands, Virginia	1,499	0.72	Ohio City	100	0.05
Princeton, Kentucky	1,450	0.70	Pemberville	100	0.05
Monroeville	1,399	0.67	Republic	100	0.05
Hubbard	1,299	0.62	Shiloh	100	0.05
Newton Falls	1,299	0.62	South Vienna	100	0.05
Brewster	1,199	0.58			
			Total[2]	208,000	100.00%

[1] Located in Ohio unless otherwise noted.
[2] Percentages may not add to totals due to rounding.

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APPENDIX B

INFORMATION ON THE SIX PARTICIPANTS WITH THE LARGEST PROJECT SHARES

Presented in Appendix B is selected financial information concerning the six largest Participants (the "*Large Participants*") in terms of their Project Shares.

Each of the Ohio Large Participants – Cleveland, Bowling Green, and Cuyahoga Falls – are required by law to file their annual audited financial statements with the Ohio Auditor of State and reference is made to their annual audits that can be found online at www.auditor.state.oh.us. Danville, Virginia has posted its recent annual audits online at www.danville-va.gov. Coldwater, Michigan has posted its most recent audits online to the Michigan Department of Treasury's website: https://treas-secure.state.mi.us/LAFDocSearch/ and are available for download as well. None of the Large Participants is contractually obligated to AMP to continue to make available audits of its Electric System on its website or otherwise and such audits are not incorporated by specific reference in this Official Statement.

The fiscal years of Virginia local governments as well as both Paducah, Kentucky Electric Plant Board and Coldwater, Michigan end on June 30, and Danville, Paducah Electric Plant Board and Coldwater's data is presented as of June 30 of the year referenced, unless otherwise indicated. The fiscal years of the Ohio Participants end on December 31 and data relating to such Participants is presented as of December 31 of the year referenced, unless otherwise noted.

A difference in the presentation of assessed valuation for the Large Participants should be noted. Pursuant to Virginia law, the assessed valuation information for Danville is based on 100 percent of appraised value of real property. For the Ohio Large Participants, the assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent of true value for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Tangible personal property taxes on (i) manufacturing equipment, (ii) furniture and fixtures and (iii) inventory was phased-out over a four-year period, which ended in 2009. In Kentucky, all property not exempted from taxation must be assessed at its "fair cash value," being the price it would bring at a fair, voluntary sale, as determined by a property valuation administrator elected in each county.

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SECTION I

LARGE PARTICIPANTS' PEAK DEMAND AND PROJECT SHARES

PARTICIPANT	2020 PEAK DEMAND (Kilowatts)	PROJECT SHARES (Kilowatts)	PROJECT SHARES (Percent)	CUMULATIVE PROJECT SHARES (Percent)
1. Cleveland, Ohio	299,300	35,000	16.83%	16.83%
2. Danville, Virginia	205,302	22,084	10.62	27.44
3. Bowling Green, Ohio	100,292	19,986	9.61	37.05
4. Paducah, Kentucky	127,780	7,550	3.63	40.68
5. Cuyahoga Falls, Ohio	110,087	7,294	3.51	44.19
6. Coldwater, Michigan	97,691	6,496	3.12	47.31*
TOTAL	940,452	98,410	47.31*	

*Percentages may not add to totals due to rounding

SECTION II

LARGE PARTICIPANTS' INFORMATION

CLEVELAND, OHIO

Project Rank	1
Project Percentage	16.83%
Municipality Established	1796
Electric System Established	1906
County	Cuyahoga
Basis of Accounting	Accrual
2020 Peak Demand (kW)	299,300

Location, Population and Government: The City of Cleveland is located in the northeast quadrant of Ohio on Lake Erie. The City operates under and is governed by its Charter, which was first adopted by the voters in 1913 and has been and may be further amended by the voters from time to time. The City is also subject to certain general State laws that are applicable to all cities in the State. In addition, under Article XVIII, Section 3, of the Ohio Constitution, the City may exercise all powers of local self-government and may exercise police powers to the extent not in conflict with applicable general State laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a 17-member Council. The terms of Council members and the Mayor are four years. All Council members are elected from wards. The present terms of the Mayor and Council members expire in January 2022. The table below set forth historical population figures from the U.S. Census for Cleveland.

YEAR	POPULATION
1990	505,616
2000	478,403
2010	396,815

Source: U.S. Bureau of Census 1990-2010

Economic Base: Cleveland's economy is based on a mix of industrial and commercial development. The City's major industries include health care, retail sales, hospitality, dairy products and light industrials.

The following tables provide a summary of certain economic indicators for the City of Cleveland.

BUILDING PERMITS

2017	2018	2019	2020
$148,140,463	$129,898,000	$123,005,000	$90,590,000

Source: Cuyahoga County Budget Commission

ASSESSED VALUATION ($000)

2017	2018	2019	2020
$4,728,745	$5,263,291	$5,132,348	$5,163,670

Source: 2017-2019, Ohio Municipal Advisory Council; 2020, Cleveland Public Power

UNEMPLOYMENT*

2018	2019	2019	2020
6.5%	5.4%	5.4%	7.3%

Source: Ohio Department of Jobs and Family Services
*Data represents annual averages, not seasonally adjusted.

MEDIAN FAMILY INCOME

2000	2010	2020
$30,286	$34,495	$30,907

Source: 2000-2010, U.S. Bureau of Census; 2020, Cleveland Public Power

Electric System: Cleveland's Department of Public Utilities operates the Division of Cleveland Public Power ("*Cleveland Public Power*" or "*CPP*") for the purpose of supplying electric energy to customers located primarily in Cleveland. Under the Constitution of the State and the Charter of Cleveland, Cleveland has authority to own, operate and regulate Cleveland Public Power, and in connection therewith, to acquire property, construct facilities, provide electric energy throughout the service area and perform other necessary functions to operate and maintain Cleveland Public Power. Cleveland Public Power's electric rates are fixed by the Board of Control and subject to the approval of City Council. The Board of Control consists of the Mayor and 14 directors of Cleveland's departments.

The Cleveland Public Power system is located within the service area of the Cleveland Electric Illuminating Company ("*CEI*"), an operating company of First Energy Corp. Cleveland Public Power owns and maintains 50 miles of transmission and 900 miles of distribution lines and has 33 distribution substations. Cleveland Public Power leases six 1.825 MW diesel generators, all of which are used for peak load and emergency purposes. City of Cleveland municipal customers accounted for 18.0% of Cleveland Public Power's revenue in 2020.

In the early 1990s, Cleveland Public Power initiated a system expansion program that included the construction of over 30 miles of 138-kV transmission lines, six new distribution substations, and a new 138-kV interconnection with CEI. This program increased Cleveland Public Power's geographical coverage of Cleveland from about 35% to approximately 60% and added over 26,000 new customers.

In 2020, Cleveland Public Power purchased approximately 79.4% of its power from AMP, measured on a kWh basis. In addition to the power it purchased from AMP in 2020, Cleveland Public Power obtained its remaining power and energy requirements (approximately 20.6%) through short- and long-term agreements with various regional utilities and other power suppliers for power delivered through CEI interconnections, and various arrangements for the exchange of short-term power and energy.

Unlike other Participants, Cleveland Public Power competes head-to-head for customers with CEI. Because of the overlapping service areas of Cleveland Public Power and CEI, Cleveland Public Power's potential customers are either new customers for electric service or existing customers of CEI. Accordingly, Cleveland Public Power's ability to attract new customers is heavily dependent on its ability to compete directly with CEI based on rates, system reliability, power restoration times, and customer service. Head-to-head competition with CEI for existing large commercial and industrial customers' services by CEI or Cleveland Public Power generally occurs at the time those customers' contractual arrangements expire.

Cleveland Public Power continues to be successful in attracting and retaining commercial and industrial customers. Cleveland Public Power has been particularly successful in winning accounts for new downtown and lakefront developments, especially new residential projects and office-to-apartment conversions. In 2020, Cleveland Public Power brought on Project 29, The Lumen at Playhouse Square, Euclid Grand, Dexter Place, Larchmere Apartments and the Quarter II, totaling more than 980 residential units. Cleveland Public Power has also brought on the Frederick Douglas Recreation Center, a 45,000 square foot complex which includes a full size gymnasium, large indoor pool and indoor children's water play area, locker and changing rooms, community room, aerobics room, multi-purpose room, arts & crafts room, computer/instruction room, resource room, and tots room. The Astrup Community Arts Center added 80,000 square feet of space to support non-profits such as the Boys and Girls Club of Cleveland and the arts and cultural community with tenants like the Latino/Hispanic Theater in Ohio. Cleveland Public Power believes that it has been successful in competing head-to-head with CEI for large commercial and industrial customer accounts within Cleveland Public Power's service area because of its competitive rates, customer service, power restoration times, and reliability of service.

Cleveland Public Power places great emphasis on reliability and customer service. In terms of service restoration after storms, Cleveland Public Power's customer service program and response time to customer inquiries are superior to those of CEI. Based on comparative information developed by Cleveland Public Power, CPP's average time to reconnect customers following power outages is substantially below that of CEI.

As of December 31, 2020, Cleveland Public Power served 74,457 residential, commercial and industrial customers. In addition to Cleveland municipal customers accounting for 18.0% of Cleveland Public Power's revenue, the following table lists CPP's five largest customers by energy purchased in 2020 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2020)	% of Total System Revenues
1. The Medical Center Co.	Consortium of Various Facilities	225,772,000	6.37
2. Cargill, Inc.	Salt Mining	27,880,000	1.83
3. NEORSD – Easterly	Sewage Facility	25,673,000	1.24
4. Cleveland Browns Stadium	Professional Football Stadium	16,878,000	1.17
5. Expedient Data Center	Data Center	21,812,000	0.84

Participation in Projects: Cleveland Public Power is the largest Participant in the Projects, obligated under the Power Sales Contract to purchase from AMP a 16.83% Project Share (approximately 35 MW). In addition to the Projects, Cleveland Public Power is a participant in the following other projects described in the body of the Official Statement under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS" (see the descriptions thereof for detail relating to such projects, including the indebtedness and the obligations of the participants under the related power sales contract):

Project	Cleveland Public Power Share[(1)]
Meldahl Hydroelectric Project	8.57% (approximately 9.0 MW)
AMP Fremont Energy Center Project	12.92% (approximately 60.00 MW)
Greenup Hydroelectric Project	17.60% (approximately 6.00 MW)
Prairie State Energy Campus	6.76% (approximately 24.88 MW)

(1) In each case, the share relates to the AMP's entitlement to project output.

The following table presents certain financial data respecting Cleveland Public Power for the calendar years shown, on an accrual basis.

Cleveland Public Power
($000)

	2017	2018	2019
Revenue			
Power Sales	$194,904	$211,864	$203,778
Other Income	284[(1)]	517[(1)]	627[(1)]
Total Revenue	195,188	212,381	204,405
Operating Expense*			
Power Costs	123,374	141,679	134,227
O&M Expense	44,549	39,462[(2)]	45,750[(2)]
Total Operating Expense	167,923	181,141	179,977
Net Revenue Available for Debt Service	27,265	31,240	24,428
Revenue Debt Service	17,902	16,275	14,093
Depreciation	19,555	20,428	22,096
Net Non-Operating Revenue (Excl. Interest Exp.)	3,823	6,483	7,381
Net Transfers	-	-	-
Net Assets 1/1	197,764	187,695[(3)]	189,575
Net Assets 12/31	199,901	189,575	181,070
Year End Balance			
Revenue Bonds	202,173	189,278[(4)]	183,638

* Excluding depreciation.

(1) In accordance with CPP's bond indenture, interest income from specific funds is deducted from Other Income in determining net revenue available for debt service.

(2) In 2018, CPP obtained approval from bond holders to modify the existing bond indenture to exclude GASB-related pension expenses in determining net revenue available for debt service. As such, O&M expense for 2018 and 2019 decreased by $5,725,000 and $7,113,000, respectively.

(3) In 2018, the City adopted GASB 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", causing a restatement of net position.

(4) On June 27, 2018, Cleveland Public Power issued $47,245,000 of Public Power System Revenue Refunding Bonds, Series 2018, to refund $52,435,000 of outstanding Public Power System Revenue Bonds, Series 2008A and Public Power System Revenue Bonds, Series 2008B-1.

DANVILLE, VIRGINIA

Project Rank	2
Project Share	10.62%
Municipality Established	1793
Electric System Established	1886
County	N/A
Basis of Accounting	Accrual
2020 Peak Demand (kW)	205,302

Location, Population and Government: The City of Danville, Virginia is located in the south central region of Virginia near the North Carolina state line, surrounded by Pittsylvania County (Virginia cities and counties are mutually exclusive and do not overlap). The City has a Council-Manager form of government. The Council is comprised of nine persons, elected at-large for four-year staggered terms. The City Council elects a Mayor and a Vice-Mayor from its membership and these officials serve two-year terms. The table below sets forth historical population figures from the U.S. Census for Danville.

YEAR	POPULATION
1990	53,056
2000	48,411
2010	43,055

Source: U.S. Bureau of Census 1990-2010

Economic Base: Danville's economy is based on a mix of industrial and commercial development. The City's major industries include retail sales, automobile aftermarket supply, wood products and by-products and light industrials.

The following tables provide a summary of certain economic indicators for the City of Danville:

BUILDING PERMITS

2017	2018	2019	2020
$53,620,006	$41,786,680	$36,608,321	$39,388,483

Source: City of Danville

ASSESSED VALUATION ($000)

2017	2018	2019	2020
$2,719,983	$2,783,287	$2,796,387	$2,797,711

Source: City of Danville

UNEMPLOYMENT

2017	2018	2019	2020
6.0%	5.1%	4.0%	7.7%

Source: 2017-2019, Virginia Workforce Connection;
https://www.vawc.virginia.gov/; 2020, City of Danville

MEDIAN FAMILY INCOME

2000	2010	2020
$36,024	$39,198	$36,301

Source: 2000-2010, U.S. Bureau of Census; 2020, City of Danville

Electric System: Authority over the Danville Electric System is vested in the City of Danville. The Power and Light Director, who reports to the Utilities Director, manages the Electric System. The Electric System serves a community covering approximately 500 square miles, which includes the City of Danville, and portions of Pittsylvania, Henry, and Halifax Counties. Danville exercises its right to serve exclusively within its service territory. There are a few commercial and industrial customers within the service territory that are served by American Electric Power ("*AEP*"). AEP has served these customers since 1970.

Since 2007, Danville has purchased the majority of its power from AMP. The City utility owns and maintains 118 miles of transmission and distribution lines and has 17 substations. The City of Danville owns and operates a three-unit hydroelectric generating plant with a maximum capacity of 10.5 MW and a 750 kW unit at the Talbott Dam site. The City utility also has two generators, a 200 kW back-up diesel generator at its water treatment plant and a 150 kW mobile generator for the pump stations. In fiscal year 2019, the Danville Electric System employed 130 people.

In 2020, the Danville Electric System served 41,597 residential, commercial and industrial customers. The following table lists the City's five largest customers by energy purchased in 2020 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2020)	% of Total System Revenues
1. Intertape	Tape Manufacturing	62,499,000	6.97
2. Nestle	Food Manufacturing	25,236,000	2.82
3. Danchem	Chemical Manufacturing	9,064,494	1.01
4. Food Lion	Food Manufacturing	8,414,880	.94
5. Averette	Education	6,272,631	.70

In 2020, the electric system also provided the City of Danville with 21,694,733 kWh for general municipal purposes.

Participation in Projects: Danville is the second largest Participant in the Projects, obligated under the Power Sales Contract to purchase from AMP a 10.62% Project Share (approximately 22.08 MW). In addition to the Projects, Danville is a participant in the following other projects described in the body of the Official Statement under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS" (see the descriptions thereof for detail relating to such projects, including the indebtedness and the obligations of the participants under the related power sales contract):

Project	Danville Share[(1)]
Prairie State Energy Campus	13.52% (approximately 49.76 MW)
Meldahl Hydroelectric Project	4.80% (approximately 5.04 MW)
AMP Fremont Energy Center Project	8.03% (approximately 37.30 MW)
Greenup Hydroelectric Project	9.67% (approximately 3.30 MW)

(1) In each case, the share relates to AMP's entitlement to project output

The following table presents certain financial data respecting the City's Electric System for the fiscal years shown on an accrual basis. The presentation is generally consistent with the flow of revenues of the Electric System.

Danville
($000)

	2018	2019	2020
Revenue			
Power Sales	$128,283	$118,361	$117,349
Other Income	-	-	-
Total Revenue	128,283	118,361	117,349
Operating Expense*			
Purchased Power Costs	101,623	92,239	89,954
O&M Expense	13,716	13,305	14,914
Total Operating Expense	115,339	105,544	104,868
Net Revenue Available for Debt Service	12,944	12,817	12,481
General Obligation Debt Service(1)	8,940(2)	4,696(3)	7,814(4)
Depreciation	8,000	8,128	8,286
Net Non-Operating Revenue (Excl. Interest Exp.)	808	1,217	1,543
Net Transfers	(10,202)	(10,072)	(10,430)
Net Assets 7/1	187,844	182,579	176,913
Net Assets 6/30	182,579	176,913	170,688
Year End Balance			
General Obligation Bonds	43,258(2)	44,457(2)	50,085

* Excluding Depreciation.

(1) General Obligation debt service payable from the Electric System revenues.

(2) On December 20, 2017, Danville issued $18.31 million in general obligation bonds to fund various capital improvements, refund certain outstanding bonds of the City and to pay the cost of issuing such bonds.

(3) On September 26, 2018, Danville issued $7.015 million in general obligation bonds to fund various capital improvements, refund certain outstanding bonds of the City and to pay the cost of issuing such bonds.

(4) On October 24, 2019, Danville issued $11.595 million in general obligation bonds to fund various capital improvements, refund certain outstanding bonds of the City and to pay the cost of issuing such bonds.

Subsequent Event. On December 8, 2020, Danville issued $15.030 million in general obligation bonds to fund various capital improvements, refund certain outstanding bonds of the City and to pay the cost of issuing such bonds.

BOWLING GREEN, OHIO

Project Rank	3
Project Percentage	9.61%
Municipality Established	1833
Electric System Established	1942
County	Wood
Basis of Accounting	Accrual
2020 Peak Demand (kW)	100,292

Location, Population and Government: The City of Bowling Green is a charter city located in Wood County, approximately 15 miles south of Toledo, in the northwest quadrant of the state. The Mayor, who is elected to a four-year term, and a City Council of seven members, including a Council President, govern the City. The table below sets forth historical population figures from the U.S. Census for Bowling Green.

YEAR	POPULATION
1990	28,176
2000	29,652
2010	30,028

Source: U.S. Bureau of Census

Bowling Green's economy is based on a mix of industrial and commercial development. The City's major employment sectors include higher education, health care, hospitality, and light industrials.

The following tables provide a summary of certain economic indicators for the City of Bowling Green.

BUILDING PERMITS

2017	2018	2019	2020
$48,173,063	$26,655,962	$22,690,368	$32,414,868

Source: Wood County Building Inspection

ASSESSED VALUATION

2017	2018	2019	2020
$460,623,480	$498,721,780	$503,035,490	$510,248,910

Source: Wood County Auditor

UNEMPLOYMENT

2017	2018	2019	2020
4.6%	4.2%	3.8%	6.2%

Source: Ohio Labor Market Information, http://ohiolmi.com

MEDIAN FAMILY INCOME

1990	2000	2010
$36,799	$51,804	$71,446

Source: U.S. Bureau of Census

Electric System: Authority over the Bowling Green Electric System is vested in the City's Board of Public Utilities. A Superintendent, who reports to the Director of Utilities, manages the Electric System. The Electric System serves a community covering 12.84 square miles, and also serves the adjoining Village of Portage with retail power and the Village of Tontogany with wholesale power. In 2020, sales to Tontogany totaled $492,010, or approximately 1 percent of total system revenues. Bowling Green provides exclusive service to all electric consumers within its city limits.

Bowling Green is in the First Energy Transmission Service Area. In 2020, Bowling Green purchased 100% of its power from AMP or through the AMP-sponsored OMEGA joint ventures. The City utility owns and maintains 234 miles of transmission and distribution lines and has six substations. The City does not directly own any generating facilities. In 2020, the Bowling Green utility employed 38 people.

In 2020, the Bowling Green Electric System served 14,718 residential, commercial and industrial customers. The following table lists the City's five largest customers by energy purchased in 2020 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2020)	% of Total System Revenues
1. Bowling Green State University	Higher Education	53,277,300	9.31
2. Southeastern Container	Manufacturing	52,520,000	8.90
3. Vehtek Systems	Manufacturing	47,772,000	8.56
4. Toledo Molding & Die	Manufacturing	17,906,400	3.31
5. TH Plastics	Manufacturing	12,443,400	2.39

Participation in Projects. Bowling Green is the third largest Participant in the Projects, obligated under the Power Sales Contract to purchase from AMP a 9.61% Project Share (approximately 19.99 MW). In addition to the Projects, Bowling Green is a participant in the following other projects described in the body of the Official Statement under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS" (see the descriptions thereof for detail relating to such projects, including the indebtedness and the obligations of the participants under the related power sales contract):

Project	Bowling Green Share[(1)]
OMEGA JV2[(2)]	14.32%[(2)] (approximately 19.2 MW)
OMEGA JV5	15.73% (approximately 6.61 MW)
OMEGA JV6	56.94% (approximately 4.1 MW)
Meldahl Hydroelectric Project	2.90% (approximately 3.04 MW)
Greenup Hydroelectric Project	5.84% (approximately 1.99 MW)
AMP Combustion Turbine Project	7.75% (approximately 11 MW)
Prairie State Energy Campus	9.51% (approximately 35 MW)
Solar Electricity Prepayment Project	23.56% (approximately 13.74 MW)

(1) In each case, the share relates to AMP's entitlement to project output, except in the case of the OMEGA joint ventures, in which case the share reflects Bowling Green's undivided ownership interest.

(2) As a financing participant, Bowling Green is responsible for 18.27% of debt service.

The following table presents certain financial data respecting the City's Electric System for the calendar years shown, on an accrual basis. The presentation is generally consistent with the flow of Electric System revenues required by the OMEGA JV5 Joint Venture Agreement.

Bowling Green
($000)

	2017	2018	2019
Revenue			
Power Sales	$59,108	$61,266	$61,353
Other Income	421	425	430
Total Revenue	59,529	61,691	61,783
Operating Expense*			
Power Costs	48,707	54,715	50,580
O&M Expense	7,216	6,432	8,089
Total Operating Expense	55,923	61,147	58,669
Net Revenue Available for Debt Service	3,606	544	3,114
General Obligation Debt Service(1)	-	-	-
OMEGA JV5 Debt Service(2)	1,422	1,422	1,422
OMEGA JV2 Debt Service(2)	730	35	-
Revenue Debt Service	-	-	-
Depreciation	1,434	1,501	1,572
Net Non-Operating Revenue (Excl. Interest Exp.)	(602)	(691)	(662)
Net Transfers			
Net Assets 1/1	53,196	52,897(3)	51,249
Net Assets 12/31	54,726	51,249	52,129
Year End Balance			
General Obligation Bonds	-	-	-
OMEGA JV2	34	-(4)	-(4)
OMEGA JV5	6,120	4,455	3,298
Bond Anticipation Notes	-	-	-

* Excluding depreciation.

(1) General Obligation debt service payable from the Electric System revenues.

(2) OMEGA JV debt service is included in Power Costs, recovered through Bowling Green's PCA.

(3) In 2018, the City adopted GASB 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", causing a restatement of net position.

(4) The outstanding debt for OMEGA Joint Venture 2 was retired in 2018.

ELECTRIC PLANT BOARD OF THE CITY OF PADUCAH, KENTUCKY

Project Rank	4
Project Percentage	3.63%
Municipality Established	1798
Electric System Established	1945
County	McCracken
Basis of Accounting	Accrual
2020 Peak Demand (kW)	127,780

Location, Population and Government: The City of Paducah is situated in the western portion of Kentucky, some 225 miles southwest of Louisville. The City, which covers an area of seven square miles, is the seat of the McCracken County government. The City is governed by a five-member City Commission consisting of the Mayor and four other Commissioners. The City Manager, who is responsible for the administration and supervision of all City services and facilities, is appointed by the City Commission.

The table below sets forth historical population figures from the U.S. Census for Paducah.

YEAR	POPULATION
1990	27,256
2000	26,307
2010	25,024

Source: U.S. Bureau of Census

Economic Base: Paducah's economy is based on a mix of industrial and commercial development. The City's major industries include river transportation, two regional hospitals and regional retail sales center.

The following table provides a summary of certain economic indicators for Paducah.

BUILDING PERMITS

2017	2018	2019	2020
$41,613,155	$102,182,832	$62,552,549	$45,528,906

Source: Paducah Fire Department Permit Division

ASSESSED VALUATION ($000)

2017	2018	2019	2020
$1,787,704	$1,841,660	$1,902,149	$2,085,013

Source: McCracken County Property Valuation Administrator for 2017-2020.

UNEMPLOYMENT*

2017	2018	2019	2020
6.1%	5.6%	4.9%	7.5%

Source: https://fred.stlouisfed.org/series/KYMCURN
*Data represents McCracken county annual average.

MEDIAN FAMILY INCOME

1990	2000	2010
$23,665	$34,092	$41,019

Source: U.S. Bureau of Census

Electric System: The Paducah Electric Plant Board (the "*Board*") was created by an ordinance enacted on January 30, 1945 by the governing body of the City, which ordinance was amended on March 7, 1959. The Board functions on behalf of the City and has duties, powers and authority as specifically defined by Kentucky statutes. The Board is a separate political subdivision of the Commonwealth of Kentucky.

An ordinance was adopted by the City Commission on August 23, 1960, declaring that it was desirable to purchase and operate a municipal electric system, subject to approval of the voters. Said election was held on November 8, 1960 and the purchase and operation of a municipal utility was approved by over 76% of voters. In July 1961, the Board issued bonds for the purpose of purchasing from Kentucky Utilities Company, that segment of the system which was inside the City limits. The Board's service area now includes most of the area within the City limits and a portion of surrounding McCracken County. Power is received at two delivery points at 161,000 volts. One delivery point is located near the northwestern boundary of the system. The second delivery point is located near the southern boundary.

A 69,000 volt transmission system connects the system's nine distribution substations to the delivery points. The 69 KV system is "looped" from distribution substation to substation to provide flexibility in switching and increase reliability. The distribution substations reduce the voltage from 69,000 volts to 12,470 volts, which is the System's nominal distribution voltage. Distribution transformers, both pole-mounted and pad-mounted, reduce the voltage to the utilization level required by the system's customers. The total transformer nameplate capacity of the distribution substations is 356,000 kilo-volt amps. The nameplate capacity of the delivery point transformers (total system capacity) is 316,000 kilo-volt amperes. An all-time maximum system peak for the system is 161,724 kilowatts. This peak was set in 2011.

"The Board participates in the Prairie State Energy Campus as a member of the Kentucky Municipal Power Agency ("*KMPA*"). Through fiscal year 2020, KMPA has issued $829.7 million in revenue bonds, of which $440.6 million remain outstanding net of refundings and principal payments. These revenue bonds are secured by a take-or-pay power sales contract between KMPA, the Board and the Electric Plant Board of Princeton, Kentucky, to finance KMPA's 7.82% undivided ownership interest in the PSEC. Pursuant to such power sales contract, the Board is entitled to purchase 83.9% of KMPA's share of the PSEC and is responsible for a commensurate amount of KMPA's expenses relating to the PSEC."

On January 29, 2009 the Board issued $161,730,000 of tax-exempt special revenue bonds and $8,525,000 of taxable special revenue bonds to finance construction of a peaking plant to provide electric service to the community during times of peak energy consumption. The construction of these peaking units was completed in May 2010.

On June 23, 2016 the Board issued $103,375,000 in refunding revenue bonds to advance refund a portion of the 2009 tax-exempt special revenue bonds issued in January 2009.

On September 11, 2019, the Board issued $19,805,000 in refunding revenue bonds to refund a portion of the 2009 tax-exempt special revenue bonds issued in January 2009.

The Board had 488 miles of line with 46 customers per mile and an average residential usage of 1,103 kWh per month. In fiscal year 2020, the Board served 22,649 residential, commercial and industrial customers.

The following table lists the Board's five largest customers by energy purchased in 2020 and as a percentage of total system revenues during the year.

Customer	Type of Business	kWh Purchased (2020)	% of Total System Revenues
1. Western Baptist Hospital	Health Care	28,316,861	5.3%
2. Lourdes Hospital	Health Care	23,711,216	4.5
3. H.B. Fuller	Manufacturing	11,621,400	2.2
4. City of Paducah	Municipality	6,712,777	1.3
5. West Kentucky Community College	Education	6,254,539	1.2

Participation in Projects: The Board is the fourth largest Participant in the Projects, obligated under the Power Sales Contract to purchase from AMP a 3.63% Project Share (approximately 7.55 MW). In addition to the Project, the Board is a participant in the following other projects described in the body of the Official Statement under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS" (see the descriptions thereof for detail relating to such projects, including the indebtedness and the obligations of the participants under the related power sales contract):

Project	Board Share[1]
Greenup Hydroelectric Project	8.86% (approximately 3.02 MW)
Meldahl Hydroelectric Project	4.31% (approximately 4.53 MW)

(1) In each case, the share relates to the AMP's entitlement to project output.

The following table presents certain financial data respecting the Board for the fiscal years shown, on an accrual basis.

Electric Plant Board of the City of Paducah, Kentucky
($000)

	2018	2019	2020
Revenue			
Power Sales	$73,320	$73,040	$70,456
Other Income	5,783	6,649	10,945
Total Revenue	79,103	79,689	81,401
Operating Expense[1]			
Power Costs	49,822	50,766	53,340
O&M Expense	15,115	15,483	16,159
Total Operating Expense	64,937	66,249	69,499
Net Revenue Available for Debt Service	14,166	13,440	11,902
Revenue Debt Service	11,511	11,538	11,229
Depreciation	9,628	9,839	9,924
Net Non-Operating Revenue (Excl. Interest Exp.)	63	389	337
Net Transfers	-	-	-
Net Assets 7/1	24,089[2]	22,152	19,768
Net Assets 6/30	22,152	19,768	15,808
Year End Balance			
Revenue Bonds	150,918	144,955	139,498
Line of Credit	-	-	-
Total Debt	150,918	144,955	139,498

(1) Excluding depreciation.
(2) Paducah Power System adopted GASB 75, Accounting and Reporting for Postemployment Benefits, resulting in a restatement of net position at 7/1/2017.

CUYAHOGA FALLS, OHIO

Project Rank	5
Project Percentage	3.51%
Municipality Established	1812
Electric System Established	1888
County	Summit
Basis of Accounting	Accrual
2020 Peak Demand (kW)	110,087

Location, Population and Government: The City of Cuyahoga Falls is a charter city located in Summit County. The City is located north east of Akron and south east of Cleveland and is accessible by major interstates including I-271, I-480, I-80 (Ohio Turnpike), I-76, I-77, and State Route 8. City Council conducts the legislative or law-making business of the City. Cuyahoga Falls is served by a total of 11 Council members, with eight individuals representing eight wards and three at large seats. The City has a strong mayoral form of government, with the Mayor elected by a city wide election. The Mayor serves a 4 year term. The table below sets forth historical population figures from the U.S. Census for Cuyahoga Falls.

YEAR	POPULATION
1990	48,950
2000	50,272[1]
2010	49,652

Source: U.S. Bureau of Census

(1) Originally reported by the U.S. Census Bureau as 49,374. On July 1, 2002, the U.S. Census Bureau granted an appeal by Cuyahoga Falls resulting in the number shown.

Economic Base: Cuyahoga Falls' economy is based on a mix of industrial, commercial and residential development. The City's major industries include various manufacturing facilities including hand cleaners, process additives for the rubber industry, plastic production, as well as the medical care industry.

The following table provides a summary of certain economic indicators for the City of Cuyahoga Falls.

BUILDING PERMITS

2017	2018	2019	2020
$60,520,854	$64,048,372	$51,293,680	$40,077,710

Source: City of Cuyahoga Falls via Summit County Building Standards Department.

ASSESSED VALUATION ($000)

2017	2018	2019	2020
$965,006	$1,018,399	$1,031,395	$1,049,040

Source: Cuyahoga Falls Comprehensive Annual Financial Report

UNEMPLOYMENT*

2017	2018	2019	2020
4.5%	4.6%	3.8%	5.2%

Source: City of Cuyahoga Falls
*Data represents annual averages

MEDIAN FAMILY INCOME

2000	2010	2020
$50,300	$52,372	$57,101

Source: City of Cuyahoga Falls CAFR

Electric System: Cuyahoga Falls purchases all of its power through AMP. The City's Electric System is fed by two First Energy 138KV substations and provide Cuyahoga Falls with a peak capacity of 240MW. With 12 distribution substations and over 346 miles of overhead and underground distribution and sub-transmission lines, this power is then distributed through about 3,853 transformers to about 26,003 electric customers. 46 Electric System employees work to maintain the distribution system and provide quick response to emergencies and power outages.

As of December 31, 2020, Cuyahoga Falls electric system served approximately 26,003 residential, commercial and industrial customers. The following table lists the City's five largest customers by energy purchased in 2020 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2020)	% of Total System Revenues
1. GoJo Industries	Hand Cleaners	14,815,339	3.00
2. Pilot Plastics	Plastic Product Industry	12,878,883	2.82
3. Summa Western Reserve Hospital	Medical Care	9,973,978	2.13
4. Struktol	International Process Additives for Rubber and Plastics Industry	9,777,834	2.13
5. Associated Materials	Vinyl Windows and Garage Doors	8,972,513	1.87

Participation in Projects: Cuyahoga Falls is the fifth largest Participant in the Projects, obligated under the Power Sales Contract to purchase from AMP a 3.51% Project Share (approximately 7.3 MW). In addition to the Projects, Cuyahoga Falls is a participant in the following other projects described in the body of the Official Statement under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS" (see the descriptions thereof for detail relating to such projects, including the indebtedness and the obligations of the participants under the related power sales contract):

Project	Cuyahoga Falls Share[1]
Prairie State Energy Campus	2.70% (approximately 9.95 MW)
OMEGA JV5	16.67% (approximately 7.00 MW)
OMEGA JV2	7.46%[2] (approximately 10.00 MW)
OMEGA JV6	25% (approximately 1.80 MW)
Combustion Turbine Project	18.73% (approximately 26.60 MW)
AMP Fremont Energy Center Project	4.98% (approximately 23.12 MW)

(1) In each case, the share relates to the AMP's entitlement to project output, except in the case of the OMEGA joint ventures, in which case the share reflects Cuyahoga Falls' undivided ownership interest.

(2) As a financing participant, Cuyahoga Falls is responsible for 9.52% of debt service.

The following table presents certain financial data respecting the City's Electric System for the calendar years shown, on an accrual basis.

Cuyahoga Falls
($000)

	2017	2018	2019
Revenue			
Power Sales	$48,329	$50,365	$48,881
Other Income(a)	261	688	429
Total Revenue	48,590	51,053	49,310
Operating Expense*			
Power Costs	33,731	36,834	33,959
O&M Expense	12,553	12,689	13,774
Total Operating Expense	46,284	49,523	47,733
Net Revenue Available for Debt Service	2,306	1,530	1,577
General Obligation Debt Service[(1)]	1,027	2,913	1,026
OMEGA JV5 Debt Service [(2)]	1,506	1,506	1,506
OMEGA JV2 Debt Service[(2)]	380	18	-
Depreciation	1,786	1,895	1,827
Net Non-Operating Revenue (Excl. Interest Exp.)	3	(5)	1,151
Net Transfers	1,756	1,846	1,686
Net Assets 1/1	41,451	41,523[(4)]	42,901
Net Assets 12/31	43,600	42,901	45,445
Year End Balance			
General Obligation Bonds	1,862[(3)]	-	-
OMEGA JV2	18	-[(5)]	-[(5)]
OMEGA JV5	6,483	4,719	3.494

* Excluding depreciation.

(1) Includes capital lease debt service.

(2) All OMEGA JV debt service is included in Purchased Power and recovered through the City's Power Cost Adjustment. Principal payments are not shown as debt service within Cuyahoga Falls' audits.

(3) On August 8, 2017, the City issued notes in the amount of $9,940,000 in the anticipation of the issuance of bonds for various purposes, of which $1,855,000 were related to the electric fund. The notes matured on August 8, 2018.

(4) In 2018, the City adopted GASB 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", causing a restatement of net position.

(5) The outstanding debt for OMEGA Joint Venture 2 was retired in 2018.

COLDWATER, MICHIGAN

Project Rank	6
Project Share	3.12%
Municipality Established	1861
Electric System Established	1891
County	Branch
Basis of Accounting	Accrual
2020 Peak Demand (kW)	97,691

Location, Population and Government: The City of Coldwater, the Branch County seat, is located in south central Michigan approximately 28 miles south of Battle Creek and 14 miles north of the Indiana state line. The City has a council-manager form of government. The citizens elect the city council, which in turn hires the city manager. Coldwater has four wards with two council members representing each ward elected to staggered four-year terms and the mayor elected at large for a two-year term.

The nine-member city council is the governing body of the City and determines all municipal policies, adopts ordinances (local laws) and approves the budget for carrying out all municipal operations. The mayor is charged with the responsibility of conducting the meetings of the council and also represents the City in ceremonial functions. The city manager is appointed by the city council on the basis of merit, professional training, experience in city management and demonstrated ability. The manager is responsible to the council, insures that laws and ordinances are enforced and works with the department heads and employees so that municipal operations and functions are carried out efficiently. The manager and staff keep the council advised on the financial condition of the City, prepare the annual budget for council review, prepare the agenda for council meetings and through periodic reports keep the council and public informed on City operations. The table below sets forth historical population figures from the U.S. Census for Coldwater.

YEAR	POPULATION
1990	9,607
2000	10,492
2010	10,945

Source: U.S. Bureau of Census

Economic Base: The City is an industrial and commercial oriented community serving as a principal business, marketing, and cultural center for the surrounding suburban and agricultural territory, including the northern section of Indiana.

The following table provides a summary of certain economic indicators for the City of Coldwater.

BUILDING PERMITS

2017	2018	2019	2020
$24,101,124	$9,325,279	$17,040,852	$6,675,031

Source: City of Coldwater

ASSESSED VALUATION

2017	2018	2019	2020
$366,399,364	$406,587,721	$394,992,612	$393,965,313

Source: City of Coldwater

UNEMPLOYMENT

2017	2018	2019	2020
4.7%	3.2%	3.9%	4.9%

Source: www.milmi.org

MEDIAN FAMILY INCOME

1990	2000	2010
$27,813	$41,107	$45,489

Source: U.S. Bureau of Census

Electric System: The Coldwater Board of Public Utilities (the "*Board*") was established by a vote of the electorate in 1891. It acts for and on behalf of the City, overseeing operations for the Electric, Water and Wastewater and Telecommunication Systems of the City. The Board is composed of five members, appointed by the Mayor, subject to City Council approval, for a term of five years each, with the terms of one member expiring each year. The Board appoints a Director, who is responsible to the Board. The Director has control and direction of and is responsible for the supervision of all of the utility facilities and the properties of the City pertinent thereto which are entrusted to the Board, and is responsible for the economical and proper operation and maintenance of all of the utility facilities and properties.

The Electric System serves a community covering approximately 19.2 square miles and approximately 136 miles of distribution lines. In order to continue to provide needed energy, the Board has joined forces with four other municipalities to create and own the Michigan South Central Power Agency (the "*Agency*") in order to assure a supply of needed energy to the municipalities at the lowest cost to the consumer. Power from the Agency is transmitted via Consumer Power company's transmission system by three 138 KV interconnection circuits. In May 2016, the Agency closed its nominally rated 55 MW coal fired electric generating plant. That loss of generation has been made up by contractual agreements that the Agency has purchased from outside providers. It still operates 13 MW of peaking generation, related transmission switching systems and other facilities. The City joined AMP and began receiving power supply in January 2009.

As of June 30, 2020, the Coldwater Electric System served 7,233 residential, commercial and industrial customers. The following table lists the City's five largest customers by energy purchased during fiscal year 2020 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (fiscal 2020)	% of Total System Revenues
1. Maroa Farms, Inc	Greenhouse	95,891,000	14.1%
2. Clemens Food Group	Pork Processing	80,890,000	14.6
3. Asama Manufacturing	Auto Parts	64,400,000	13.8
4. Voltek	Foam Product	21,613,000	4.0
5. H.C. Stark	Metal Fabrication	20,115,000	4.1

Participation in Projects: Coldwater is the sixth largest Participant in the Projects, obligated under the Power Sales Contract to purchase from AMP a 3.12% Project Share (approximately 6.50 MW). In addition to the Projects, Coldwater is a participant in the following other projects described in the body of the Official Statement under the heading "AMERICAN MUNICIPAL POWER, INC. – OTHER PROJECTS" (see the descriptions thereof for detail relating to such projects, including the indebtedness and the obligations of the participants under the related power sales contract):

Project	Coldwater Share[1]
Prairie State Energy Campus	2.70% (approximately 9.95 MW)
Meldahl Hydroelectric Project	1.71% (approximately 1.79 MW)
Greenup Hydroelectric Project	3.45% (approximately 1.18 MW)
AMP Fremont Energy Center	3.89% (approximately 18.05 MW)
Solar Electricity Prepayment Project	2.0% (approximately 1.15 MW)

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(1) In each case, the share relates to the AMP's entitlement to project output.

The following table presents certain financial data respecting the City's Electric System for the fiscal years shown, on an accrual basis. The presentation is generally consistent with the flow of revenues of the Electric System.

Coldwater, Michigan
($000)

	2018	2019	2020
Revenue			
Power Sales	$40,834	$42,664	$38,746
Other Income			
Total Revenue	40,834	42,664	38,746
Operating Expense*			
Power Costs	29,195	32,288	28,546
O&M Expense	7,304	7,378	8,294
Total Operating Expense	36,499	36,499	36,840
Net Revenue Available for Debt Service	4,335	6,165	1,906
Revenue Debt Service	621	1,534	438
Depreciation	1,166	1,273	1,372
Net Non-Operating Revenue (Excl. Interest Exp.)	2,622	1,422	1,294
Net Transfers	(50)	(50)	(50)
Net Assets 7/1	33,781	39,288	42,102
Net Assets 6/30	39,288	42,102	43,648
Year End Balance			
Revenue Bonds	5,615	4,365	21,280(1)

*Excluding Depreciation.

(1) On June 1, 2020, the City of Coldwater issued $17,085,000 of Series 2020A and 2020B (Federally Taxable) Electric Utility System Revenue Bonds. The 2020A Bonds were issued for the purpose of paying all or part of the cost of acquiring and constructing additions, extensions and improvements to the System, including constructing a new substation, together with all necessary structures, equipment, furnishings and all appurtenances and attachments. The 2020B Bonds were issued for the purpose of paying all or part of the cost of the acquisition of combined heat and power facilities, consisting of three (3) natural gas fired engine generators having a combined capacity of approximately 12,000 to 13,000 kW, including exhaust and emission monitoring systems, storage tanks, pumps, switchgear, and all related appurtenances and attachments.

SECTION III

SUMMARY OF LARGE PARTICIPANTS' AREA, POPULATION, ASSESSED VALUATION AND UNEMPLOYMENT RATES

Participant	County	Area (Sq. Miles)[1]	Population[2]			Property Tax Base Assessed Valuation ($000)[3]			Unemployment Averages[4]		
			1990	2000	2010	2018	2019	2020	2018	2019	2020
Cleveland, Ohio	Cuyahoga	82.5	505,616	478,403	396,815	$5,263,291	$5,132,348	$5,163,670	6.5%	5.4%	7.3%
Danville, Virginia	N/A	43.7	53,056	48,411	43,055	2,783,287	2,796,387	2,797,711	5.1	4.0	7.7
Bowling Green, Ohio	Wood	12.8	28,176	29,652	30,028	498,722	503,035	510,249	4.0	3.8	6.2
Paducah, Kentucky	McCracken	20.6	27,256	26,307	25,024	1,841,660	1,902,149	2,085,013	5.6	4.9	7.5
Cuyahoga Falls, Ohio	Summit	25.9	48,950	50,272	49,652	1,018,399	1,031,395	1,049,040	4.6	3.8	5.2
Coldwater, Michigan	Branch	10.0	9,607	10,492	10,945	406,588	394,993	393,965	3.2	3.9	4.9

(1) Source: Wikipedia website for Participant.

(2) Source: U.S. Census Bureau. Cuyahoga Falls 2000 was appealed and was granted revision to figure shown.

(3) Source: Cleveland, 2017-2019- Ohio Municipal Advisory Council website. 2020- per City of Cleveland; Bowling Green-Wood County Auditor; Cuyahoga Falls- City CAFR; Danville, Virginia- City CAFR; Paducah, Kentucky – McCracken County Property Valuation Administrator, Coldwater - per City.

(4) Source: Cleveland, Ohio – Cleveland Public Power via Ohio Department of Jobs and Family Services; Bowling Green – Ohio Labor Market website; Cuyahoga Falls, Ohio - City of Cuyahoga Falls; Danville, Virginia – 2017-2019, Virginia Workforce Connection website. 2020, City of Danville; Paducah, Kentucky – Kentucky Center for Statistics Website.

SECTION IV

LARGE PARTICIPANTS' RESIDENTIAL, INDUSTRIAL AND COMMERCIAL INFORMATION

Large Participants' Information
Residential, Industrial, and Commercial [(1)]

	2018			2019			2020		
	Customers	**kWh Sales (x 1,000)**	**Revenue (x $1,000)**	**Customers**	**kWh Sales (x 1,000)**	**Revenue (x $1,000)**	**Customers**	**kWh Sales (x 1,000)**	**Revenue (x $1,000)**
Cleveland									
Residential	65,135	406,657	59,448	64,851	377,063	55,256	65,291	392,211	57,887
Commercial	7,300	563,441	79,948	7,373	551,329	77,836	7,655	509,833	71,188
Industrial	25	608,500	57,570	25	582,305	53,972	21	546,543	49,266
Other	1,251	78,926	17,171	1,372	78,413	17,139	1,490	78,297	17,071
Total:	73,711	1,657,524	214,137	73,621	1,589,110	204,203	74,457	1,526,884	195,412
Danville, Virginia									
Residential	37,022	480,475	70,162	36,850	460,895	64,945	37,003	437,761	63,812
Commercial	4,719	272,022	27,692	4,723	275,427	26,443	4,744	244,711	24,839
Industrial	29	190,898	11,548	24	167,473	9,729	24	139,330	7,924
Municipal	278	22,904	2,103	281	22,270	1,936	283	21,695	1,975
Lighting	0	14,868	2,869	0	14,769	2,787	0	14,599	2,841
Total:	42,048	981,167	114,374	41,878	940,834	105,840	42,054	858,096	101,391
Bowling Green									
Residential	12,797	103,776	14,416	12,826	99,242	14,255	12,855	99,670	14,707
Commercial	1,790	61,938	7,975	1,788	59,026	7,940	1,790	54,066	7,617
Industrial	80	373,902	36,622	81	367,552	36,874	73	329,718	34,373
Total:	14,667	539,616	59,013	14,695	525,820	59,069	14,718	483,454	56,697
Paducah, Kentucky									
Residential	18,884	216,971	29,686	18,845	217,551	29,857	18,941	208,984	28,875
Commercial	3,246	70,229	10,321	3,244	70,913	10,444	3,217	67,262	10,000
Industrial	510	269,845	33,313	496	265,563	32,739	491	252,134	31,581
Total:	22,640	557,045	73,320	22,585	554,027	73,040	22,649	528,380	70,456
Cuyahoga Falls									
Residential	23,097	185,104	23,450	23,414	172,061	22,399	23,829	176,319	22,868
Commercial	2,144	62,263	7,622	2,078	55,390	7,164	1,971	51,337	6,625
Industrial	204	193,061	20,962	203	184,627	20,546	203	174,983	19,589
Total:	25,445	440,428	52,035	25,695	412,078	50,109	26,003	402,639	49,082
Coldwater, Michigan[(2)]									
Residential	5,814	42,747	4,922	5,825	41,443	4,737	5,844	43,800	5,174
Commercial	1,347	64,693	6,739	1,344	50,247	5,513	1,410	40,916	4,838
Industrial	64	398,617	28,914	64	415,968	29,796	64	371,708	28,769
Total:	7,225	506,057	40,575	7,233	507,658	40,046	7,318	456,424	38,781

[(1)] Source: Participant
[(2)] Presented as of December 31 of respective year

Appendix C

SUMMARY OF CERTAIN PROVISIONS OF THE POWER SALES CONTRACT

The following is a summary of certain provisions of the Power Sales Contract. The following summary is not to be considered a full statement of the terms of the Power Sales Contract and, accordingly, is qualified by reference thereto and is subject to the full text thereof. Summaries of certain provisions of the Power Sales Contract also appear in the body of the Official Statement. Capitalized terms not otherwise previously defined in this Official Statement or defined below have the meaning set forth in the Power Sales Contract. Copies of the Power Sales Contract are available from AMP and the Trustee.

Definitions and Explanations of Terms.

American Municipal Power Hydroelectric System or AMP Hydro System shall mean the following hydroelectric generating facilities located on the Ohio River, consisting of the Smithland Hydroelectric Project (FERC Project 6641); the Cannelton Hydroelectric Project (FERC Project 10228) and the Willow Island Hydroelectric Project (FERC Project 6902) and related equipment used in the production and transformation of electric power and energy and related interconnection and transmission facilities as well as any natural gas or diesel-fired back-up or blackstart generation sited at such facility, having an expected maximum rated net electric generating capacity (not including any natural gas or diesel-fired black start or back-up generation) of approximately one-hundred ninety-one megawatts (191 MW), including the sites and all related permits, licenses, easements and other real and personal property rights and interests, together with all additions, improvements, renewals and replacements to said electric generating facilities necessary to keep said facilities in good operating condition or to prevent a loss of revenues therefrom or as required by any governmental agency having jurisdiction.

AMP Entitlement shall mean AMP's ownership, undivided ownership in, or contractual rights to the available capacity of and energy from the AMP Hydro System and other power Sales Contract Resources.

Bonds shall mean revenue bonds, notes, bank loans, commercial paper or any other evidences of indebtedness, without regard to the term thereof, whether or not any issue thereof shall be subordinated as to payment to any other issue thereof, from time to time issued by AMP (including any legal successor thereto) to finance or refinance any cost, expense or liability paid or incurred or to be paid or incurred by AMP in connection with the planning, investigating, engineering, permitting, licensing, financing, acquiring and construction of any and all real or personal property, facilities, rights, licenses, permits that constitute the AMP Hydro System and any other Power Sales Contract Resources, and the refurbishing, operating, maintaining, improving, repairing, replacing, retiring, decommissioning or disposing of the AMP Hydro System or any other power Sales Contract Resources or otherwise paid or incurred or to be paid or incurred by AMP in connection with the performance of its obligations under the Power Sales Contract or any Related Agreement, and shall include revenue bonds, notes, bank loans, commercial paper, or any other evidences of indebtedness issued by AMP (including any legal successor thereto) to refund any outstanding revenue bonds, notes, bank loans, commercial paper, or any other evidences of indebtedness issued by AMP (including any legal successor thereto) for any of the foregoing purposes, as well as the repayment of interim financing for all AMP Hydro System or other Power Sales Contract Resources Developmental Costs advanced by AMP and its Members. Bonds shall also include any interest rate hedge, swap instrument and the effect thereof, where the context is appropriate.

Commercial Operation Date shall mean the earliest date, confirmed by a certificate by an independent engineer selected by AMP, that a generating unit of the AMP Hydro System is determined to be in service after physical completion, completion of all specified testing and release by such unit's equipment suppliers and contractors for all commercial operating purposes without material restrictions.

Contract or Power Sales Contract shall mean the Power Sales Contract dated as of November 1, 2007, between AMP and the 79 Participants.

Demand Charge shall mean the rate or charge to the Participants principally designed to recover fixed costs of Power Sales Contract Resources.

Developmental Costs shall mean all development costs incurred by AMP in furtherance of the planning, siting, engineering, permitting, land acquisition and related activities in connection with the AMP Hydro System, potential and actual Additional Projects, or other Power Sales Contract Resources, which are to be reimbursed to AMP from the proceeds of its first issuance of Bonds, and a portion of which shall be remitted by AMP to AMP members and Michigan South Central Power Agency in accordance with certain developmental agreements between AMP and those entities.

Energy Charge shall mean the rate or charge to the Participants, principally designed to recover variable costs of the output of Power Sales Contract Resources.

Environmental Fund shall mean the subfund of the Reserve and Contingency Subfund that may be used from time to time to mitigate AMP Hydro System or other Power Sales Contract Resources environmental impacts or to moderate volatility in the costs of environmental compliance, including, but not limited to, the funding of reserves for, or the purchase of, allowances or offsets from Participants, AMP or others.

Force Majeure shall mean any cause beyond the control of AMP or a Participant, including, but not limited to, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, pestilence, war, riot, civil disturbance, labor disturbance, sabotage, and restraint by court or public authority, which by due diligence and foresight AMP or such Participant, as the case may be, could not reasonably have been expected to avoid.

Load Factor shall mean the Participant's energy scheduled from Power Sales Contract Resources over a time period in MWh, divided by Participant's PSCR Share in MW multiplied by the hours in the same time period.

MISO RTO shall mean the Midwest Independent System Operator RTO or its successor organization.

O&M Expenses of a Participant shall mean (i) the ordinary and usual operating expenses, of its Electric System including purchased power expense and all amounts payable by the Participant to or for the account of AMP under. the Power Sales Contract, including its obligations for Step Up Power; and (ii) to the extent not included in (i), all other items included in operating expenses under generally accepted accounting principles as adopted by the Governmental Accounting Standards Board or other applicable authority; provided, however, that if any amount payable by the Participant under the Power• Sales Contract is prohibited by applicable law or by an existing contract from being paid as an O&M, Expense of the Participant's Electric System, such amount shall be payable from any available funds of the Participant's Electric System and shall constitute an O&M Expense of the Participant's Electric System at such time as such law or contract shall permit or terminate.

Operating Agreement shall mean any agreements between AMP and other joint owners of any of the facilities that constitute the AMP Hydro System or other Power Sales Contract Resources for the operation, fuel and maintenance, including repairs and replacements, thereof.

Participants Committee shall mean a committee of AMP' s Board of Trustees consisting of Participants, the members of which, in the aggregate, have not less than a majority of the PSCR Shares, organized and operating in accordance with the terms of the Power Sales Contract.

PJM RTO shall mean the PJM RTO or its successor organization.

Points of Delivery shall mean the points at which AMP shall be required to deliver power and energy to or for the benefit of each of the respective Participants from the various hydroelectric generation facilities comprising the AMP Hydro System pursuant to the Power Sales Contract at the PSR.

Power Sales Contract Resources or PSCR shall mean, to the extent acquired or utilized by AMP to meet its obligations to deliver electric power and energy to the Participants at their respective Points of Delivery pursuant to the Power Sales Contract, (i) the AMP Entitlement and (ii) all sources of Replacement Power and Transmission Service, whether real or personal property or contract rights.

Postage Stamp Rates or PSR means the total delivered cost to Participants for Demand Charges, Energy Charges and any power cost adjustments at the Points of Delivery, as specified in the Rate Schedule.

Project Costs shall mean all costs incurred in connection with the planning, investigating, licensing, siting, permitting, engineering, financing, equipping, construction and acquisition of the Project including, without limitation, and the costs of any necessary transmission facilities or upgrades required to interconnect any of the generation facilities of AMP Hydro System with the PJM RTO, MISO RTO or any other transmission provider and transmit power and energy -to the Participants, any other Developmental Costs, all FERC license costs and payments to prior or current licenses associated with securing the rights to any FERC licenses or rights to output associated with the same, any payments of taxes or in lieu of taxes and interest during construction of the Project, initial inventories, including the purchase of any inventories of emission allowances or other environmental rights, working capital, spares and other start up related costs, related environmental compliance costs, legal, engineering, accounting, advisory and other financing costs relating thereto and the refurbishing, improving, repairing, replacement, retiring, decommissioning or disposing of the Project, or otherwise paid or incurred or to be paid or incurred by or on behalf of the Participants or AMP in connection with its performance of its obligations under the Power Sales Contract, any Trust Indenture or any Related Agreement and may include the cost of the prepayment for Replacement Power.

PSCR Share for any Participant expressed in kilowatts (kW) shall mean such Participant's nominal entitlement to power and associated energy from the Power Sales Contract Resources such that the sum of all PSCR shares (in kW) equals the AMP Entitlement (in kW) from the AMP Hydro System; subject to adjustment as set forth in the Power Sales Contract. PSCR Share for any Participant expressed as a percentage (%), rounded to the nearest one-hundredth of one percent, shall mean the result derived by dividing such Participant's PSCR Share in kW by the total of all of the Participants' PSCR Shares (including such Participant's PSCR Share) in kW such that the sum of all such PSCR shares (in %) is one hundred percent (100%).

Prudent Utility Practice shall mean any of the practices, methods and acts which, in the exercise of reasonable judgment, in the light of the facts, including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the United States electrical utility industry prior thereto, known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. It includes a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition.

Rate Schedule shall mean the schedule of rates and charges attached to the Power Sales Contract, as the same may be revised from time to time in accordance with the provisions of said Contract.

Rate Stabilization Fund shall mean the subfund of the Reserve and Contingency Fund that may be used from time to time to moderate volatility of the PSR.

Regulations shall mean the bylaws for Participants and Participants Committee meetings and actions, as the same may be amended from time to time.

Related Agreements shall mean any Operating Agreement, agreements for interconnection of the facilities comprising the AMP Hydro System or other Power Sales Contract Resources to the appropriate transmission system, including, any agreements for Supplemental Transmission Service and the interconnection agreement for the interconnection of the facilities comprising the AMP Hydro System to the PJM RTO or MISO RTO transmission systems, any agreements with the U.S. Army Corps of Engineers relating to the AMP Hydro System, any agreements for the purchase of electric power and energy, other agreements for Transmission Service to enable AMP to meet its obligations to deliver electric power and energy for the Participants at their respective Secondary Points of Delivery pursuant to the Power Sales Contract, and all other agreements of greater than one (1) year in length entered into by AMP for the acquisition of Power Sales Contract Resources, all as the same may be amended from time to time.

Replacement Power shall mean power and energy purchased by AMP (i) after the effective date of the Power Sales Contract but prior to the Commercial Operation Date of the last generating unit of the AMP Hydro System for delivery to the Participants provided that such purchase is approved by a Super Majority of the Participants; (ii) on or after the Commercial Operation Date of the first generating unit of the AMP Hydro System to back-up all or any portion of the output of the Project's generation facilities or to replace the same during periods in which any unit of the AMP Hydro System is not, for any reason, in service or is derated or otherwise incapable of generating its full nominal capability; or (iii) when, in AMP' s estimation and in accordance with procedures approved by the Participants Committee, to purchase from or sell to the market, perform commodity swaps or other like transactions such as capacity swaps, reliability exchanges and reserve sharing arrangements, will lower the expected PSR or is consistent with Prudent Utility Practices.

Reserve and Contingency Fund shall have the meaning set forth in a Trust Indenture and refers to a special fund, including subfunds, established by AMP to accumulate funds sufficient to provide an immediately available source of funds for the extraordinary maintenance, repair, overhaul and replacement of the Project facilities and equipment, to mitigate environmental impacts, achieve environmental compliance or purchase allowances (Environmental Account) to stabilize or mitigate rate increases to the Participants (Rate Stabilization Account) and to meet other requirements of a Trust Indenture for which other funds are not, by the terms of a Trust Indenture, immediately available.

RTO shall mean any one of the Regional Transmission Organizations approved by the Federal Energy Regulatory Commission or its successors or assigns, the territory of which includes the transmission systems to which the Point of Delivery is connected.

Secondary Points of Delivery shall mean the receipt point for each Participant which is either (i) a metered point of interconnection with the transmission or distribution system of the Participant or (ii) any other metered point of interconnection designated by a Participant for ultimate delivery of power and energy from the Points of Delivery to such Secondary Delivery Point under the Power Sales Contract; provided; however, that the Secondary Point of Delivery with respect to any Participant may, with AMP's written approval (which approval shall not be unreasonably withheld), be changed by such Participant.

Service Fee shall mean AMP's Service Fee B charge of up to one mill ($0.001) per kWh for all energy delivered pursuant to the Power Sales Contract to the respective Participants at their respective Points of Delivery under the Power Sales Contract. Said charge may be prospectively increased or decreased at the sole option of AMP's Board of Trustees at any time provided, however, that except as provided below, such fee shall not exceed one mill ($0.001) per kWh. Service Fee B may be increased above $0.001 per kWh with the approval of both the AMP Board of Trustees and the Participants Committee.

Step Up Power Costs shall mean that portion of Revenue Requirements that is allocable to a defaulting Participant's payment obligations under the Power Sales Contract.

Super Majority shall mean not less than a seventy-five percent (75%) majority of the weighted vote, based upon PSCR Shares, of all the Participants.

Supplemental Transmission Service shall mean the power delivery service under any agreements, tariffs and rate schedules necessary or convenient to transmit power and energy made available to or for the benefit of any Participant for delivery from the Points of Delivery to a Secondary Point of Delivery.

Transmission Service shall mean all transmission arrangements, together with all related or ancillary services rights and facilities, to the extent the same are necessary or prudent to provide for delivery of power and energy to the Points of Delivery.

Trust Indenture shall mean any one or more trust indentures, trust agreements, loan agreements, resolutions or other similar instruments providing for the issuance and securing of Bonds.

Sale and Purchase. (A) AMP agrees to sell to each Participant, and each Participant agrees to buy from AMP, such Participant's PSCR Share (in kW) of the Power Sales Contract Resources as set forth in the Power Sales Contract, subject to increase in an event of default of a Participant.

(B) Subject to the absolute payment obligations of the Participants, AMP (i) shall borrow, and capitalize from the proceeds of such borrowing, all or a portion of the amounts otherwise payable by the Participants in respect of AMP's Revenue Requirements prior to the Commercial Operation Date of the first generating unit of the AMP Hydro System and (ii) may borrow, and capitalize from the proceeds of such borrowing, all or a portion of the amounts otherwise payable by the Participants in respect of AMP's Revenue Requirements prior to the Commercial Operation Date of the last generating unit of the AMP Hydro System and for a reasonable time thereafter, or (iii) to the extent that AMP, upon the request and subject to the approval of the Participants Committee, does not borrow and capitalize from the proceeds of such borrowing all of AMP's Revenue Requirements prior to the Commercial Operation Date of the first generating unit of the AMP Hydro System and for a reasonable period thereafter, AMP shall, to such extent and only upon not less than one hundred twenty (120) days prior written notice, bill the Participants for their PSCR Shares of up to twenty-five percent (25%) of AMP's Revenue Requirements for such period or, with the approval of a Super Majority of the Participants, up to one hundred percent (100%) of AMP's Revenue Requirements for such period.

(C) Upon the request and subject to approval of a Super Majority of the Participants, in order to decrease the amount of capitalized interest which may otherwise be accrued during the construction of the AMP Hydro System, AMP may purchase and sell and deliver to the Participants, prior to the Commercial Operation Date of the AMP Hydro System last generating unit, power and energy under the Power Sales Contract from Power Sales Contract Resources in *pro rata* amounts up to the amounts listed in the Power Sales Contract for such period and in such amounts as determined appropriate by the Participants Committee, at rates which cover all costs of such power and which may include all or any portion of AMP' s Revenue Requirements for such period; provided, however, that any Participant may elect not to receive such energy and only be charged the Demand Charge portion of Revenue Requirements relating to such interest during construction.

(D) If at any time any Participant has power and energy in excess of its needs, it may request that AMP sell and deliver any or all of said Participant's PSCR Share of power and energy available under the Power Sales Contract, and AMP shall use commercially reasonable efforts in consultation with such Participant to attempt to sell such surplus for such Participant at not less than a minimum price approved by the Participant.

AMP Undertakings. (A) AMP, in good faith and in accordance with the provisions of the Power Sales Contract and Prudent Utility Practice:

(i) shall undertake, or cause to be undertaken, the planning, developing, engineering, acquisition, construction and equipping of the Project; the financing of costs of the same (including financing costs, legal, engineering, accounting and financial advisory fees and expenses and Developmental Costs) and the operating, maintaining, refurbishing, replacing, retiring, decommissioning and disposing of the Project; and to obtain, or cause to be obtained, all Federal, state and local permits, licenses and other rights and regulatory approvals necessary or convenient to accomplish the same;

(ii) shall utilize to the extent available and in the best interests of the Participants, the Project's hydroelectric facilities as the primary Power Sales Contract Resource to fulfill its obligations to deliver power and energy to the Participants at the Point of Delivery and respective Secondary Points of Delivery and utilize Replacement Power, when prudent and appropriate, as secondary Power Sales Contract Resources; and

(iii) may undertake, or cause to be undertaken, the acquisition of other Power Sales Contract Resources, in addition to the Project, as AMP deems necessary or desirable to enable AMP to deliver electric power and energy to the Participants at their respective Points of Delivery in such amounts and on such terms as are set forth in the Power Sales Contract; provided, however, that any obligations for any such additional Power Sales Contract Resources shall be subject to approval of the Participants Committee if (a) such obligations are for periods greater than one (1) year or (b) if such obligations are for other than Replacement Power during deratings or planned or forced outages of any of the facilities comprising the AMP Hydro System or other Power Sales Contract Resources; and

(iv) may, at the direction of the Participants Committee, utilize funds from the Reserve and Contingency Fund, to the extent not inconsistent with any Trust Indenture, to defray the costs of Replacement Power to the Participants during any prolonged outage or derating of any of the facilities comprising the AMP Hydro System; and

(v) shall inform the Participants Committee on a regular basis, not less often than in conjunction with the regular meetings of the AMP Board of Trustees, of its actions, plans and efforts undertaken in furtherance of the provisions of the Power Sales Contract including review of the Project's proposed annual operating and capital budgets prior to their adoption and to receive and give due consideration to any recommendations of the Participants Committee regarding the same; and

(vi) shall submit to the Participants Committee for approval, the general plan of financing for the Project along with 'any proposed material changes to such general plan as the same may be proposed from time to time.

(B) In the event that, notwithstanding its efforts undertaken in accordance with the Power Sales Contract, AMP is unable to supply all of the power and energy contracted for by the Participants, it shall allocate the power and energy available from the Power Sales Contract Resources among the Participants *pro rata,* on the basis of their respective PSCR Share percentages.

(C) In the event that at any time Power Sales Contract Resources acquired by AMP to supply power and energy to the Participants at the Point of Delivery and their respective Secondary Points of Delivery pursuant to the Power Sales Contract result in surplus power, surplus energy, surplus Transmission Service or Supplemental Transmission Service capacity, or other surplus rights, products or services that AMP believes may be salable to another entity in light of prevailing market conditions and the characteristics of any such surplus, or which due to prevailing market conditions make it desirable and in the best interests of AMP, the holders of the Bonds or the Participants to sell all or any portion of the power and energy associated with the Project or other Power Sales Contract Resource and utilize Replacement Power, to the extent required, to replace the same, AMP shall use commercially reasonable efforts to attempt to sell such surplus power, surplus energy, surplus transmission capacity, or other surplus product or service or such power and energy for such Participant at not less than a minimum price approved by the Participant, on such terms and for such period as AMP deems appropriate and as AMP deems not adverse to the tax or regulatory status or other interests of AMP, the Participants or any Bonds. All net revenues received by AMP from such surplus sales shall be utilized by AMP to reduce the Revenue Requirements that otherwise must be paid by the Participants and thereby offset rates and charges to the Participants under the Power Sales Contract. Any such sales for periods of one year or greater shall be subject to approval by the Participants Committee.

(D) In addition to such sales of power and energy to any entity permitted by the Power Sales Contract, AMP may (i) sell, on a temporary or permanent basis, or otherwise dispose of fuel, emission allowances or other inventory or spare parts for or byproducts from the AMP Hydro System or any other Power Sales Contract Resource or sell, lease or rent any excess land or land rights, including mineral or other subsurface rights and facilities associated with any by-product not required for operation of the AMP Hydro System or any other Power Sales Contract Resource or (ii) sell, lease or otherwise dispose of on a temporary or permanent basis any other rights or interests associated with any Power Sales Contract Resource; provided, however, that prior to entering into any such agreement on a permanent basis, or for any term of five (5) years or longer, AMP shall have determined that such disposition will not adversely affect the tax or regulatory status of AMP or any Bonds and, for such sales if the rights or interests are valued in excess of $500,000 in 2007 dollars, shall have obtained the approval of the Participants Committee and a report or certificate of an independent engineer or engineering firm or corporation having a national reputation for experience in such work to the effect that such permanent sale, lease or other disposition should not, in the ordinary course of operation of the affected Power Sales Contract Resource, materially adversely affect the operation of the affected Power Sales Contract Resource or AMP's ability to perform its obligations under the Power Sales Contract.

(E) All power sold or made available under the Power Sales Contract shall include the associated capacity, in kW, and AMP, upon written request of a Participant, shall provide such Participant with any appropriate certifications reasonably necessary for the Participant to confirm its rights to such capacity for any purpose, including any requirements of the MISO RTO or the PJM RTO.

(F) AMP covenants that it shall, prior to entering into any such agreements and in consultation with the Participants Committee, adopt, maintain and revise from time to time a written policy respecting any variable rate indebtedness and hedge or swap agreements entered into under the Power Sales Contract, including the circumstances and terms under which any such agreements may be terminated.

(G) Other than for sales of two (2) months. or less, AMP shall be obligated to provide the Participants a right of first refusal with respect to Power Sales Contract Resources, it is understood by the Participants that it may be in the best interests of the Participants for AMP to resell such Power Sales Contract Resources immediately and that it may be impracticable for AMP to effectively communicate a *bona fide* offer to all the Participants of such Power Sales Contract Resources under the circumstances.

(H) AMP and the Participants recognize that there may be certain environmental attributes such as green tags, renewable energy credits, carbon credits or the like associated with AMP Hydro System's hydroelectric generation. Each Participant shall be entitled to a share of the benefits associated with all such environmental attributes in proportion to its PSCR Share, AMP shall adopt, from time to time, with the approval of the Participants Committee, protocols for utilizing or distributing such environmental attributes to, or for the benefit of, the Participants.

Rates and Charges; Method of Payment. (A) After consultation with the Participants Committee, the Board of Trustees of AMP shall establish, maintain and adjust rates or charges, or any combination thereof, as set forth in the Rate Schedule, for the capability and output of the Power Sales Contract Resources sold to the Participants under the Power Sales Contract that result in Postage Stamp Rates and other rates and charges, adjusted as set forth in the Power Sales Contract, at levels that will provide revenues to or for the account of AMP sufficient, but only sufficient, to meet the Revenue Requirements of AMP, which Revenue Requirements shall consist of the sum of the following without duplication:

(i) all costs incurred by AMP under the Related Agreements, including, without limitation, all costs to AMP of any Replacement Power, and the cost of Transmission Service for delivery of electric power and energy under the Power Sales Contract to the Points of Delivery as well as any costs incurred in the event AMP defaults on its obligations and a third party is brought in to perform whatever duties or obligations are not being performed by AMP;

(ii) all costs incurred by AMP for the operation and maintenance of all Power Sales Contract Resources, including but not limited to, the costs of equipment and other leases, an appropriate allocation of AMP's energy control center, metering and other common costs of AMP reasonably allocable to Power Sales Contract Resources and not otherwise recovered by the Service Fee or other fees or charges, such as AMP's Energy Control Center charges, that AMP charges the Participants pursuant to other agreements, the cost to AMP of taxes, payments in lieu of taxes, all permits, licenses and related fees, related to any Power Sales Contract Resource, the cost of insurance and damage claims to the extent associated with any Power Sales Contract Resource, any fuel and fuel related costs, pollution control or emissions costs, fees and allowances, cost of any refunds to any Participant pursuant to the provisions of the Power Sales Contract and (to the extent not paid out of the proceeds of Bonds or related investment income) legal, engineering, accounting and financial advisory fees and expenses;

(iii) costs of decommissioning and disposal of properties constituting Power Sales Contract Resources, including reserves therefor;

(iv) the cost to establish and maintain, or to obtain the agreement of third parties to provide to the extent not included in Project Costs, an allowance for working capital, inventories and spares, including emission fees, allowances, credits or other environmental rights, and reasonable reserves for repairs, refurbishments, renewals, replacements and other contingencies deemed necessary by the Board of Trustees of AMP in order to carry out its obligations under the Power Sales Contract and the cost to AMP of renewals and replacements of all Power Sales Contract Resources to the extent not paid for out of working capital or reserves;

(v) the cost of power supply engineering, planning and forecasting incurred by AMP in connection with the performance of its obligations under the Power Sales Contract or in attempting to comply with laws or regulations requiring the same to the extent such laws or regulations are applicable to Power Sales Contract Resources;

(vi) the Service Fees not otherwise charged by AMP pursuant to other agreements;

(vii) the costs of Supplemental Transmission Services furnished or procured and paid by AMP for the respective Participants as set forth in the Rate Schedule, such costs to be reimbursed to AMP by the respective Participants receiving such services and not through the PSR;

(viii) payments of principal of and premium, if any, and interest on all Bonds, payments which AMP is required to make into any fund or account during any period to be set aside for the payment of such principal, premium or interest when due from time to time under the terms of any Trust Indenture (whether, in the case of principal of any Bond, upon the stated maturity or upon prior redemption, including any mandatory sinking fund redemption, under such Trust Indenture), and payments which AMP is required to make into any fund or account to establish or maintain a reserve for the payment of such principal, premium or interest under the terms of any Trust Indenture, provided, however, that the amounts required to be included in Revenue Requirements pursuant to this clause (viii) shall not include payments in respect of the principal of any Bonds payable solely as a result of acceleration of maturity of such Bonds and not otherwise scheduled to mature or to be redeemed by application of mandatory sinking fund payments; provided further, however, that the amounts required to be included in Revenue Requirements pursuant to this clause (viii) may include payments in respect of a termination of a hedge or swap agreement;

(ix) amounts required under any Trust Indenture to be paid or deposited into any fund or account established by such Trust Indenture (other than funds and accounts referred to in clause (viii) above), including any amounts required to be paid or deposited by reason of the transfer of moneys from such funds or accounts to the funds or accounts referred to in clause (viii) above;

(x) the cost to establish and maintain additional reserves, or to obtain the agreement of third parties to provide, for contingencies including (a) reserves against losses established in connection with any program of self-insurance, (b) the making up of any deficiencies in any funds or accounts as may be required by the terms of any Trust Indenture, (c) contributions to any Rate Stabilization Fund or Environmental Fund, subject, to the extent not otherwise required to be paid as a part of Revenue Requirements or required by any Trust Indenture, to approval by the Participants Committee;

(xi) amounts required to be paid by AMP to procure, or to perform its obligations under, any liquidity or credit support obligation (to the extent not included in clause (viii) above), interest rate swap or hedging instrument (including, in each case, any amounts due in connection with the termination thereof to the extent not included in clause (viii) above) associated with any Bonds or amounts payable with respect thereto;

(xii) additional amounts, if any, which must be realized by AMP in order to meet the requirements of any rate covenant with respect to coverage of debt service on Bonds under the terms of any Trust Indenture, and such additional amounts as may be deemed by AMP desirable to facilitate marketing Bonds on favorable terms; and

(xiii) any cost or expenditure associated with the AMP Hydro System facilities compliance with reliability standards approved by FERC.

less amounts arising from any Operating Agreement and amounts available as a result of any appropriate refunds, rebates, miscellaneous revenues or other distributions relating to the AMP Hydro System and any sales of surplus power or any Power Sales Contract Resource (after payment of all associated costs and expenses incurred by AMP in connection therewith) and less any Bond proceeds or related investment income applied by AMP in the exercise of its discretion to pay any costs referred to in clauses (i) through (xii) above, provided, however that in the event that any Trust Indenture requires another application of such funds or AMP determines that any of such amounts of proceeds or income must be applied in accordance with the provisions of clause (i) of (J) below, then and to such extent such other application shall be required, such funds shall be so applied.

(B) The Revenue Requirements of AMP in respect of any month shall be computed as provided above and shall be paid by the respective Participants through rates and charges as set forth in the Rate Schedule. In determining the rates and charges under the Power Sales Contract, estimated amounts may be utilized until actual data becomes available, at which time any necessary adjustments necessary to true-up the estimates to actual shall be made.

(C) The rates and charges to each of the Participants under the Power Sales Contract, as set forth on the Rate Schedule, shall be a uniform PSR to the primary Points of Delivery.

(D) After consultation with the Participants Committee, the Board of Trustees of AMP will determine and establish the initial Rate Schedule to be effective, on or about the Commercial Operation of the first generating unit of the AMP Hydro System, to meet AMP's Revenue Requirements. At such intervals as the Board of Trustees of AMP shall determine appropriate, but in any event not less frequently than at the end of each quarter during each Contract Year, the Participants Committee and the Board of Trustees of AMP shall review and, if necessary, the Board of Trustees shall revise prospectively the Rate Schedule to ensure that the rates and charges under the Power Sales Contract continue to cover AMP' s estimate of all of the Revenue Requirements and to recognize, to the extent not inconsistent with the Power Sales Contract, other factors and changes in service conditions as it determines appropriate. AMP shall transmit to each Participant a copy of each revised Rate Schedule, setting forth the effective date thereof, for delivery not less than thirty (30) days prior to such effective date. Each Participant agrees that the revised Rate Schedule, as determined from time to time by the Board of Trustees of AMP, shall be deemed to be substituted for the Rate Schedule previously in effect and agrees to pay for electric power and energy and related Transmission Service made available by AMP to it under the Power Sales Contract after the effective date of any revision of the Rate Schedule in accordance with such revised Rate Schedule. Unless otherwise determined by the AMP Board of Trustees, the Rate Schedule shall be structured so as to consist of: (i) a Demand Charge, principally designed to recover fixed costs, including the fixed costs of Transmission Service, associated with providing Power Sales Contract Resources; (ii) an Energy Charge, principally designed to recover the variable costs of providing the output of Power Sales Contract Resources and the variable costs of Transmission Service; (iii) a Power Cost Adjustment Factor designed to adjust either or both the Demand Charge or Energy Charge upward or downward to reflect monthly changes in fuel and environmental costs and purchased power, any power sales to third parties and any changes in the cost of Transmission Service; (iv) the Service Fee; and (v) a Participant specific rate for Supplemental Transmission Service for each Secondary Delivery Point to the extent AMP incurs costs related thereto. The determination of the Power Cost Adjustment Factor each month shall be made by appropriate officials designated by the Board of Trustees of AMP according to methodology determined by the Participants Committee and approved by the Board of Trustees, no specific action by the Participants Committee or Board of Trustees to approve the Power Cost Adjustment Factor so determined each month shall be required.

(E) Unless some other time period is otherwise approved by the AMP Board of Trustees and the Participants Committee, in each month after the establishment of the initial Rate Schedule, AMP shall render to each Participant a monthly invoice showing the amount payable by such Participant under the Power Sales Contract with respect to power and energy, Transmission Service, including any Supplemental Transmission Service or other charges, credits, adjustments or true-ups, applicable to such Participant with respect to the immediately preceding month. Prior to the Commercial Operation of the first generating unit of the AMP Hydro System, such invoice may include payments with respect to any Bonds issued as well as Replacement Power. Such Participant shall pay such amounts to AMP, at such time and in such manner as shall provide to AMP (or such other person so designated by AMP) funds available for use by AMP (or its designee, including a trustee under any Trust Indenture) on the first banking day not more than the fifteenth (15^{th}) day after the date of the issuance of the monthly invoice.

(F) If any Participant does not make a required payment in full in funds available for use by AMP (or its designee) on or before the close of business on the due date thereof, a delayed-payment charge on the unpaid amount due for each day over-due will be imposed at a rate per annum equal to the lesser of (i) the maximum rate permitted by law, and (ii) two percent (2%) per annum above the rate available to AMP through its short-term credit facilities as the same may be adjusted from time to time, together with any damages or losses incurred by AMP, or through AMP, or any other Participant, as a result of such failure to make timely payment which is not compensated by such delayed-payment charge.

(G) In the event of any dispute by any Participant as to any portion of any invoice, such Participant shall nevertheless pay the full amount of the disputed charges when due and shall give written notice of the dispute to AMP not later than one hundred eighty (180) days from the date such payment is due; provided, however, that AMP shall not be required to refund any disputed amounts relating to third-party charges if such notice, although timely, does not afford AMP a reasonable opportunity to pursue a claim against such third-party due to the requirements of a Related Agreement, Supplemental Transmission Agreement, RTO or other Transmission Service provider dispute resolution procedures. Such notice shall identify the disputed invoice, state the amount in dispute and set forth a full statement of the grounds on which such dispute is based. Billing disputes and any subsequent adjustments shall be limited to the two (2) year period prior to the date timely notice was given; provided, however, that to the extent AMP may reasonably pursue a third-party on account of such dispute for a period longer than such two (2) year period, AMP shall do so and adjustments may, to such extent, relate to such longer period.

(H) In the event that at any time AMP shall determine that it has rendered an invoice containing a billing error, AMP shall furnish promptly to each Participant whose invoice was in error a revised invoice, clearly marked as such, with the error corrected. If the revised invoice indicates that the Participant has been undercharged, the difference between the amount paid by the Participant and the correct amount, together with interest (from the date of payment by the Participant of the incorrect amount to the due date of the invoice next submitted to the Participant after AMP has furnished the revised invoice) at the rate which would apply under the Power Sales Contract to overdue payments by such Participant, less two percent (2%), shall be paid by the Participant to AMP (or such other person designated by AMP) at such time and in such manner as shall provide to AMP (or such other person so designated) funds available for use by AMP (or its designee) on the due date of such next invoice. If the revised invoice indicates that the Participant has been overcharged, the difference between the correct amount and the amount paid by the Participant, together with interest (from the date of payment by the Participant of the incorrect amount to the due date of the invoice next submitted to the Participant after AMP has furnished the revised invoice) at the rate which would apply under the Power Sales Contract to overdue payments by such Participant, less two percent (2%), shall be subtracted by AMP from the invoice next submitted to such Participant (and paid by AMP to the Participant in funds available for use by the Participant on the due date of such next invoice if, but only to the extent by which, the amount so due to the Participant exceeds the amount of the next invoice). The date of payment by the Participant shall mean the date on which funds in the amount so paid first become available for use by AMP (or its designee).

(I) The obligations of each Participant to make its payments shall constitute obligations of such Participant payable as an O&M Expense of its Electric System. No Participant shall be required to make payments under the Power Sales Contract except from the revenues of its Electric System and from other funds of such system legally available therefor. In no event shall any Participant be required to make payments under the Power Sales Contract from tax revenues, or any other source of funds other than its Electric System's funds, but it may elect, in its sole discretion, to do so. The obligations of each Participant to make payments described under this heading in respect of any month or other billing period shall be on a "take-or-pay" basis and, therefore, shall not be subject to any reduction, whether by offset, counterclaim, or otherwise, such payment obligations of such Participant shall not be conditioned upon the performance by AMP or any other Participant of its obligations under the Power Sales Contract, or any other agreement, and such payments shall be made whether or not any generating unit of the AMP Hydro System, any other component of the Project or any other Power Sales Contract Resource is completed, operable, operating and, as long as Bonds remain outstanding, notwithstanding the suspension, interruption, interference, reduction or curtailment, in whole or in part, for any reason whatsoever, of the AMP Entitlement or the Participant's PSCR Share, including Step Up Power, if any; provided, however, that nothing contained in the Power Sales Contract shall be construed to prevent or restrict such Participant from asserting any rights which it may have against AMP under the Power Sales Contract or in any provision of law, including institution of legal proceedings.

For purposes of paragraph (I) above, it should be noted that the City of Coldwater and the City of Marshall, Michigan (each a "Michigan Participant") each have bond issues outstanding that limit the payments from each under the Power Sales Contract from being considered an O&M Expense of their respective Electric Systems. Therefore, as long as a Michigan Participant's current bond issues remain outstanding, the Michigan Participant's obligations to make payments under the Power Sales Contract (i) shall constitute obligations of such Michigan Participant payable as an O&M Expense of its Electric System so long as such obligations are "take and pay" obligations and (ii) shall constitute obligations payable from any revenues or other moneys of the Michigan Participant's Electric System legally available for the purpose if and to the extent such obligations are payable on a "take-or-pay" basis. However, once the currently outstanding bonds of a Michigan Participant are no longer outstanding under the terms of their applicable ordinance, all of the Michigan Participant's obligations to make payments under the Power Sales Contract shall constitute obligations of such Michigan Participant payable as an O&M Expense of its Electric System on a "take-or-pay" basis.

(J) Proceeds from the sale of Bonds in excess of the amount required for the purposes for which such Bonds were issued and investment income earned on any investments held under the Trust Indenture shall be applied, subject to the provisions of any Trust Indenture, by AMP, as approved by the Participants Committee (i)(a) to pay principal or interest on the Bonds, (b) to the purchase or redemption of Bonds prior to their stated maturity, (c) to the payment of costs of renewals and replacements of any property constituting a part of the Power Sales Contract Resources, or as a reserve therefor and (ii) as a credit against the Revenue Requirements. Insurance proceeds, condemnation awards and damages received by AMP in connection with any Power Sales Contract Resource and not required to be applied to the restoration, renewal or replacement of facilities, and proceeds from the sale or disposition of surplus property constituting a part of the Power Sales Contract Resources, shall be applied by AMP, subject to approval by the Participants Committee, (a) to the purchase or redemption of Bonds prior to their stated maturity, (b) to the payment of costs of renewals and replacements of any property constituting a part of the Power Sales Contract Resources, or as a reserve therefor by deposit to the Reserve and Contingency Fund, or (c) as a credit against Revenue Requirements. If any Trust Indenture, any instrument of a similar nature relating to borrowings by AMP to finance Power Sales Contract Resources or any Related Agreement shall require the application of any amount referred to in the foregoing provisions to any specific purpose, AMP shall apply such amount to such purpose as so required.

Force Majeure. Neither AMP nor any Participant shall be considered to be in default in respect to any obligation under the Power Sales Contract (other than the obligation of each Participant to make payments) if prevented from fulfilling such obligation by reason of *Force Majeure.* A party rendered unable to fulfill any such obligation by reason of *Force Majeure* shall exercise due diligence to remove such inability with all reasonable dispatch and such party shall promptly communicate with the other regarding such *Force Majeure,* its expected length and the actions being taken to remove the same.

Insurance. AMP shall maintain, or cause to be maintained, in force, and is authorized to procure insurance with responsible insurers with policies payable to the parties as their interests shall appear, against risk of direct physical loss, damage or destruction, at least to the extent that similar insurance is mandated by law or usually carried by utilities constructing and operating facilities of the nature of the facilities of the Power Sales Contract Resources, including liability insurance, workers' compensation and employers' liability, all to the extent available at reasonable cost and subject to reasonable deductible provisions, but in no case less than will satisfy all applicable regulatory requirements, including FERC license requirements and requirements of the U.S. Army Corps of Engineers and conform to Prudent Utility Practice. AMP may procure additional insurance subject to the approval of the Participants Committee. Notwithstanding the foregoing, AMP may, to the extent permitted by the Related Agreements, the Trust Indentures and the similar instruments relating to borrowings by AMP to finance Power Sales Contract Resources and, subject to the approval of the Participants Committee, self-insure or participate in a program of self-insurance or group insurance to the extent it receives a written opinion of a qualified insurance consultant that such self-insurance, after consideration of any existing or required reserve deposits, is reasonable in light of existing programs of comparable utilities constructing and operating facilities of the nature of the facilities of the Power Sales Contract Resources.

Bonds; Trust Indenture; Power Sales Contract. AMP shall issue Bonds for the purpose of paying Project Costs as well as all or any part of the costs of planning, engineering, siting, permitting, acquiring, constructing, improving, repairing, restoring, renewing or refurbishing Power Sales Contract Resources, including, without limitation, reimbursement of all Developmental Costs or to refund any outstanding Bonds, all upon such terms and pursuant to one or more Trust Indentures having such terms as AMP, in its sole discretion and exclusive judgment, deems necessary or desirable to enable AMP to fulfill satisfactorily its obligations under the Power Sales Contract; provided, however, that AMP shall not issue Bonds having a final maturity date extending beyond the later of 2057 or the initial estimated useful life of the Project, as estimated, in a report or certificate of an independent engineer or engineering firm or corporation having a national reputation for experience in electric utility matters. All Bonds, any Trust Indenture, and all revenues and other funds of AMP allocable to the Participants and to this Power Sales Contract, other than the Service Fee, shall be separate and apart from all other borrowings, indentures, revenues, and funds of AMP. AMP shall not pledge or assign any of its right, title or interest in, to or under any of the foregoing, the Power Sales Contract or any Power Sales Contract Resources, or otherwise make available any thereof, to secure or pay any indebtedness or obligation of AMP or as otherwise expressly permitted by the Power Sales Contract.

Disposition or Termination of the AMP Hydro System or other Power Sales Contract Resources.

For so long as any Bonds are outstanding, except as otherwise permitted in the Power Sales Contract, AMP shall not sell or otherwise dispose of, in whole or in part, its ownership interest in any of the hydroelectric generation facilities comprising the AMP Hydro System without the consent of a Super Majority of the Participants. The Power Sales Contract does not prohibit (i) a merger or consolidation or sale of all or substantially all of the property of AMP, (ii) any sale, lease or other disposition or arrangements permitted by the Power Sales Contract or (iii) the mortgaging, pledging or encumbering of all or any portion of AMP's ownership interest in the AMP Hydro System or any other Power Sales Contract Resources pursuant to any Trust Indenture to secure any Bonds. Subject to the provisions of the Related Agreements, any facilities of the AMP Hydro System shall be terminated and AMP shall cause such facilities to be salvaged, discontinued, decommissioned, and disposed of or sold in whole or in part on such terms as both the AMP Board of Trustees and the Participants Committee determine to be reasonable and appropriate when:

(a) so required pursuant to the applicable Related Agreement; or

(b) both the AMP Board of Trustees and the Participants Committee determine that AMP is unable to operate such facilities due to licensing or operating conditions or other similar causes; or

(c) both the AMP Board of Trustees and the Participants Committee determine that such facilities are not capable of producing or delivering energy consistent with Prudent Utility Practice.

Additional Covenants of the Participants. (A) Each Participant covenants and agrees to establish and maintain rates for electric power and energy to its consumers which shall provide to such Participant revenues at least sufficient, together with other available funds, to meet its obligations to AMP under the Power Sales Contract; to pay all other O&M Expenses; to pay all obligations, whether now outstanding or incurred in the future, payable from, or constituting a charge or lien on, the revenues of its Electric System; and to make any other payments required by law.

(B) Each Participant covenants and agrees that, unless the Power Sales Contract has been assigned, it shall not sell, lease or otherwise dispose of all or substantially all of its Electric System except on 180 days' prior written notice to AMP and, in any event, shall not so sell, lease or otherwise dispose of the same unless AMP shall reasonably determine that all of the following conditions are met: (i) such Participant shall assign the Power Sales Contract and its rights thereunder (except as otherwise provided in the last sentence of this paragraph) in writing to the purchaser or lessee of the Electric System and such purchaser or lessee, as assignee of rights and obligations of such Participant under the Power Sales Contract, shall assume in writing all obligations (except to the extent theretofore accrued) of such

Participant under the Power Sales Contract or such Participant shall post a bond or other security, in either case reasonably acceptable to AMP, to assure its obligations under the Power Sales Contract are fulfilled and clauses (iv) (a), (b) and (c) below are satisfied; (ii) if and to the extent necessary to reflect such assignment and assumption, AMP and such assignee shall enter into an agreement supplemental to the Power Sales Contract to clarify the terms on which power and energy are to be sold by AMP to such assignee; (iii) the senior debt of such assignee shall be rated in one of the four highest whole rating categories, without regard to sub-categories represented by + or — or similar designations, by at least one nationally recognized bond rating agency or if such entity is not rated, AMP and any trustee under any Trust Indenture shall receive an opinion from a nationally recognized financial expert that the assignment does not materially adversely affect the security for any Bonds; and (iv) AMP shall have received an opinion or opinions of counsel of recognized standing selected by AMP stating that such assignment (a) will not adversely affect any pledge and assignment by AMP of the Power Sales Contract or the revenues derived by AMP thereunder (other than the Service Fee) as security for the payment of Bonds and the interest thereon, (b) is lawfully permitted under applicable law, and (c) will not affect the regulatory or tax status of AMP or any Bonds. Notwithstanding the foregoing, if AMP reasonably determines that the assignment of the Power Sales Contract, pursuant to the immediately preceding sentence in connection with the sale, lease or other disposition of a Participant's Electric System, could reasonably be expected to result in any increase in the rates and charges to any of the remaining Participants for power and energy and associated Transmission Service made available under the Power Sales Contract, AMP may, by delivery of written notice thereof sent no later than 120 days following receipt by AMP of notice sent pursuant to the immediately preceding sentence, refuse to approve such sale, lease or other disposition and, should the Participant nonetheless and in contravention of the provisions of the Power Sales Contract proceed with such sale, lease or other disposition, terminate, effective upon such sale, lease or other disposition, all of such Participant's rights under the Power Sales Contract (except to the extent of any rights theretofore accrued); provided, however, that prior to the effective date of any such termination AMP shall have arranged for the assignment by such Participant of its rights (except as otherwise in the last sentence of this paragraph) and obligations (except to the extent theretofore accrued) under the Power Sales Contract to another entity which assumes in writing all obligations of such Participant (except to the extent theretofore accrued) and which satisfies each of the conditions set forth in clauses (ii) through (iv) of the immediately preceding sentence; provided, further, that nothing contained in this paragraph shall be construed to prevent or restrict any Participant from issuing mortgage revenue bonds (subject to the provisions of (E) below of this heading) secured by a mortgage of the property and revenues of such Participant's Electric System, including a franchise. Each Participant agrees to cooperate in effecting any assignment pursuant to the immediately preceding sentence.

(C) Each Participant covenants and agrees that it shall take no action the effect of which would be to prevent, hinder or delay AMP from the timely fulfillment of its obligations under the Power Sales Contract, any Related Agreement, any then outstanding Bonds or any Trust Indenture; provided, however, that nothing contained in the Power Sales Contract shall be construed to prevent or restrict such Participant from asserting any rights which it may have against AMP or under any provision of law, including institution of legal proceedings for specific performance or recovery of damages.

(D) Each Participant covenants and agrees that it shall, in accordance with Prudent Utility Practice, (i) operate the properties of its Electric System and the business in connection therewith in an efficient manner, (ii) maintain its Electric System in good repair, working order and condition, and (iii) make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to its Electric System; provided, however, that this covenant shall not be construed as requiring such Participant to expend any funds which are derived from sources other than the operation of its Electric System, although nothing herein shall be construed as preventing such Participant from doing so.

(E) Each Participant covenants and agrees that it shall not issue bonds, notes or other evidences of indebtedness or incur lease or contractual obligations which are payable from the revenues derived from its Electric System superior to the payment of the O&M Expenses of its Electric System; provided, however, that nothing shall limit such Participant's present or future rights (i) to incur lease or contractual obligations that, under generally accepted accounting principles, are operating expenses of its Electric System and that are payable on a parity with O&M Expenses or (ii) to issue bonds, notes or other evidences of indebtedness payable from revenues of its Electric System subject to the prior payment or provision for the payment of the O&M Expenses, including amounts payable under the Power Sales Contract, of its Electric System.

(F) Each Participant covenants and agrees that not later than the date on which it issues bonds, notes or other evidences of indebtedness or incurs capital lease or take-or-pay contractual obligations which are payable from the revenues of its Electric System on a parity with O&M Expenses it will provide to AMP, with a copy to the Participants Conmiittee, of an independent engineer's estimation that such issuance or incurrence will not result in total O&M Expenses and debt service in excess of the revenues of the Participant's Electric System adjusted for any rate increases enacted by the governing body of the Participant prior to such issuance or incurrence in the fiscal year immediately preceding the issuance of such obligations.

(G) Each Participant agrees to use all commercially reasonable efforts to take all actions necessary or convenient to fulfill all of its obligations under the Power Sales Contract.

(H) Each Participant agrees that, prior to any assignment of its rights under the Power Sales Contract it shall grant to AMP, for the benefit of the remaining Participants, a right of first refusal for a period of not less than one hundred twenty (120) days to match any *bona fide* offer for such assignment.

(I) Each Participant that has some contractual or other legal impediment to its payment obligations to AMP under the Power Sales Contract being classified under applicable law or any trust indenture securing bonds payable from the revenues of its Electric System as O&M Expenses, covenants and agrees that it will in good faith endeavor to remove any such contractual or other legal impediments at the earliest possible time.

Default. **(A)** In the event any payment due from any Participant under the Power Sales Contract remains unpaid subsequent to the due date thereof, such event shall constitute a default under the Power Sales Contract and AMP may, upon fifteen (15) days prior written notice to and at the cost and expense of such defaulting Participant (i) withhold any payments otherwise due such Participant and suspend deliveries or availability of such defaulting Participant's PSCR Share to or on behalf of the defaulting Participant, (ii) bring any suit, action or proceeding at law or in equity as may be necessary or appropriate to enforce any covenant, agreement or obligation against the defaulting Participant, and (iii) take any other action permitted by law to enforce the Power Sales Contract. Upon suspension of the rights of the defaulting Participant as provided in the immediately preceding sentence, AMP shall be entitled to and may, sell or make available, from time to time, to any other person or persons any power or energy associated with the defaulting Participant's PSCR Share, and any such sale may be on such terms and for such periods deemed necessary or convenient in AMP's judgment, which shall not be exercised unreasonably, to make such sale under then existing market conditions; provided, however, that no such sale shall be made for a period exceeding two (2) months. Any such sale of such PSCR Share contracted for by AMP shall not relieve the defaulting Participant from any liability under the Power Sales Contract, except that the net proceeds of such sale shall be applied in reduction of the liability (but not below zero) of such defaulting Participant. When any default giving rise to the suspension of the rights, including the delivery of power and energy of the defaulting Participant, has been cured in less than sixty (60) days subsequent to such default and payment has been made by the defaulting Participant to AMP of all costs and expenses incurred as a result of such default, the Participant which had been in default shall be entitled to the restoration of its rights, including a resumption of delivery of its PSCR Share or other service, subject to any sale to others of its PSCR Share made by AMP. AMP shall promptly notify all Participants in writing of any default by any other Participant, which remains uncured for thirty (30) days or more.

(B) (i) If any Participant shall fail to pay any amounts due under the Power Sales Contract, or to perform any other obligation thereunder, which failure constitutes a default under the Power Sales Contract and such default continues for sixty (60) days or more, AMP may, in addition to any other remedy available at law or equity, terminate the provisions of the Power Sales Contract insofar as the same entitle the Participant to a PSCR Share and during such default, the defaulting Participant shall not be entitled to any vote on the Participants Committee or any matter which requires a vote of the Participants; but, the obligations of the Participant under the Power Sales Contract shall continue in full force and effect. AMP shall forthwith notify such Participant of such termination.

(ii) Upon the termination of entitlement to a PSCR Share as provided in the preceding paragraph, AMP shall attempt to sell the defaulting Participant's PSCR share, first to other Participants, then to Members who are not Participants and then to other persons, and, to the extent such defaulting Participant's obligations are not thereby fulfilled, each non-defaulting Participant shall purchase, for so long as such default remains uncured, a *pro rata* share of the defaulting Participant's entitlement to its PSCR Share which, together with the shares of the other non-defaulting Participants, is equal to the defaulting Participant's PSCR Share in kilowatts ("Step Up Power"); provided; however, that no such termination shall reduce the defaulting Participant's obligations under the succeeding paragraph; and, provided further, however, that the sum of all such increases for each non-defaulting Participant pursuant to this paragraph shall not exceed, without consent of the non-defaulting Participant, an accumulated maximum kilowatts equal to twenty-five percent (25%), or such lesser percentage as set forth in any Trust Indenture, of such non-defaulting Participant's initial PSCR Share in kilowatts prior to any such increases. AMP shall mail written notice and may, at its option, also transmit the same by electronic means, to each non-defaulting Participant of the amount of any Step Up Power as soon as practicable. All Step Up Power Costs shall be determined consistent with and be treated as a part of Revenue Requirements and shall be paid by the non-defaulting Participant in accordance with the Power Sales Contract. Within twenty (20) days after the notice of default by any other Participant, a Participant may notify AMP in writing of its election to purchase voluntarily Step Up Power under the terms and conditions described under this heading in any amount more than that which would otherwise be its *pro rata* share and up to the amount of the defaulting Participant's PSCR Share. Such purchase shall continue for so long as the default is not cured. To the extent the sum of such voluntary elections is greater than the amount of Step Up Power to be distributed, the same shall be distributed among the Participants so electing in proportion to the amounts requested. To the extent the sum of such voluntary elections is less than the defaulting Participant's PSCR Share, the remainder shall be distributed *pro rata* among the remaining Participants as Step Up Power. Non-defaulting Participants assuming Step-Up Power shall be entitled to exercise all voting rights associated with all amounts of Step Up Power taken or assigned.

(iii) The fact that other Participants have assumed their obligations for Step Up Power Costs shall not relieve the defaulting Participant of its liability for such payments and all Participants assuming such obligation (voluntarily or otherwise), either individually or as a member of a group, shall have a right of recovery from the defaulting Participant of all damages occasioned thereby. AMP in consultation with the Participants Committee may commence such suits, actions or proceedings, at law or in equity, including suits for specific performance, as may be necessary or appropriate to enforce the obligations of the Power Sales Contract against the defaulting Participant.

(C) In the event of default by a Participant in the payment of any of the sum or sums now or hereafter secured, or in the performance of any of the covenants and conditions of the Power Sales Contract; or in the event Participant shall for any reason be rendered incapable of fulfilling its obligations thereunder; or final judgment for payment of money shall be rendered against Participant which adversely affects its ability to fulfill its obligations, and any such judgment shall not be discharged within 60 days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which, or pursuant to which, such judgment shall have been granted, or entered, in such manner as to stay the execution of, or levy under, such judgment, order, decree, or process or the enforcement thereof, or any proceeding shall be instituted with the consent or acquiescence of Participant for the purpose of effecting a compromise between Participant and its creditors, or for the purpose of adjusting the claims of such creditors pursuant to any Federal or State statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Participant's rights under the Power Sales Contract; or if (a) Participant is adjudged insolvent by a court of competent jurisdiction which assumes jurisdiction of Participant's Electric System, or (b) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of Participant, a receiver or trustee of Participant or of the whole or any part of Participant's Electric System and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof; or if Participant shall file a petition or answer seeking reorganization or any arrangement under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof, which would place jurisdiction of Participant's Electric System in other than Participant; then, in addition to all other remedies, including the remedy of specific performance, AMP shall have the right and power to, and may, at its sole option, by notice in writing to the Participant, apply for the appointment of a receiver of rents, income and profits of the Participant's Electric System received or receivable by Participant as a matter of right and as security for the amounts due AMP without consideration of the value of Participant's Electric System, or the solvency of any person or persons liable for the payment of such amounts, the rents, income and profits of the Participant's Electric System received or receivable by Participant being hereby assigned by Participant to AMP as security for payment of the sum or sums now or hereafter secured by the Power Sales Contract.

(D) If at any time before the entry of final judgment or decree in any suit, action or proceeding instituted by AMP on account of default as defined above, or before the completion of the enforcement of any other remedy under the Power Sales contract or law, a defaulting Participant shall pay all sums then payable by their stated terms, and all arrears of interest, if any, upon said sums then outstanding and the charges, compensation, expenses, disbursements, advances and liabilities of AMP, and all other amounts then payable by the Participant under the Power Sales Contract, and every other default of which AMP has notice shall have been remedied to the satisfaction of AMP, then and in every such case AMP shall, and if such default continued for a period greater than one (1) year, AMP may, with the approval of its Board of Trustees and the Participants Committee, and to the extent another Participant has voluntarily "stepped up" for all or a portion of such defaulting Participant's entitlement to its PSCR share, with the approval of such other Participant, rescind and annul the declaration of default and its consequences, provided, however, that if any Participant has defaulted and all or any portion of such Participant's PSCR Share has become Step Up Power, such Participant shall cure such default by paying all arrearages and all liabilities otherwise owing due to such default, net of the proceeds of any sales and of the recovery of Step Up Power Costs, and such defaulting Participant shall also pay, as liquidated damages and not as a penalty in recognition of the difficulty in precisely measuring damages to the non-defaulting Participants caused by reason of such written notice of the defaulting Participant, an amount equal to the product of one hundred twenty-five percent (125%) of the defaulting Participant's PSCR Share of the Demand Charges paid by the non-defaulting Participants as Step Up Power Costs, multiplied by the "Prime Rate" as published in "Money Rates" in the *Wall Street Journal,* or, if in determination of AMP, the Prime Rate is no longer publicly available, then the prime rate values published in the Federal Reserve Bulletin plus, in any case, two percent (2%). Such amount shall then be paid to the non-defaulting Participants in proportion to their respective payments of Step Up Power Costs. However, no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

(E) AMP shall provide timely reports to the Participants Committee of any Participant defaults and actions taken by AMP.

(F) Should AMP default on any of its obligations under the Power Sales Contract and such default continues for a period of thirty (30) days, any Participant or the Participants Committee may give AMP written notice of such default. Subject to the provisions of any Trust Indenture, should AMP not cure such default, or provide the Participants Committee with a satisfactory plan to cure such default within sixty (60) days of such written notice, then by the affirmative vote of a Super Majority of the Participants, AMP may be directed to contract with a third party to perform whatever duties or obligations which are in default. The costs of such contract shall be included in Revenue Requirements.

Modification or Amendment. The Power Sales Contract shall not be amended, modified or otherwise changed except by written instrument executed and delivered by AMP and each of the Participants; provided, however that the Power Sales Contract shall not in any event be amended, modified or otherwise changed in any manner that will materially adversely affect the security afforded by the provisions of the Power Sales Contract for the payment of the principal, interest, and premium, if any, on the Bonds, except as, and to the extent, permitted by any Trust Indenture.

Dispute Resolution. The Parties agree to negotiate in good faith to settle any and all disputes arising under the Power Sales Contract. Representatives of the Participants Committee and AMP Board of Trustees shall participate in any such negotiations. Good faith mediation shall be a condition precedent to the filing of any litigation in law or equity by any party against any other party, except injunctive litigation necessary to solely restrain or cure an imminent threat to the public or employee safety.

The parties may mutually agree to waive mediation or subsequent to mediation waive their right to litigate in court and, in either case, submit any dispute to binding arbitration, if permitted by law, before one or more arbitrators pursuant to the Commercial Arbitration Rules of the American Arbitration Association or such other arbitration procedures to which they may agree. Such agreement shall be in writing and may otherwise modify the procedures set forth in this section for resolving any particular dispute.

Term of Contract. The Power Sales Contract shall remain in effect until December 31, 2057, and thereafter, unless otherwise required by law, until (i) the date the principal of, premium, if any, and interest on all Bonds have been paid or deemed paid in accordance with any applicable Trust Indenture; and (ii) a Super Majority of the Participants recommends the Power Sales Contract be terminated; provided, however, that each Participant shall remain obligated to pay to AMP its respective share of the costs of terminating, discontinuing, disposing of, and decommissioning all Power Sales Contract Resources except those Power Sales Contract Resources which AMP, in its sole discretion, elects not to terminate, discontinue, dispose of or decommission in connection with or prior to the termination of the Power Sales Contract. In the event that a Super Majority of the Participants does not elect to terminate the Power Sales Contract, each Participant that so elects may continue to receive its PSCR Share of the power and energy available to AMP from such Power Sales Contract Resources at rates which reflect the lack of payments with respect to Bonds and any Participant that does not so elect may discontinue taking any power and energy under the Power Sales Contract and shall have no other liability except as otherwise specified in the Power Sales Contract.

No Replacement Power. On October 29, 2009, in order to assure that all power and energy from the AMP Hydro System remains eligible for renewable energy credits or other environmental attributes, the Participants Committee voted to instruct AMP not to provide Participants with Replacement Power as a part of the Project, unless and until otherwise directed by the Participants Committee. Any required power and energy that otherwise would be Replacement Power may be provided to the Participants by AMP under other agreements.

Appendix D

SUMMARY OF CERTAIN PROVISIONS OF THE MASTER TRUST INDENTURE

The following is a summary of certain provisions of the Master Trust Indenture (the "Master Indenture"), as the same may be amended and supplemented by Supplemental Indentures from time to time (as so amended and supplemented, the "Indenture"). The following summary is not to be considered a full statement of the terms of the Master Indenture and, accordingly is qualified by reference thereto and is subject to the full text thereof. Capitalized terms not otherwise previously defined in this Official Statement or defined below have the meaning set forth in the Master Indenture. Copies of the Master Indenture may be obtained from AMP or the Trustee.

Definitions

"AMP Entitlement" means AMP's ownership, undivided ownership in, or contractual rights to the available capacity of and energy from the Projects and other Power Sales Contract Resources, as the same may be increased or reduced from time to time.

"AMP Operating Expenses" means for any period AMP's Service Fee (as defined in the Power Sales Contract) and AMP's reasonable and necessary current expenses for the operation, repair and maintenance of the Projects, as determined in accordance with generally accepted accounting principles except as modified by this definition, and shall include, without limiting the generality of the foregoing, all ordinary and usual expenses of maintenance, repair and operation, which may include expenses not annually recurring, administrative expenses, any reasonable payments to pension or retirement funds properly chargeable to the Hydroelectric Projects Fund, insurance premiums, engineering expenses relating to maintenance, repair and operation, fees and expenses of the Trustee, Depositories, Paying Agents and the Bond Registrar, legal expenses (including the costs of any actions to defend AMP's rights under any Project Agreement), fees of consultants, any taxes which may be lawfully imposed on or are fairly allocable to AMP with respect to the Projects, or payments in lieu of such taxes, or the income therefrom, operating lease payments, the Operating Component of the Cost of Contracted Services, and all other payments, not chargeable to the capital account of the Projects, to be made by AMP under the Power Sales Contract and any other expenses required or permitted to be paid by AMP under the provisions of the Master Indenture including, but not limited to, subject to the terms of any related agreement or Supplemental Indenture, costs, fees and expenses (but not early termination obligations) associated with the investment of the proceeds of Parity Obligations or with Derivative Agreements (excluding Derivative Agreements related to Subordinate Obligations), but shall not include any reserves or expenses for extraordinary maintenance or repair or any allowance for depreciation, but AMP Operating Expenses shall not include (i) depreciation or amortization, (ii) any deposit to any fund, subfund, account and subaccount established under the Master Indenture or any Supplemental Indenture or any payment of principal, redemption premium, if any, and interest on any Bonds from any such fund, subfund, account and subaccount, (iii) any debt service payment in respect of Parity Debt or Subordinate Obligations, or (iv) early termination obligations associated with the investment of the proceeds of Indebtedness, Gross Receipts or Net Receipts or other moneys held under the Indenture or with Derivative Agreements.

"Annual Budget" means the budget, adopted by the Board of AMP, of Gross Receipts and AMP Operating Expenses including, as separate line items, extraordinary expenses for repairs, renewals, rehabilitation and improvement of the Projects and capital expenditures for the Projects for a Fiscal Year, as the same may be amended from time to time, all in accordance with the provisions of the Master Indenture.

"Bond" or "Bonds" means the bonds or notes issued under the provisions of the Master Indenture and secured on parity with each other and any Parity Debt by the Master Indenture.

"Commercial Operation Date" means as to any Project the earliest date, determined in a certificate by an independent engineer selected by AMP, that all of the generating units of such Project are determined to be in service, after completion of all testing and release by the units' equipment suppliers and contractors, for all commercial operating purposes without material restrictions.

"Completion Date" means with reference to each Project the Commercial Operation Date of last of the units included in such Project to be placed in service.

"Construction Subfund" means the American Municipal Power, Inc. Hydroelectric Projects Construction Subfund created and so designated by the Master Indenture.

"Credit Facility" means a line of credit, letter of credit, standby bond purchase agreement, bond insurance policy or similar liquidity or credit facility established or obtained in connection with the issuance of any Bonds, incurrence of any other Parity Debt or incurrence of any Subordinate Obligations.

"Credit Provider" means the Person providing a Credit Facility, as designated in the Supplemental Indenture authorizing the issuance of a Series of Bonds or in the Parity Debt Indenture authorizing the incurrence of Parity Debt or in the Subordinate Obligations Indenture authorizing the incurrence of Subordinate Obligations.

"Debt Service Coverage Ratio" means, for any period of time, the ratio determined by dividing the Net Revenues by the Maximum Annual Debt Service Requirement for such period.

"Debt Service Requirement" means, for any period for which such determination is made, the sum, on an accrual basis, of the Principal Requirement and the Interest Requirement for such period (whether or not separately stated) on Outstanding Indebtedness during such period, taking into account:

(i) with respect to Balloon Indebtedness, the amount of principal which would be payable in such period if such principal were amortized from the date of incurrence thereof over a period of thirty (30) years on a level debt service basis, at an interest rate equal to the current market rate for a fixed rate, 30-year obligation, set forth in an opinion, delivered to the Trustee, of a banking institution or an investment banking institution, selected by AMP and knowledgeable in municipal finance, as the interest rate at which the Person that incurred such Indebtedness could reasonably expect to borrow the same by incurring Indebtedness with the same term as assumed above; provided, however, that if the date of calculation is within twelve (12) calendar months of the actual final maturity of such Indebtedness, the full amount of principal payable at maturity shall be included in such calculation;

(ii) with respect to Indebtedness which is Variable Rate Indebtedness, the interest on such Indebtedness shall be calculated at the rate which is equal to the average of the actual interest rates which were in effect (weighted according to the length of the period during which each such interest rate was in effect) for the most recent twelve-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a twelve-month period), except that with respect to new Variable Rate Indebtedness, the interest rate on such Indebtedness on the date of its incurrence shall be calculated at the lesser of (a) the initial rate at which such Indebtedness is incurred and (b) the rate certified by a banking institution or an investment banking institution, selected by AMP and knowledgeable in municipal finance, as being the average rate such Indebtedness would have borne for the most recent twelve-month period immediately preceding the date of calculation if such Indebtedness had been outstanding for such period, and thereafter shall be calculated as set forth above; provided, however, that if AMP enters into a Derivative Agreement with respect to such Indebtedness, the interest on such Indebtedness shall be calculated as set forth in clause (iv) below;

(iii) with respect to any Credit Facility, (a) to the extent that such Credit Facility has not been used or drawn upon, the principal and interest relating to the reimbursement obligation for such Credit Facility shall not be included in the Debt Service Requirement and (b) to the extent that such Credit Facility shall have been drawn upon, the payment provisions of such Credit Facility with respect to repayment of principal and interest thereon shall be included in the Debt Service Requirement;

(iv) with respect to Derivative Obligations, the interest on such Indebtedness during any Derivative Period thereunder shall be calculated by adding (a) the amount of interest payable by AMP pursuant to its terms and (b) the amount payable by AMP under the Derivative Agreement and subtracting (c) the amount payable by the Derivative Agreement Counterparty at the rate specified in the Derivative Agreement, except that to the extent that the Derivative Agreement Counterparty has defaulted on its payment obligations under the Derivative Agreement, the amount of interest payable by AMP from the date of default shall be the interest calculated as if such Derivative Agreement had not been executed;

(v) subject to the provisions of clause (iv) above, to the extent that any Indebtedness incurred pursuant to the Master Indenture requires that AMP pay the principal of or interest on such Indebtedness in any currency or currencies other than United States dollars, in calculating the amount of the Debt Service Requirement, the currency or currencies in which AMP is required to pay shall be converted to United States dollars using a conversion rate equal to the applicable conversion rate in effect on a date that is not more than thirty (30) days prior to the date on which such Indebtedness is incurred;

(vi) in the case of Optional Tender Indebtedness, the options of such Owners or Holders shall be ignored, provided that such Optional Tender Indebtedness shall have the benefit of a Credit Facility and the Credit Provider or a guarantor of its obligations shall have ratings from at least two of the Rating Agencies in not less than one of the two highest short-term rating categories (without gradations such as plus or minus); and

(vii) in the case of Indebtedness, having the benefit of a Credit Facility that provides for a term loan facility that requires the payment of the Principal of such Indebtedness in one (1) year or more, such Indebtedness shall be considered Balloon Indebtedness and shall be assumed to have the maturity schedule provided clause (i) of this definition;

provided, however, that (A) interest shall be excluded from the determination of Debt Service Requirement to the extent that provision for payment of the same is made from the proceeds of the Indebtedness or otherwise provided so as to be available for deposit into the Capitalized Interest Account or similar account not later than the date of delivery of and payment for such Indebtedness, (B) all or a portion of interest in respect of one or more Series of Tax-Advantaged Bonds shall be excluded from the determination of Debt Service Requirement if, and to the extent, that Bonds, or the interest thereon, of such Series is payable from Federal Subsidies or credits, and (C) notwithstanding the foregoing, the aggregate of the payments to be made with respect to principal of and interest on Outstanding Indebtedness shall not include principal and/or interest payable from Qualified Escrow Funds.

"Defeasance Obligations" means, unless modified by the terms of a Supplemental Indenture or a Parity Debt Indenture, (i) noncallable, nonprepayable Government Obligations, (ii) evidences of ownership of a proportionate interest in specified noncallable, nonprepayable Government Obligations, which Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state or territory thereof in the capacity of custodian, (iii)

Defeased Municipal Obligations and (iv) evidences of ownership of a proportionate interest in specified Defeased Municipal Obligations, which Defeased Municipal Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state or territory thereof in the capacity of custodian.

"Federal Subsidy" means a payment made by the Secretary of the Department of Treasury to or for the account of AMP pursuant to the Code in connection with the issuance of a Series of Tax-Advantaged Bonds. Any Federal Subsidy to be received by AMP in connection with the issuance of a Series of Tax-Advantaged Bonds shall be identified as such in the Supplemental Indenture authorizing the issuance of such Series.

"FERC" means the Federal Energy Regulatory Commission and any successor to the functions of FERC created by law.

"Gross Receipts" means all revenues, income, receipts and money (other than proceeds of borrowing) received in any period by or on behalf of AMP for the use of and for the output, services and facilities furnished by or from the AMP Entitlement, including, without limitation, (a) payments made by the Participants to or for the account of AMP pursuant to the Power Sales Contract, (b) proceeds derived from contract rights and other rights and assets now or hereafter owned, held or possessed by AMP and (c) interest or investment income on all investments excluding investments of proceeds of Indebtedness (unless credited and transferred to the Revenue Subfund) incurred by AMP and on deposits to Qualified Escrow Funds.

"Gross Revenues" revenues, as determined in accordance with generally accepted accounting principles, (a) from all payments, proceeds, rates, fees, charges, rents all other income derived by or for AMP for the use of and for the output, services and facilities furnished by or from the Power Sales Contract Resources, and all rights to receive the same, whether in the form of accounts receivable, contract rights, credits or other rights, and the proceeds of such rights whether now owned or held or hereafter coming into existence, including payments received pursuant to the Power Sales Contract and for capacity, energy and other products of the AMP's Entitlement and any portion thereof, (b) any proceeds of use and occupancy or business interruption insurance, and (c) the income from the investment under the provisions of the Master Indenture of the moneys held for the credit of the various funds, subfunds, accounts and subaccounts created under the Master Indenture excluding (i) investments of proceeds of Indebtedness (unless credited and transferred to the Revenue Subfund) incurred by AMP and on deposits to Qualified Escrow Funds, (ii) the proceeds of any insurance, other than as mentioned above, (iii) any gifts, grants, donations or contributions or borrowed funds and (iv) Federal Subsidies (to the extent not credited against the Debt Service Requirement).

"Incurrence Test" means the test for the incurrence for Parity Obligations established by the Master Trust Indenture and described herein.

"Indebtedness" means (a) Parity Obligations, (b) Subordinate Obligations, (c) the Debt Service Components of the Cost of Contracted Services, (d) all other indebtedness of AMP relating to the Projects and payable from Gross Revenues and (e) all installment sales and capital lease obligations relating to the Projects, payable from Gross Revenues and incurred or assumed by AMP. Obligations to reimburse Credit Providers for amounts drawn under Credit Facilities to pay the Purchase Price of Optional Tender Indebtedness shall not constitute Indebtedness, except to the extent such obligations exceed the Debt Service Requirements on Bonds or Parity Debt held by or pledged to or for the account of a Credit Provider that shall have paid the Purchase Price of Optional Tender Indebtedness.

"Interest Requirement" for any Fiscal Year or any Interest Period, as the context may require, as applied to Bonds of any Series then Outstanding, means the total of the sums that would be deemed to accrue on such Bonds during such Fiscal Year or Interest Period if the interest on the Current Interest Bonds of such Series were deemed to accrue daily in equal amounts during such Year or Interest Period, employing the applicable methods of calculation set forth in the definition of Debt Service Requirement; provided, however, that interest expense shall be excluded from the determination of Interest Requirement to the extent that any interest is to be paid from the proceeds of Bonds or other available moneys or from investment (but not reinvestment) earnings thereon if such proceeds or other moneys shall have been invested in Defeasance Obligations and to the extent such earnings may be determined precisely. Interest expense on Credit Facilities drawn upon to purchase but not to retire Bonds, to the extent such interest exceeds the interest otherwise payable on such Bonds (herein called "excess interest"), shall not be included in the determination of Interest Requirement. AMP may in a Supplemental Indenture provide that such excess interest be included in the calculation of Interest Requirement for all provisions of the Master Indenture except those relating to the Rate Covenant.

"Investment Obligations" means Government Obligations and, to the extent from time to time permitted by the laws of the State of Ohio,

(A) the obligations of (i) Export Import Bank, (ii) Government National Mortgage Association, (iii) Federal Housing Administration, (iv) U. S. Department of Agriculture – Rural Development, (v) United States Postal Service and (vi) any other agency or instrumentality of the United States of America now or hereafter created, which obligations are backed by the full faith and credit of the United States of America,

(B) the obligations of (i) Federal National Mortgage Association, (ii) Federal Home Loan Mortgage Corporation, (iii) Federal Intermediate Credit Banks, (iv) Federal Banks for Cooperatives, (v) Federal Land Banks, and (vi) Federal Home Loan Banks,

(C) Defeased Municipal Obligations,

(D) negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of least A-1 by S&P and P-1 by Moody's for maturities of one year or less, and a rating of at least AA by S&P and Aa by Moody's for maturities over one year and not exceeding five years,

(E) any overnight, term or open repurchase agreement for Government Obligations or obligations described in clauses (A) and (B) above that is with (i) a bank or trust company (including the Trustee, any Depository and their affiliates) that has a combined capital, surplus and undivided profits not less than $100,000,000, or (ii) a subsidiary trust company whose combined capital, surplus and undivided profits, together with that of its parent state bank or bank, holding company, as the case may be, is not less than $100,000,000, or (iii) a financial institution (including, but not limited to, banks, insurance companies, investment banks, broker dealers, bank holding companies, insurance holding companies, affiliates of any of the foregoing, and other similar entities) or government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York and a member of the Security Investors Protection Corporation ("SIPC") or with a dealer or parent holding company that is rated in one of the three highest rating categories by Moody's and S&P (without regard to gradations such as "plus" or "minus") and as to which the fair market value of such agreements, together with the fair market value of the repurchase agreement securities, exclusive of accrued interest, shall be valued daily and maintained at an amount at least equal to the amount invested in the repurchase agreements, provided, however, that (1) such obligations purchased must be transferred to the Trustee or Depository (who shall not be the provider of the collateral) or a third party agent by physical delivery or by an entry made on the records of the issuer of such obligations, (2) as to which failure to maintain the requisite collateral levels will require the Trustee or Depository, as the case may be, or its agent to liquidate the securities immediately, (3) as to which the Trustee or Depository, as the case may be, has a perfected, first priority security interest in the securities, and (4) as to which the securities are free and clear of third-party liens, and in the case of an SIPC broker, were not acquired pursuant to a repurchase or reverse repurchase agreement,

(F) any investment agreement that is with or is unconditionally guaranteed as to payment by (i) a bank or trust company (including the Trustee, any Depository and their affiliates) that has a combined capital, surplus and undivided profits not less than $100,000,000, or (ii) a subsidiary trust company whose combined capital, surplus and undivided profits, together with that of its parent state bank or bank, holding company, as the case may be, is not less than $100,000,000, or (iii) a financial institution (including, but not limited to, banks, insurance companies, investment banks, broker dealers, bank holding companies, insurance holding companies, affiliates of any of the foregoing, and other similar entities) that, in the case of (i), (ii) or (iii), is rated in one of the two highest rating categories by Moody's and S&P (without regard to gradations such as "plus" or "minus"),

(G) commercial paper rated at the time of acquisition by the Trustee or a Depository in the highest rating category by Moody's and S&P (without regard to any gradations or refinements such as "plus" or "minus"),

(H) obligations of state or local government municipal bond issuers, the principal of and interest on which, when due and payable, have been insured to their maturities by an insurer the bonds insured by which are rated at the time of acquisition by the Trustee or a Depository by Moody's and S&P in one of the two highest rating categories (without regard to any numerical or other gradations or refinements such as "plus" or "minus"),

(I) obligations of state or local government municipal bond issuers that are rated by Moody's and S&P in one of the two highest rating categories (without regard to any numerical or other gradations or refinements such as "plus" or "minus"),

(J) open-end investment funds registered under the Investment Companies Act of 1940, as amended, the authorized investments by which are permitted by the terms of the Master Indenture. Any investment in a repurchase agreement shall be considered to mature on the date the party providing the repurchase agreement is obligated to repurchase the Investment Obligations. Any investment in obligations described above may be made in the form of an entry made on the records of the issuer of or the securities depository with respect to the particular obligation, and

(K) bankers' acceptances drawn on and accepted by commercial banks (which may include the Trustee, any Co-Trustee, any Depository, any Bond Registrar and their affiliates).

"Maximum Annual Debt Service Requirement" means at the date of calculation the greatest Debt Service Requirement for the current or any succeeding Fiscal Year.

"Net Receipts" for any particular period means the excess of Gross Receipts after the payment of AMP Operating Expenses for such period.

"Net Revenues" means for any period the amount of the excess of Gross Revenues accrued in such period by AMP over the AMP Operating Expenses incurred by it during such period.

"Optional Tender Indebtedness" means any portion of Indebtedness incurred under the Master Indenture a feature of which is an option on the part of the holders of such Indebtedness to tender to AMP or the Trustee or a Depository, Paying Agent or other fiduciary for such holders, or an agent of any of the foregoing, all or a portion of such Indebtedness for payment or purchase.

"Parity Common Reserve Account Requirement" means, with respect to all Parity Obligations secured by the Parity Common Reserve Account, the amount provided in a Supplemental Indenture. The Parity Common Reserve Account Requirement may be satisfied with cash, Investment Obligations or Reserve Alternative Instruments, or any combination of the foregoing, as AMP may determine from time to time.

"Parity Debt" means all Parity Obligations incurred or assumed by AMP, including Parity Debt Service Components, and not evidenced by Bonds which (a) are designated as Parity Debt in the documents pursuant to which it was incurred, (b) are incurred in compliance with the provisions of the Master Indenture or are a reimbursement obligation for a Credit Facility supporting Parity Obligations incurred in compliance with the provisions of the Master Indenture, and (c) may be accelerated only in compliance with the procedures set forth in the Master Indenture.

"Parity Obligations" means Bonds and Parity Debt.

"Power Sales Contract Resources" means, to the extent acquired or utilized by AMP to meet its obligations to deliver electric power and energy for the Participants at their respective Points of Delivery pursuant to the Power Sales Contract, (i) the AMP Entitlement and (ii) all sources of Transmission Service (both terms as defined in the Power Sales Contract), whether real or personal property or contract rights.

"Principal Requirement" for any Fiscal Year or any other period, as the context may require, as applied to Bonds of any Series then Outstanding, means the total of the sums that would be deemed to accrue on such Bonds during such Fiscal Year or other period if the principal of the Current Interest Bonds of such Series were deemed to accrue daily in equal amounts during such Year or period, employing the applicable methods of calculation set forth in the definition of Debt Service Requirement; provided, however, that principal shall be excluded from the determination of Principal Requirement to the extent that any principal is to be paid from the proceeds of Bonds or other available moneys or from investment (but not reinvestment) earnings thereon if such proceeds or other moneys shall have been invested in Defeasance Obligations and to the extent such earnings may be determined precisely.

"Reserve Alternative Instrument" means an irrevocable insurance policy or surety bond or an irrevocable letter of credit, guaranty or other facility deposited in the Parity Common Reserve Account or a Special Reserve Account in lieu of or in partial substitution for the deposit of cash and Investment Obligations in satisfaction of the Parity Common Reserve Account Requirement or a Special Reserve Account Requirement.

"Revenue Available For Debt Service" means the pro forma amount, indicated in an Officer's Certificate delivered to the Trustee, that is certified by such Officer to be a good faith estimate of the excess, of the Gross Revenues in any 12 consecutive months of the last 18 calendar months preceding the date of such Certificate over the AMP Operating Expenses for the same 12 months, taking into consideration and adjusted for any rate increases adopted by the Board of AMP that will take effect subsequent to the applicable 12-month period and in the current or following Fiscal Year, as shall be set forth in such Officer's Certificate.

"Short-Term Indebtedness" means all Indebtedness incurred for borrowed money, other than the current portion of Indebtedness and other than Short-Term Indebtedness excluded from this definition as provided in the definition of Indebtedness, for any of the following:

(i) money borrowed for an original term, or renewable at the option of the borrower for a period from the date originally incurred, of one year or less;

(ii) leases which are capitalized in accordance with generally accepted accounting principles having an original term, or renewable at the option of the lessee for a period from the date originally incurred, of one year or less; and

(iii) installment sale or conditional sale contracts having an original term of one year or less.

"Special Reserve Account" means a special debt service reserve account created by a Supplemental Indenture or a Parity Debt Indenture as a debt service reserve account only for the particular Parity Obligations authorized by such Supplemental Indenture or Parity Debt Indenture.

"Special Reserve Account Requirement" means the amount to be deposited or maintained in a Special Reserve Account pursuant to a Supplemental Indenture or a Parity Debt Indenture creating such Special Reserve Account. The Special Reserve Account Requirement may be satisfied with cash, Investment Obligations, a Reserve Alternative Instrument or any combination of the foregoing, as AMP may determine from time to time.

"Subordinate Obligations" means Indebtedness and other payment obligations the terms of which shall provide that they shall be subordinate and junior in right of payment, or provision for payment, to the prior payment in full of Parity Obligations to the extent and in the manner set forth in the Master Indenture.

"Subordinate Obligations Indenture" means the resolution and any other documents, instruments or agreements adopted or executed by AMP providing for the incurrence of Subordinate Obligations. If the Subordinate Obligations shall have the benefit of a Credit Facility, the reimbursement obligation for such Credit Facility shall provide for repayments on a subordinated basis (as compared to Parity Obligations) and the term Subordinate Obligations Indenture shall include any reimbursement agreement or similar repayment agreement executed and delivered by AMP in connection with the provision of such Credit Facility for such Subordinate Obligations.

"Tax-Advantaged Bonds" means all Bonds so identified in the Supplemental Indenture authorizing the issuance of such Bonds.

"Tax-Advantaged Parity Debt" means all Parity Debt so identified in the Parity Debt Indenture authorizing the incurrence of such Parity Debt.

"Tax-Advantaged Parity Obligations" means collectively all Tax-Advantaged Bonds and all Tax-Advantaged Parity Debt.

"Variable Rate Indebtedness" means any portion of Indebtedness the interest rate on which is not established at the time of incurrence at a fixed or constant rate until maturity.

Construction Subfund

Any money received by AMP from any source for the any one or more of the Projects shall be deposited in the Construction Subfund, a special subfund of the Hydroelectric Projects Fund. Moneys in the Construction Subfund shall be held by a Depository or Depositories in trust and applied to the payment of the Cost of the Projects or to the retirement of Bonds issued under the provisions of the

Master Indenture or Parity Debt. Pending such application, such moneys shall be subject to a lien in charge of the Holders.

The Depository or Depositories may only disburse moneys from the Construction Subfund upon the receipt of a requisition signed by an AMP Representative, stating to whom the payment is to be made, the general purpose for which the obligation was incurred and that each charge is a proper charge against the Cost of the Projects and, if the payment is not made to someone other than AMP, the obligation has not been the basis for a prior requisition.

As soon as practicable after the date as of which AMP shall receive notice of the Completion Date of the last Project (including, without limitation, final payment or satisfaction of each amount in dispute or controversy and payment in full for all remaining work) or thereafter if and when shall determine that the balance then to the credit of the Construction Subfund, or an account or subaccount therein, for which the Subfund, account or subaccount was established is no longer needed, AMP shall deliver to the Depository a certificate of an AMP Representative, approved by the Board of AMP by appropriate resolution, setting forth (A) setting forth the Completion Date or Dates, or if the Construction Subfund is no longer required stating that such balance is no longer required and the reason therefor in reasonable detail and (B) stating that requisitions have been made for the payment of all obligations which are payable from the Construction Subfund or such account or subaccount, to the appropriate Depository together with an Opinion of Counsel to the effect that there are no mechanics', workmen's, repairmen's, architects', engineers', surveyors', carriers', laborers', contractors' or materialmen's liens on any property constituting a part of the Projects on file in any public office where the same should be filed in order to be perfected liens against the Projects or any part thereof and that the time within which such liens can be filed has expired.. As soon as practicable after such certification is delivered by AMP to the Depository or Depositories, the balance of the Construction Subfund not reserved by AMP to payment of any remaining Cost of the Projects, shall be transferred, as directed by AMP, (i) to the Renewal and Replacement Account of the Reserve and Contingency Subfund, or (ii) to the Bond Subfund for the payment, purchase or redemption of Bonds in accordance with the provisions of the Master Indenture. If the balance in such Subfund, account or subaccount is proceeds of a Tax-Advantaged Bonds, or investment income allocable thereto, such direction of AMP shall be accompanied by an Opinion of Counsel nationally recognized as expert in tax matters relating to obligations of states and their political subdivisions to the effect that such proposed application of such balance will not adversely affect the exclusion from gross income for federal income tax purposes of interest or receipt of the Federal Subsidy, as applicable, on any or all of the outstanding Tax-Advantaged Bonds.

Establishment of Hydroelectric Projects Fund and Other Subfunds; Application of Gross Receipts and Net Revenues

Creation of Hydroelectric Projects Fund, Subfunds and Accounts. AMP shall create on its books a special fund to be known as the "American Municipal Power, Inc. Combined Hydroelectric Projects Fund" (the "Hydroelectric Projects Fund"). In addition to the Construction Subfund, the following subfunds and accounts are established in the Hydroelectric Projects Fund:

(i) with a Depository, the Costs of Issuance Subfund, in which there shall be established for each Series of Bonds a special account identified by such Series; and

(ii) with a Depository, the Revenue Subfund, in which there are established four special accounts to be known as the Operating Account, the Working Capital Account, the Derivative Receipts Account and the General Account; and

(iii) with the Trustee, the Bond Subfund, in which there are established seven or more special accounts to be known as the Capitalized Interest Account, the Interest Account, the Derivatives Payments Account, the Principal Account, the Sinking Account, the Redemption Account, the Parity Common Reserve Account and any Special Reserve Accounts identified by Series or otherwise; and

(iv) with a Depository, the Subordinate Obligations Subfund, in which AMP may create one or more accounts by one or more Subordinate Obligations Indentures; and

(v) with a Depository, a Reserve and Contingency Subfund, in which there are hereby established six special accounts to be known as the Renewal and Replacement Account, the Overhaul Account, the Capital Improvement Account, the Rate Stabilization Account, the Environmental Improvement Account and the Self-Insurance Account; and

(vi) with a Depository, a General Subfund.

Money in the Bond Subfund and all of the accounts and subaccounts therein established shall be held in trust and applied as provided in the Master Indenture. Pending such application, such money shall be subject to a pledge, charge and lien in favor of the Owners of the respective Series of Bonds issued and Outstanding under the Master Indenture.

Each Supplemental Indenture providing for the issuance of a Series of Tax-Advantaged Bonds the issuance of which will entitle AMP to receive a Federal Subsidy shall identify the Federal Subsidy and may provide that such Series of Tax-Advantaged Bonds shall be additionally secured by the Federal Subsidy identified therein.

Application of Moneys Received

Except as provided in a Parity Debt Indenture, all Gross Receipts received by AMP or the Trustee for the account of AMP shall be deposited in the Revenue Subfund. Proceeds of any Derivative Agreement shall be deposited to the credit of the Derivative Receipts Account in the Revenue Subfund.

Not less than monthly, on or before the last Business Day of each month and on such other Deposit Day as may be required for all Bonds Outstanding, the Depository of the Revenue Subfund shall withdraw from the Revenue Subfund any legally available moneys then held to the credit of such Subfund and set aside or transfer any moneys so withdrawn to the Trustee or a Depository or otherwise dispose of such moneys for the following purposes in the following order in amounts sufficient in the aggregate to satisfy the following requirements, subject to credits as provided in the Master Indenture:

(i) transfer to the Depository for the Operating Account an amount that together with funds then held to the credit of such account will make the total amount then to the credit of such subaccount equal to the sum of the AMP Operating Expenses budgeted for such month in the Annual Budget;

(ii) transfer to the Depository for the Working Capital Account an amount that together with funds then held to the credit of such account will make the total amount then to the credit of such account equal to ten percent (10%) the amount of the AMP Operating Expenses provided for the current Fiscal Year in the Annual Budget;

(iii) pay to the Trustee for deposit into the Bond Subfund, the sum of

(1) to the credit of the Interest Account, after first taking into account any accrued interest deposited from the proceeds of any Bonds and the advice of AMP contained in an

Officer's Certificate respecting any transfers from Capitalized Interest Account and, subject to the requirements of the Master Indenture, from the Construction Subfund by deducting the sum of such amounts from the amount of interest otherwise payable, such amount as is required to make the amount to the credit of the Interest Account equal to so much of the Interest Requirement that shall have accrued during the then current Interest Period between the first Deposit Day in such Period and such Deposit Day; provided, however, that except as specified above, the amount so deposited on account of the then current Interest Requirement on each Deposit Day after the delivery of the Bonds of any Series under the provisions of the Master Indenture up to and including the Deposit Day immediately preceding the first Interest Payment Date thereafter of the Bonds of such Series shall be that amount which when multiplied by the number of such deposits will be equal to the amount of such current Interest Requirement respecting such Bonds during such first Interest Period; and provided, further, that in making such deposits, the Trustee shall take into account any excess moneys to the credit of the Parity Common Reserve Account and any Special Reserve Account that are to be transferred to the Interest Account or any subaccount thereof prior to any Interest Payment Date, should moneys held therein exceed the Parity Common Reserve Account Requirement and/or Special Reserve Account Requirement, as applicable,

(2) to the credit of the Derivatives Payments Account, the amount, if any, of any Derivative Obligations due under the terms of a Derivative Agreement to be paid to a Derivative Agreement Counterparty, on a parity with interest on Bonds, prior to the next Deposit Day,

(3) to credit of the Principal Account, beginning on the Deposit Day specified in the applicable Supplemental Indenture that is prior to the first month in which any Serial Bond matures, such amount as is required to make the amount to the credit of the Principal Account equal to so much of the Principal Requirement that shall have accrued during the then current period between the date specified in the Supplemental Indenture or the prior Principal Payment Date and such Deposit Day or the next Principal Payment Date if it shall occur before the next scheduled Deposit Day,

(4) to credit of the Sinking Fund Account, beginning on the Deposit Day specified in the applicable Supplemental Indenture that is prior to the first month in which any Term Bond matures, such amount as is required to make the amount to the credit of the Sinking Fund Account equal to so much of the Sinking Fund Requirement that shall have accrued during the then current period between the date specified in the Supplemental Indenture or the prior Principal Payment Date and such Deposit Day or the next mandatory Sinking Fund redemption date if it shall occur before the next scheduled Deposit Day, and

(5) at such time or times as provided in a Supplemental Indenture or a Parity Debt Indenture, (I) to the credit of the Parity Common Reserve Account, if the amount in the Parity Common Reserve Account is less than the Parity Common Reserve Account Requirement, the amounts required by the Master Indenture to make up such deficiency in the Parity Common Reserve Account plus any other amounts required to reinstate fully any Reserve Alternative Instrument then held to the credit of the Parity Common Reserve Account and (II) to the credit of any Special Reserve Account, if the amount in any Special Reserve Account is less than the applicable Special Reserve Account Requirement, and deposit, or deliver to the appropriate Depository for deposit, the amounts required by any Supplemental Indenture or Parity Debt Indenture to make up any deficiency in any Special Reserve Account, provided that if there shall not be sufficient Net Receipts to satisfy all such deposits, such deposits shall be made among the Parity Common Reserve Account and each Special Reserve Account ratably according to the amounts so required to be deposited.

(iv) set aside with a Depository for deposit into the Subordinate Obligations Subfund, an amount which together with funds then held to the credit of the Subordinate Obligations Subfund will make the total amount then to the credit of the Subordinate Obligations Subfund equal to the entire aggregate amount of Subordinate Obligations; and

(v) pay to a Depository for deposit into the various accounts in the Reserve and Contingency Subfund, the amounts, if any, provided in the Annual Budget.

The balance, if any, remaining after making the transfers provided in clauses (i), (ii), (iii), (iv) and (v) above, shall be credited to the General Account in the Revenue Subfund.

If any Series of Bonds is secured by a Credit Facility, the Trustee shall establish a separate subaccount within the Interest Account, the Principal Account and the Sinking Fund Account corresponding to the source of moneys for each deposit made into either of such accounts so that the Trustee may at all times ascertain the source and date of deposit of the funds in each such account or subaccount.

If a Series of Tax-Advantaged Bonds, or the interest thereon, is payable from or secured by a Federal Subsidy, the Trustee shall, as directed by AMP Representative, credit such Federal Subsidy to the subaccount, established for such Series of Bonds, within the Interest or Principal Account as so directed.

Use of Money Held in Certain Accounts in the Revenue Subfund

Operating Account. AMP may withdraw to the credit of the Operating Account, in the event funds to the credit thereof are insufficient, first from the Working Capital Account and then from the Rate Stabilization Account to pay AMP Operating Expenses as the same come due and payable.

Working Capital Account. Amounts on deposit in the Working Capital Account shall be available to pay AMP Operating Expenses. To the extent moneys held in the Bond Subfund or Subordinate Obligations Subfund and the General Account and the Reserve and Contingency Subfund are insufficient to make required interest and principal payments, moneys in the Working Capital Account shall be used prior to any withdrawal from the Parity Common Reserve Account or Special Account Reserve, if any, to satisfy any deficiency.

General Account. Moneys credited to the General Account may by used by AMP for any lawful purpose related to the Projects, including the transfer to any Subfund. To the extent moneys held in the Bond Subfund or Subordinate Obligations Subfund are insufficient to make required interest and principal payments, moneys in the General Account shall be used prior to any withdrawal from the Reserve and Contingency Subfund, Working Capital Account, Parity Common Reserve Account or Special Account Reserve, if any, to satisfy any deficiency.

Deposit and Application of Money in the Parity Common Reserve Account and Any Special Reserve Account; Replenishment of Deficiencies

(a) If a Supplemental Indenture or a Parity Debt Indenture provides that the Parity Obligations issued or incurred thereunder are to be additionally secured by the Parity Common Reserve Account, AMP shall deposit, from the proceeds of such Parity Obligations or from any other available sources, concurrently with the delivery of and payment for such Parity Obligations, to the Parity Common Reserve Account such amount as is required to make the balance to the credit of such Account equal to the Parity Common Reserve Account Requirement. If a Supplemental Indenture or a Parity Debt Indenture provides that the Parity Obligations issued thereunder are to be secured by a Special Reserve Account, AMP shall fund, from the proceeds of such Parity Obligations or from any other available sources, at the time or times and in the manner specified in the applicable Supplemental Indenture or Parity Debt Indenture, such Special Reserve Account in an amount equal to the Special Reserve Account Requirement for such Parity Obligations.

(b) Unless the applicable Supplemental Indenture or a Parity Debt Indenture shall otherwise provide or modify the following, AMP may deposit with the Trustee a Reserve Alternative Instrument in satisfaction of all or any portion of the Parity Common Reserve Account Requirement or may substitute a Reserve Alternative Instrument for all or any portion of the cash or another Reserve Alternative Instrument credited to the Parity Common Reserve Account, provided that the following minimum provisions have been fulfilled:

(i) The Reserve Alternative Instrument shall be payable (upon the giving of notice as required thereunder) to remedy any deficiency in the appropriate subaccounts in the Interest Account, the Principal Account and the Sinking Account, or in an account for the payment of interest, or in an account or accounts for the payment of principal, in order to provide for the timely payment of the principal (whether at maturity or pursuant to a Sinking Fund Requirement or an amortization requirement therefor) of and interest on the Parity Obligations secured thereby.

(ii) The provider of a Reserve Alternative Instrument shall be (A) an insurance company or other financial institution that has been assigned, for obligations insured by the provider of the Reserve Alternative Instrument, a rating by at least two Rating Agencies in one of the two highest rating categories (without regard to gradations by numerical modifier or otherwise) or (B) a commercial bank, insurance company or other financial institution the obligations payable or guaranteed by which have been assigned a rating by at least two Rating Agencies in one of the two highest rating categories (without regard to gradations by numerical modifier or otherwise). Unless otherwise provided in a Supplemental Indenture, the subsequent withdrawal or reduction in the rating of such provider of a Reserve Alternative Instrument or its guarantor subsequent to the deposit or substitution for cash of a Reserve Alternative Instrument shall not ipso facto disqualify such Reserve Alternative Instrument as a qualifying Reserve Alternative Instrument.

(iii) If the Reserve Alternative Instrument is an unconditional irrevocable letter of credit issued to the Trustee, the letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the Parity Obligations having the benefit of the Parity Common Reserve Account. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than three years. The issuer of the letter of credit shall be required to notify AMP and the Trustee, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date. The Trustee is directed to draw upon the letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the Parity Common Reserve Account is fully funded to the Parity Common Reserve Account Requirement.

(iv) The Trustee shall ascertain the necessity for a claim or draw upon the Reserve Alternative Instrument and shall provide notice to the issuer of the Reserve Alternative Instrument in accordance with its terms not later than three days (or such longer period as may be necessary depending on the permitted time period for honoring a draw under the Reserve Alternative Instrument) prior to each Interest Payment Date.

(v) Except as otherwise provided in a Supplemental Indenture or Parity Debt Indenture, cash on deposit in the Parity Common Reserve Account shall be used (or Investment Obligations purchased with such cash shall be liquidated and the proceeds applied as required) *pro rata* with any drawing on any Reserve Alternative Instrument. If and to the extent that more than one Reserve Alternative Instrument is deposited in the Parity Common Reserve Account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder and the total amount then required to be to the credit of the Parity Common Reserve Account.

(c) The Trustee shall use amounts in the Parity Common Reserve Account to make transfers, or use moneys provided under a Reserve Alternative Instrument to make deposits, in the following order, in respect of all Parity Obligations additionally secured by the Parity Common Reserve Account, to the appropriate subaccounts in the Interest Account, the Principal Account and the Sinking Account to remedy any deficiency therein as of any Interest Payment Date, principal payment date or sinking fund payment date (or any earlier date as set forth in a Parity Debt Indenture), or to pay the interest on or the principal of or amortization requirements in respect of any Parity Debt when due, whenever and to the extent the money on deposit for such purposes is insufficient.

(d) The Trustee shall use amounts in any Special Reserve Account held by it to make transfers, or use moneys provided under a Reserve Alternative Instrument to make deposits, in the following order, in respect of the particular Parity Obligations secured by such Special Reserve Account, to the appropriate subaccounts in the Interest Account, the Principal Account and the Sinking Account to remedy any deficiency therein as of any Interest Payment Date, principal payment date or sinking fund payment date (or any earlier date as set forth in a Supplemental Indenture or a Parity Debt Indenture) or to pay the interest on or the principal of or amortization requirement in respect thereof on Parity Debt when due, whenever and to the extent the money on deposit for such purposes is insufficient.

(e) Any deficiency in the Parity Common Reserve Account resulting from the withdrawal of moneys therein shall be made up by depositing to the credit of such Account the amount of such deficiency within one year following the date on which such withdrawal is made. Any deficiency in the Parity Common Reserve Account resulting from a draw on a Reserve Alternative Instrument shall be made up as provided in such Reserve Alternative Instrument or documentation relating thereto, but any such deficiency must be made up by not later than the final date when such deficiency would have been required to be made up if there had been a withdrawal of moneys from the Parity Common Reserve Account rather than a draw on a Reserve Alternative Instrument. Deficiencies, whether resulting from withdrawals or draws, may be satisfied through the deposit of additional cash, the delivery of an additional Reserve Alternative Instrument or an increase in the amount available to be drawn under a Reserve Alternative Instrument. Unless otherwise provided in a Supplemental Trust Indenture or a Parity Debt Indenture, cash or Investment Obligations on deposit to the credit of the Parity Common Reserve Account shall be used *pro rata* with draws on any Reserve Alternative Instrument to satisfy deficiencies, as provided above.

(f) Unless a Reserve Alternative Instrument shall be in effect, if on any date of valuation, the amount on deposit in the Parity Common Reserve Account is less than ninety percent (90%) of the Parity Common Reserve Account Requirement, AMP shall deposit into the Parity Common Reserve Account within one year following such date the amount required as of such date to cause the amount then on deposit in the Parity Common Reserve Account to be equal to the Parity Common Reserve Account Requirement. Any such deficiency may be satisfied through the deposit of additional cash, the delivery of an additional Reserve Alternative Instrument or an increase in the amount available to be drawn under a Reserve Alternative Instrument.

(g) Any deficiency in a Special Reserve Account resulting from the withdrawal of moneys therein or a draw on a Reserve Alternative Instrument or resulting from a valuation of the Investment Obligations therein shall be made up as provided in the Supplemental Indenture or the Parity Debt Indenture establishing such Special Reserve Account. The Supplemental Indenture or Parity Debt Indenture providing for the deposit of or the substitution in lieu of cash of a Reserve Alternative Instrument may provide that AMP may be required to post collateral or deposit cash or obtain a substitute Reserve Alternative Instrument in the event that the provider of the Reserve Alternative Instrument is downgraded or its rating is withdrawn or suspended with the result that the Reserve Alternative Instrument no longer meets all of the rating criteria set forth in (b)(ii) above.

(h) If at any time, the amount of moneys held for the credit of the Parity Common Reserve Account or any Special Reserve Account shall exceed the amount then required to be on deposit to the credit of such Account, the excess may be withdrawn and transferred as directed by AMP in accordance with any Supplemental Indenture and any Parity Debt Indenture.

Application of Money in the Redemption Account. Subject to the terms and priorities established in the Master Indenture, the Trustee shall apply money in the Redemption Account to the purchase or redemption of Bonds.

Application of Moneys in the Reserve and Contingency Subfund. Moneys held in the various Accounts of the Reserve and Contingency Subfund may be disbursed by AMP as follows: (a) money held in the Overhaul Account may be used to pay the costs of unusual or extraordinary (as determined by AMP) repairs or maintenance, not occurring annually; (b) money held in the Renewal and Replacement Account may be used to pay the costs of renewals, replacements and repairs to the Projects resulting from any emergency, engineering and architectural fees and premiums on insurance carried under the terms of the Master Indenture; (c) money in the Capital Improvement Account may be used for paying the costs of fixtures, machinery, equipment, furniture, real property and additions to, or improvements, extensions or enlargements of, the Projects; (d) money held in the Rate Stabilization Account may be, at AMP's direction, transferred to any other account or subfund, including the payment of interest, principal or redemption of Indebtedness; (e) money held in the Environmental Improvements Account may be used for the mitigation of environmental impacts of the Projects, including, but not limited to, any mitigation actions required as a condition of the licenses issued by FERC to operate the Projects; and (f) moneys held in the Self-Insurance Account may be used to pay for losses, liabilities or other purposes for which insurance proceeds, net of the applicable deductible, have been received or for losses, liabilities including reimbursement obligations or other purposes for which AMP was self-insured or uninsured or obligated for reimbursement on letters of credit or performance or surety bonds or the like.

Depositories and Investment of Funds

Security for Deposits. All money received by AMP pursuant to the provisions of the Master Indenture shall be deposited with the Trustee or one or more Depositories and, in the case of deposits with the Trustee, be trust funds under the Master Indenture, and shall not be subject to the lien of any creditor of AMP.

All money deposited with and held by the Trustee or any Depository in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other federal agency shall be continuously secured, for the benefit of AMP and the Owners, either (a) by lodging with a bank or trust company chosen by the Trustee or Depository or, if then permitted by law, by setting aside under control of the trust department of the bank or trust company holding such deposit, as collateral security, Government Obligations or other marketable securities eligible as security for the deposit of trust funds under regulations of the Comptroller of the Currency of the United States or applicable state law or regulations, having a market value (exclusive of accrued interest) not less than the amount of such deposit, or (b) if the furnishing of security as provided in clause (a) above is not permitted by applicable law, then in such other manner as may then be required or permitted by applicable state or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds; provided, however, that it shall not be necessary for the Trustee or any Depository to give security for the deposit of any money with it for the payment of the principal of or the redemption premium, if any, or the interest on any Parity Obligations or Subordinate Obligations, or for the Trustee or any Depository to give security for any money that shall be represented by Investment Obligations purchased under the provisions of the Master Indenture as an investment of such money.

Investment of Money. Money held for the credit of all funds, accounts and subaccounts established under the Master Indenture and held by the Trustee shall, in accordance with the written directions of AMP, be continuously invested and reinvested by the Trustee or the Depositaries, whichever is applicable, in Investment Obligations to the extent practicable.

No Investment Obligations pertaining to any Series of Bonds in any fund, account or subaccount held by the Trustee or any Depository shall mature on a date beyond the latest maturity date of the Bonds of such Series Outstanding at the time such Investment Obligations are deposited.

AMP shall either enter into agreements with the Trustee or any Depository for the investment of any money required or permitted to be invested under the Master Indenture or give the Trustee or any Depository written directions respecting the investment of such money, subject, however, to the provisions of the Master Indenture, and the Trustee or such Depository shall then invest such money in accordance with such agreements or directions.

Except as provided in the Master Indenture with respect to the Parity Common Reserve Account, Investment Obligations shall mature or be redeemable at the option of the holder thereof not later than the respective dates when the money held for the credit of such funds, accounts and subaccounts will be required for the purposes intended.

Investment Obligations in the Parity Common Reserve Account shall mature or be redeemable at the option of the Trustee not later than the final maturity date of the Parity Obligations to which such Parity Common Reserve Account is pledged.

Money held for the credit of all funds, accounts and subaccounts established under the Master Indenture and held by the Trustee shall, in accordance with the written directions of AMP, be continuously invested and reinvested by the Trustee or the Depositaries, whichever is applicable, in Investment Obligations to the extent practicable. Except as provided in the Master Indenture with respect to the disposition of investment income, the particular investments to be made and other related matters in respect of investments shall, as to each Series of Bonds, be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Valuation. For the purpose of determining the amount on deposit in any fund, account or subaccount established under the Master Indenture, Investment Obligations in which money in such fund, account or subaccount is invested shall, so long as no Event of Default shall have occurred and continue, be valued at Amortized Cost. During the pendency of any Event of Default, Investment Obligations in which money in such fund, account or subaccount is invested shall be valued at the lower of Amortized Cost or market.

All Investment Obligations in all of the subfunds, accounts and subaccounts established under the Master Indenture shall be valued as of the Business Day immediately preceding each Principal Payment Date and, at the written request of an AMP Representative, each or any Interest Payment Date.

Certain Covenants of AMP

Covenants to Construct and Maintain the Project. AMP covenants that it will cause the Projects to be constructed substantially as contemplated hereby and by the Power Sales Contract and in conformity with law and all requirements of all governmental authorities having jurisdiction and of the Master Indenture, and that it will cause each of such Projects to be completed with all expedition practicable.

AMP covenants to continue the undertaking of the Projects, promptly upon the delivery of the first Series of Bonds issued to pay the cost thereof, and to thereafter work with due diligence to complete the Projects. AMP may, however, abandon the undertaking of any Project, or any component thereof, if it first obtains the written opinion of the Consulting Engineer that such abandonment (and the use of the remaining proceeds set aside for the undertaking of the Project or the component thereof to redeem Bonds) will have a more favorable effect on AMP's ability to meet its rate covenant and other obligations under the Master Indenture than if such Project or component thereof were completed (taking into account the effect of issuing such Additional Bonds as may be necessary to pay the cost of completing the Project or component originally proposed). If funds for such Project are to come from other sources (for example, from state or federal grants and loans), AMP shall take all legally available actions to insure the receipt of such funds and shall cause such funds to be deposited into the Construction Subfund or otherwise set aside in a separate account and used for the purposes herein provided.

Insurance. AMP covenants that it maintain a practical insurance program, with reasonable terms, conditions, provisions and costs, which AMP determines (i) will afford adequate protection against loss caused by damage to or destruction of AMP's Entitlement to the Projects or any part thereof and (ii) will include reasonable liability insurance on all of AMP's Entitlement to the Projects for bodily injury and property damage resulting from the construction or operation of the Projects.

AMP further covenants that, immediately after any substantial damage to or destruction of any part of the Projects, it will cause plans and specifications for repairing, replacing or reconstructing the damaged or destroyed property (either in accordance with the original or a different design) and an estimate of the cost thereof to be prepared. The proceeds of all insurance received in the circumstances described in the in the preceding sentence shall be paid to a Depository and made available for, and shall to the extent necessary be applied to, the repair, replacement or reconstruction of the damaged or destroyed property, and such disbursements by the Depository for such purposes shall be made in accordance with the provisions of the Master Indenture for payments from the Construction Subfund to the extent that such provisions may be applicable.

Incurrence Tests. Following the date that is two years after the Commercial Operation Date of the last of the Projects to be placed into service, additional Parity Obligations may be issued or incurred only in compliance with the Incurrence Tests set forth in (a) and (b), subject to the issuance of Parity Obligations issued pursuant to (c) below:

(a) AMP may issue or incur Parity Obligations at one time or from time to time in any form or combination of forms permitted by the Master Indenture for the purpose of providing funds, with any other available funds, to pay the additional Costs of the Projects if, prior to the issuance or incurrence of such Parity Obligations, AMP shall file or cause to be filed with the Trustee an Officer's Certificate (which may rely upon certificates or other documentation delivered by an Independent Consultant) certifying that, for each Fiscal Year thereafter for which sufficient proceeds of the Parity Obligations and other available funds have not been set aside with the Trustee to pay the interest due in such Fiscal Year, in the signer's good faith estimation, (i) the Debt Service Coverage Ratio will be not less than 1.10x Maximum Annual Debt Service Requirement for all of the Parity Obligations, including the proposed additional Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Parity Obligations and (ii) the Debt Service Coverage Ratio is not less than 1.00x of the Maximum Annual Debt Service Requirement for all of the Indebtedness, including the proposed additional Parity Obligations, that will be Outstanding immediately following the issuance of such proposed Parity Obligations.

(b) AMP may incur Parity Obligations for the purpose of refunding or reissuing any Outstanding Indebtedness if, prior to the incurrence of such Parity Obligations, either (i) the Trustee receives from AMP an Officer's Certificate (which may rely upon certificates or other documentation delivered by an Independent Consultant) stating that, taking into account the Parity Obligations proposed to be incurred, the Parity Obligations to remain Outstanding after the refunding and the refunding of the Outstanding Indebtedness proposed to be refunded, the Maximum Debt Service Requirement will not be increased by more than five percent (5%), or (ii) AMP files or causes to be filed with the Trustee an Officer's Certificate (which may rely upon certificates or other documentation delivered by an Independent Consultant) certifying that, in the signer's good faith estimation, the Debt Service Coverage Ratio for each Fiscal Year thereafter for which sufficient proceeds of the Parity Obligations and other available funds have not been set aside with the Trustee to pay the interest due in such Fiscal Year, taking into account the Parity Obligations proposed to be incurred, the refunding of the Outstanding Indebtedness proposed to be refunded and the Parity Obligations to remain Outstanding after the refunding, will be not less than 1.10x, and (iii) the Trustee receives a report by an Independent Consultant verifying the computations supporting the determination in (i) or (ii) above.

(c) In the event of damage or destruction to any Project that materially adversely affects its generating capability and for which insurance proceeds are inadequate to pay the cost of repairs or for which AMP does not expect to receive adequate insurance proceeds in a timely manner to expedite the necessary repairs or reconstruction, AMP may issue or incur Parity Obligations for the sole purpose of paying the cost of repairs required for AMP to return such Project to Commercial Operation ("Emergency Bonds"); provided that the issuance of any such Emergency Bonds shall be contingent on the receipt by the Trustee of a favorable report of the Consulting Engineer to the effect that the net proceeds of the Emergency Bonds then to be issued and any other available funds of AMP paid into the Construction Subfund for the purpose shall be sufficient for AMP to pay the balance of the cost, as estimated by the Consulting Engineer, of the repairs required for AMP to return such Project to Commercial Operation.

(d) For purposes of demonstrating compliance with the Incurrence Tests set forth in paragraphs (a) or (b), AMP may (but is not required to) elect in the applicable Supplemental Indenture to treat all Parity Obligations authorized in a Credit Facility (including, for example and without limitation, a line of credit or a liquidity facility supporting a commercial paper program), but not immediately issued or incurred under such Credit Facility, as subject to such Incurrence Tests as of a single date, notwithstanding that none, or less than all, of the authorized principal amount of such Parity Obligations shall have been issued or incurred as of such date.

(e) Short-Term Indebtedness may be incurred under the Master Indebtedness as a Parity Obligation only in compliance with the Incurrence Tests. In addition, AMP may incur Short-Term Indebtedness as Subordinate Obligations under the Master Indenture.

(f) Notwithstanding the foregoing provisions, nothing contained in the Master Indenture shall preclude AMP from incurring any obligation under a Credit Facility.

(f) Notwithstanding the foregoing provisions, nothing contained in the Master Indenture shall preclude AMP from entering into a Derivative Agreement either in connection with Indebtedness or otherwise.

Rate Covenant. AMP covenants that it will at all times fix, charge and collect reasonable rates and charges for the use of, and for the services and facilities furnished by, the Projects and that from time to time, and as often as it shall appear necessary, it will adjust such rates and charges so that the Net Revenues will be sufficient to provide an amount in each Fiscal Year at least equal to greater of (A) one hundred ten per centum (110%) of the Debt Service Requirements for such Fiscal Year on account of all the Bonds and Parity Debt then outstanding and (B) one hundred per centum (100%) of the sum of the Debt Service Requirements for such Fiscal Year on account of all Bonds and Parity Debt then outstanding and the amount required to make all other deposits required by the Master Indenture and to pay all other obligations of AMP related to the Projects, including Subordinate Obligations, as the same become due.

AMP further covenants that if the moneys available for the payment of the sum of the amounts set forth in the preceding paragraph shall not equal or exceed the amount required above for any Fiscal Year, it will revise the rates and charges for the services and facilities furnished by the Projects and, if necessary, it will revise its plan of operation in relation to the collection of bills for such services and facilities, so that such deficiency will be made up before the end of the Fiscal Year following that Fiscal Year in which such deficiency occurred. Should any deficiency not be made up in such following Fiscal Year, the requirement therefor shall be cumulative and AMP shall continue to revise such rates until such deficiency shall have been completely made up.

Power Sales Contract; Project Agreements. AMP covenants and agrees that it will not suffer, permit or take any action or do anything or fail to take any action or fail to do anything which may result in the termination of the Power Sales Contract so long as any Parity Obligations are outstanding; that it will fulfill its obligations and will require the Participants to perform punctually their duties and obligations under the Power Sales Contract and will otherwise administer the Power Sales Contract in accordance with its terms to assure the timely payment of all amounts payable by the Participants thereunder, all in accordance with the terms of the Power Sales Contract; that it will not execute or agree to any change, amendment or modification of or supplement to the Power Sales Contract except by supplemental contract, as the case may be, duly executed by the applicable Participants and AMP, and upon the further terms and conditions set forth the Master Indenture; and that, except as provided the Master Indenture, it will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification in any manner or to any extent whatsoever of the obligation of any Participant under the Power Sales Contract to meet its obligations as provided in such Contract.

So long as any Parity Obligations are outstanding, AMP shall (i) perform all of its obligations under any Project Agreement and take such actions and proceedings from time to time as shall be necessary to protect and safeguard the security for the payment of the Bonds afforded by the provisions of such Project Agreement and (ii) not voluntarily consent to or permit any rescission or consent to any amendment to or otherwise take any action under or in connection with any Project Agreement which will limit or reduce the obligation of the other parties thereto to make payments provided therein or which will have a material adverse effect on the security for the payment of Parity Obligations.

Covenant Against Sale or Encumbrances; Exceptions. AMP covenants that, except as provided below, it will not sell, exchange or otherwise dispose of or encumber the Projects or any part thereof.

(a) (i) AMP may, at any time or times, sell or otherwise dispose of undivided ownership interests in one or more of the Projects to one or more persons (each a "Buyer") in an aggregate amount of up to

20% thereof (each such percentage ownership interest an "Aliquot Share"), provided that the terms of any such disposition shall meet all the requirements of paragraph (2) of this subsection (a).

(ii) Any such sale described in paragraph (i) of subsection (a) shall meet at least the following requirements:

(1) The Buyer shall at the closing for its purchase of its undivided ownership interest in the Projects or any of them pay to or for the account of AMP an amount at the least sufficient to pay, redeem, defease or otherwise retire any obligations, allocable to such Aliquot Share, for borrowed money that AMP shall have incurred to and through a date that is not less than 30 days prior to the date of such closing;

(2) the Buyer shall execute a Project Agreement with AMP thereby obligating the Buyer for (Y) the payment to or for the account of AMP of, among other things, the balance, if any, of the sum required to pay, redeem, defease or otherwise retire any obligations, allocable to such ownership interest, for borrowed money that AMP shall have incurred to and through the date of such closing and not paid pursuant to clause (i) of this subsection (a), and (Z) the Buyer's Aliquot Share of the balance of the Costs of the Projects to and including the Commercial Operation Date of the last of the Projects to be placed in service;

(3) the Buyer shall execute a Project Agreement with AMP thereby obligating the Buyer for its share, determined in accordance with the provisions of such agreement, of the operating and maintenance expenditures, repair, renewal and replacement expenditures, whether current or capital in nature, for the Projects;

(4) the Buyer shall have delivered to AMP, with a copy to the Trustee, an Opinion of Counsel, subject only to customary exceptions, to the effect that each of each of the Project Agreements referred to in clauses (ii) and (iii) of this paragraph (2) is a valid and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms;

(5) AMP shall provide to the Trustee written evidence that any and all of AMP's obligations for borrowed money that were allocable to the Aliquot Share of the Buyer have been paid, redeemed, defeased or otherwise retired and, in the event that Defeasance Obligations are deposited as Qualified Escrow Funds to effect the payment, redemption, defeasance or other retirement of the obligations, AMP shall deliver to the Trustee an executed escrow agreement, together with an Opinion of Counsel, which may rely on certifications of an Independent Consultant, to the effect that that any and all of Parity Obligations that are allocable to the undivided ownership interest in the Project or Projects purchased by the Buyer have been paid, redeemed, defeased or otherwise retired in accordance with the provisions of the applicable Supplemental Indenture(s); and

(6) AMP shall provide to the Trustee an Opinion of Counsel that the sale to the Buyer will not adversely impact the Tax-Advantaged status of any of the Tax-Advantaged Parity Obligations outstanding immediately prior to the date of the closing.

(b) AMP may from time to time sell, exchange or otherwise dispose of any equipment, motor vehicles, machinery, fixtures, apparatus, tools, instruments or other movable property if it determines that such articles are no longer needed or are no longer useful in connection with the Projects, and the proceeds thereof shall be applied to the replacement of the properties so sold, exchanged or disposed of or shall be transferred first to the Parity Common Reserve Account and any Special Reserve Account pro rata to the extent of any deficiency therein, then to the Reserve and Contingency Subfund to the extent of any deficiency therein, and then to the Acquisition and Construction Subfund or to the Redemption Account in the Bond Subfund for the purchase or redemption of Parity Obligations in accordance with the provisions of the Master Indenture, all as directed in an Officer's Certificate.

AMP may from time to time sell, exchange or otherwise dispose of (but not lease or contract for the use thereof except where AMP remains fully obligated under the Master Indenture and, if the rent in question exceeds 5% of the Gross Revenues of AMP for the preceding Fiscal Year, AMP shall expressly determine that such lease, contract or agreement will not materially impair the ability of AMP to meet the Rate Covenant) any other property of the Projects if it determines by resolution:

1. that such property is no longer needed or is no longer useful in connection with the Projects, or

2. that the sale, exchange or other disposition thereof would not materially adversely affect the operating efficiency of the Projects,

and the proceeds, if any, thereof shall be transferred first to the Parity Common Reserve Account or any Special Reserve Account to the extent of any deficiency therein, then to the Reserve and Contingency Subfund to the extent of any deficiency therein, and then to the Acquisition and Construction Subfund or the Redemption Account in the Bond Subfund for the purchase or redemption of Bonds in accordance with the provisions of the Master Indenture, all as directed in an Officer's Certificate.

Annual Budget. Subject to the provision of the required information from the other parties to the Project Agreements, AMP covenants that, on or before the 45th day preceding the first day of each Fiscal Year, it will prepare with respect to the Projects a preliminary budget of Gross Revenues and AMP Operating Expenses and a preliminary budget of capital expenditures for the ensuing Fiscal Year.

AMP further covenants that on or before the last day in such Fiscal Year it will finally adopt the budget of Gross Revenues and Operating Expenses and the budget of capital expenditures for the ensuing Fiscal Year (which budgets together with any amendments thereof or supplements thereto as hereinafter permitted being herein sometimes collectively called the "Annual Budget").

If for any reason AMP shall not have adopted the Annual Budget before the first day of any Fiscal Year, the preliminary budget for such Fiscal Year or, if there is none, the budget for the preceding Fiscal Year, shall, until the adoption of the Annual Budget, be deemed to be in force and shall be treated as the Annual Budget.

Defaults and Remedies

Events of Default. Under the Master Indenture, the following events constitute an Event of Default: (a) failure to make any payment of the principal of and the redemption premium, if any, on any of the Bonds or any Parity Debt when and as the same shall be due and payable, either at maturity or by redemption or otherwise; (b) failure to make any payment of the interest on any of the Bonds or any Parity Debt when and as the same shall be due and payable; (c) an event of default shall have occurred under any Supplemental Indenture or the Trustee shall have received written notice from any Holder of an event of default under any Parity Debt Indenture; (d) AMP's fails to duly perform, observe or comply with any covenant or agreement on its part under the Master Indenture for a period of thirty (30) days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to AMP by the Trustee; provided, however, that if such failure be such that it cannot be corrected within thirty (30) days after the receipt of such notice, it shall not constitute an Event of Default if corrective action is instituted within such 30-day period and diligently pursued until the Event of Default is corrected; (e) AMP fails to make any required payment with respect to any Subordinate Obligations or other indebtedness (other than any Bond, Parity Debt or Subordinate Obligations), whether such indebtedness now exists or shall hereafter be created, and any period of grace with respect thereto shall have expired, or an event of default as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any indebtedness, whether such indebtedness now exists or shall hereafter be created, shall occur, which event of default shall not have been waived by the holder of such mortgage, indenture or instrument or a trustee acting on its behalf, and as a result of such failure to pay or other event of default such indebtedness shall have been accelerated and such acceleration, in the opinion of the Trustee, does or could materially adversely affect the Owners of Bonds and the Holders of Parity Debt; or (f) certain events relating to bankruptcy, insolvency, reorganization or other related proceedings.

Upon the occurrence of an Event of Default, the Trustee shall give prompt written notice to AMP specifying the nature of the Event of Default. AMP shall give the Trustee notice of all events of which it is aware that either constitute Events of Default under the Master Indenture or, upon notice by AMP or the Trustee or the passage of time, would constitute Events of Default.

Acceleration. Upon the occurrence of, and continuance for a period of not less than 90 days, the Events of Default detailed in (a) and (b) above, the Trustee may, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of Parity Obligations then outstanding shall, by notice to AMP, declare the principal of all Parity Obligations then Outstanding immediately due and payable. If, however, at any time after the principal of the Parity Obligations shall been accelerated and before the entry of final judgment or decree in any suit instituted on account of such default, money sufficient to pay the principal of all matured Parity Obligations and all arrears of interest, if any, upon all Parity Obligations then Outstanding (including any sinking fund requirement, but excluding the principal on any Parity Obligation not due and payable in accordance with its terms) shall have been deposited with the Trustee and all other defaults known to the Trustee in the observance of the covenants contained in the Bonds, any Parity Debt, the Master Indenture or any Parity Debt Indenture shall have been remedied to the satisfaction of the Trustee, the Trustee shall rescind and annul such declaration.

Remedies. Upon the happening and continuance of any Event of Default, then and in every case the Trustee may, and upon the written request of the Owners or Holders of not less than a majority in aggregate principal amount of Parity Obligations then outstanding shall, proceed to enforce its rights and the rights of the Owners and Holders of the Parity Obligations then Outstanding under applicable laws and under the Master Indenture by such suits or other actions, in equity or at law.

Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Owners or Holders of not less than a majority of the aggregate principal amount of the Parity Obligations then Outstanding, shall, subject to appropriate indemnification, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient (i) to prevent any impairment of the security under the Master Indenture by any acts which may be unlawful or in violation of the Master Indenture, or (ii) to preserve or protect the interests of the Owners and Holders, provided that such request and the action to be taken by the Trustee are not in conflict with any applicable law or the provisions of the Master Indenture and, in the sole judgment of the Trustee, are not unduly prejudicial to the interest of the Owners and Holders not making such request..

Control of Proceedings. Anything in the Master Indenture to the contrary notwithstanding, the Owners or Holders of a majority in aggregate principal amount of Parity Obligations at any time Outstanding shall have the right, subject to the provisions of the Master Indenture relating to indemnification of the Trustee, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Master Indenture, provided that such direction shall be in accordance with law and the provisions of the Master Indenture, and, in the sole judgment of the Trustee, is not unduly prejudicial to the interest of any Owners or Holders not joining in such direction, and provided further, that the Trustee shall have the right to decline to follow any such direction if the Trustee in good faith shall determine that the proceeding so directed would involve it in personal liability, and provided further that nothing shall impair the right of the Trustee in its discretion to take any other action under the Master Indenture which it may deem proper and which is not inconsistent with such direction by the Owners or Holders.

Restriction on Individual Action. Except in respect of an Owner's or Holder's right to enforce payment of a Parity Obligation, no Owner or Holder shall have any right to institute any suit, action or proceeding in equity or at law on any Bond or Parity Debt or for the execution of any trust under the Master Indenture or for any other remedy under the Master Indenture unless such Owner or Holder previously shall (a) has given to the Trustee written notice of the Event of Default on account of which suit, action or proceeding is to be instituted, (b) has requested the Trustee to take action after the right to exercise such powers or right of action, as the case may be, shall have accrued, (c) has afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted in the Master Indenture or to institute such action, suit or proceedings in its or their name, and (d) has offered to the Trustee reasonable security and satisfactory indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time.

Supplements and Amendments

Supplemental Indentures Without Consent. AMP and the Trustee may execute and deliver Supplemental Indentures without the consent of or notice to any of the Owners or Holders to: (a) cure any ambiguity or formal defect or omission in the Master Indenture, or any conflict between the provisions of the Master Indenture and of the Power Sales Contract or of any Parity Debt Indenture delivered to the Trustee at the same time as AMP delivers the Master Indenture, to correct or supplement any provision the Master Indenture that may be inconsistent with any other provision therein, to make any other provisions with respect to matters or questions arising under the Master Indenture, or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in the Master Indenture; (b) grant or confer upon the Trustee, for the benefit of the Owners or Holders, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Owners, the Holders or the Trustee, (c) add to the provisions of the Master Indenture other conditions, limitations and restrictions thereafter to be observed; (d) add to the covenants and agreements of AMP in the Master Indenture other covenants and agreements thereafter to be observed by AMP or to surrender any right or power in the Master Indenture reserved to or conferred upon AMP, (e) obtain a Credit Facility, Reserve Alternative Instrument, a Derivative Agreement, or other credit enhancement; provided, however, that no Rating Agency shall reduce or withdraw its rating on any of the Parity Obligations then Outstanding as a consequence of any such provision of such Supplemental Indenture, (f) enable AMP to comply with its obligations, covenants and agreements made in the Master Indenture or in any Parity Debt Indenture for the purpose of maintaining the tax status of interest or ability of AMP to receive a Federal Subsidy on any Tax-Advantaged Parity Obligations, provided that such change shall not materially adversely affect the security for any Parity Obligations, (g) to extent that such action is inconsistent with the provisions of the Master Indenture or any Supplemental Indenture, to enable AMP to perform any and all acts required by the order of FERC, or its successor, affecting the Projects, or (h) make any other change that, in the opinion of the Trustee, which may, but is not required to, rely upon one or more of affirmation of ratings by the Rating Agencies, certificates of Independent Consultants and

Opinions of Counsel for such purpose, shall not materially adversely affect the security for the Parity Obligations.

Supplemental Indentures With Consent. The Owners and Holders of not less than a majority in aggregate principal amount of the Parity Obligations then Outstanding shall have the right, from time to time, anything contained in the Master Indenture to the contrary notwithstanding, to consent to and approve the execution and delivery of such Supplemental Indentures as are deemed necessary or desirable by AMP for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Master Indenture or in any Supplemental Indenture; provided, however, that nothing contained in the Master Indenture shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any Bond or Parity Debt without the consent of the Owner of such Bond or the Holder of such Parity Debt, (b) a reduction in the principal amount of any Bond or Parity Debt or the redemption premium or the rate of interest thereon without the consent of the Owner of such Bond or the Holder of such Parity Debt, (c) the creation of a security interest in or a pledge of Net Receipts other than the security interest and pledge created by the Master Indenture without the consent of the Owners of all Bonds Outstanding and the Holders of all Parity Debt Outstanding, (d) a preference or priority of any Bond or Parity Debt over any other Bond or Parity Debt without the consent of the Owners of all Bonds Outstanding and the Holders of all Parity Debt Outstanding or (e) a reduction in the aggregate principal amount of the Parity Obligations required for consent to such Supplemental Indenture without the consent of the Owners of all Bonds Outstanding and the Holders of all Parity Debt Outstanding.

Supplemental Power Sales Contract Without Consent. AMP and the Participants may, from time to time and at any time, consent to such contracts, supplemental or amendatory to the Power Sales Contract as shall not be inconsistent with the terms and provisions of the Master Indenture,

1. to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in the Power Sales Contract or in any supplemental or amendatory contract, or

2. to grant to AMP for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Holders or AMP, or

3. to make any other change in, or waive any provision of, the Power Sales Contract, provided only that the ability of AMP to comply with the provisions of the Rate Covenant shall not thereby be materially impaired.

Supplemental Power Sales Contract with Consent. Except for as provided above, AMP shall not agree to any supplemental or amendatory contract respecting the Power Sales Contract, unless notice of the proposed execution of such supplemental or amendatory contract shall have been given and the Owners and Holders of not less than a majority in aggregate principal amount of the Bonds and Parity Debt then outstanding shall have consented to and approved the execution thereof, such consent to be obtained in the same manner as Supplemental Indentures requiring the consent of Owners or Holders.

Defeasance. The lien of the Master Trust Indenture shall be released when:

(a) the Bonds and any Parity Debt shall have become due and payable in accordance with their terms or otherwise as provided in the Master Indenture, and the whole amount of the principal and the interest and premium, if any, so due and payable upon all Parity Obligations shall be paid, or

(b) if the Bonds and any Parity Debt shall not have become due and payable in accordance with their terms, the Trustee or the Bond Registrar shall hold sufficient money or Defeasance Obligations, or a combination of money and Defeasance Obligations, the principal of and the interest on which, when due and payable, will provide sufficient money to pay the principal of and the interest and redemption premium, if any, on all Parity Obligations then Outstanding to the maturity date or dates of such Parity Obligations or to the date or dates specified for the redemption thereof, as verified by a nationally recognized Independent Consultant, and, if Bonds or any Parity Debt are to be called for redemption, irrevocable instructions to call the Bonds or Parity Debt for redemption shall have been given by AMP to the Trustee, and

(c) sufficient funds shall also have been provided or provision made for paying all other obligations payable under the Master Indenture by AMP.

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APPENDIX E-1

PROPOSED FORM OF OPINION OF DINSMORE & SHOHL LLP

April ___, 2021

American Municipal Power, Inc.
Columbus, Ohio

Ladies and Gentlemen:

We have examined the transcript of proceedings relating to the issuance of $98,245,000 Combined Hydroelectric Projects Revenue Bonds, Series 2021A (the "Bonds") issued by American Municipal Power, Inc. ("AMP") for the purposes of (i) refinancing a note evidencing a draw on AMP's line of credit that was utilized to refund, in whole, AMP's Combined Hydroelectric Projects Revenue Bonds, Series 2018A and (ii) paying the costs of issuance associated with the Bonds. The transcript documents include executed counterparts of: (i) Resolution No. 21-03-4247 adopted by the Board of Trustees of AMP on March 18, 2021 (the "Resolution"); (ii) the Power Sales Contract dated as of November 1, 2007 (the "Power Sales Contract") between AMP and 79 of its members, located in Ohio, Kentucky, Virginia, Michigan and West Virginia (the "Participants"); (iii) the Master Trust Indenture dated as of November 1, 2009 between AMP and U.S. Bank National Association, as trustee (the "Master Indenture"); (iv) the Twelfth Supplemental Indenture, dated as of April 1, 2021 and between AMP and U.S. Bank National Association, as trustee (the "Twelfth Supplemental Indenture," and, together with the Master Indenture, as previously supplemented, the "Indenture"); and (v) other documents executed and delivered in connection with the issuance of the Bonds. We have also examined the Constitution and laws of the State of Ohio and such other documents, certifications and records as we have deemed necessary for purposes of this opinion. We have also examined the form of the Bonds.

Based upon the examinations above referred to, we are of the opinion that, under the law in effect on the date of this opinion:

1. The Bonds have been duly authorized, executed, issued and delivered by AMP and constitute legal, valid and binding special obligations of AMP, enforceable in accordance with their terms. The principal of and interest on the Bonds are payable solely from and secured by: (a) the Gross Receipts, as defined in the Master Indenture, (b) all moneys and investments in certain funds established by the Indenture, and (c) all rights, interests and property pledged and assigned to the Trustee under the Indenture. The Bonds do not constitute a debt, or a pledge of the faith and credit of the Participants or of any political subdivision of the State of Ohio and the registered owners thereof will have no right to have excises or taxes levied by the General Assembly of the State, the Participants or any other political subdivision of the State for the payment of debt service on the Bonds. AMP has no taxing power.

2. The Indenture has been duly authorized executed and delivered by AMP and constitutes a valid and binding obligation of AMP, enforceable in accordance with its terms.

3. Interest on the Bonds is exempt from taxes levied by the State of Ohio and its subdivisions, including the Ohio personal income tax, and also excludible from the net income base used in calculating the Ohio corporate franchise tax. We express no other opinion as to the federal or state tax consequences of purchasing, holding or disposing of the Bonds.

In giving this opinion, we have relied upon covenants and certifications of facts made by officials of AMP and others contained in the transcript which we have not independently verified. We have also relied upon the opinion of AMP's General Counsel for Corporate Affairs, as to the matters contained therein. It is to be understood that the enforceability of the Bonds, the Indenture and all other documents relating to the issuance of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other laws in effect from time to time affecting creditors' rights, and to the exercise of judicial discretion. Capitalized terms not defined herein have the meanings given them in the Official Statement dated April 20, 2021 relating to the offering of the Bonds.

We bring to your attention the fact that our legal opinions are an expression of professional judgment and are not a guaranty of a result.

We do not undertake to advise you of matters which may come to our attention subsequent to the date hereof which may affect our legal opinions expressed herein.

Very truly yours,

APPENDIX E-2

PROPOSED FORM OF FEDERAL TAX OPINION OF NORTON ROSE FULBRIGHT US LLP

April __, 2021

American Municipal Power, Inc.
Columbus, Ohio

Re: $98,245,000 American Municipal Power, Inc.
Combined Hydroelectric Projects Revenue Bonds, Series 2021A

We have acted as Federal Tax Counsel in connection with the issuance by American Municipal Power, Inc., an Ohio non-profit corporation ("AMP"), of its bonds described above (the "Bonds"). For purposes of rendering this opinion, we have examined, among other things, certified copies of:

(i) Resolution No. 21-03-4247, adopted on March 18, 2021, by the Board of Trustees of AMP authorizing the Bonds (the "Authorizing Resolution");

(ii) the Power Sales Contract, dated as of November 1, 2007, between AMP and 79 of its members, located in Kentucky, Ohio, Michigan, Virginia and West Virginia (such members, the "Participants," and such contract, the "Power Sales Contract");

(iii) the Master Trust Indenture, dated as of November 1, 2009, between AMP and U.S. Bank National Association, as trustee (the "Master Indenture");

(iv) the Twelfth Supplemental Indenture to the Master Indenture, dated as of April 1, 2021, between AMP and U.S. Bank National Association, as trustee (the "Supplemental Indenture");

(v) the Tax Certificate delivered on the date hereof by AMP (the "Tax Certificate") in which it has made certain representations and covenants concerning prior, current, and future compliance with the Internal Revenue Code of 1986, as amended (the "Code");

(vi) the form of Certificate of the Participants addressing certain representations and covenants of the Participants concerning prior, current and future compliance with the Code (the "Participant Certificates"); and

(vii) the opinion of Dinsmore & Shohl LLP, Columbus, Ohio, Bond Counsel, dated the date hereof, that the Bonds constitute valid and binding obligations of AMP (the "Dinsmore Opinion").

and such other documents, proceedings and matters as we deem necessary to enable us to express the opinion set forth below.

We have assumed, without independent verification, (i) the genuineness of certificates, records and other documents submitted to us and the accuracy and completeness of the statements contained therein; (ii) that all documents and certificates submitted to us as originals are accurate and complete; (iii) that all documents and certificates submitted to us as copies are true and correct copies of the originals thereof; and (iv) that all information submitted to us, and all representations and warranties made, in the Tax Certificate and otherwise are accurate and complete. We have also assumed, without independent investigation, the correctness of the Dinsmore Opinion that the Bonds constitute valid and binding obligations of AMP. We have also assumed that each of the Authorizing Resolution, the Power Sales Contract, the Master Indenture and the Supplemental Indenture has been duly authorized, executed and delivered by the parties thereto and is valid and binding in accordance its terms.

On the basis of the foregoing examination, and in reliance thereon, and our consideration of such questions of law as we have deemed relevant in the circumstances, we are of the opinion that, under current law:

1. Except as provided in the following sentences in this paragraph and assuming continuing compliance by AMP and the Participants with their respective covenants to comply with the requirements of the Code, interest on the Bonds is not includable in gross income for federal income tax purposes under current law. Interest on the Bonds will be includable in gross income for purposes of federal income taxation retroactive to the date of issuance of the Bonds in the event of either a failure by AMP to comply with the applicable requirements of the Code, and the covenants contained in the Tax Certificate regarding the use, expenditure and investment of proceeds of the Bonds and the timely payment of certain investment earnings to the United States, or a failure by the Participants to comply with the applicable requirements of the Code and the covenants contained in the Participant Certificates. We express no opinion as to the effect on the exclusion from gross income of the interest on the Bonds for federal income tax purposes of any change to any document pertaining to the Bonds or of any action taken or not taken when such change is made or action is taken or not taken without our approval or upon the advice or approval of counsel other than ourselves.

2. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

You have received the opinion of Dinsmore & Shohl LLP, regarding the State of Ohio tax consequences of ownership of or receipt or accrual of interest on the Bonds, and we express no opinion as to such matters.

Our services did not include financial or other non-legal advice. Further, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement, dated April 20, 2021 relating to the offering of the Bonds, or other offering material relating to the Bonds and express no opinion with respect thereto.

We bring to your attention the fact that our legal opinions and conclusions are an expression of professional judgment and are not a guarantee of a result. The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. Such opinions may be adversely affected by actions taken or events occurring, including a change in law, regulation or ruling (or in the application or official interpretation of any law, regulation or ruling) after the date hereof.

Respectfully submitted,

APPENDIX F

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Series 2021A Bonds. The Series 2021A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2021A Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17 A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2021A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2021A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2021A Bonds, except in the event that use of the book-entry system for the Series 2021A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2021A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2021A Bonds may wish to ascertain that the nominee holding the Series 2021A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2021A Bonds unless authorized by a Direct Participant in accordance with DTC' s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to AMP as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2021A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal and interest payments on the Series 2021A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from AMP or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or AMP, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of AMP or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2021A Bonds at any time by giving reasonable notice to AMP or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

AMP may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this Appendix F concerning DTC and DTC's book-entry system has been obtained from sources that AMP believes to be reliable, but neither AMP nor the Underwriters takes any responsibility for the accuracy thereof.

APPENDIX G

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this "Disclosure Undertaking"), is executed and delivered as of April __, 2021 by American Municipal Power, Inc. ("AMP") in connection with the issuance of AMP Combined Hydroelectric Projects Revenue Bonds, Series 2021A (the "Bonds"). The Bonds are being issued pursuant to a Master Trust Indenture, dated as of November 1, 2009 (as heretofore supplemented, the "Master Trust Indenture"), as supplemented by the Twelfth Supplemental Indenture, dated as of April 1, 2021, between AMP and U.S. Bank National Association, Columbus, Ohio, as trustee (the "Trustee"), in each such case, in substantially the form thereof heretofore provided to the Participating Underwriters. The Master Trust Indenture, as so supplemented, is herein called the "Indenture". AMP covenants and agrees as follows:

1. PURPOSE OF THE DISCLOSURE UNDERTAKING. This Disclosure Undertaking is being executed and delivered by AMP for the benefit of the holders of the Bonds and in order to assist the Participating Underwriters (defined below) in complying with the Rule (defined below). AMP acknowledges that it is undertaking responsibility for any reports, notices or disclosures that may be required under this Agreement. AMP and its officials and its employees shall have no liability by reason of any act taken or not taken by reason of this Disclosure Undertaking except to the extent required for the agreements contained in this Disclosure Undertaking to satisfy the requirements of the Rule.

2. DEFINITIONS. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Disclosure Undertaking, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by AMP pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

"Beneficial Owner" shall mean, for purposes of this Disclosure Undertaking, any person who is a beneficial owner of a Bond.

"Dissemination Agent" shall mean AMP, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by AMP and which has filed with AMP a written acceptance of such designation.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosure (http://emma.msrb.org) or any other single dissemination agent or conduit required, designated or permitted by the SEC.

"Filing Date" shall have the meaning given to such term in Section 3.1 hereof.

"Financial Obligation" is defined in the Rule to mean "a (A) [d]ebt obligation; (B) [d]erivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (C) [g]uarantee of a debt obligation or derivate instrument" and does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the twelve-month period at the end of which financial position and results of operations are determined. Currently, AMP's and each MOP's Fiscal Year begins January 1 and continues through December 31 of the same calendar year, with the exception of the City of

Danville, Virginia; the City of Coldwater, Michigan and the Electric Plant Board of the City of Paducah, Kentucky whose Fiscal Years begin on July 1 and end June 30 of the following calendar year as specified in Section 4 hereof.

"Listed Events" shall mean, with respect to the Bonds, any of the events listed in subsection (b)(5)(i)(C) of the Rule, which are as follows:

(1) Principal and interest payment delinquencies;

(2) Non-payment related defaults, if material;

(3) Unscheduled draws on debt service reserves reflecting financial difficulties;

(4) Unscheduled draws on credit enhancements reflecting financial difficulties;

(5) Substitution of credit or liquidity providers, or their failure to perform;

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(7) Modifications to rights of security holders, if material;

(8) Bond calls, if material, and tender offers;

(9) Defeasances;

(10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership or similar event of the obligated person[1];

(13) The consummation of a merger, consolidation, or acquisition involving AMP or an obligated person or the sale of all or substantially all of the assets of AMP or an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

[1] For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for AMP or an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of AMP or an obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of AMP.

(15) Incurrence of a Financial Obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect security holders, if material; and

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

"MOP" shall mean an "obligated person" within the meaning of the Rule. Each of the cities of Danville, Virginia; Coldwater, Michigan; Cuyahoga Falls, Ohio; Bowling Green, Ohio; Cleveland, Ohio; and the Electric Plant Board of the City of Paducah, Kentucky is deemed a MOP.

"MSRB" means the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

"Official Statement" shall mean the Official Statement dated April 20, 2021 relating to the Bonds.

"Participating Underwriter" shall mean each original Underwriter of the Bonds required to comply with the Rule in connection with the offering of such Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

3. PROVISION OF ANNUAL REPORTS.

3.1 AMP shall, or shall cause the Dissemination Agent to, provide to the MSRB via EMMA an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Such Annual Report shall be filed on a date (the "Filing Date") that is not later than November 30 of the succeeding Fiscal Year commencing with the report for the fiscal year ending December 31, 2021. Not later than ten (10) days prior to the Filing Date, AMP shall provide the Annual Report to the Dissemination Agent (if applicable). In such case, the Annual Report must be submitted in electronic format and accompanying information as prescribed by the MSRB and (i) may be submitted as a single document or as separate documents comprising a package, (ii) may include by specific reference other information as provided in Section 4 of this Disclosure Undertaking, and (iii) shall include such financial statements as may be required by the Rule.

3.2 The annual financial statements of AMP and the MOPs shall be prepared on the basis of generally accepted accounting principles or such other manner of presentation as may be required by law, will be copies of the audited annual financial statements and will be filed with the MSRB when they become publicly available. Such annual financial statements may be filed separately from the Annual Report.

3.3 If AMP or the Dissemination Agent (if applicable) fails to provide an Annual Report to the MSRB by the date required in subsection (3.1) hereto AMP or the Dissemination Agent, if applicable, shall send a notice to the MSRB in substantially the form attached hereto as Exhibit B.

4. CONTENT OF ANNUAL REPORTS. Except as otherwise agreed, any Annual Report required to be filed hereunder shall contain or incorporate by reference, at a minimum, (i) an updated table presenting the Participants and their allocation in the Projects expressed in kilowatts and percentages as shown on page A-1 of the Official Statement, and (ii) with respect to the MOPs, annual statistical and financial information, including operating data as described in Exhibit A attached hereto. For purposes of the Annual Report, it is recognized that the fiscal years for the City of Danville, Virginia; the City of Coldwater, Michigan; and the Electric Plant Board of the City of Paducah, Kentucky begin on July 1 and end June 30 of the following calendar year and, as such, annual statistical and financial information for each MOP will be as of the end of its fiscal year.

Any or all of such information may be included by specific reference from other documents, including offering memoranda of securities issues with respect to which AMP or a MOP is an "obligated person" (within the meaning of the Rule), which have been filed with the MSRB via EMMA or the Securities and Exchange Commission. If the document included by specific reference is a final Official Statement, it must be available from the MSRB via EMMA. AMP shall clearly identify each such other document so included by specific reference.

5. REPORTING OF LISTED EVENTS. AMP will provide in a timely manner not in excess of ten business days after the occurrence of the event to the MSRB via EMMA, if any, notice of any of the Listed Events.

6. TERMINATION OF REPORTING OBLIGATION. AMP's obligations under this Disclosure Undertaking shall terminate upon the earlier to occur of the legal defeasance or final retirement of all the Bonds.

7. DISSEMINATION AGENT. American Municipal Power, Inc. shall be the Dissemination Agent. AMP may, from time to time, appoint or engage another Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

8. AMENDMENT. Notwithstanding any other provision of this Disclosure Undertaking, AMP may amend this Disclosure Undertaking, if such amendment is supported by an opinion of independent counsel with expertise in federal securities laws, to the effect that such amendment is not inconsistent with or is required by the Rule.

9. ADDITIONAL INFORMATION. Nothing in this Disclosure Undertaking shall be deemed to prevent AMP from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If AMP chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Undertaking, AMP shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

10. DEFAULT. Any Beneficial Owner may take such action as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause AMP to file its Annual Report or to give notice of a Listed Event. The Beneficial Owners of not less than a majority in aggregate principal amount of Bonds outstanding may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to challenge the adequacy of any information provided pursuant to this Disclosure Undertaking, or to enforce any other obligation of AMP hereunder. A default under this Disclosure Undertaking shall not be deemed an event of default under the Indenture or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of AMP to comply herewith shall be an action to compel performance. Nothing in this provision shall be deemed to restrict the rights or remedies of any holder pursuant to the Securities Exchange Act of 1934, the rules and regulations promulgated thereunder, or other applicable laws.

It shall be a condition precedent to the right, power and standing of any person to bring an action to compel performance under this Disclosure Undertaking that, such person, not less than 30 days prior to commencement of such action, shall have actually delivered to AMP notice of such person's intent to commence such action and the nature of the non-performance complained of, together with reasonable proof that such person is a person otherwise having such right, power and standing, and AMP shall not have cured the non-performance complained of.

Neither the commencement nor the successful completion of an action to compel performance under this Disclosure Undertaking shall entitle any person to any other relief other than an order or injunction compelling performance.

11. BENEFICIARIES. This Disclosure Undertaking shall inure solely to the benefit of the Participating Underwriter and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

AMERICAN MUNICIPAL POWER, INC.

By: ______________________________________

Senior Vice President of Finance and
Chief Financial Officer

EXHIBIT A

PARTICIPANT INFORMATION

(a) Updates for the previous calendar or fiscal year, as applicable, of the statistical and financial data presented in Appendix A and B to the Official Statement.

(b) The audited financial statements for the electric system or, if separate financial statements are not prepared and audited for the electric system, then the audited general purpose financial statements of the MOP. The basis of presentation of such financial statements shall be generally accepted accounting principles or such other manner of presentation as may be required by law.

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

RE: American Municipal Power, Inc. Combined Hydroelectric Projects Revenue Bonds, Series 2021A

CUSIP NOS. 02765UQF4-QJ6

Dated: April __, 2021

NOTICE IS HEREBY GIVEN that American Municipal Power, Inc. ("AMP") has not provided an Annual Report as required by Section 3 of the Continuing Disclosure Undertaking, which was entered into in connection with the above-named Bonds issued pursuant to that certain Master Trust Indenture, dated as of November 1, 2009, as supplemented by the Twelfth Supplemental Indenture, dated as of April 1, 2021, each between AMP and U.S. Bank National Association, Columbus, Ohio, as trustee. AMP anticipates that the Annual Report will be filed by ___________.

Dated: _________________

AMERICAN MUNICIPAL POWER, INC.

By: ______________________________________
Senior Vice President of Finance and
Chief Financial Officer

AMERICAN MUNICIPAL POWER, INC. • COMBINED HYDROELECTRIC PROJECTS REVENUE BONDS, SERIES 2021A

AMP
PUBLIC POWER PARTNERS

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

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