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

In the opinion of Norton Rose Fulbright US LLP, Federal Tax Counsel, under existing 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 2019A Bonds will not be includable in the gross income of the owners of the Series 2019A Bonds for purposes of federal income taxation. In the opinion of Dinsmore & Shohl LLP, Bond Counsel, interest on the Series 2019A Bonds will be exempt from certain Ohio taxes. See "TAX MATTERS" herein.

$55,195,000
AMERICAN MUNICIPAL POWER, INC.
SOLAR ELECTRICITY PREPAYMENT PROJECT REVENUE BONDS
SERIES 2019A (GREEN BONDS)

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

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors are advised to read the entire Official Statement to obtain information essential to making an informed investment decision. Capitalized terms used on this cover page not otherwise defined shall have the meanings set forth herein.

The Solar Electricity Prepayment Project Revenue Bonds, Series 2019A (Green Bonds) (the "Series 2019A Bonds") are being issued by American Municipal Power, Inc. ("AMP") pursuant to an Indenture of Trust, dated as of January 1, 2019, from AMP to U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by the First Supplemental Indenture of Trust, dated as of January 1, 2019 from AMP to the Trustee. Such Indenture of Trust and First Supplemental Indenture of Trust are herein referred to collectively as the "Indenture."

The Series 2019A Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Series 2019A Bonds. Purchasers of the Series 2019A Bonds will not receive physical certificates representing their interest in the Series 2019A Bonds purchased. Individual purchases of the Series 2019A Bonds will be made in book-entry form only, in denominations of $5,000 principal amount or any integral multiple thereof. Interest on the Series 2019A Bonds is payable semiannually on February 15 and August 15 of each year, commencing August 15, 2019. Principal of and premium, if any, and interest on, the Series 2019A Bonds are payable directly to DTC by the Trustee. Upon receipt of payments of such principal, premium, if any, and interest, DTC is obligated to remit such payments to its DTC participants for subsequent disbursement to the beneficial owners of the Series 2019A Bonds. See APPENDIX E – "Book-Entry System" herein.

The Series 2019A Bonds are subject to redemption prior to maturity as described herein.

The Series 2019A Bonds are being issued for the purpose of (i) refinancing the prepayment (the "Prepayment") for a specified supply of electricity from thirteen (13) solar photovoltaic generating facilities (each such facility, a "System" and, collectively, the "Initial Systems") with a rated capacity of approximately 36.825 MW located in the States of Delaware, Michigan, Ohio and Virginia pursuant to the terms of a Power Purchase Agreement, between DG AMP Solar, LLC (the "Seller") and AMP, dated March 29, 2016 (the "Power Purchase Agreement"), (ii) funding a deposit to the Parity Common Reserve Fund, and (iii) paying costs of issuance of the Series 2019A Bonds.

AMP has entered into a Power Sales Contract dated as of March 31, 2016 (the "Power Sales Contract") with various municipalities in the States of Delaware, Michigan, Ohio, Pennsylvania and Virginia (the "Participants"), pursuant to which AMP has agreed to sell and the Participants have agreed to purchase a share (each, a "Project Share") of the energy delivered from the Project (as defined herein). Each Participant is a Member of AMP and owns and operates, or whose members own and operate, its own electric system (each, an "Electric System"). Under the terms of the Power Sales Contract, each Participant agrees to pay from the revenues, and as an operating expense, of its Electric System for its Project Share, on a take-and-pay basis, of electric power and energy from the Project.

The Series 2019A Bonds are special and limited obligations of AMP payable from and secured solely by the Revenues pledged under the Indenture, principally which includes certain payments to be made to AMP by the Participants pursuant to the Power Sales Contract. **Purchases of the Series 2019A Bonds involve certain investment risks as described herein. See "INVESTMENT CONSIDERATIONS" herein.**

THE SERIES 2019A BONDS ARE NOT OBLIGATIONS OF OR GUARANTEED BY THE STATE OF DELAWARE, MICHIGAN, OHIO, PENNSYLVANIA OR 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 DELAWARE, MICHIGAN, OHIO, PENNSYLVANIA OR VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE MEMBERS OF AMP AND THE PARTICIPANTS, IS PLEDGED FOR THE PAYMENT OF THE SERIES 2019A BONDS. AMP HAS NO TAXING POWER.

The Series 2019A 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 2019A Bonds will be made on or about January 31, 2019, through the facilities of DTC.

Piper Jaffray & Co.

Citigroup **Huntington Capital Markets**

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 January 8, 2019 and the information contained herein speaks only as of that date.

MATURITY SCHEDULE, INTEREST RATES, YIELDS, AND CUSIPS

$55,195,000
AMERICAN MUNICIPAL POWER , INC.
SOLAR ELECTRICITY PREPAYMENT PROJECT REVENUE BONDS
SERIES 2019A

DUE FEBRUARY 15	PRINCIPAL AMOUNT	INTEREST RATE	YIELD	CUSIP[(1)]
2020	$1,255,000	5.00%	1.80%	02765M AA0
2021	1,420,000	5.00	1.83	02765M AB8
2022	1,480,000	5.00	1.91	02765M AC6
2023	1,540,000	5.00	2.00	02765M AD4
2024	1,605,000	5.00	2.10	02765M AE2
2025	1,670,000	5.00	2.18	02765M AF9
2026	1,740,000	5.00	2.29	02765M AG7
2027	1,815,000	5.00	2.40	02765M AH5
2028	1,890,000	5.00	2.49	02765M AJ1
2029	1,970,000	5.00	2.60	02765M AK8
2030	2,055,000	5.00	2.71†	02765M AL6
2031	2,145,000	5.00	2.82†	02765M AM4
2032	2,240,000	5.00	2.91†	02765M AN2
2033	2,340,000	5.00	3.01†	02765M AP7
2034	2,445,000	5.00	3.08†	02765M AQ5
2035	2,550,000	5.00	3.15†	02765M AR3
2036	2,665,000	5.00	3.23†	02765M AS1
2037	2,790,000	5.00	3.28†	02765M AT9
2038	2,915,000	5.00	3.33†	02765M AU6
2039	3,045,000	5.00	3.37†	02765M AV4

$13,620,000 5.00% Term Bonds due February 15, 2044 - Yield 3.47%† - CUSIP[(1)] 02765M AW2

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† Yield to par call on February 15, 2029.

(1) Copyright 2018, 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 applicable Series 2019A 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 applicable Series 2019A 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 2019A 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 2019A 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:

Trustee	Representative	Employment
Bowling Green	Brian O'Connell	Director of Utilities, City of Bowling Green
Bryan	Kevin Maynard	Director of Utilities, Bryan Municipal Utilities
Carey	Roy Johnson	Village Administrator, Village of Carey
Cleveland	Ivan Henderson	Commissioner, Cleveland Public Power
Coldwater, MI	Paul Beckhusen	General Manager, Michigan South Central Power Agency
Cuyahoga Falls	Mike Dougherty	Superintendent, Cuyahoga Falls Electric Department
Danville, VA	Jason Grey	Director of Utilities, City of Danville
DEMEC	Patrick McCullar, Treasurer	President/CEO, Delaware Municipal Electric Corporation
Dover	Dave Filippi	Plant Superintendent, Dover Light & Power
Ephrata, PA	D. Robert Thompson	Borough Manager, Borough of Ephrata
Hamilton	Jim Logan	Executive Director of Infrastructure, City of Hamilton
Montpelier	Jason Rockey	Assistant Village Manager, Village of Montpelier
Napoleon	Joel Mazur	City Manager, City of Napoleon
Oberlin	Doug McMillan	Director, Oberlin Municipal Light and Power System
Orrville	Jeff Brediger, Vice Chair	Director of Utilities, City of Orrville
Paducah, KY	David Carroll	General Manager, Paducah Power System
Philippi, WV	Jeremy Drennen	Interim City Manager, City of Philippi
Piqua	Robert Bowman	Assistant Director, Piqua Municipal Power System
Wadsworth	Robert Patrick, Secretary	Public Service Director, City of Wadsworth
Wellington	Steve Dupee, Chair	Village Manager, Village of Wellington
Westerville	Chris Monacelli	Electric Utility Manager, City of Westerville Electric System
Ex-Officio	Marc Gerken, P.E.	President and Chief Executive Officer
Ex-Officio	Rachel Gerrick, Esq.	Senior Vice President and General Counsel for Corporate Affairs

Executive Management

Officer	Office
Marc Gerken, P.E.	President and Chief Executive Officer
Pamala Sullivan	Executive Vice President of Power Supply and Generation
Jolene Thompson	Executive Vice President, Member Services and External Affairs
Rachel Gerrick, Esq.	Senior Vice President and General Counsel for Corporate Affairs
Branndon Kelley	Chief Information Officer
Scott Kiesewetter	Senior Vice President of Generation Operations
Lisa McAlister, Esq.	Senior Vice President and General Counsel for Regulatory Affairs
Marcy Steckman	Senior Vice President of Finance and Chief Financial Officer

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 two paragraphs 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.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICE OF THE SERIES 2019A BONDS. SUCH TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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 2019A 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 2019A 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.

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OFFICIAL STATEMENT

$55,195,000
AMERICAN MUNICIPAL POWER, INC.
SOLAR ELECTRICITY PREPAYMENT PROJECT REVENUE BONDS
SERIES 2019A

INTRODUCTION

PURPOSE

This Official Statement, which includes the cover and inside cover pages and appendices attached hereto, is furnished by American Municipal Power, Inc. ("*AMP*"), an Ohio nonprofit corporation, to provide information concerning (a) the Solar Electricity Prepayment Project (as further described herein, the "*Project*") and (b) AMP's Solar Electricity Prepayment Project Revenue Bonds, Series 2019A (the "*Series 2019A Bonds*").

The Series 2019A Bonds are being issued for the purpose of (i) refinancing the prepayment (the "*Prepayment*") for a specified supply of electricity from thirteen (13) solar photovoltaic generating facilities (each such facility, a "*System*" and, collectively, the "*Initial Systems*") with a rated capacity of approximately 36.825 megawatts ("*MW*") located in the States of Delaware, Michigan, Ohio and Virginia pursuant to the terms of a Power Purchase Agreement, between DG AMP Solar, LLC (the "*Seller*") and AMP, dated March 29, 2016 (the "*Power Purchase Agreement*"), (ii) funding a deposit to the Parity Common Reserve Fund, and (iii) paying costs of issuance of the Series 2019A Bonds. See "PLAN OF FINANCE – PROPOSED FINANCING" herein.

AUTHORIZATION FOR THE SERIES 2019A BONDS

The Series 2019A Bonds will be issued and secured under the Indenture of Trust, dated as of January 1, 2019 (the "*Trust Indenture*"), entered into between AMP and U.S. Bank National Association, Columbus, Ohio, as trustee (the "*Trustee*"), as supplemented by the First Supplemental Indenture of Trust (the "*First Supplemental Indenture*"), dated as of January 1, 2019, between AMP and the Trustee. The Trust Indenture, as so supplemented and further supplemented and amended from time to time, is herein called the "*Indenture*". The Series 2019A Bonds and any additional bonds issued under the Indenture on a parity with the Series 2019A Bonds are herein referred to collectively, as "*Bonds*." See "THE SERIES 2019A BONDS." AMP anticipates that it will issue additional Bonds in the fourth quarter of 2019 to finance or refinance the prepayment of a specified supply of electricity from additional Systems (the "*Additional Systems*").

The Board of Trustees of AMP by a resolution adopted on December 7, 2018, authorized the issuance and sale of the Series 2019A Bonds and approved the form and authorized the execution and delivery of the Trust Indenture and First Supplemental Indenture.

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 December 1, 2019, AMP had 135 Members – 84 municipalities in Ohio, 29 boroughs in Pennsylvania, six municipalities in Michigan, five municipalities in Virginia, six 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 nine municipal members.

AMP has also received letters from the Internal Revenue Service ("*IRS*") 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 POWER PURCHASE AGREEMENT

Pursuant to a Joint Development Agreement (the "*JDA*"), dated as of February 22, 2016, between DG AMP Solar, LLC, a subsidiary of NextEra Energy Resources LLC (the "*Seller*"), AMP and the Seller agreed to jointly study the development, construction and operation of up to 80 MW of solar generation. The JDA identified numerous potential solar generation facilities throughout the geographic footprint of AMP's membership and such potential facilities were reviewed by AMP and the Seller pursuant to the framework set forth in the JDA. Each facility reviewed under the JDA was to be located "behind the meter" of and interconnected with an AMP Member's, or AMP Member DEMEC's member's, electric distribution system and would be developed and owned by the Seller.

After the execution of the JDA, AMP and the Seller negotiated and executed the Power Purchase Agreement, dated as of March 29, 2016 (the "*Power Purchase Agreement*"). Potential facilities selected for development under the terms of the JDA become, upon commercial operation, Systems subject to the terms of the Power Purchase Agreement. Under the Power Purchase Agreement, the Seller agreed to sell and AMP agreed to purchase all of the energy generated by the Systems. In addition, the Seller agreed to deliver and AMP agreed to purchase certain transmission and environmental attributes associated with the operation of the Systems.

Under the terms of the Power Purchase Agreement, AMP agreed to prepay for an amount of energy projected to be generated by each System (each, an "*Individual Site Prepayment Amount*") during a twenty-five (25) year period commencing on the date of commercial operation of such System. The amount of each Individual Site Prepayment Amount is equal to the number of megawatt hours ("*MWh*") to be generated by the related System at a "*P90*" confidence interval, meaning that, in any given year, the probability of exceeding such level of production is ninety percent (90%), assuming a 0.5% degradation factor. The expected generation is multiplied by a uniform rate per MWh across all Systems (the "*Portfolio Prepayment Credit Rate*") to produce the Individual Site Prepayment Amount payable by AMP under the Power Purchase Agreement.

The Individual Site Prepayment Amounts are aggregated to create an "*Outstanding Balance.*" In each calendar month, the Outstanding Balance is reduced by an amount equal to the sum of (a) the actual net electrical production delivered to the delivery point (the "*Metered Output*") and (b) the amount of energy that would have been produced by a System during the hours a System is not in operation or prevented from delivering energy to the delivery point due to actions or inactions of AMP or a Host Member times the Portfolio Prepayment Credit Rate. If, at any point during the term of the Power

Purchase Agreement, the Outstanding Balance is $0, AMP will pay for the Metered Output of the Systems for the balance of the term of the Power Purchase Agreement, which extends through a date twenty-five (25) years after the commercial operation date of the last System (such term, the "*Delivery Term*"). All energy prepaid under the Power Purchase Agreement which reduces the Outstanding Balance is referred to herein as "*Prepaid Generation*."

See "THE POWER PURCHASE AGREEMENT" for additional information relating to the Power Purchase Agreement.

THE PREPAYMENT

To date, thirteen (13) Systems with an aggregate rated capacity of approximately 36.825 MW have entered commercial operation. See "THE SYSTEMS – THE INITIAL SYSTEMS" herein. AMP initially financed the Individual Site Prepayment Amounts related to the Initial Systems and certain development and interconnection costs with draws on the Line of Credit (as hereinafter defined). See "AMERICAN MUNICIPAL POWER, INC. – LIQUIDITY" herein. A portion of the proceeds of the Series 2019A Bonds will be used to repay amounts drawn on the Line of Credit allocable to the Individual Site Prepayment Amounts for the Initial Systems (the "*Prepayment*"). See "PLAN OF FINANCE – ESTIMATED SOURCES AND USES OF THE FUNDS" herein. Amounts allocable to the development and interconnection costs, approximately $2.1 million, will remain on the Line of Credit and be payable on a subordinate basis to the Bonds and any Parity Swaps (as hereinafter defined), if any. See "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2019A BONDS – SUBORDINATE OBLIGATIONS" and "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2019A BONDS – PARITY SWAPS" herein.

AMP and the Seller anticipate that additional Systems, with an aggregate net rated capacity of approximately 23 MW, will be developed under the JDA and become subject to the Power Purchase Agreement (such Systems when and if they enter commercial operation, the "*Additional Systems*"). AMP anticipates that it will issue additional Bonds to finance or refinance the Individual Site Prepayment Amounts payable in accordance with the terms of the Power Purchase Agreement related to the Additional Systems in the fourth quarter of 2019.

THE SYSTEMS AND THE PROJECT

Each System is located at a site (each, a "*Site*" and, collectively, the "*Sites*") located within or near the geographic footprint of a Participant, or in the case of DEMEC, the footprint of a DEMEC member, and interconnected to the electric distribution system of such Participant (each Participant hosting such a site, a "*Host Participant*"). Under the Power Purchase Agreement, the delivery point for each System is such interconnection point, limiting the delivery risk. The real property associated with each Site is either owned by the Seller or leased to the Seller by a Host Participant, in almost all cases, for a term extending beyond the term of the Power Purchase Agreement. See "THE SYSTEMS – LEASES" herein. Each System consists of a solar photovoltaic generating facility utilizing polycrystalline photovoltaic modules and central inverters. The modules are mounted on either a fixed tilt or tracker racking system. See "THE SYSTEMS" herein for additional information.

Under the Power Purchase Agreement, AMP has the contractual right to all of the energy generated by the Systems during the Delivery Term. In addition, AMP has the option, at the end of the Delivery Term, to purchase one or more of the Systems (such option, the "*Purchase Option*"). AMP has various other rights, remedies and obligations under the Power Purchase Agreement, which, together with the right to the energy under the Power Purchase Agreement, the Purchase Option and the Systems, if such Purchase Option is exercised, constitute the "*Project*."

THE POWER SALES CONTRACT

The Bonds, including the Series 2019A Bonds, are payable primarily from payments owing to AMP by its 22 Members (the "*Participants*") that have entered into a Power Sales Contract, dated as of March 31, 2016 (the "*Power Sales Contract*"). Pursuant to the Power Sales Contract, each Participant has agreed to purchase and AMP to sell a share of the energy (such share, as of any date of calculation, each a "*Project Share*") delivered to AMP under the Power Purchase Agreement and, if AMP exercises the Purchase Option, the energy delivered by AMP from the Systems. See "POWER SALES CONTRACT" and "THE PARTICIPANTS" herein. Each Participant's Project Share may change, from time-to-time, as set forth under the heading "THE PARTICIPANTS – PROJECT SHARES."

Under the Power Sales Contract, provided any energy is delivered from any System to its delivery point in any calendar month, AMP shall bill each Participant for its Project Share of the fixed and variable costs of the Project for such month (such amount, in the aggregate, the "*Revenue Requirements*"). Prior to AMP's exercise of the Purchase Option, the component of the fixed costs associated with debt service on the Bonds, including the Series 2019A Bonds, and operating expenses associated with the issuance of the Bonds, such as Trustee's fees and related costs associated with the Bonds, will be billed by AMP to the Participants in the form of a demand charge (the "*Demand Charge*"). Such Demand Charge will be pledged to the Bondholders.

OTHER

This Official Statement includes information regarding and descriptions of AMP, the Power Purchase Agreement, the Power Sales Contract, the Systems, the Participants and the Series 2019A Bonds, and summaries of certain provisions of the Indenture. 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 Power Sales Contract, the Series 2019A Bonds and the Power Purchase Agreement 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.

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PLAN OF FINANCE

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the issuance of the Series 2019A Bonds are estimated to be as follows:

SOURCES:	
Par Amount	$55,195,000
Original Issue Premium	8,199,397
Equity Contribution	408,150
Total Sources	$63,802,547
USES:	
Repayment of Draws on Line of Credit Allocable to Individual Site Prepayment Amounts[1]	$61,278,836
Deposit to Parity Common Reserve Fund	1,032,435
Deposit to Rate Stabilization Fund	408,150
Costs of Issuance[2]	1,083,126
Total Uses	$63,802,547

Numbers may not add to totals due to rounding.

1 Certain of the Underwriters or their affiliates are parties to the Line of Credit with AMP (see "AMERICAN MUNICIPAL POWER – Liquidity"). As a result, certain of the Underwriters or their affiliates will receive a portion of the proceeds of the Series 2019A Bonds. See "UNDERWRITING" herein.

2 Includes underwriting discount and rating agency, Trustee, consultant and legal fees and other expenses related to the issuance of the Series 2019A Bonds.

DESIGNATION OF SERIES 2019A BONDS AS GREEN BONDS

AMP enlisted Sustainalytics, a second opinion provider that conducts environmental, social and governance research to assess the alignment of bonds with the *Green Bond Principles 2018*. The Series 2019A Bonds are labeled Green Bonds because they have been issued to finance or refinance the prepayment of energy to be delivered from solar energy facilities that provide environmental benefits and otherwise align with the four core components of the *Green Bond Principles 2018*. The use of the term "Green Bonds" is solely for identification purposes and is not intended to provide or imply that the owner of the Series 2019A Bonds is entitled to any additional security. The purpose of the "Green Bond" label is to allow investors to invest directly in an environmentally beneficial project.

In addition, Moody's Investors Service, Inc. ("*Moody's*") has assigned a Green Bond Assessment of "GB1" to the Series 2019A Bonds. Such assessment reflects only the view of Moody's and any explanation of the significance of such assessment may only be obtained from Moody's. There can be no assurance that the assessment will remain in effect for any given period of time or that it will not be lowered, suspended or withdrawn entirely if, in the judgment of Moody's, circumstances so warrant.

SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2019A BONDS

PLEDGE EFFECTED BY THE INDENTURE

The Indenture provides that the Series 2019A Bonds and any other Bonds issued thereunder shall be special, limited obligations of AMP payable solely from and secured solely by (i) the proceeds of the sale of the Bonds, including the Series 2019A Bonds, (ii) the Revenues (as defined below), (iii) all amounts on deposit in any Fund or Account established by the Indenture (except for such Funds and Accounts, including the Decommissioning Fund (as hereinafter mentioned) that the Indenture provides

are not a source of payment for the Bonds, including the Series 2019A Bonds, or any Parity Swaps and other than any funds held by the Trustee or AMP to pay any rebate amount owed to the federal government) including the investments, if any, thereof. The Revenues and such other amounts are pledged and assigned pursuant to the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture, as security for the payment of the Bonds, including the Series 2019A Bonds, and the interest thereon and premium, if any, with respect thereto, as security for the payment obligations of AMP under any Parity Swaps and as security for the performance of any other obligations of AMP under the Indenture, all in accordance with the provisions of the Bonds, including the Series 2019A Bonds, the Indenture and any Parity Swaps.

Prior to the System Acquisition Date (as defined below), "*Revenues*" under the Indenture are (a) all revenues received or to be received by AMP from the Participants under the Power Sales Contract and allocable to the Demand Charge, (b) any net proceeds resulting from the sale of Prepaid Generation by AMP to a third-party purchaser pursuant to the Power Sales Contract; (c) an amount equal to the Shortfall Amount, if any, payable by AMP following the declaration of an Early Termination Date under the Power Purchase Agreement (see "SHORTFALL AMOUNT" below); (d) any Outstanding Balance received by AMP following the declaration of an Early Termination Date; but excluding (X) interest and other investment income received or to be received on any moneys or securities held pursuant to an indenture of trust entered into by AMP with respect to bonds, notes or other evidences of indebtedness payable on a basis subordinate to the Bonds except to the extent that AMP specifies that such interest and other investment income shall constitute Revenues, (Y) amounts received by or on behalf of AMP pursuant to any interest rate swap agreement or interest rate cap agreement relating to the Indenture except to the extent that AMP specifies that such amounts shall constitute Revenues and (Z) amounts received by or on behalf of AMP pursuant to a Letter of Credit relating to the Indenture except to the extent that AMP specifies that such amounts shall constitute Revenues. On and after the date, if any, on which AMP exercises the Purchase Option (as defined below) to acquire one or more of the Systems (referred to herein as the "*System Acquisition Date*"), "*Revenues*" under the Indenture will include, among other things, substantially all of the revenues derived by AMP under the Power Sales Contract. See "POWER PURCHASE AGREEMENT – PURCHASE OPTION" below for a discussion of the Purchase Option.

THE SERIES 2019A 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 2019A 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 DELAWARE, MICHIGAN, OHIO, PENNSYLVANIA OR VIRGINIA OR ANY POLITICAL SUBDIVISION OR INSTRUMENTALITY THEREOF IS PLEDGED FOR THE PAYMENT OF THE SERIES 2019A BONDS. AMP HAS NO TAXING POWER.

The pledge of the Revenues is subject to the provisions of the Indenture permitting AMP to apply such Revenues to the payment of AMP Operating Expenses. Prior to the System Acquisition Date, the amount of AMP Operating Expenses is limited to (i) the fees and expenses of the Agents (such as the Trustee and the Paying Agent) and (ii) any other expenses or obligations (other than the payment of principal, interest or premium on any Bonds, notes or other evidences of indebtedness relating to the Project) incurred by AMP in carrying out its duties, responsibilities and obligations, and exercising its rights, under the Indenture. After the System Acquisition Date, AMP Operating Expenses generally will include all of AMP's costs and expenses reasonably related to the operation and maintenance of the Project and the satisfaction of AMP's obligations pursuant to the Power Sales Contract. See below and APPENDIX C - "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" for a more detailed discussion of certain terms and provisions of the Indenture.

PARITY COMMON RESERVE FUND

Pursuant to the Indenture, the Series 2019A Bonds are secured by amounts on deposit in the Parity Common Reserve Fund established under the Indenture, 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 Series 2019A Bonds. Under the Indenture, AMP is required to deposit and maintain an amount equal to the Parity Common Reserve Fund Requirement in the Parity Common Reserve Fund. The "*Parity Common Reserve Requirement*" is defined in the Indenture, as of any date of calculation, as an amount in respect of the outstanding Bonds equal to twenty-five percent (25%) of coincidental maximum Aggregate Debt Service (as defined in the Indenture) for the current or any future Fiscal Year. Amounts held in the Parity Common Reserve Fund are to be applied to make payment of the principal of, sinking fund redemption price of, or interest on, Bonds issued under the Indenture, including the Series 2019A Bonds, in the event that amounts on deposit in the Bond Fund are not sufficient therefor.

Additional Bonds will be secured by the Parity Common Reserve Fund and AMP may only issue such Additional Bonds if the amount to the credit of the Parity Common Reserve Fund immediately following their issuance shall be at least equal to the Parity Common Reserve Fund Requirement. In addition, if there is a draw on the Parity Common Reserve Fund, AMP is obligated to deposit amounts required to make amounts on deposit to the credit of the Parity Common Reserve Fund equal to the Parity Common Reserve Fund Requirement within one year following the date on which such withdrawal is made. See "FLOW OF FUNDS" below.

RATE COVENANT AND RATE STABILIZATION FUND

AMP has covenanted under the Indenture that, so long as the Series 2019A Bonds remain outstanding thereunder, it will fix, and if necessary adjust, the Demand Charge so that the Revenues generated thereby will be sufficient to provide an amount in each Fiscal Year at least sufficient to provide for the payment of the following:

(i) AMP Operating Expenses during such Fiscal Year;

(ii) An amount equal to one hundred ten percent (110%) of the Aggregate Debt Service for such Fiscal Year, provided that in making such determination AMP may take into account amounts on deposit to the credit of the Rate Stabilization Fund;

(iii) The amount, if any, to be paid during such Fiscal Year into the Parity Common Reserve Fund;

(iv) The amount, if any, to be paid during such Fiscal Year into the Reserve and Contingency Fund;

(v) The amount, if any, to be paid during such Fiscal Year into the Decommissioning Fund;

(vi) The amount, if any, to paid during such Fiscal Year into the Rate Stabilization Fund;

(vii) The amount, if any, required to be paid into any fund or account during such Fiscal Year with respect to bonds, notes or other evidences of indebtedness payable on a basis subordinate to the Bonds;

(viii) The amount, if any, required to be deposited in the General Reserve Fund during such Fiscal Year; and

(ix) The amount, if any, required to pay all other charges or liens whatsoever payable out of Revenues during such Fiscal Year.

The amounts to be deposited to the various Funds set forth above will be established in a budget to be prepared not less than sixty (60) days and not more than ninety (90) days prior to the beginning of each Fiscal Year (each, an "*Annual Budget*"). Prior to the System Acquisition Date, AMP does not intend to provide for deposits in the Annual Budget for the Reserve and Contingency Fund and the Decommissioning Fund. In addition, in establishing the Annual Budget, AMP may take into account amounts on deposit to the credit of the Operating Fund, the Reserve and Contingency Fund and the Rate Stabilization Fund.

Prior to the issuance of Bonds, including the Series 2019A Bonds, AMP is required to deposit, from any available sources, such amount as is required to make the balance to the credit of the Rate Stabilization Fund at least equal to the Rate Stabilization Fund Requirement, as determined after the issuance of such Bonds. The Rate Stabilization Fund Requirement is, as of any date of determination, an amount equal to the 10% of the Aggregate Debt Service in the Fiscal Year in which highest Aggregate Debt Service occurs. Amounts on deposit to the credit of the Rate Stabilization Fund constitute Revenues in each Fiscal Year provided amounts deposited thereto are at least equal to the Rate Stabilization Fund Requirement. If there is a draw on the Rate Stabilization Fund, AMP is obligated to deposit amounts required to make amounts on deposit to the credit of the Rate Stabilization Fund equal to the Rate Stabilization Fund Requirement within one year following the date on which such withdrawal is made.

FLOW OF FUNDS

The Indenture establishes the following Funds and Accounts, each of which is held by the Trustee under the Indenture: (i) Project Fund; (ii) Revenue Fund; (iii) Operating Fund (consisting of the Operating Account and the Operating Reserve Account); (iv) Debt Service Fund; (v) the Parity Common Reserve Fund; (vi) Reserve and Contingency Fund; (vi) Rate Stabilization Fund; (vii) Redemption Fund; (vii) Decommissioning Fund; and (viii) General Reserve Fund. The Project Fund includes the Solar Electricity Prepayment Project Revenue Bonds Series 2019A Subaccount and the Solar Electricity Prepayment Project Revenue Bonds Series 2019A Cost of Issuance Subaccount therein as established under the First Supplemental Indenture. The Debt Service Fund includes the (A) Solar Electricity Prepayment Project Series 2019A Debt Service Account (the "*2019A Debt Service Account*") as established under the First Supplemental Indenture; (B) each other debt service fund or account, and each other debt service reserve fund or account, if any, established pursuant to future Supplemental Indentures; and (C) the Letter of Credit Account, if any, established pursuant to a future Supplemental Indenture.

Pursuant to the Indenture, all Revenues (except as otherwise provided in the Indenture with respect to proceeds of any condemnation awards or proceeds of insurance or of contractors' performance or guarantee bonds or other assurances of completion or levels of performance), and except as otherwise provided in a Supplemental Indenture, any interest and other investment income received on any moneys or securities held pursuant to the Indenture, received by the Trustee are to be deposited promptly in the Revenue Fund. Amounts in the Revenue Fund are to be paid monthly to the following Funds and Accounts in the following order of priority:

(1) To the (i) Operating Account, a sum that is equal to the total moneys appropriated for AMP Operating Expenses for deposit in the Operating Account as provided in the Annual Budget for the then current month and (ii) Operating Reserve Account, the amount

required so that the amount in the Operating Reserve Account will equal the amount required to be in such Account by the current Annual Budget. There may be deposited in the Operating Reserve Account moneys received in connection with the Project or any portion thereof from any other source, as provided in the Indenture, unless required to be applied as otherwise provided in the Indenture. Any excess amounts in the Operating Account or the Operating Reserve Account, as determined by AMP, will be applied to make up any deficiencies in the other Funds or Accounts established pursuant to the Indenture as described therein or, if no such deficiencies exist, will be transferred to the General Reserve Fund.

(2) To the Debt Service Fund (for the ratable security and payment pursuant to clause (i) and clause (ii) of this paragraph (2)) for credit to the 2019A Debt Service Account and to each other debt service fund or account established pursuant to a Supplemental Indenture, on a parity with the transfer to each such debt service fund or account in the Debt Service Fund, the amount, if any, required so that the balance in such fund or account (excluding the amount, if any, set aside in such fund or account from the proceeds of the Series 2019A Bonds or such other series of Bonds for the payment of interest on the Series 2019A Bonds or such other series of Bonds less that amount of such proceeds to be applied in accordance with the Indenture to the payment of interest accrued and unpaid and to accrue on the Series 2019A Bonds or such other series of Bonds to the last day of the then current calendar month) equals (i) the Accrued Debt Service with respect to the Series 2019A Bonds and such other series of Bonds as of the last day of the then current month and (ii) the amounts due and payable by AMP under any Parity Swaps during such month; provided, however, that if there is a deficiency of Revenues to make the deposits required, such Revenues shall be deposited into the 2019A Debt Service Account and any other debt service fund or account on a pro rata basis based on the amount of each such deficiency. Notwithstanding the foregoing, any termination payments payable by AMP under any Parity Swap shall be payable on a basis subordinate and junior to the payments of interest on, principal of and Redemption Price, if any, of the Series 2019A Bonds and any other series of Bonds issued pursuant to the Indenture. The Trustee will apply amounts in the 2019A Debt Service Account to the payment of principal of and interest on the Series 2019A Bonds and, if applicable, amounts due and payable by AMP under any Parity Swaps entered into in connection with the Series 2019A Bonds.

(3) To the Parity Common Reserve Fund, if amounts on deposit to the credit thereto are less than the Parity Common Reserve Fund Requirement, an amount equal to at least one-twelfth (1/12th) of the aggregate amount of each unreplenished prior draw and the full amount of any deficiency due to any required valuation of the investments in such reserve account until the balance of such account is at least equal to the Parity Common Reserve Fund Requirement.

(4) To the Reserve and Contingency Fund, the amount, if any, provided for deposit therein during the then current month as provided in the Annual Budget.

(5) To the Rate Stabilization Fund, if amounts on deposit to the credit thereto are less than the Rate Stabilization Fund Requirement, an amount equal to at least one-twelfth (1/12th) of the aggregate amount of each unreplenished prior draw until the balance of such account is at least equal to the Rate Stabilization Fund Requirement.

(6) To the Decommissioning Fund, the amount, if any, budgeted for deposit therein for the then current month as provided in the Annual Budget.

(7) To the General Reserve Fund, the balance, if any, in the Revenue Fund after making the above deposits.

For a more detailed discussion of the application of moneys deposited in the various funds and accounts, see APPENDIX C- "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

SHORTFALL AMOUNT

In the event of default under the Power Purchase Agreement resulting in the declaration of an Early Termination Date (as defined below), AMP shall redeem the Series 2019A Bonds, and any additional Bonds, pursuant to the Extraordinary Mandatory Redemption provision described below under the heading "THE SERIES 2019A BONDS – REDEMPTION – *Extraordinary Mandatory Redemption*." See also "POWER PURCHASE AGREEMENT – EVENTS OF DEFAULT AND REMEDIES" for a discussion of the events that may give rise to an Early Termination Date under the Power Purchase Agreement and the calculation of accounts payable by the parties to the Power Purchase Agreement. For certain reasons, including the possibility that the Outstanding Balance will amortize more quickly than the Bonds issued to finance or refinance the Individual Site Prepayment Amounts (as defined below), amounts available under the Indenture may not be sufficient to pay the Redemption Price of such Bonds, AMP has covenanted in the Indenture to pay the Shortfall Amount, if any, to the Trustee prior to the redemption date. See "POWER PURCHASE AGREEMENT – PREPAYMENT OF AMOUNTS DUE UNDER THE POWER PURCHASE AGREEMENT" for a discussion of how the Outstanding Balance is established and debited under the Power Purchase Agreement. The Shortfall Amount, if any, will be established in an Accountant's Certificate, accompanying any direction from AMP to the Trustee to redeem Bonds. The Shortfall Amount, if any, the Outstanding Balance and such other funds available under the Indenture will be deposited to the Redemption Fund created under the Indenture and used to pay the Redemption Price of the Bonds.

ADDITIONAL BONDS

Subject to the terms and conditions of the Indenture, AMP may issue additional Bonds from time to time for the purpose of financing or refinancing Individual Site Prepayment Amounts for Additional Systems and, on and after the System Acquisition Date, financing or refinancing amounts associated with the exercise of the Purchase Option and Capital Improvements for the Project. Prior to the issuance of additional Bonds, AMP must deposit amounts to the credit of the Parity Common Reserve Fund and Rate Stabilization Fund sufficient make the balances in such Funds, after taking into account the issuance of such additional Bonds, at least equal to the Parity Common Reserve Fund Requirement and Rate Stabilization Fund Requirement, respectively. The Indenture does not otherwise contain an additional bonds test or incurrence test that must be satisfied before the issuance of additional Bonds.

SUBORDINATE OBLIGATIONS

The Indenture permits for the incurrence of obligations that are expressly subordinate and junior in right of payment, or provision for payment, to the Bonds and Parity Swaps (such obligations, "*Subordinate Obligations*"). Certain development and interconnection costs incurred by AMP in connection with or pursuant to the Power Purchase Agreement and financed with a draw on the Line of Credit will not be refinanced with the proceeds of the Series 2019A Bonds. Such amounts, in an amount equal to approximately $2.1 million will remain on the Line of Credit and will constitute a Subordinate Obligation that will not be secured by the Revenues pledged under the Indenture.

PARITY SWAPS

AMP may, from time to time, enter into interest rate exchange or swap agreements and similar financial agreements the regularly scheduled payments of which may, at AMP's option, be payable on a parity basis with the payments to be made on the Bonds ("*Parity Swaps*"). In all events, termination

payments made under Parity Swaps will be payable on a basis subordinate and junior to the payments made on the Bonds. As the Series 2019A Bonds will be issued as fixed-rate obligations and AMP currently anticipates that any additional Bonds issued to finance the Individual Site Prepayment Amounts associated with the Additional Systems will be issued as fixed-rate obligations, AMP does not currently anticipate entering into any Parity Swaps.

THE POWER SALES CONTRACT

General. The Bonds, including Series 2019A Bonds, are payable primarily from the payments allocable to the Demand Charge owing to AMP by the 22 Participants that entered into the Power Sales Contract with AMP. The term of the Power Sales Contract expires no earlier than the later of (i) the date on which the Power Purchase Agreement expires or is terminated, including any extensions or renewals thereof, and (b) the date on which all Bonds have been deemed paid under the Indenture. If AMP exercises the Purchase Option, the term of the Power Sales Contract will expire no earlier than December 31, 2047 and, in any event, no earlier than the date on which the Participants have made payment sufficient to terminate, discontinue, dispose of and decommission the Project.

Under the Power Sales Contract, each Participant is entitled to receive its Project Share (the "*Project Share*") of, prior to the System Acquisition Date, the energy and other attributes delivered to AMP by the Seller pursuant to the Power Purchase Agreement, and, after the System Acquisition Date, the energy and other attributes delivered by AMP. 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 the Revenue Requirements, including the Demand Charge pledged to the payment of the Bonds. With one exception, 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 the City of Coldwater, Michigan (1.62% Project Share from the Initial Systems and 1.99% Project Share assuming Additional Systems bringing the net capacity of all Systems to 60.518 MW enter commercial operation), 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. See "THE PARTICIPANTS – PROJECT SHARES" herein for a description of how the Project Shares will change upon the issuance of additional Bonds to finance or refinance Initial Site Prepayment Amounts for Additional Systems.

Take-and-Pay Obligation. Each Participant's obligation to make payments pursuant to the Power Sales Contract is a "Take-and-Pay" obligation. If any energy is delivered to any delivery point under the Power Sales Contract in a calendar month, AMP will bill the Participants, and the Participants are obligated to pay, all of the Revenue Requirements for such month, including the Demand Charge. Therefore, the obligation of the Participants to make payments, including payments allocable to the Demand Charge, is conditioned upon the delivery of energy by AMP to the delivery points specified in the Power Sales Contract. The delivery points specified in the Power Sales Contract, however, are the same as the Delivery Points specified in the Power Purchase Agreement. Therefore, if the Seller performs its obligations under the Power Purchase Agreement, AMP's obligations are satisfied under the Power Sales Contract.

Step-Up Provision. 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 then-current Project Share. See "THE PARTICIPANTS – PROJECT SHARES" for a description of how the Project Shares will change upon the issuance of additional Bonds to finance or refinance Initial Site Prepayment Amounts for Additional Systems.

DEMEC as a Participant under the Power Sales Contract has a Step Up Power obligation in respect of a Defaulting Participant or Participants. In addition, the members of DEMEC that have agreed to participate in the Project (collectively, the "*DEMEC Participating Members*") have step up obligations (limited to 25% of such Members' respective shares of DEMEC's Project Share) in the event of default by one or more of the DEMEC Participating Members. The DEMEC Participating Members have no express contractual step up obligation for the default of a Participant under the Power Sales Contract. In the event that DEMEC were to have a Step Up Power obligation under the Power Sales Contract and the additional power and energy added to DEMEC's other power resources were in excess of the total requirements of the DEMEC Participating Members, DEMEC would expect to sell or terminate other power resources such that DEMEC's total power resources were aligned with the total requirements of its Participating Members. In the event that DEMEC incurs a loss from the sale of excess power resources, this expense will be passed on to the DEMEC Participating Members pursuant to the contracts between DEMEC and the DEMEC Participating Members.

Enforceability of the Power Sales Contract; Legislation. In December 2007, the Franklin County, Ohio, Court of Common Pleas issued an order validating a power sales contract relating to the Combined Hydroelectric Projects (as hereinafter defined). Specifically, the court held that step-up provisions in such power sales contract, which is comparable to the Step-Up Provision of 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 provision is a binding and enforceable obligation of the Ohio Participants. The Delaware, Michigan, Pennsylvania and Virginia Participants have specific legislative authority to enter into long-term power sales agreements, such as the Power Sales Contract, including the Step-Up provisions. See "APPROVAL OF LEGAL MATTERS – POWER SALES CONTRACT" herein for a description of the opinions of AMP's Delaware, Michigan, Ohio, Pennsylvania and Virginia State Counsel as to the validity and enforceability as to the Participants in such states of the Power Sales Contract, including the Step-Up provision.

Particular Covenants of the Participants Under the Power Sales Contract. Under the Power Sales Contract, each Participant has covenanted, among other things, to:

(a) establish and maintain rates and charges sufficient to pay all amounts due and owing AMP under the Power Sales Contract, including the Demand Charge;

(b) except upon the satisfaction of certain conditions set forth in the Power Sales Contract, including the approval of AMP, not sell, lease or otherwise dispose of its Electric System;

(c) take no action to prevent, hinder or delay AMP from the timely fulfilment of its obligations under the Power Sales Contract, any Related Agreement, any Bonds or the Indenture;

(d) operate the properties of its Electric System and the business in connection therewith in an efficient manner, maintain its Electric System in good repair, working order and condition and make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to its Electric System;

(e) not issue bonds, notes or other evidences of indebtedness or incur lease or contractual obligations that are payable from the revenues derived from the Electric System superior to the payment of operating and maintenance expenses of its Electric System; and

(f) obtain an independent engineer's estimation that bonds, notes or other evidences of indebtedness or incur lease or contractual obligations payable on a parity with operating and maintenance expenses of its Electric System will not result in total expenses of such Electric System in excess of the revenues of such Participant's Electric System prior to the issuance or incurrence of any such obligations.

Termination of Power Sales Contract in Respect of a Defaulting Participant. If any Participant fails to pay any amounts due under the Power Sales Contract or to perform any obligation thereunder which failure constitutes a default under the Power Sale 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 Power Sales Contract insofar as the same entitles the Participant to its Project Share and, during such default, the Participant is not entitled to any vote on the Participants Committee. The obligations of such Defaulting Participant under the Power Sales Contract does not relieve the Defaulting Participant of its obligations under the Power Sales Contract.

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.

POWER PURCHASE AGREEMENT

GENERAL

Pursuant to the Power Purchase Agreement, AMP has agreed to purchase all energy from the Systems delivered to the delivery point, which is, in the case of each System, the interconnection side of the meter of such System (the "*Delivery Point*" and, collectively, the "*Delivery Points*") during the Delivery Term. AMP has also agreed to purchase the capacity attributes ("*Capacity Attributes*") and fifty percent (50%) of the environmental attributes (the "*Environmental Attributes*") associated with the Systems during the Delivery Term.

THE SELLER

The Seller, DG AMP Solar, LLC, is a limited liability company organized under the laws of the State of Delaware. The Seller is obligated under the Power Purchase Agreement to design, engineer, install and construct each System and holds, and will hold, title to each System at all times. In addition, the Seller is required to operate, maintain and repair each System at its sole cost and expense and is obligated to maintain compliance with all applicable reliability standards applicable to the Systems.

The Seller is a subsidiary of NextEra Energy Resources LLC, but its obligations under the Power Purchase Agreement are not guaranteed by NextEra Energy Resources LLC, any affiliate or any parent entity thereof. Other than Seller's interest in the Project, the Seller does not have any assets.

PREPAYMENT OF AMOUNTS DUE UNDER THE POWER PURCHASE AGREEMENT

Under the Power Purchase Agreement, AMP has agreed, upon the commercial operation date of each System, to prepay an amount equal to the Individual Site Prepayment Amount calculated for such System. The calculation of each Individual Site Prepayment Amount is based upon the estimated energy

production of such System using a P90 confidence interval. The Individual Site Prepayment Amounts are aggregated into the Outstanding Balance. Functionally, the Outstanding Balance is increased each time AMP makes the payment of an Individual Site Prepayment Amount when an additional System enters commercial operation and declines each month as energy is delivered from the Systems. In each month, the Seller will reduce the Outstanding Balance by an amount equal to the sum of the (a) Metered Output of all Systems plus (b) lost output, times the Portfolio Prepayment Credit Rate.

During the Delivery Term, as long as the Outstanding Balance is greater than $0, AMP is not required to make payments to the Seller relating to the energy delivered under the Power Purchase Agreement. If, during the Delivery Term, the Outstanding Balance is $0, AMP will be obligated to pay the Seller an amount equal to the Metered Output of the Systems times a rate set forth in the Power Purchase Agreement.

At the end of the Delivery Term, if the Outstanding Balance is greater than $0, the Seller will pay AMP the Outstanding Balance unless AMP exercises the Purchase Option, in which case the Outstanding Balance will be subtracted from the Fair Market Value of the Systems. See "– PURCHASE OPTION" below.

PAYMENT OF OTHER AMOUNTS UNDER THE POWER PURCHASE AGREEMENT

During the Delivery Term, AMP will make monthly payments to the Seller associated with the Capacity Attributes and fifty percent (50%) of the Environmental Attributes (such payments, the "*Capacity and Attribute Payment*"). The amount of the payment is volumetric, or based upon a fixed amount multiplied by the number of MWhs of production. Amounts payable by the Participants under the Power Sales Contract allocable to the Capacity and Attribute Payment are not pledged under the Indenture prior to the System Acquisition Date.

SECURITY

The Seller has granted AMP a first priority security interest in, and lien on, and assignment of, all of the Systems (the "*AMP Lien*") to secure its obligations under the Power Purchase Agreement. The AMP Lien continues until such time as the Outstanding Balance is $0. Upon the occurrence and continuation of an event of default under the Power Purchase Agreement or an Early Termination Date (as defined below) resulting from such an event of default, AMP may exercise any remedies of a secured party with respect to the Systems and liquidate all or any portion of the Systems free from any claim or right of the Seller. See "– DEFAULTS AND REMEDIES" below. The exercise of such remedies may, however, be limited in the event that Seller has secured third-party investors, including equity investors. See "– PROJECT INVESTORS" below.

EVENTS OF DEFAULT AND REMEDIES

Events of default under the Power Purchase Agreement include the following:

1. Failure by a party to make a payment required under the Power Purchase Agreement and such failure is not remedied or disputed within ten (10) business days after notice thereof;

2. Any representation or warranty made by such party in the Power Purchase Agreement is false or misleading in any material respect when made or when deemed made or repeated, and such default is not remedied within thirty (30) days after notice thereof; provided, however, that if such false or misleading representation or warranty is not reasonably capable of being remedied within the thirty (30) day cure period, such party shall have

such additional time (not exceeding an additional ninety (90) days) as is reasonably necessary to remedy such false or misleading representation or warranty, so long as such party promptly commences and diligently pursues such remedy;

3. The failure by a party to perform any material covenant or obligation set forth in the Power Purchase Agreement (except to the extent constituting a separate Event of Default) and such failure is not remedied within thirty (30) days after notice thereof; provided, however, that if such failure is not reasonably capable of being remedied within the thirty (30) day cure period, such party shall have such additional time (not exceeding an additional ninety (90) days) as is reasonably necessary to remedy such failure, so long as such party promptly commences and diligently pursues such remedy;

4. A party becomes bankrupt;

5. A party assigns the Power Purchase Agreement or any of its rights thereunder other than in compliance with the terms thereof;

6. A party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such party under the Power Purchase Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other party; and

7. With respect to Seller as the defaulting party, if the aggregate Metered Output of the Systems during three (3) consecutive Measurement Periods is less than fifty percent (50%) of the Minimum Output Guarantee during each such Measurement Period (each such Measurement Period consisting of the previous three (3) contract years).

Upon the occurrence of and continuation of an event of default under the Power Purchase Agreement, the non-defaulting party has the right to send notice designating a day, no earlier than the date such notice is received and no later than twenty (20) days after such notice is deemed to be received, of a date terminating the Power Purchase Agreement prior to the end of the Delivery Term (such date, an "*Early Termination Date*"). In addition, the non-defaulting party may also accelerate all amounts due and owing between the parties through the end of the Delivery Term as of the Early Termination Date, withhold any payments due the defaulting Party under the Power Purchase Agreement and suspend performance. In addition, if AMP is the non-defaulting party, AMP can demand that Seller return the Outstanding Balance to AMP and pay a Termination Payment (as defined below). If the Seller is the non-defaulting party, it is entitled to an amount equal to the Early Termination Fee (as defined below) less the Outstanding Balance.

The "*Termination Payment*" is the aggregate of all Settlement Amounts (which is equal to Losses or Gains, and Costs that a party incurs as a result of an Early Termination Date), plus any and all amounts due AMP netted into a single amount. "*Losses*" means an amount equal to the present value of the economic loss to a party, if any, resulting from an Early Termination Date. "*Gains*" means an amount equal to the present value of the economic benefit to it, if any, resulting from an Early Termination Date. "*Costs*" means brokerage fees, commissions and similar third-party transaction costs and expenses reasonably incurred by a party in terminating any arrangement pursuant to which it has hedged its obligations or entering into new arrangements which replace the Power Purchase Agreement due to an Early Termination Date. AMP is responsible for calculating, in a commercially reasonable manner, a Settlement Amount as of the Early Termination Date, which Settlement Amount is subject to the review

and approval of the Seller. Seller has ten (10) business days to review and dispute the calculation, otherwise the Settlement Amount is deemed approved.

The "*Early Termination Fee*" is the sum of (i) amounts specified for the applicable year of commercial operation in the Power Purchase Agreement, (ii) the value, if any, of any tax benefits subject to loss or recapture prior to the end of the sixth year of commercial operation of the Systems, adjusted and paid on an after-tax basis, (iii) all costs, if any, associated with the termination of any other agreements associated with the Systems and (iv) the costs, if any, of dismantling, packing, removing and transporting the Systems and restoring the Sites to their original condition.

As discussed earlier, the Outstanding Balance will decline over time as the Seller delivers energy from the Systems. The Outstanding Balance paid by the Seller upon a declaration of an Early Termination Date shall, upon receipt by AMP, constitute Revenues under the Indenture and pledged to the payment of the Bonds, including the Series 2019A Bonds.

GUARANTEED MINIMUM PRODUCTION

Under the Power Purchase Agreement, the Seller has agreed to certain performance guarantees based on the P50 production estimate, or the estimated energy production of each System using a probability of exceedance of fifty percent ("*P50*"). The P50 production estimate for each System produces an amount of estimated annual output called the "*Estimated Annual Production*."

Commencing on the third (3rd) anniversary of the commercial operation date of the last System, and for each succeeding year, if the aggregated Metered Output of the Systems for the previous three years (each rolling three year period, a "*Measurement Period*") is less than eighty-five percent (85%) of the aggregate Estimated Annual Production of such Systems for such Measurement Period, the Seller is obligated to revise the Estimated Annual Production of each System, accounting for actual weather data (such revised Estimated Annual Production values, the "*Weather Adjusted Estimated Annual Production*"). The Seller has guaranteed that, in any Measurement Period, the Systems shall produce not less than eighty-five percent (85%) of the aggregate applicable Weather Adjusted Annual Production of the Systems (such aggregate amount, the "*Minimum Output Guarantee*"). The Minimum Output Guarantee is reduced, in all cases, due to the estimated generation lost owing to planned outages, shutdowns requested by AMP, safety shutdowns, lost output, events of force majeure not accounted for in the reports used to generate the Weather Adjusted Estimated Annual Production values, buildings and structures obstructing the Systems built after the commercial operation date and any breach of the Power Purchase Agreement by AMP that causes a loss of production. See "– DEFAULTS AND REMEDIES" below.

If the aggregate Metered Output for any Measurement Period (the "*Actual System Output*") does not equal or exceed the Minimum Output Guarantee for such Measurement Period, Seller shall credit AMP as follows: (i) if there is an Outstanding Balance, by increasing the Outstanding Balance by an amount equal to (a) the Portfolio Prepayment Credit Rate times (b) the difference between Actual System Output and the Minimum Output Guarantee for such Measurement Period (the "*Energy Shortfall Amount*"), or (ii) if the Outstanding Balance is $0, Seller shall provide AMP a credit in an amount equal to the lesser of (a) the positive difference, if any, between the average price per kilowatt hour ("*kWh*") for energy provided by the Participants during such Measurement Period less an amount equal to the sum of the Portfolio Prepayment Credit Rate plus the Capacity and Attribute Payment and (b) the amount specified in the Power Purchase Agreement multiplied by the Energy Shortfall Amount.

STEP-IN RIGHTS

In addition to the remedies detailed above, upon an event of default under the Power Purchase Agreement in which the Seller is the defaulting party, AMP has the right, but not the obligation, to exercise certain rights that would effectively replace the Seller as the operator of the Systems (such rights, the "*Step-In Rights*"). To implement such Step-In Rights, AMP must provide the Seller and any Project Investors (as defined below) ten (10) days' notice of its intent to exercise such rights. The Seller is obligated to cooperate in the implementation of the Step-In Rights by providing access to all material documents relating to the operation and maintenance of the Systems, giving AMP, its employees and authorized third parties access to the Sites and the Systems and, if requested by AMP, assignment of the leases covering the Sites. AMP is required to identify and engage a "*Qualified Operator*," an entity that is neither an affiliate nor a Member of AMP and that has at least three (3) years of successful operating experience with solar projects with an aggregate capacity of five (5) MW or higher, to operate the Systems.

During any period in which AMP has implemented its Step-In Rights, the Seller retains legal tittle to the Systems. In addition, AMP is required to relinquish its Step-In Rights upon the earliest to occur of (i) termination of the Power Purchase Agreement, (ii) such time as the Seller has cured all defaults under the Power Purchase Agreement, (iii) AMP's unilateral decision to relinquish possession of the Systems and (iv) upon the mutual agreement of the parties.

PURCHASE OPTION

Under the Power Purchase Agreement, AMP has the option to purchase one or more Systems, at a purchase price equal to the Fair Market Value (as defined below) of the System or Systems at the end of the Delivery Term. AMP can exercise this right upon delivery of notice (the "*Option Notice*") to the Seller delivered not less than one (1) year prior to the end of the Delivery Term. Under the Power Purchase Agreement, "*Fair Market Value*" means, at the time of the relevant determination, the price that would be paid in an arm's length, free market transaction, in cash, between an informed, willing seller and an informed, willing buyer (who is neither a lessee in possession nor a used equipment or scrap dealer), neither of whom is under compulsion to complete the transaction, and in the case of any System, taking into account, among other things, the age and performance of the System and advances in solar technology and the commercial benefits that Seller may be able to derive from the System; provided that installed equipment shall be valued on an installed basis and costs of removal from a current location shall not be a deduction from the valuation.

The sale of a System or Systems pursuant to the Purchase Option is subject to the satisfaction of customary closing conditions. The date on which AMP acquires one or more Systems pursuant to the Purchase Option is referred to herein as the "*Systems Acquisition Date*."

PROJECT INVESTORS

Certain of the rights of AMP described under the headings "EVENTS OF DEFAULT AND REMEDIES" and "STEP-IN RIGHTS" are nominally limited to the extent that a third party (each a "*Project Investor*") has provided financing to the Seller in connection with the development, construction, maintenance and operation of the Systems or is participating as an equity investor in the Systems. The Seller has the express right to mortgage, pledge, grant security interests, assign or otherwise encumber its interests in the Power Purchase Agreement to a Project Investor, subject to the AMP Lien. Project Investors are entitled to exercise certain rights, including rights and remedies of the Seller under the Agreement, the opportunity to cure defaults of the Seller and cure any rejection or other termination of the

Power Purchase Agreement pursuant to any process undertaken with respect to the Seller under the United States Bankruptcy Code.

Under the Power Purchase Agreement, AMP cannot exercise any right to terminate or suspend the Power Purchase Agreement unless it has given any Project Investor prior written notice of its intent to terminate or suspend the Power Purchase Agreement, specifying the condition giving rise to such right and that the Project Investor shall not have caused to be cured the condition giving rise to the right of termination or suspension within thirty (30) days after such notice or longer (if such cure period is longer). If the Seller default cannot reasonably be cured by the Project Investor within such period and the Project Investor commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period under the circumstances, such period not to exceed an additional one hundred and twenty (120) days. In addition, if the Project Investor or its assignee, pursuant to an exercise of remedies by the Project Investor, shall acquire title or control of the Seller's assets and shall cure all defaults under the Power Purchase Agreement existing as of the date of such change in title or control in the manner required by the Power Purchase Agreement and which are capable of cure by a third party or entity, then such person shall no longer be in default under this Agreement, and the Power Purchase Agreement shall continue in full force and effect.

During any period in which a Project Investor is exercising rights under Power Purchase Agreement, the Project Investor is required to continue to perform the obligations of the Seller under the Power Purchase Agreement, though AMP's ability to exercise the Step-In Rights may be subordinate to the remedies available to a Project Investor. In addition, the Project Investor is required to give AMP notice of the transfer or assignment of the Power Purchase Agreement, including a transfer or assignment occasioned by the sale of the Systems by a Project Investor.

At this time, the Seller has represented to AMP that no Project Investor is involved in the Systems, provided the Seller retains the right to bring a Project Investor into the transactions envisioned by the Power Purchase Agreement at any time.

INVESTMENT CONSIDERATIONS

The purchase of the Series 2019A Bonds involves certain investment considerations discussed throughout this Official Statement. Prospective purchasers of the Series 2019A Bonds should make a decision to purchase the Series 2019A Bonds only after reviewing the entire Official Statement and making an independent evaluation of the information contained herein. Certain of those investment considerations are summarized below. This summary does not purport to be complete, and the order in which the following investment considerations are presented is not intended to reflect their relative significance.

SPECIAL AND LIMITED OBLIGATIONS

Only AMP is obligated to pay the scheduled debt service on the Bonds. The Series 2019A Bonds are special and limited obligations of AMP and are payable solely from and secured solely by the Revenues pledged pursuant to the Indenture. AMP has not pledged and is not obligated to make payment on the Series 2019A Bonds from any other revenues or assets of AMP. The Series 2019A Bonds are not general obligations of AMP, and AMP has no taxing power.

None of the Participants (or any other Member of AMP) is obligated to make payments in respect of the debt service on the Series 2019A Bonds. The Participants are obligated only to purchase and pay for energy made available by AMP under the Power Sales Contract. The Seller is not obligated to make

payments of debt service on the Series 2019A Bonds, and has not guaranteed payment of the Series 2019A Bonds.

TAKE-AND-PAY CONTRACT

The Power Sales Contract is a "take-and-pay" contract, which means that the Participants are only obligated to make payments, including the Demand Charge, under Power Sales Contract if, and to the extent, that any energy is delivered to any of the respective delivery points in any month. It is possible that an extreme weather event could occur that would completely eliminate solar radiation used by the Systems to generate energy for at least one calendar month or there could be technical problems at each System simultaneously that would prevent any energy from being delivered to the respective delivery points. In such event, there may be insufficient Revenues to pay timely debt service on the Bonds, including the Series 2019A Bonds.

OWNERSHIP OF THE SYSTEMS

The proceeds of the Series 2019A Bonds will be used to refinance the Prepayment for a specified supply of electricity from the Initial Systems. Neither AMP nor any of the Participants have an ownership interest in any of the Initial Systems. The Seller has title to the Initial Systems and NextEra Energy Capital Holdings, Inc. ("*Seller Parent*") is the owner of the Initial Systems for U.S. federal income tax purposes and has received the opinion of McDermott Will & Emery LLP to that effect (the "*McDermott Opinion*"), a copy of which is included as Appendix D-3 to this Official Statement. For purposes of rendering its opinion that the interest on the Series 2019A Bonds is excludable from gross income for federal income tax purposes, Federal Tax Counsel is assuming the correctness of the McDermott Opinion. As the exclusion from gross income of interest for federal income tax purposes is based upon the determination that the Seller Parent is the owner of the Initial Systems for U.S. federal income tax purposes, if the IRS challenges such determination, it may result in the IRS challenging the exclusion from gross income of interest on the Series 2019A Bonds. See "TAX MATTERS – GENERAL" herein.

EARLY TERMINATION DATE

As described above under the heading "POWER PURCHASE AGREEMENT – EVENTS OF DEFAULT AND REMEDIES," the Power Purchase Agreement may be terminated upon an event of default by the non-defaulting party prior to the end of the Delivery Term. If AMP is the non-defaulting party and it chooses to exercise the Extraordinary Mandatory Redemption provision described below under the heading "THE SERIES 2019A BONDS – REDEMPTION – *Extraordinary Mandatory Redemption*," AMP may be required to pay a Shortfall Amount required to pay the Redemption Price of the Series 2019A Bonds. Depending upon market conditions around the time of the Early Termination Date, the payment of such Shortfall Amount may be delayed. See "SOURCES OF PAYMENT AND SECURITY FOR THE SERIES 2019A BONDS – SHORTFALL AMOUNT" above for the sources of funds AMP anticipates using, upon a declaration of an Early Termination Date, to pay the Redemption Price of the Series 2019A Bonds.

In addition, the obligations of the Seller are not guaranteed by any party other than the Seller. AMP anticipates that it will require the payment of the Outstanding Balance by the Seller on the Early Termination Date to pay the Redemption Price of the Series 2019A Bonds.

PERFORMANCE BY OTHERS

The ability of AMP to pay timely the scheduled debt service on the Series 2019A Bonds depends on the timely performance and/or payment by the Seller and the Participants of their respective

contractual obligations. The failure by any one or more of such parties to timely meet such obligations could materially and adversely affect the ability of AMP to pay timely the scheduled debt service on the Series 2019A Bonds and to meet its other obligations under the Indenture, the Power Purchase Agreement and the Power Sales Contract. The failure of third parties to meet their obligations to AMP, including the failure by the Seller to pay AMP the Outstanding Amount and any termination payment due after the declaration of an Early Termination Date, could result in insufficient Revenues being available for the payment of debt service on the Series 2019A Bonds.

ENFORCEABILITY OF CONTRACTS

The enforceability of the various legal agreements relating to the Prepayment 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 Purchase Agreement is an executory contract. If AMP or the Seller is involved in a bankruptcy proceeding, the Power Purchase Agreement could be discharged in return for a claim for damages against the party's estate with uncertain value. In such an event, the Revenues could be materially and adversely affected. For additional information regarding the enforceability of the Power Purchase Agreement and Power Sales Contract against AMP, see the discussion under the heading "CERTAIN FACTORS AFFECTING AMP, THE PARTICIPANTS AND THE ELECTRIC UTILITY INDUSTRY – ENFORCEABILITY OF CONTRACTS AND BANKRUPTCY."

LIMITATIONS OF STEP-UP PROVISION PRIOR TO ISSUANCE OF ADDITIONAL BONDS TO FINANCE INDIVIDUAL SITE PREPAYMENT AMOUNTS FOR ADDITIONAL SYSTEMS

As discussed above under the heading "POWER SALES CONTRACT – *Step-Up Provision*," the Power Sales Contract contains a provision requiring Participants to take energy made available under the Power Purchase Agreement, or, upon the exercise of the Purchase Option, made available from the Project, of up to twenty-five percent (25%) of such Participant's original Project Share, in the event of default by a Defaulting Participant. As discussed below under the heading "THE PARTICIPANTS – PROJECT SHARES – *Initial Project Shares*" and reflected in APPENDIX A-1 – "Participants and Project Shares from Initial Systems," on the date of issuance of the Series 2019A Bonds, Bowling Green, Ohio ("*Bowling Green*") will have a Project Share of 37.31%. In the case of default by Bowling Green prior to the issuance of additional Bonds to finance Individual Site Prepayment Amounts for Additional Systems in the amount required to dilute Bowling Green's Project Share to less than twenty-five percent (25%), the implementation of the Step Up provision will be insufficient to remedy any default by Bowling Green.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Series 2019A Bonds. Principal of and interest on the Series 2019A Bonds are shown in the table below in the year in which the same comes due. Numbers may not add to totals due to rounding.

Year Ending December 31,	Principal	Interest	Total Debt Service
2019	-	$1,494,864.58	$1,494,864.58
2020	$1,255,000.00	2,728,375.00	3,983,375.00
2021	1,420,000.00	2,661,500.00	4,081,500.00
2022	1,480,000.00	2,589,000.00	4,069,000.00
2023	1,540,000.00	2,513,500.00	4,053,500.00
2024	1,605,000.00	2,434,875.00	4,039,875.00
2025	1,670,000.00	2,353,000.00	4,023,000.00
2026	1,740,000.00	2,267,750.00	4,007,750.00
2027	1,815,000.00	2,178,875.00	3,993,875.00
2028	1,890,000.00	2,086,250.00	3,976,250.00
2029	1,970,000.00	1,989,750.00	3,959,750.00
2030	2,055,000.00	1,889,125.00	3,944,125.00
2031	2,145,000.00	1,784,125.00	3,929,125.00
2032	2,240,000.00	1,674,500.00	3,914,500.00
2033	2,340,000.00	1,560,000.00	3,900,000.00
2034	2,445,000.00	1,440,375.00	3,885,375.00
2035	2,550,000.00	1,315,500.00	3,865,500.00
2036	2,665,000.00	1,185,125.00	3,850,125.00
2037	2,790,000.00	1,048,750.00	3,838,750.00
2038	2,915,000.00	906,125.00	3,821,125.00
2039	3,045,000.00	757,125.00	3,802,125.00
2040	3,185,000.00	601,375.00	3,786,375.00
2041	3,335,000.00	438,375.00	3,773,375.00
2042	3,490,000.00	267,750.00	3,757,750.00
2043	2,070,000.00	128,750.00	2,198,750.00
2044	1,540,000.00	38,500.00	1,578,500.00
Total	$55,195,000.00	$40,333,239.58	$95,528,239.58

THE SERIES 2019A BONDS

GENERAL

The Series 2019A Bonds will be issued in the aggregate principal amount indicated on the inside cover page of this Official Statement, will be dated the date of delivery of the Series 2019A Bonds, will bear interest at the rates per annum set forth on the inside cover page of this Official Statement and will mature on February 15 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. The Series 2019A Bonds will be issued as fully registered bonds in denominations of $5,000 and any integral multiple thereof. Interest on the Series 2019A Bonds will be payable semiannually on February 15 and August 15 of each year, commencing August 15, 2019, and will be calculated on the basis of a 360-day year comprised of twelve 30 day months. The record date for the Series 2019A Bonds will be February 1 for payments due on February 15 and August 1 for payments due on August 15.

The Series 2019A Bonds when initially issued will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). So long as DTC, or its nominee Cede & Co., is the registered owner of all the Series 2019A Bonds, all payments of principal of and premium, if any, and interest on such Series 2019A Bonds will be made directly to DTC. Disbursement of such payments to the DTC participants will be the responsibility of DTC. Disbursement of such payments to the Beneficial Owners (as defined below) of the Series 2019A Bonds will be the responsibility of such DTC participants as more fully described herein. See "Book-Entry Only System."

REDEMPTION PROVISIONS

Optional Redemption. The Series 2019A Bonds maturing on and before February 15, 2029 are not subject to redemption prior to maturity. The Series 2019A Bonds maturing on and after February 15, 2030 are subject to redemption prior to maturity, at the option of AMP, from any source of available funds, in whole or in part (and, if in part, in such order of maturity as AMP shall direct), at any time on or after February 15, 2029, at a Redemption Price equal to the principal amount of the Series 2019A Bonds or portions thereof to be redeemed, without premium, together with accrued interest to the redemption date.

Mandatory Sinking Fund Redemption. The Series 2019A Bonds due on February 15, 2044 are term bonds subject to mandatory sinking fund redemption on February 15 in the years and in the principal amounts set forth below at a Redemption Price equal to par, together with interest accrued to the date of redemption:

Year	Principal Amount
2040	$3,185,000
2041	3,335,000
2042	3,490,000
2043	2,070,000
2044*	1,540,000

* Final Maturity

Extraordinary Mandatory Redemption. The Series 2019A Bonds are subject to extraordinary mandatory redemption prior to maturity in whole, and not in part, at a Redemption Price equal to the Amortized Value thereof, plus accrued interest, if any, to the redemption date, on the first day of the first

full calendar month after an Early Termination Date under the Power Purchase Agreement. The Amortized Values for each Series 2019A Bond as of each February 15 and August 15 are set forth in APPENDIX G hereto. AMP shall provide the Trustee with notice of the Early Termination Date not more than five days after such date is determined, together with the Outstanding Balance payable by the Seller and the Shortfall Amount, if any, together with the Accountant's Certificate.

Selection of Series 2019A Bonds to be Redeemed. Whenever by the terms of the Indenture, Series 2019A Bonds are to be redeemed at the direction of AMP, except in the case of an Extraordinary Mandatory Redemption, AMP shall select the maturity or maturities of Series 2019A Bonds to be redeemed. If less than all of the Series 2019A Bonds of a maturity are called for prior redemption, the particular Series 2019A Bonds or portions of Series 2019A Bonds to be redeemed shall be selected by the Trustee in such manner as the Trustee in its discretion may deem appropriate; provided, however, that the portion of any Series 2019A Bond of a denomination of more than $5,000 to be redeemed shall be in the principal amount of $5,000 or a multiple thereof, and in selecting portions of such Series 2019A Bonds for redemption, the Trustee shall treat each such Series 2019A Bond as representing that number of Series 2019A Bonds of $5,000 denomination that is obtained by dividing the principal amount of such Series 2019A Bond to be redeemed in part by $5,000.

Notice of Redemption. The Indenture requires the Trustee to give notice of any redemption of the Series 2019A Bonds by mail not less than 30 nor more than 60 days prior to the redemption date. If by the date of mailing of notice of any optional redemption AMP has not deposited with the Trustee moneys sufficient to redeem all the Series 2019A Bonds called for redemption, such notice will state that it is subject to the availability of funds for such purpose and will be of no effect unless funds sufficient for such purpose are available on the applicable redemption date. Failure by any one or more of the respective owners of the Series 2019A Bonds designated for redemption to receive such notice of redemption or any defect in any such notice shall not affect the validity of the proceedings for the redemption of the Series 2019A Bonds.

Effect of Redemption. Notice having been given in the manner provided in the Indenture, and moneys sufficient therefor having been deposited by AMP with the Trustee, the Series 2019A Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the redemption price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice, such Series 2019A Bonds, or portions thereof, shall be paid at the redemption price, plus interest accrued and unpaid to the redemption date. If, on the redemption date, moneys for the redemption of all the Series 2019A Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Series 2019A Bonds or portions thereof so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Series 2019A Bonds or portions thereof shall continue to bear interest.

THE SYSTEMS

GENERAL

The Systems each consist of solar photovoltaic generating facilities utilizing polycrystalline photovoltaic modules and central inverters. The modules are mounted on either a fixed tilt or tracker racking system. Each System is interconnected to the electric distribution system of a Host Participant and is located at a Site located on land within or near the geographic footprint of such Host Participant. The Sites are owned by, or subject to a leasehold interest in favor of, by the Seller. See "LEASES" below. As discussed above under the heading "POWER PURCHASE AGREEMENT," the Seller holds legal title to the Systems and is required to operate and maintain the Systems at all times during the Delivery Term. Neither AMP nor the Participants have an ownership interest in any of the Initial Systems.

THE INITIAL SYSTEMS

The Initial Systems consist of thirteen (13) Systems with a rated capacity of approximately 36.825 MW located in the States of Delaware, Michigan, Ohio and Virginia. The Initial Systems have a rated capacity ranging from 0.25 MW to 20 MW. The first of the Initial Systems, located in the Host Participant of Bowling Green, Ohio, entered commercial operation in January 2017. A list of the Initial Systems and the performance of such Initial Systems relative to P90 are set forth below in the following tables:

The Initial Systems

Site	Rated Capacity (in MW)	Commercial Operation Date
Bowling Green, Ohio	20.0	January 24, 2017
Marshallville, Ohio	0.7	February 28, 2017
Prospect, Ohio	0.25	February 28, 2017
Front Royal, Virginia	2.5	May 9, 2017
Orrville, Ohio #2	0.95	January 26, 2018
Versailles, Ohio	1.75	January 29, 2018
Haskins, Ohio	0.7	January 29, 2018
Coldwater, Michigan	1.305	February 1, 2018
Jackson Center, Ohio	1.62	February 8, 2018
Orrville, Ohio #3	2.25	March 3, 2018
Smyrna, Delaware	1.17	July 5, 2018
Piqua, Ohio	1.755	September 1, 2018
Brewster, Ohio	1.875	January 7, 2019
Total	36.825	

Performance of Initial Systems (Calendar Year 2017)

Site	Actual Production (in MWh)	P90 Projection (in MWh)	Variance (%)	Capacity Factor	Availability Factor
Bowling Green	37,678	37,729	(0.1)	28%	100%
Marshallville	938	896	4.7	24	100
Prospect	333	343	(2.7)	25	100
Front Royal	2,660	2,490	6.8	25	100
Total/Average	41,609	41,457	0.4	25	100

Includes data commencing with each System's first full month of operation

Performance of Initial Systems (Calendar Year 2018)

Site	Actual Production (in MWh)	P90 Projection (in MWh)	Variance (%)	Capacity Factor	Availability Factor
Bowling Green	33,172	33,254	0.0	25%	95%
Marshallville	898	910	(1.0)	19	100
Prospect	335	344	(3.0)	20	100
Front Royal	3,422	3,387	1.0	21	100
Orrville #2	1,060	1,076	(2.0)	19	100
Versailles	2,211	2,019	10.0	22	100
Haskins	866	849	2.0	21	100
Coldwater	1,523	1,567	(3.0)	20	91
Jackson Center	2,022	1,951	4.0	23	100
Orrville #3	2,109	2,123	(1.0)	21	100
Smyrna	337	340	(1.0)	20	100
Piqua	218	272	(20.0)	23	100
Total/Average	48,173	48,092	0.2	21	99

Includes data commencing with each System's first full month of operation for Systems entering commercial operation in 2018 and is through September 2018.

LEASES

Seller or the Host Members own, or lease from third-parties under long-term leases, the Sites on which the Seller installs, maintains and operates the Systems. With one exception, each lease has a term of thirty-five (35) years, which extends beyond the Delivery Term. One lease, for the Front Royal Site identified above, is limited by a state law provision relating to the lease of public land, has a five-year (5) initial term, with six (6) five-year (5) renewal terms with incentives that would make the failure to exercise such renewals non-economic from the standpoint of the lessor. The Seller has leased or licensed from the Host Members the respective Sites which the Seller does not own.

ADDITIONAL SYSTEMS

AMP and the Seller anticipate the development of Additional Systems with an aggregate net rated capacity of approximately 23 MW, bringing the total net rated capacity of all Systems, including the Initial Systems and Additional Systems, to approximately 60 MW. Several potential sites for the Additional Systems are in various stages of development and AMP and the Seller expect that Additional

Systems will enter commercial operation in calendar year 2019. AMP expects that it will issue additional Bonds to finance the Individual Site Prepayment Amounts associated with such Additional Systems in the fourth quarter of 2019.

Under the Power Sales Contract, the Participants have subscribed for Project Shares of approximate 60 MW in the aggregate, subject to the application of the Step-Up Provision in the event of any default by a Participant. As described below under the heading "THE PARTICIPANTS," after the issuance of additional Bonds to finance or refinance the Individual Site Prepayment Amounts for the Additional Systems, the Project Shares will be adjusted.

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 December 1, 2018, AMP had 135 Members – 84 municipalities in Ohio, 29 boroughs in Pennsylvania, six municipalities in Michigan, five municipalities in Virginia, six 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. 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 1, 2, 4, 5 and 6 (See "AMERICAN MUNICIPAL POWER, INC. – Other Projects – JVs 1, 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 2017, 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 $1.016 billion, at an average rate of $70.63/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.

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 Interconnection ("*PJM*") and executed the PJM Consolidated Transmission Owners Agreement in October 2018.

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. TEA recently expanded its transmission planning and modeling services offered to its members and other public power partners.

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 entities. 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, recently formed Hometown Connections, Inc. ("*HCI*") which 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 recently entered into a Master Agreement for EPC Distributive Generation BTM Peaking Projects with PowerSecure, Inc., a subsidiary of Southern Company, for the engineering, procurement and construction of behind the meter diesel reciprocating internal combustion engines. AMP and PowerSecure expect to enter into an engineering, procurement and construction agreement for each installation located behind an AMP Member's meter, and it is further envisioned that PowerSecure will provide monitoring, operation and maintenance services for each installation. Subscription by AMP Members is currently underway. The first units are expected to begin commercial operation in Summer 2019.

Renewable Energy. 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. See "–OTHER PROJECTS – *JV 1, 2, 4, 5 and 6; Combustion Turbine Project*" "– OTHER PROJECTS – Combined Hydroelectric Projects", "– OTHER PROJECTS – Meldahl Hydroelectric Project" and "– OTHER PROJECTS – Greenup Hydroelectric Project" herein. AMP is also evaluating other hydroelectric generating facilities, including the R.C. Byrd hydroelectric project (the "*R.C. Byrd Project*"), which would be a run-of-the-river hydroelectric facility located at the R.C. Byrd Locks and Dam on the Ohio River. The City of Wadsworth, Ohio, an AMP Member, has received a license from FERC for the R.C. Byrd Project.

In addition, AMP entered into a power purchase agreement for 52 MW of wind generation and has developed a 3.5 MW solar facility in the City of Napoleon, Ohio. See "– OTHER PROJECTS – Napoleon Solar Project" herein.

Energy Efficiency. 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 2020. The program currently has 25 participating Members and has achieved 214,814 MWh of energy savings since its inception.

Carbon Management. AMP has taken action to report and reduce CO2 and other greenhouse gas ("*GHG*") emissions, while also investing in CO2 offset projects. Through 2016, AMP included an annual fee assessment on all AMP-owned fossil fuel generation to fund various CO2 offset projects, primarily focused on forestry and landfill gas projects that capture or reduce CO2 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. In 2014, after conducting a request for proposals, AMP contracted to purchase over 250,000 tons of verified carbon offsets, investing in forestry and landfill gas projects across Member states, including Virginia, Michigan, Pennsylvania and Kentucky, all of which have been certified by the Climate Action Reserve and the Verified Carbon Standard. As of the date hereof, AMP is maintaining the organization's existing investments while evaluating the future of carbon offset markets, including participating in the Advanced Energy Economy Utility Advisory Council.

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 development, 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.

Marc Gerken, P.E., has served as President and Chief Executive Officer since February 2000. Previously, Mr. Gerken served as Vice President of Business and Operations at AMP from January 16, 1998. He is a 1977 graduate of the University of Dayton, beginning his public service career in 1990 with the City of Napoleon, serving as city engineer. In 1995, he was named city manager of Napoleon and served in that capacity until his employment by AMP. Mr. Gerken is a past Chairman of the America Public Power Association ("*APPA*") and a past President of the Board of Directors of the National Hydropower Association. Mr. Gerken also serves on the Board of Directors of TEA. He holds a B.S. in

Civil Engineering from the University of Dayton and is a registered professional engineer in the States of Ohio and Florida.

Jolene Thompson serves as Executive Vice President, Member Services and External Affairs. Ms. Thompson has been part of the AMP member relations area since 1990, also serving as Executive Director of OMEA since 1997. She is a registered lobbyist in Ohio and Washington, D.C. She oversees 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 currently serves as vice 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 Executive Vice President, Power Supply & Generation. Ms. Sullivan provides 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. 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. 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. 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 more than 20 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.

Branndon Kelley serves as Chief Information Officer. Mr. Kelley has been with AMP since 2009 and has more than 19 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.

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, including the Project, and to pay its obligations to TEA, TEA Solutions, AMPT and HCI, including capital contributions and guarantees. As of December 1, 2018, approximately $257.9 million had been drawn or reserved on the Line of Credit, approximately $236.0 million of which is supported by Member commitments, such as the draws on the Line of Credit used to finance payments made in accordance with the Power Purchase Agreement and those 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 "–OTHER PROJECTS – *JV 1, 2, 4, 5 and 6; Combustion Turbine Project*", "– *AMPGS*", "– *Combined Hydroelectric Projects"*, "– *Meldahl Hydroelectric Project*", "– *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 $84 million, including $50 million to support business growth and trading relating to TEA's California Community Aggregation ("*CAA*") 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 CAA, are included in the amounts detailed in the preceding paragraph.

FINANCIAL STATEMENTS

AMP prepares its financial statements on a consolidated basis. AMP's audited financial statements for the fiscal year ended December 31, 2017 may be found on AMP's website at the following link: http://www.amppartners.org/docs/default-source/investors/financial-reports/2017/2017_amp_consolidated_fs.pdf?sfvrsn=2. Such financial statements are incorporated by specific reference in this

Official Statement. ***None of the other information available at AMP's website is included by specific reference in this Official Statement.***

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 1, 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 JV1* (21 Members): OMEGA JV1 owned 9 MW of distributive generation, located in Cuyahoga Falls, Ohio (the largest participant), consisting of six 1.5 MW Caterpillar diesel units. This project was installed by AMP and later sold to OMEGA JV1 at AMP's net cost. The assets of OMEGA JV1 have been sold following the approval of such sale by the Members participating in OMEGA JV1 and the proceeds have been distributed to the OMEGA JV1 members. OMEGA JV1 will be dissolved in January 2019.

- *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 December 1, 2018, $3,771,173 principal amount of JV2 Obligations was outstanding and held on the Line of Credit.

- *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, an associated transmission line in Ohio and backup diesel generation 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 December 1, 2018, $34,193,507 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 bear interest at a variable rate, mature on February 1, 2024 and are subject to redemption and mandatory tender at the option of the holder commencing February 15, 2021. As of December 1, 2018, $29,025,000 aggregate principal amount of the 2016 BICs was outstanding. The 2001 BICs and 2016 BICs are non-recourse to AMP.

- *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. On December 13, 2006, AMP refinanced its obligations on the Line of Credit attributable to the purchase with the issuance of its $13,120,000 Multi-Mode Variable Rate Combustion Turbine Project Revenue Bonds, Series 2006 (the "*CT Bonds*"). On December 1, 2013, the outstanding CT Bonds were redeemed with the proceeds of a draw on the Line of Credit. Amounts drawn on the Line of Credit have since been repaid.

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 December 1, 2018, $20,387,830 on AMP's Line of Credit was allocable to the stranded costs recoverable from the AMPGS Participants and $36,094,288 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. On January 14, 2015 and November 30, 2017, 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. As of December 1, 2018, AMP had $1,537,430,000 aggregate principal amount of Prairie State Bonds outstanding. In February 2019, AMP anticipates that it will remarket or refund approximately $167 million of the Prairie State Refunding Bonds that are subject to optional redemption or mandatory tender for purchase on February 15, 2019.

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 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 87 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 December 1, 2018, $499,105,000 aggregate principal amount of AFEC Bonds was outstanding.

Combined Hydroelectric Projects (79 Members). AMP owns and operates three hydroelectric projects, the Cannelton, the Smithland and the Willow Island hydroelectric generating facilities (the "*Combined Hydroelectric Projects*"), all on the Ohio River, with an aggregate generating capacity of approximately 208 MW. Each of the Combined Hydroelectric Projects is in commercial operation and consists of run-of-the-river hydroelectric generating facilities on existing Army Corps dams and includes associated transmission facilities. AMP holds the licenses from FERC for the Combined Hydroelectric Projects.

To provide financing for, or refinance certain obligations incurred in respect of, the Combined Hydroelectric Projects, AMP has issued eight series of its Combined Hydroelectric Projects Revenue Bonds (the "*Combined Hydroelectric Bonds*"), in an original aggregate principal amount of

$2,354,485,000 and consisting of taxable, tax-exempt and tax advantaged obligations (Build America Bonds, Clean Renewable Energy Bonds and New Clean Renewable Energy Bonds). The Combined Hydroelectric Bonds are secured by a master trust indenture and payable from amounts received by AMP under a take-or-pay power sales contract with 79 of its Members. As of December 1, 2018, $2,224,305,294 aggregate principal amount of the Combined Hydroelectric Bonds and approximately $31.9 million aggregate principal amount of subordinate obligations, consisting of notes evidencing draws on the Line of Credit, were outstanding under the indenture securing the Combined Hydroelectric Bonds

In August 2017, AMP filed a lawsuit against Voith Hydro, Inc. ("*Voith*"), the supplier of major powerhouse equipment, including the turbines and generators for the Combined Hydroelectric Projects and the Meldahl Project (as hereinafter defined). See "LITIGATION – RELATING TO THE COMBINED HYDROELECTRIC PROJECTS AND MELDAHL PROJECT" herein.

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 December 1, 2018, $685,215,000 aggregate principal amount of the Meldahl Bonds and approximately $2.4 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 "*2016 Greenup Bonds*") and, with a portion of the proceeds thereof, acquired the AMP Interest. The 2016 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 December 1, 2018, $125,300,000 aggregate principal amount of the 2016 Greenup Bonds were outstanding under the indenture securing the 2016 Greenup Bonds.

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 December 1, 2018, $6,450,577 on AMP's Line of Credit was allocable to the financing or refinancing of costs related to the Napoleon Solar Project.

THE PARTICIPANTS

GENERAL

Each of the Participants is a Member of AMP. The Electric Systems owned by the Participants provide, among other things, electric utility service primarily to retail consumers located in their respective service areas. Each Participant (or in the case of DEMEC, each DEMEC member) is the only authorized supplier of electricity in the corporate limits of the municipality.

PROJECT SHARES

General. Of the 22 Participants, three of the Participants have an aggregate of 59.72% of all of the Participants' Project Shares from the Initial Systems (see "*Initial Project Shares*" below) and 50.33% of all of the Participants' Project Shares from all of the Systems, assuming that aggregate net rated capacity of all Systems, including the Initial Systems and Additional Systems is approximately 60 MW (see "*Final Project Shares*" below). These Participants are Bowling Green, Ohio ("*Bowling Green*"), Wadsworth, Ohio and Piqua, Ohio (collectively, the "*Large Participants*"). The Participants, together with their respective initial Project Shares and final Project Shares, are listed in APPENDIX A-1 and APPENDIX A-2, respectively, hereto, and certain financial and other information about the Large Participants is included in APPENDIX B hereto.

Initial Project Shares. The initial Project Shares from the Initial Systems are set forth in APPENDIX A-1. Bowling Green has a Project Share based upon a fixed amount of capacity (13.74 MW) divided by the aggregate capacity of all Systems (based on the Initial Systems, 36.825 MW). Consequently, the Project Shares will change in connection with the issuance of additional Bonds to finance the Individual Site Prepayment Amounts associated with Additional Systems. Notwithstanding the structure of Bowling Green's subscription, it does not, however, have rights to the first output of the Systems.

Final Project Shares. As noted above, AMP and the Seller anticipate that the net rated capacity of all Systems, including the Initial Systems and Additional Systems, will be approximately 60 MW. APPENDIX A-2 reflects the final Project Shares upon the issuance of additional Bonds to finance the Individual Site Prepayment Amounts associated with Additional Systems that would bring the aggregate net capacity of all Systems to 60.518 MW.

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 Power Sales Contract Resource Shares ("*PSCR Shares*") 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 and, if there were no paired buyers and sellers, solicited outside interest in the project shares which Members were seeking to sell. The realignment process detailed in this paragraph is undertaken periodically and one such cycle was is currently underway. In future iterations of the realignment process, it is possible that a Participant may wish to transfer its Project Share in the Project.

To date, however, only three 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*") 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 to DEMEC. AMP anticipates that Hamilton, Ohio will transfer an approximately 0.02% project share in the AMP Entitlement to Holiday City, Ohio in the first quarter of 2019. 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 Project, 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.

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.

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.

ENFORCEABILITY OF CONTRACTS AND BANKRUPTCY

The enforceability of the various legal agreements relating to the Project, including the Power Purchase Agreement and the Power Sales Contract, and the Series 2019A 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 Purchase Agreement, the Power Sales Contract and other agreements relating to the Project 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 Revenues 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.

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.

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.

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.

Pennsylvania. Pennsylvania law authorizes certain municipalities, including boroughs, to file municipal debt adjustment actions pursuant to the Bankruptcy Code upon the occurrence and continuation of certain conditions. These conditions are contained in Pennsylvania's Financially Distressed Municipalities Act, Act 47 of 1987, as amended ("*Act 47*"). Act 47 empowers the Secretary of the Pennsylvania Department of Community and Economic Development ("*DCED*") to declare certain municipalities as financially distressed in order to assist those municipalities with short and long-term financial difficulties. Generally, Act 47 provides for the appointment of a recovery plan coordinator that prepares and administers a recovery plan to address the financial problems of the municipality.

Once the recovery plan is prepared, Act 47 requires adoption or rejection of the plan by the governing body of the municipality. If the coordinator's plan is rejected, an alternate plan must be developed by the municipality. If neither the coordinator's plan or the municipality's plan is adopted, or a municipality has failed to implement an adopted plan, Act 47 provides that the municipality shall not receive any grants, loans, entitlements or payments from the Commonwealth of Pennsylvania or its agencies (subject to certain exceptions), with the withheld funds to be held in escrow by the Commonwealth.

The Governor may declare that a "fiscal emergency" exists within a municipality if the municipality (a) is insolvent or is projected to be insolvent within 180 days or less and is unable to ensure the continued provision of vital and necessary services, or (b) has failed to adopt or implement the coordinator's plan or the municipality's alternate plan. The Governor then may exercise extraordinary powers over the officials of the municipality. The Governor may also request the Pennsylvania Commonwealth Court to appoint a receiver named by the DCED Secretary. The receiver also may exercise extraordinary powers over the officials of the municipality, and the receiver will develop a recovery plan subject to the approval of the Commonwealth Court.

Act 47 provides that, prior to the declaration of a "fiscal emergency" by the Governor, a municipality, including a borough, is authorized to apply to DCED to file an adjustment action under the Bankruptcy Code, by the vote of a majority of the municipality's governing body, regardless of whether the municipality has been declared "distressed" under Act 47, in the event one of the following conditions is present:

- imminent jeopardy of an action by a creditor, claimant or supplier which is likely to substantially interrupt or restrict the continued ability of the municipality to provide health or safety services to its citizens;

- one or more creditors have rejected the proposed or adopted plan, and efforts to negotiate resolution of their claims have been unsuccessful for a ten-day period; or

- a condition substantially affecting the municipality's financial distress is potentially solvable only by utilizing a remedy exclusively available to the municipality through the Federal Municipal Debt Readjustment Act.

The DCED Secretary has 30 days to determine whether to approve or deny the application.

A municipality that the Governor has declared to be in a state of "fiscal emergency" is not authorized to apply to the DCED Secretary to file an adjustment action under the Bankruptcy Code.

If a receiver has been appointed under Act 47, the receiver may file an adjustment action under the Bankruptcy Code on behalf of the municipality provided the DCED Secretary has given approval for such filing.

Delaware and Virginia. The existing law of Delaware and Virginia does not specifically authorize, as required by the Bankruptcy Code, their municipalities or other public entities to file for bankruptcy under the Bankruptcy Code. Neither states has provisions similar to those of Michigan, Ohio and Pennsylvania 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.

Consolidated Appropriations Act of 2016. In lieu of passing the 12 separate appropriations bills to fund the various functions of the federal government for its 2016 fiscal year, Congress enacted the Consolidated Appropriations Act of 2016 (the "*Consolidated Appropriations Act*"). In addition to setting spending levels for federal agencies, the legislation included a number of extensions of expired or expiring tax provisions, including the production tax credit for wind projects (the "*Wind PTC*"), which had expired December 31, 2015. The Consolidated Appropriations Act retroactively extended and phased out the Wind PTC. The Wind PTC is now available to projects that commence construction prior to December 31, 2020, with the credit reduced by 20% for projects commencing construction in 2017; 40% for projects commencing construction in 2018; and 60% for projects commencing construction in 2019. In addition, the Consolidated Appropriations Act extended and phased out the investment tax credit for solar projects (the "*Solar ITC*"), which was set to expire the end of 2016. Under the Consolidated Appropriations Act, the Solar ITC is extended for projects commencing construction prior to January 1, 2022 and gradually phases out the tax credit over five years. For eligible projects that commence construction in 2020, the Solar ITC will be reduced from 30% to 26%; the Solar ITC will be 22% for projects commencing construction in 2021 and the Solar ITC will decrease to 10% for projects commencing construction in 2022 and 2023. In addition, the Consolidated Appropriations Act includes the Cybersecurity Information Sharing Act of 2015, which enables information sharing between federal agencies and business and provides liability protection for information disclosure by businesses complying therewith. The legislation also authorizes municipal utilities to shield sensitive data and information from disclosure under public sunshine laws.

Consolidated Appropriations Act of 2018. On March 23, 2018, President Trump signed into law and Congress enacted the Consolidated Appropriations Act of 2018 (the "*FY 2018 Omnibus")*, an omnibus spending bill that funds the government for the final six months of Fiscal Year 2018. FY 2018 Omnibus conforms to the Bipartisan Budget Act of 2018, the two-year bipartisan budget agreement to adjust defense and nondefense discretionary funding caps for FY 2018 and FY 2019. The legislation increases funding for energy efficiency programs at the US Department of Energy ("*DOE"*) and maintains funding levels for efficiency programs at the US Environmental Protection agency. In addition, DOE's Office of Energy Efficiency and Renewable Energy will see an increase of 11%, with an increase in funding for almost all of the program offices. Under FY 2018 Omnibus, DOE will receive $34.5 billion with energy programs receiving $12.9 billion. Specifically, the Office of Energy Efficiency and Renewable Energy is slated to receive $2.3 billion.

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. In each of 2015 and 2016, each of the House of Representatives and the Senate took action on separate energy legislation, none of which passed both chambers. In 2017, the energy oversight committee of the House of Representatives started a series of hearings on issues related to the Federal Power Act. Those hearings continued in 2018.

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.

In September 2018, a municipal power purchaser (the "*Petitioner*") filed a petition for a declaratory order requesting FERC to take jurisdiction of its wholesale power purchase contract with another non-FERC jurisdictional power seller. AMP supported the joint protest (the "*Joint Protest*") filed in October 2018 by APPA, the Large Public Power Council, the National Rural Electric Cooperative Association and the Transmission Access Policy Study Group requesting that FERC deny the petition and refuse to assert jurisdiction over the wholesale power purchase contract in question. The Joint Protest asserts that the relief sought by Petitioner is contrary to the plain language of the Federal Power Act, contrary to FERC precedent and is so sweeping in its breadth that it would unsettle the "long-settled expectations of market participants." AMP is unable to predict the outcome of this FERC proceeding at this time, but a FERC determination in favor of the Petitioner could materially adversely affect AMP and its Members, including the Participants.

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 aimed at reducing CO_2 emissions from existing power plants under the Clean Air Act ("*CAA*") Section 111(d). The CPP would reduce emissions by 32 percent from 2005 levels by 2030. Under the rule, states were required to design and implement compliance plans that could include increases in efficiency and clean energy. 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.

The final rule required states to submit compliance plans by June 30, 2016, similar to traditional state implementation plans ("*SIP*") which demonstrate how they will achieve state-specific emission rate targets during the compliance period of 2022 through 2030. The February 9, 2016 stay of the final rule, as discussed later, has suspended all submittal deadlines and compliance dates until legal clarity is restored.

The statutory interpretation and other legal grounds on which EPA has relied in proposing GHG limitations affecting existing, reconstructed and new power plants were controversial, and legal challenges and legislative proposals to EPA's final GHG rules were initiated. Twenty-nine states, along with coal companies and coal-dependent utilities, sued to block the CPP, arguing that it exceeds EPA's authority under the CAA. Eighteen other states, plus seven municipalities, more than a dozen environmental organizations, and an assortment of utilities and industry groups, intervened to support EPA. On February 9, 2016, the Supreme Court of the United States voted 5-4 to intervene and overrule the D.C. Circuit to place a stay on the final EPA action not only for the period of consideration of the rule at the D.C. Circuit level but also through the final judgement by the Supreme Court. At the request of EPA, the D.C. Circuit placed the case in abeyance, recognizing that the CPP was under review by the Trump Administration.

The Trump Administration has approached the need for carbon regulation with a degree of skepticism, rescinding many previously enacted policies targeting climate change. On October 16, 2017, EPA published a proposed repeal of the CPP. In such proposal, EPA proposes to change the legal interpretation of Section 111(d) in a manner it perceives to be more consistent with historical understandings of the CAA and the intended statutory authority granted EPA therein. On December 28, 2017, EPA issued an Advance Notice of Proposed Rulemaking, to solicit suggestions on the need, legality, nature and scope of a Section 111(d) replacement.

On August 31, 2018, the proposed CPP replacement, the Affordable Clean Energy ("*ACE*") rule was published in the Federal Register. The ACE rule targets inside-the-fenceline emissions reductions via heat rate improvements, state plan implementation flexibility and changes to the New Source Review permitting program. AMP submitted comments on Oct. 30 that were generally supportive of the proposal.

AMP is unable to predict at this time whether mandatory GHG emissions limitations will be imposed by EPA or through some other regulatory vehicle, the impact on AMP generating assets or, more broadly, the impacts of any such limitations 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/or the Participants could be material.

IMPACTS OF OTHER ENVIRONMENTAL REGULATIONS

Cross-State Air Pollution Rule ("CSAPR") EPA finalized its CSAPR rule (formerly known as the Clean Air Transport Rule) on July 7, 2011. CSAPR was intended to replace the 2008 Clean Air Interstate Rule ("*CAIR*") to control cross-state transport of primarily SO_2 and NO_X emissions from coal-fired power plants and other industrial sources. Under CSAPR, areas that have historically been subject to nonattainment restrictions would have been most likely to see those continue, but these areas were also expected to expand. Implementation of the rule was stayed in December 2011, and on August 21, 2012, a three-judge panel of the U.S. Court of Appeals for the District of Columbia Circuit vacated CSAPR, returning the rule to EPA to be rewritten. The court found that EPA exceeded its authority under the CAA in both its determination of upwind states' reduction obligations and its premature imposition of federal implementation plans ("*FIPs*"); the court directed EPA to continue administering the previously vacated CAIR rule until a new rule could be issued. The court's decision called into question the agency's redesignation of certain areas from nonattainment to attainment, based on use of CSAPR's emission-trading program, as well as ongoing agency efforts to tighten the fine PM and ozone National Ambient Air Quality Standards ("*NAAQS*").

On April 29, 2014, the Supreme Court reversed the appeals court decision that overturned CSAPR. While upholding EPA's methodology for allocating emissions among contributing "upwind" states in certain respects, the Supreme Court also remanded the CSAPR rule back to the appeals court "for further proceedings consistent with this opinion," including whether the specific application of CSAPR in certain states would violate the Clean Air Act. On October 23, 2014, the U.S. Court of Appeals for the D.C. Circuit lifted the stay on CSAPR, but the timing on implementation remains in question, pending additional clarification from the court and EPA. In requesting the lifting of the stay, EPA noted that CSAPR phase I implementation should start at the beginning of 2015.

On December 3, 2015, EPA proposed updates to the CSAPR rule to address the impact of emissions on the ability of downwind states to attain NAAQS. The proposed rule updated the CSAPR NOx ozone-season budgets for 23 states that affect downwind states' ability to comply with the 2008 ozone standard. On September 7, 2016, EPA released its final CSAPR rule for the 2008 ozone standard. The revised allowance budgets outlined in the final rule are effective for the 2017 ozone season which began on May 1, 2017.

On September 7, 2016, EPA released its final CSAPR rule for the 2008 ozone standard. The revised allowance budgets outlined in the final rule are effective for the 2017 ozone season which began on May 1, 2017.

Final CSAPR Close-Out. In October 2016, EPA finalized the 2016 Cross State Air Pollution Rule Update ("*CSAPR Update*") and issued new and revised FIPs for 22 states in the eastern US. On December 6, 2018, EPA finalized a determination that the CSAPR Update fully addresses interstate pollution transport obligations under the 2008 ozone NAAQS for all remaining states. The final determination relies on EPA's data and modeling released in October 2017 to assess air quality nonattainment and maintenance for the 2008 ozone NAAQS. The analysis found that there are projected to be no remaining nonattainment or maintenance receptors in the eastern United States by 2023. Therefore, the EPA determined that these remaining 20 states do not need to submit state implementation plans establishing additional control requirements beyond the existing CASPR Update to address transported ozone pollution with respect to the 2008 ozone NAAQS.

Ozone NAAQS. In September 2011, the Administration withdrew its previously proposed rule to tighten the current (from 2008) 0.075 ppm ozone NAAQS. In withdrawing the rule, the Administration announced that the ozone standard would be reconsidered in 2013 (which was later revised to 2015). Opposed to this delay, in May 2013, several "downwind" states (Connecticut, Delaware, and Maryland) sued EPA over its approval of state implementation plans for Kentucky and Tennessee to implement the 2008 8-hour ozone standard, which remains in place until a new standard is issued. The U.S. Court of Appeals for the D.C. Circuit upheld the 2008 primary standard on July 23, 2013, while remanding the secondary standard to EPA for more work.

The American Lung Association filed suit on January 21, 2014 in the U.S. District Court for the District of Columbia asking the court to direct EPA to complete a review of the ozone NAAQS as required by the CAA. EPA announced in February 2014 that it planned to propose a new ozone standard by January 15, 2015, with a final rule by November 15, 2015. On April 29, 2014, a federal district judge announced that these dates would be moved up – with a proposed rule due by December 1, 2014, and a final rule by October 1, 2015.

On October 1, 2015, EPA revised the NAAQS for ground level ozone from 0.075 ppm to 70 ppm. This final revised level was within the range that the Clean Air Scientific Advisory Committee had recommended to EPA. On April 30, 2018, EPA released final attainment and non-attainment designations for the country.

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 recently participated in a RFC audit on the Generation Owner, Generation Operator and Resource Planner standards and AMP expects to receive the final audit report in the first quarter of 2019. The prior RFC audit was in 2010 for the period of June 18, 2007 to October 1, 2010 and resulted in a finding that AMP was compliant with thirty-seven (37) applicable requirements with three (3) possible violation(s) identified that were resolved through the payment of $25,000 by AMP and the agreement to implement certain remedial measures.

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.

DELAWARE LEGISLATION

General. Delaware municipalities are permitted under Delaware law to own and operate municipal electric utilities. In addition, Chapter 13 of Title 22 of the Delaware Code permits the creation of joint action municipal electric companies by any combination of local municipalities. This section of the Delaware Code also allows municipalities to enter into purchase agreements with joint action municipal electric companies containing provisions obligating the municipality to pay for power irrespective of whether energy is produced or delivered to the municipality or whether any project contemplated by any such agreement is completed, operable or operating and to be obligated for and entitled to the use of, proportionately, the power and energy to be purchased by a defaulting municipality.

The Delaware electric industry is comprised of one investor-owned utility (Delmarva Power & Light), one rural electric cooperative (the Delaware Electric Cooperative or "*DEC*") and one joint action municipal electric company (DEMEC). The Delaware Public Service Commission (the "*DEPSC*") has regulatory authority over the investor-owned utility, but the DEPSC has no supervision over the rates of DEMEC, the Delaware Electric Cooperative, or the municipal electric utilities. Within their established service areas, the municipal electric utilities (which comprise DEMEC) and the Delaware Electric Cooperative have exclusive jurisdiction to establish electric rates.

Deregulation. In 1999, the Delaware General Assembly passed legislation restructuring the electric industry in Delaware. Prior to restructuring, the generation, transmission, and distribution of electric power by investor-owned utilities were fully regulated by the DEPSC. With restructuring, the generation of electric power became deregulated, leaving only distribution services under the regulatory control of the DEPSC. The pricing of electric transmission is regulated by FERC.

In 2006, the Delaware General Assembly passed a revision to the restructuring legislation entitled The Electric Utilities Retail Supply Act of 2006 (the "*Retail Supply Act*"). The Retail Supply Act provides that all electric distribution companies subject to the jurisdiction of the DEPSC would be designated as the standard offer service supplier and returning customer service supplier in their respective territories. The municipal electric utilities and the electric cooperative utility were exempted from the retail choice

provisions contained in such Act unless they chose to open their service territories to retail choice. Currently, none of municipal electric utilities has chosen to open their service territories to retail choice.

Renewable Energy. In 2005, the Delaware General Assembly passed a Renewable Portfolio Standard ("*RPS*") which required an increasing percentage of power supply to come from qualifying resources. The original RPS goals started at 1% in 2007 and increased to 10% by 2019. The municipal electric utilities were exempted from the RPS requirement. In 2007, the RPS goals were revised upward to 20% by 2019, and a solar carve-out of 2% was added. In 2010, the RPS was revised upward again to 25% by 2025, the solar carve-out was increased to 3.5% and, for the first time, the municipal utilities were required to comply with the RPS requirement. The revised law allows municipal electric utilities to design their own programs to meet the 25% requirement. In 2016, the RPS cost cap provision was implemented giving the Director of the Division of Energy and Climate the authority to freeze implementation of the RPS if the cost of renewable energy compliance exceeds 3% of total retail costs of electricity for the compliance year or if the solar energy cost of compliance exceeds 1% of total retail costs for the compliance year. However, this regulation was repealed in 2017 to comply with a commitment to Delaware Superior Court Judge Abigail LeGrow in the matter of *DPA v. DNREC.*

In addition to the RPS, the Delaware General Assembly enacted an Energy Efficiency Resource Standard (the "*EERS*") mandating a 15% reduction in demand and consumption of electricity state-wide by 2015. This mandate applies to electric distribution companies, rural electric cooperatives and municipal electric companies.

In 2014, to help meet the requirements of the EERS, the General Assembly enacted legislation that enables Delaware electric and gas utilities to provide cost-effective energy efficiency programs to their customers by directing utilities to implement energy efficiency, energy conservation, and peak demand reduction programs under the direction of the State of Delaware's Energy Efficiency Advisory Council ("*EECA*"). To outline methods of evaluating projects and measuring their effectiveness, in 2017, the General Assembly passed a revision to the Evaluation, Measurement & Verification ("*EM&V*") regulations.

Green Energy Program. The State of Delaware Green Energy Program (the "*Green Energy Program*") was enacted in 1999 by House Bill 10 as part of the deregulation of Delaware's electric utilities. In order to participate in the Green Energy Program, the electricity provider must collect funds for the program and offer a grant program for renewable energy projects. The Green Energy Program is only for Delmarva Power customers and contributions to the fund are collected each month from electric bills. Customers are assessed a charge for each kilowatt-hour purchased from Delmarva Power. Delmarva's Green Energy Program has provided grant funding for more than 1,000 renewable energy projects installed in Delaware.

After Delaware's RPS was established in 2005, DEC and DEMEC opted out of the RPS and created their own individual "Green Energy" Programs with the same collection method as Delmarva Power. DEC calls their program the "Renewable Resource Program" and DEMEC's program is called the "Municipal Green Energy Program." The State of Delaware completes technical review of the grant applications on behalf of DEC and DEMEC, but grant payments and program regulations are under the full authority of DEMEC and DEC.

Recent Developments. On May 9, 2012, the Governor of Delaware and DEMEC, on behalf of its member municipalities, entered into a Memorandum of Understanding. The Memorandum of Understanding provides that each of the member municipalities, among other things, will (i) reduce its electric rates by ten percent (10%) by January 1, 2015, (ii) provide for an economic development rate to incentivize job creation and (iii) limit the annual transfer of revenues from the municipal electric utility to

the municipality's general fund to the amount transferred in 2012 for the five-year period beginning in fiscal year 2012. In exchange, the Governor of Delaware agreed to actively oppose any legislative initiative providing for retail choice for customers within the boundaries of the municipalities. The Memorandum of Understanding has recently terminated in accordance with its terms.

On August 18, 2017, Governor John Carney of Delaware signed Executive Order 13 establishing the Offshore Wind Power Working Group (the "*Working Group*"). The Working Group will study and identify ways that Delaware can participate in developing and benefitting from offshore wind power and make recommendations for Delaware to move forward in offshore wind power development. The Working Group presented its report to Governor Carney on June 29, 2018, which included the Working Group's December 15, 2017 memorandum and a further set of recommendations revised on June 22, 2018.

In 2016, Direct Energy was named the "Electric Retail Supplier Exclusively Contracted by the State of Delaware" following a competitive process and selection by the Delaware Electricity Affordability Committee. Direct Energy Services, LLC is the only electric supplier contracted with the State of Delaware to provide a fixed rate offer and services to residential and small commercial customers for two years.

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 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, 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.

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 October 1, 2015, Michigan increased the annual air quality fees imposed on municipal electric generating facilities and delayed the sunset of these fees until October 1, 2019 (Act 60, Public Acts of Michigan, 2015).

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 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 PA 341 and 2016 PA 342, both of which became effective April 20, 2017. Among other things, 2016 PA 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 PA 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 PA 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 PA 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 PA 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 passed three bills HB 6428, HB 6429, and HB 6430, which will 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 is being delivered by a municipal utility to customers

outside the city that is operating the municipal utility or where service is being delivered to customers within such a city by a utility that is not the municipal utility. The bills have passed both chambers of the Michigan Legislature and will become effective immediately upon the Governor's signature.

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 and treatment of hydroelectric facilities in the legislation.

In 2014, lawmakers adopted Senate Bill 310, legislation to modify the alternative energy portfolio standard. Among other things, the legislation imposes a two-year freeze (at 2014 levels) on annual renewable and energy efficiency increases applicable to Ohio's investor-owned utilities, creates the Energy Mandates Study Committee to review possible future changes to the law, and eliminates 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 makes 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, legislation was introduced to, in effect, eliminate the renewable portfolio standard and the energy efficiency standard (HB 114). The legislation remained before the legislature at the close of 2018. The bill does not have a direct impact on AMP or municipal electric members.

Also 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 would make changes to the definition of self-generator for the purposes of assessing the state's kilowatt-hour 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. The legislation remained pending before the legislature at the close of 2018 and is expected to be reconsidered in 2019.

PENNSYLVANIA LEGISLATION

General. Certain Pennsylvania municipalities are permitted under state law to establish electric systems and provide electric service. Electric rates established by these municipal utilities are not subject to regulation by the Pennsylvania Public Utility Commission ("*PUC*") except for rates charged for services rendered outside of the corporate boundaries of the municipality.

In 1996, Pennsylvania enacted the "Electricity Generation Customer Choice and Competition Act," which restructured the electric industry in Pennsylvania and allowed for retail choice of electric generation supplier for certain customers. Municipal electric utilities were insulated from this competition. Under current law, a municipality may prohibit electric generation suppliers from serving customers within its municipal limits. As a trade-off, the municipality loses the right to provide generation service to customers outside of its corporate limits that it did not serve prior to the effective date of the law.

In 2010, legislation amended the Pennsylvania Borough Code to allow boroughs that own and operate electric generation or distribution facilities to enter into power acquisition contracts with "take-or-pay" and "step-up" provisions, subject to various restrictions. Permission to enter such contracts is only granted to municipalities that are members of a non-profit membership corporation and that owned or operated electric generation or distribution facilities on the October 27, 2010 effective date of the legislation. There have been no material modifications to the aforementioned provisions of the Pennsylvania Borough Code since 2010.

All of the Pennsylvania Participants are organized as boroughs under Pennsylvania law, and all owned or operated electric generation distribution facilities on October 27, 2010.

Recent Legislation. On October 24, 2018, the Pennsylvania General Assembly enacted legislation to amend the borough code to further expand municipalities' authority to enter contracts or make purchases without advertising, bidding or price quotations. Boroughs can enter contracts or make purchases for routine or emergency maintenance as well as those made for utility service for borough

purpose, including, but not limited to, those made for natural gas or telecommunication services and electricity.

Renewable Energy. Pennsylvania's Alternative Energy Portfolio Standards Act was enacted in 2004 and amended in 2008. The law requires electric distribution companies and electric generation suppliers to supply a portion of the electricity sold in Pennsylvania with renewable and alternative energy sources. By 2020, subject to certain exceptions, 18% of the electric energy sold must come from certain renewable or alternative energy sources. Municipal utilities providing service only within their municipal limits are exempt from compliance with this requirement. In October 2017, the provisions of HB 118 amended several provisions of Pennsylvania's Alternative Energy Portfolio Standards, including the introduction of a geographic eligibility requirement for solar renewable energy certificates. Effective October 30, 2017, solar renewable energy certificates must originate from solar projects located in Pennsylvania.

Proposed Legislation. There is currently proposed legislation in the Pennsylvania General Assembly, referred to as SB 1236, that would allow utilities to expand investment into energy efficiency programs to create energy efficiency and conservation plans, with the ultimate goal of reducing energy consumption. The last action on this proposed legislation was its introduction in the Senate on September 10, 2018.

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 56-585.2). *These provisions have no direct impact on Virginia municipal power systems.*

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.

2019 Legislation. The following are summaries of certain energy-related bills that are currently pending in the 2019 session of the Virginia General Assembly. Generally, if adopted, such bills will become law effective July 1, 2019. *These bills have no direct impact on Virginia municipal power systems.*

House Bill 1635. This bill establishes a moratorium, effective January 1, 2020, on approval by any permitting agency required for (i) electric generating facilities that generate fossil fuel energy through the combustion of a fossil fuel resource; (ii) import or export terminals for fossil fuel resources; (iii) certain maintenance activities relating to an import or export terminal for a fossil fuel resource; (iv) gathering lines or pipelines for the transport of any fossil fuel resource that requires the use of eminent domain on private property; (v) certain maintenance activities relating to such gathering lines or pipelines; (vi) new refineries of a fossil fuel resource; and (vii) exploration for any type of fossil fuel, unless preempted by applicable federal law. The measure also requires that at least 80 percent of the electricity sold by a retail electric supplier in calendar years 2028 through 2035 be generated from clean energy resources. In calendar year 2036 and every calendar year thereafter, all of the electricity sold by a retail electric supplier is required to be generated from clean energy resources. The clean energy mandates apply to a public utility or other person that sells not less than 1,000 megawatt hours of electric energy to retail customers or generates not less than 1,000 megawatt hours of electric energy for use by the person. The Director of the Department of Mines, Minerals and Energy is authorized to bring actions for injunctions to enforce these requirements. The measure requires the Department to adopt a Climate Action Plan that addresses all aspects of climate change, including mitigation, adaptation, resiliency, and

assistance in the transition from current energy sources to clean renewable energy. The measure provides that residents of the Commonwealth and organizations shall have the legal standing to sue to ensure that its provisions and any Climate Action Plan are enforced.

House Bill 1686. This bill prohibits the SCC from issuing on or after July 1, 2019, a certificate of public convenience and necessity or granting any other permit or approval required for the construction or operation by an electric utility of a new fossil fuel facility or for the expansion or continued operation of an existing fossil fuel facility before first approving the construction and placing in service of renewable energy generation facilities having in the aggregate a rated capacity of 5,500 megawatts. The measure also prohibits the SCC on or after July 1, 2019, from authorizing or permitting an electric utility or re-permitting an existing idle fossil fuel facility to increase purchases of electric power under any agreement with another person, if the electric power is or will be generated at a fossil fuel facility, before first approving the construction and placing in service of such renewable energy generation facilities.

House Bill 1718. This bill requires an electric utility, as a condition of approval of any request by an electric utility for recovery through its fuel factor of costs incurred under a natural gas capacity contract not previously subject to review in a fuel factor case, to prove by a preponderance of the evidence that, at the time the contract giving rise to the costs for which recovery is sought was executed, the utility had (i) identified and determined the date and amount of new fueling resource it needed; (ii) objectively studied all available alternative fueling resource options, including options other than new capacity contract or contracts to meet the identified and determined need; and (iii) concluded on the basis of such identifications, determinations, and studies that the pipeline capacity contract or contracts were the lowest-cost available option, taking into consideration fixed and variable costs and a reasonable projection of utilization.

Senate Bill 1091. This bill requires an owner or operator of solar photovoltaic systems and related equipment to submit a performance and reclamation bond to the Department of Mines, Minerals and Energy (the "Department") in order to qualify for a property tax exemption. The bill also requires the Department to promulgate regulations requiring all such owners and operators to submit decommissioning and site reclamation plans for the project area based on both total megawatt production and total land disturbance acreage per project site.

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" or "New Clean Renewable Energy Bonds" under the Recovery Act. The exact amount of such reduction is determined on or about the beginning of 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 6.6%, the effect could be material to the Members that participate in the impacted projects. 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 2019A 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 Project. 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 COMBINED HYDROELECTRIC 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 the conclusion of discovery in January 2020, but no trial date has been set.

CONTINUING DISCLOSURE UNDERTAKING

Pursuant to a Continuing Disclosure Agreement to be entered into by AMP simultaneously with the delivery of the Series 2019A Bonds (the "*Continuing Disclosure Agreement*"), AMP will covenant for the benefit of the Bondowners and the "Beneficial Owners" (as defined in the Continuing Disclosure Agreement) of the Series 2019A Bonds to provide, on an annual basis, by November 30 of each year, commencing with the report for AMP fiscal year ending December 31, 2018, certain financial information relating to AMP, 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 2019A 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 Agreement attached hereto as APPENDIX F. 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 two redemptions undertaken in 2014, AMP delivered a timely notice of redemption to the related trustee but failed to file a copy of such notice on EMMA on a timely basis. 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 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 Combined Hydroelectric Projects Revenue Bonds, Series 2016A (the "*Combined Hydroelectric Projects 2016 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 Combined Hydroelectric Projects 2016 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 Prairie State Energy Campus, 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 Agreement, if AMP fails to comply with any provision of the Continuing Disclosure Agreement, any Bondowner or "Beneficial Owner" of the Series 2019A 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 Agreement. "Beneficial Owner" will be defined in the Continuing Disclosure Agreement to mean any person holding a beneficial ownership interest in Series 2019A 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 AGREEMENT, IT IS THE RESPONSIBILITY OF SUCH PERSON TO DEMONSTRATE THAT IT IS A "BENEFICIAL OWNER" WITHIN THE MEANING OF THE CONTINUING DISCLOSURE AGREEMENT.

UNDERWRITING

The Series 2019A Bonds are being purchased by Piper Jaffray & Co., Citigroup Global Markets Inc. and The Huntington Investment Company (the "*Underwriters*") pursuant to a Purchase Contract (the "*Purchase Contract*") between AMP and Piper Jaffray & Co., as representative of the Underwriters. The Purchase Contract sets forth the Underwriters' obligation to purchase the Series 2019A Bonds at a purchase price reflecting an aggregate underwriters' discount of $297,411.44 from the initial public offering prices derived from the yields or yields derived from the prices 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 2019A Bonds if any are purchased.

Piper Jaffray & Co. has entered into a distribution agreement ("*Distribution Agreement*") with Charles Schwab & Co., Inc. ("*CS&Co*") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Series 2019A Bonds from Piper Jaffray & Co. at the original issue price less a negotiated portion of the selling concession applicable to any Series 2019A Bonds that CS&Co. sells.

Citigroup Global Markets Inc., an underwriter of the Series 2019A Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, "*Fidelity*"). Under this distribution agreement, Citigroup Global Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, Citigroup Global Markets Inc. will compensate Fidelity for its selling efforts.

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.

Citigroup Global Markets Inc. and The Huntington Investment Company are affiliates of members of the syndicate of commercial banks that are parties to the Line of Credit. A portion of the proceeds of the Series 2019A Bonds will be used to pay a portion of the obligations outstanding under the Line of Credit. As a result, affiliates of Citigroup Global Markets Inc. and The Huntington Investment Company will receive a portion of the proceeds of the Series 2019A Bonds. See "PLAN OF FINANCE – ESTIMATED SOURCES AND USES OF FUNDS" herein.

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 2019A Bonds have been rated "A2" by Moody's Investors Service, Inc. and "A" by S&P 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 2019A Bonds. AMP has not undertaken any responsibility after issuance of the Series 2019A 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, the Participants and, in the case of DEMEC, the participating members of such Participant, after the issuance of the Series 2019A Bonds in order that interest on the Series 2019A Bonds not be included in gross income for federal income tax purposes. The failure to meet these requirements by AMP, the Participants or, in the case DEMEC, the participating members of such Participant, may cause interest on the Series 2019A Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. AMP has covenanted to comply, and each Participant has covenanted to comply, with the requirements of the Code in order to maintain the exclusion from gross income of interest on the Series 2019A Bonds for federal income tax purposes.

In the opinion of Norton Rose Fulbright US LLP, Federal Tax Counsel ("*Federal Tax Counsel*"), subject to continuing compliance by AMP and the Participants with the tax covenants referred to above, under current law, interest on the Series 2019A Bonds will not be includable in the gross income of the owners of the Series 2019A Bonds for federal income tax purposes. No opinion is expressed as to the effect of any change to any document pertaining to the Series 2019A 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 2019A 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.

In rendering such opinion, Federal Tax Counsel has assumed, without independent investigation, the correctness of the opinion delivered by McDermott Will & Emery LLP that the Seller Parent is the owner of the Initial Systems for U.S. federal income tax purposes. A challenge by the IRS of the conclusion in the McDermott Opinion that the Seller is the owner of the Project for federal income tax purposes, whether such challenge is ultimately successful or not, may result in the IRS challenging the exclusion from gross income of interest on the Series 2019A Bonds. In the event of a successful challenge by the Internal Revenue Service to the conclusion that the Seller Parent is the owner of the Initial Systems for federal income tax purposes, Federal Tax Counsel expresses no opinion regarding the exclusion from gross income of interest on the Series 2019A Bonds for federal income tax purposes and the holders of the Bonds may not rely upon the opinion of Federal Tax Counsel with regard to the exclusion of interest on the Series 2019A Bonds from gross income for federal income tax purposes.

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 2019A Bonds or the inclusion in certain computations (including, without limitation, those related to the corporate alternative minimum tax) 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 2019A 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 2019A 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 2019A Bonds. In general, the issue price of a maturity of the Series 2019A Bonds is the first price at which a substantial amount of Series 2019A 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 an alternative minimum tax liability, 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 2019A 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 Series 2019A 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 Series 2019A 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 2019A Bond is required to decrease his adjusted basis in such Series 2019A Bond by the amount of amortizable Bond Premium attributable to each taxable year such Bond is held. An owner of such 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 2019A Bond.

OTHER TAX CONSIDERATIONS

Ownership of tax-exempt obligations such as the Series 2019A 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 2019A 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 2019A 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 2019A 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 2019A Bonds. Prospective purchasers of the Series 2019A 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 Federal Tax Counsel and Bond Counsel express no opinion.

OHIO TAX CONSIDERATIONS

In the opinion of Dinsmore & Shohl LLP, Bond Counsel, interest on all the Series 2019A 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 2019A 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 2019A 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 D-1 to this Official Statement, will be delivered with the Series 2019A Bonds.

Certain federal tax matters regarding the Series 2019A Bonds will be passed upon for AMP by Norton Rose Fulbright US LLP, Federal Tax Counsel. The form of its opinion regarding the Series 2019A Bonds is set forth as APPENDIX D-2 to this Official Statement.

Certain tax matters relating to the tax ownership of the Systems will be passed upon by McDermott Will & Emery LLP, counsel to the Seller. The form of its opinion is set forth as APPENDIX D-3 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 issuance of the execution and delivery of the Power Sales Contract, counsel for DEMEC and each of the other Participants ("*Participants' 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 Participants' Counsel for the Participants located in their states, Michigan, Ohio, Pennsylvania and Virginia counsel for AMP ("*State Counsel*") will deliver, in connection with the issuance of the Series 2019A Bonds, their opinions as to the validity and enforceability of the Power Sales Contract as to the Participants, including as to the Step-Up Provision, located therein.

In 2007, the Virginia legislature enacted a statute 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 2008 and 2010, the legislatures of Michigan and Pennsylvania, respectively, 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. DEMEC's enabling legislation expressly provides that DEMEC may enter into long-term take-or-pay contracts, including step up provisions, with out-of-state persons. DEMEC's enabling legislation further authorizes its members to enter into long-term take-or-pay contracts, including step up provisions, with DEMEC.

On December 7, 2007, the Franklin County, Ohio, Court of Common Pleas, issued an order validating the power sales contract relating to the Combined Hydroelectric Project between AMP and the Ohio participants in the Combined Hydroelectric Project, including the step up provisions included therein. Ohio State Counsel will reference such order in its opinion as to the validity 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 2019A Bonds.

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

AMERICAN MUNICIPAL POWER, INC.

By /s/ Marc S. Gerken, P.E.
President and Chief Executive Officer

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

APPENDIX A-1

THE PARTICIPANTS AND PROJECT SHARES FROM INITIAL SYSTEMS[(1)]

Participant	Allocation (MW)	Allocation (%)
Bowling Green, Ohio	13.740	37.31
Wadsworth, Ohio	4.935	13.40
Piqua, Ohio	3.319	9.01
Hudson, Ohio	2.872	7.80
Tipp City, Ohio	2.468	6.70
Brewster, Ohio	1.974	5.36
Orrville, Ohio	1.678	4.56
Front Royal, Virginia	1.481	4.02
Versailles, Ohio	1.031	2.80
Coldwater, Michigan	0.596	1.62
Delaware Municipal Electric Corporation	0.577	1.57
Oak Harbor, Ohio	0.345	0.94
Arcanum, Ohio	0.316	0.86
New Wilmington, Pennsylvania	0.296	0.80
Genoa, Ohio	0.266	0.72
Holiday City, Ohio	0.185	0.50
Smethport, Pennsylvania	0.178	0.48
Jackson Center, Ohio	0.173	0.47
Prospect, Ohio	0.123	0.34
Haskins, Ohio	0.114	0.31
Marshallville, Ohio	0.114	0.31
Lucas, Ohio	0.044	0.12
Total	36.825	100.00

(1) Subject to change as set forth under the heading "THE PARTICIPANTS – PROJECT SHARES" in the body of this Official Statement.
(2) Percentages may not add to totals due to rounding.

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APPENDIX A-2

THE PARTICIPANTS AND PROJECT SHARES FROM ALL SYSTEMS[(1)]

Participant	Allocation (MW)	Allocation (%)
Bowling Green, Ohio	13.740	22.704
Wadsworth, Ohio	10.000	16.524
Piqua, Ohio	6.725	11.112
Hudson, Ohio	5.820	9.617
Tipp City, Ohio	5.000	8.262
Brewster, Ohio	4.000	6.610
Orrville, Ohio	3.400	5.618
Front Royal, Virginia	3.000	4.957
Versailles, Ohio	2.090	3.454
Coldwater, Michigan	1.208	1.996
Delaware Municipal Electric Corporation	1.170	1.933
Oak Harbor, Ohio	0.700	1.157
Arcanum, Ohio	0.640	1.058
New Wilmington, Pennsylvania	0.600	0.991
Genoa, Ohio	0.540	0.892
Holiday City, Ohio	0.375	0.620
Smethport, Pennsylvania	0.360	0.595
Jackson Center, Ohio	0.350	0.578
Prospect, Ohio	0.250	0.413
Haskins, Ohio	0.230	0.380
Marshallville, Ohio	0.230	0.380
Lucas, Ohio	0.090	0.149
Total	60.518	100.00

[(1)] Assumes Additional Systems sufficient to raise aggregate rated capacity of all Systems, including Initial Systems, to 60.518 MW. Subject to change as set forth under the heading "THE PARTICIPANTS – PROJECT SHARES" in the body of this Official Statement.
[(2)] Percentages may not add to totals due to rounding.

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APPENDIX B

INFORMATION ON THE THREE PARTICIPANTS WITH THE LARGEST PROJECT SHARES

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

Each of the Large Participants are located in Ohio – Bowling Green, Piqua and Wadsworth – and are required by law to file annual audited financial statements with the Ohio Auditor of State and reference is made to their annual audits on line at www.auditor.state.oh.us. None of the Large Participants is contractually obligated to AMP to continue to make available audits of its Electric System on its website.

For each Large Participant, 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 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, ending in 2009.

As used in this Appendix B, the Project Shares indicated assume that Systems with an aggregate rated capacity of 60.518 MW enter commercial operation and are financed with the proceeds of additional Bonds.

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SECTION I

LARGE PARTICIPANTS' PEAK DEMAND AND PROJECT SHARES

PARTICIPANT	2017 PEAK DEMAND (Kilowatts)	PROJECT SHARE (Expressed in Kilowatts)	PROJECT SHARE (Expressed as a Percentage)	CUMULATIVE PROJECT SHARE (Percent)
1. Bowling Green, Ohio	99,592	13,740	22.70%	22.70%
2. Wadsworth, Ohio	62,419	10,000	16.52	39.22
3. Piqua, Ohio	59,601	6,725	11.11	50.33
TOTAL	221,612	30,465	50.33	

SECTION II

LARGE PARTICIPANTS' INFORMATION

BOWLING GREEN, OHIO

Project Share Rank	1
Project Share (Expressed as a Percentage)	22.70%
Municipality Established	1833
Electric System Established	1942
County	Wood
Basis of Accounting	Accrual
2017 Peak Demand (kW)	99,592

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 for Bowling Green since 1990.

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

Source: U.S. Bureau of Census

Economic Base: 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

2014	2015	2016	2017
$11,619,134	$26,568,239	$26,599,187	$48,173,063

Source: Wood County Building Inspection

ASSESSED VALUATION

2014	2015	2016	2017
$454,700,098	$456,748,628	$460,623,488	$498,721,780

Source: Ohio Municipal Advisory Council website

UNEMPLOYMENT

2014	2015	2016	2017
5.2%	4.3%	4.1%	4.6%

Source: Ohio Labor Market Information, http://lmi.state.oh.us/

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 Board of Public Utilities. A Superintendent, who reports to the Director of Utilities, manages the Electric System. The Electric System serves a community covering 12.6 square miles, and also serves the adjoining Village of Portage with retail power and the Village of Tontogany with wholesale power. In 2017, sales to Tontogany totaled $605,165, 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 2017, Bowling Green purchased 100% of its power from AMP or through the AMP sponsored OMEGA JV5 and OMEGA JV2. Bowling Green is also a participant in OMEGA JV6 and AMP's Combustion Turbine Project. The City utility owns and maintains 233 miles of transmission and distribution lines and has six substations. The City does not directly own any generating facilities. In 2017, the Bowling Green utility employed 37 people.

In 2017, the Bowling Green electric system served 14,641 residential, commercial and industrial customers. The following table lists the City's five largest customers by energy purchased in 2017 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2017)	% of Total System Revenues
1. Bowling Green State University	Higher Education	69,303,600	11.71
2. Southeastern Container	Manufacturing	65,328,000	10.63
3. Vehtek Systems	Manufacturing	53,892,000	8.97
4. Toledo Molding & Die	Manufacturing	22,029,600	3.72
5. TH Plastics	Manufacturing	12,279,600	2.22

Participation in Projects. Bowling Green is the largest Participant in the Project, obligated under the Power Sales Contract to purchase from AMP a 22.70% Project Share (approximately 13.74 MW). In addition, 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 the indebtedness relating to such projects 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)
Combined Hydroelectric Projects	9.61% (approximately 19.99MW)

(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)

	2015	2016	2017
Revenue			
Power Sales	$54,741	$59,841	$59,108
Other Income	361	231	421
Total Revenue	55,102	60,072	59,529
Operating Expense*			
Power Costs	43,321	48,935	48,707
O&M Expense	3,870	5,706	7,216
Total Operating Expense	47,191	54,641	55,923
Net Revenue Available for Debt Service	7,911	5,431	3,606
General Obligation Debt Service	76	73	-
OMEGA JV5 Debt Service(1)	1,223	1,399	1,422
OMEGA JV2 Debt Service(1)	730	730	730
OMEGA JV6 Debt Service(1)	385	-	-
Revenue Debt Service	221	2,245	-
Depreciation	1,358	1,421	1,434
Net Non-Operating Revenue (Excl. Interest Exp.)	(1,701)	(639)	(602)
Net Transfers			
Net Assets 1/1	46,999	49,942	53,196
Net Assets 12/31	49,942	53,196	54,726
Year End Balance			
General Obligation Bonds	70	-	-
OMEGA JV2	1,471	757	34
OMEGA JV5	7,835	7,058	6,120
OMEGA JV6	-	-	-
Bond Anticipation Notes	2,235	- (2)	-

* Excluding depreciation.

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

(2) The City retired in full $2,235,000 of bond anticipation notes in 2016.

WADSWORTH, OHIO

Project Share Rank	2
Project Share (Expressed as a Percentage)	16.52%
Municipality Established	1814
Electric System Established	1916
County	Medina
Basis of Accounting	Accrual
2017 Peak Demand (kW)	62,419

Location, Population and Government: The City of Wadsworth is a statutory city located in Medina County, in northeastern Ohio, approximately 30 miles south of Cleveland and 15 miles west of Akron. The Mayor is elected to a four-year term with duties that include appointing the Director of Public Service, the Director of Human Resources and the Director of Public Safety to effectively administer governmental services for the citizens of the City. In addition, the governing body of the City is the City Council, which consists of eight Council members, including the Council President. City Council members are elected to their positions as part-time public servants. Each serves for two years, with the current terms beginning January 1, 2018 and continuing through December 31, 2019. The table below sets forth historical population figures for Wadsworth since 1990.

YEAR	POPULATION
1990	15,718
2000	18,437
2010	21,567

Source: U.S. Bureau of Census

Economic Base: Wadsworth's economy is based largely on small manufacturing. The Wadsworth area's major industries include the manufacture of plastic products, building products and foundry works.

The following tables provides a summary of certain economic indicators for the City of Wadsworth.

BUILDING PERMITS

2014	2015	2016	2017
$20,675,040	$43,574,974	$31,005,053	$45,069,484

Source: City of Wadsworth

ASSESSED VALUATION

2014	2015	2016	2017
$450,001,045	$455,657,415	$509,705,376	$519,150,490

Source: Ohio Municipal Advisory Council website

UNEMPLOYMENT

2014	2015	2016	2017
5.0%	4.2%	4.4%	4.7%

Source: Ohio Labor Market Information, http://lmi.state.oh.us/

MEDIAN FAMILY INCOME

1990	2000	2010
$38,067	$58,850	$75,053

Source: U.S. Bureau of Census

Electric System: Authority over the Wadsworth Electric System is vested in the City Council. A Director of Public Service, who is appointed by the Mayor, manages the Electric System. The Electric System serves a community covering 32 square miles. Included within Wadsworth's retail service area and served by the electric system are Wadsworth, parts of Wadsworth Township, Guilford Township, Sharon Township, and part of the City of Norton. Wadsworth does not exercise its right to serve exclusively within the city limits.

Wadsworth utility owns and maintains 318 miles of transmission and distribution lines and has six substations. Wadsworth does not directly own any generating facilities. In 2017, the Wadsworth electric utility employed 40 full time equivalents. Wadsworth is in the First Energy Transmission Service Area.

In 2017, the Wadsworth electric system served 13,513 residential, commercial and industrial customers. The following table lists Wadsworth's five largest customers by energy purchased in 2017 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2017)	% of Total System Revenues
1. Graftech	Cellular Manufacturing	13,536,000	2.14%
2. Radici Plastics	Plastic Manufacturing	10,581,600	2.10
3. Flambeau	Plastics	6,766,000	1.68
4. Goldsmith & Eggleton	Plastics/Rubber	5,907,000	1.25
5. Soprema	Plastics	4,990,334	1.14

In 2017, the electric system also provided the City with 6,129,089 kWh for general municipal purposes.

Participation in Projects. Wadsworth is the second largest Participant in the Project, obligated under the Power Sales Contract to purchase from AMP a 16.52% Project Share (approximately 10.0 MW). In addition, Wadsworth 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 the indebtedness relating to such projects and the obligations of the participants under the related power sales contract):

Project	Wadsworth Share[(1)]
OMEGA JV5	5.62% (approximately 2.36 MW)
OMEGA JV2	5.81%[(2)] (approximately 7.78 MW)
OMEGA JV6	3.52% (approximately 0.25 MW)
Combustion Turbine Project	1.81% (approximately 17.90 MW)
Combined Hydroelectric Projects	0.87% (approximately 1.80 MW)
Meldahl Hydroelectric Project	3.76% (approximately 3.95 MW)
Greenup Hydroelectric Project	7.69% (approximately 2.62 MW)
AMP Fremont Energy Center Project	2.75% (approximately 12.77 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 Wadsworth's undivided ownership interest.

(2) As a financing participant, Wadsworth is responsible for 7.41% of debt service.

During 2009, the City adopted an ordinance that established a cash reserve policy which incorporates guidelines detailing minimum cash reserve balances to be maintained by the Electric System. 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.

Wadsworth
($000)

	2015	2016	2017
Revenue			
Power Sales	$30,158	$33,086	$33,891
Other Income	175	123	187
Total Revenue	31,334	33,209	34,078
Operating Expense*			
Power Costs	20,683	22,567	23,079
O&M Expense	6,925	7,184	7,690
Total Operating Expense	27,608	29,751	30,769
Net Revenue Available for Debt Service	2,725	3,458	3,309
OMEGA JV5 Debt Service[(1)]	476	500	508
OMEGA JV2 Debt Service[(1)]	296	296	296
OMEGA JV6 Debt Service[(1)]	21	-	-
Revenue Debt Service	1,089	1,081	1,100
Depreciation	1,882	1,942	1,644
Net Non-Operating Revenue (Excl. Interest Exp.)	(260)	(193)	(177)
Net Transfers			
Net Assets 1/1[(2)]	30,760[(2)]	31,330	31,664[(3)]
Net Assets 12/31	31,330	32,993	33,104
Year End Balance			
General Obligation Bonds	147	112	76
Revenue Bonds-AMP Bonds	3,719	3,095	2,471

* Excluding depreciation.

(1) OMEGA JV debt service is included in Power Costs, recovered through Wadsworth's PCA

(2) The City adopted GASB accounting standard 68, which required an adjustment to the beginning balance for 2015 in order to comply with this accounting standard

(3) The beginning balances of the electric fund was restated by $1,112,030 due to an error in accumulated depreciation calculation in the electric fund materials and supplies.

PIQUA, OHIO

Project Share Rank	3
Project Share (Expressed as a Percentage)	11.11%
Municipality Established	1823
Electric System Established	1933
County	Miami
Basis of Accounting	Accrual
2017 Peak Demand (kW)	59,601

Location, Population and Government: The City of Piqua is a charter city located in Miami County, immediately off of Interstate 75 and State Route 36, in the southwest quadrant of the state. Piqua is governed by five commissioners representing five wards. Election of the commissioners is city-wide and is nonpartisan. Elected commissioners serve a term of four years. The Mayor of Piqua is also known as the President of the Commission. The Mayor serves a two-year term. The table below sets forth historical population figures for Piqua since 1990.

YEAR	POPULATION
1990	20,612
2000	20,738
2010	20,552

Source: U.S. Bureau of Census

Economic Base: Piqua's economy is a nearly equal mix of industrial, commercial and residential development. The City's major industries include various manufacturers, including plastic production, juvenile furniture manufacturing, and manufacturing/fabrication of metal products.

The following tables provides a summary of certain economic indicators for the City of Piqua.

BUILDING PERMITS

2014	2015	2016	2017
$40,175,000	$14,430,800	$14,927,690	$10,962,144

Source: City of Piqua

ASSESSED VALUATION

2014	2015	2016	2017
$285,104,684	$289,330,554	$290,202,684	$288,261,340

Source: Ohio Municipal Advisory Council website ohiomac.com

UNEMPLOYMENT

2014	2015	2016	2017
5.4%	4.4%	4.3%	4.2%

Source: Ohio Department of Jobs and Family Services
http://lmi.state.oh.us/asp/laus

MEDIAN FAMILY INCOME

1990	2000	2010
$29,073	$41,804	$49,453

Source: U.S. Bureau of Census

Electric System: Authority over the Piqua electric system, established in 1933, is vested with the City Commission. A Power System Director, who reports to the City Manager, manages the electric system. The municipal electric system serves a community covering approximately 11.8 square miles.

Piqua is in the Dayton Power & Light Company transmission service area. In 2006, Piqua purchased none of its power from AMP; all purchases were made from Cinergy Services Corp. under a full requirements agreement. As of January 1, 2007, however, Piqua became an all requirements customer of AMP. The City utility owns and maintains 14 miles of transmission lines, 300 miles of distribution lines and four substations. In early 2017, Piqua completed a 4kV to 13kV conversion project, which resulted in a reduction of the number of substations from six to four. In 2017, the electric system employed 26 people.

In 2017, the Piqua electric system served 10,723 residential, commercial and industrial customers. The following table lists the City's five largest customers by energy purchased in 2017 and as a percentage of total system revenues during that year.

Customer	Type of Business	kWh Purchased (2017)	% of Total System Revenues
1. Jackson Tube	Steel Processing	11,932,200	3.88
2. Piqua FMO (Hobart Brothers)	Welding Rod Manufacturer	14,330,400	3.66
3. Plastic Recycle Technology	Plastic Reprocessing	12,820,500	3.30
4. Evenflo Company Inc	Baby Furniture Manufacturing	13,278,786	3.26
5. Crayex	Plastic Packaging Manufacturing	10,905,390	2.53

Participation in Projects. Piqua is the third largest Participant in the Project, obligated under the Power Sales Contract to purchase from AMP a 11.11% Project Share (approximately 6.73 MW). In addition, Piqua 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 the indebtedness relating to such projects and the obligations of the participants under the related power sales contract):

Project	Piqua Share[(1)]
Combined Hydroelectric Projects	3.12% (approximately 6 MW)
Prairie State Energy Campus	5.41% (approximately 19.9 MW)
AMP Fremont Energy Center Project	2.14% (approximately 9.94 MW)
Meldahl Hydroelectric Project	1.14% (approximately 1.2 MW)
Greenup Hydroelectric Project	2.30% (approximately 0.79 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 calendar years shown on an accrual basis.

Piqua ($000)	2015	2016	2017
Revenue			
Power Sales	28,675	29,604	28,556
Other Income	201	178	180
Total Revenue	28,876	29,782	28,736
Operating Expense*			
Power Costs	21,041	21,547	22,475
O&M Expense	5,515	7,863	6,984
Total Operating Expense	26,556	29,410	29,459
Net Revenue Available for Debt Service	2,320	372	(723)
General Obligation Debt Service	-	-	-
Depreciation	1,911	1,913	1,928
Net Non-Operating Revenue (Excl. Interest Exp.)	530	660	248
Net Transfers	_	_	_
Net Assets 1/1	41,589[(1)]	42,527	41,647
Net Assets 12/31	42,527	41,647	39,244
Year End Balance			
General Obligation Bonds	--	--	--

* Excluding depreciation.

(1) The City of Piqua adopted GASB 62 in 2015 causing a restatement of net assets at 12/31/14.

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	2015	2016	2017	2014	2015	2016	2017
Bowling Green	Wood	12.6	28,176	29,652	30,028	456,749	460,623	498,722	5.2	4.3	4.1	4.6
Wadsworth	Medina	10.6	15,718	18,437	21,567	455,657	509,705	519,150	5.0	4.2	4.4	4.7
Piqua	Miami	11.9	20,612	20,738	20,522	289,331	290,203	288,261	5.4	4.4	4.3	4.2

(1) Source: Wikipedia website for Participant.
(2) Source: U.S. Census Bureau.
(3) Source: Ohio Municipal Advisory Council.
(4) Source: Bowling Green and Wadsworth, Ohio Labor Market Information website; Piqua, Miami County Job and Family Services Department. For participants with populations of less than 25,000, unemployment averages reflect those for the county.

SECTION IV

LARGE PARTICIPANTS' RESIDENTIAL, INDUSTRIAL AND COMMERCIAL INFORMATION

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

	2015			2016			2017		
	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)**
Bowling Green									
Residential	12,724	97,793	12,707	12,754	98,474	13,196	12,776	95,049	13,012
Commercial	1,796	57,845	6,803	1,800	57,532	6,910	1,786	57,572	7,150
Industrial	90	366,136	33,696	90	379,729	36,125	79	374,689	35,683
Total:	14,610	521,774	53,206	14,644	535,735	56,231	14,641	527,310	55,845
Wadsworth									
Residential	12,405	105,219	12,445	11,821	108,359	13,224	11,895	107,452	13,481
Commercial	1,334	92,819	8,102	1,457	94,523	8,438	1,479	78,460	8,612
Industrial	137	91,218	8,636	139	93,782	9,135	139	93,010	9,147
Total:	13,876	289,256	29,183	13,417	296,664	30,797	13,513	278,922	31,240
Piqua									
Residential	9,598	86,239	9,602	9,614	87,345	10,061	9,594	83,713	9,719
Commercial	1,123	96,416	8990	1,109	94,269	8998	1,111	95,800	9,097
Industrial	21	129,607	10,060	20	128,139	10,339	18	118,524	9,554
Total:	10,742	312,262	28,652	10,743	309,753	29,398	10,723	298,037	28,370

[1] Source: The respective Participants

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a summary of certain provisions of the Indenture. This summary is not to be considered a full statement of the terms of the Indenture and accordingly is qualified by reference thereto and is subject to the full text thereof. Capitalized terms not otherwise defined in this summary or in the Official Statement have the respective meanings set forth in the Indenture.

Definitions

Accountant's Certificate shall mean a certificate signed by an independent certified public accountant of recognized national standing or a firm of independent certified public accountants or arbitrage rebate specialists (for purposes of defeasance of Bonds under the Indenture) of recognized national standing selected by AMP.

Accrued Debt Service shall mean, as of any date of calculation, an amount equal to the sum of the amounts of Debt Service with respect to any Series, calculating the accrued Debt Service with respect to such Series at an amount equal to the sum of (i) interest on the Bonds of such Series accrued and unpaid and to accrue to the end of the then current calendar month and (ii) Principal Installments due and unpaid and that portion of the Principal Installment for such Series next due that is to become due (if deemed to become due in the manner set forth in the definition of Debt Service) by the end of such calendar month.

Agent or Agents shall mean the Trustee, the Bond Registrar, the Paying Agent, or any or all of them, as may be appropriate.

Aggregate Debt Service for any period shall mean, as of any date of calculation, the sum of the amounts of Debt Service for such period with respect to all Series.

AMP Operating Expenses shall mean, prior to the System Acquisition Date, (i) the fees and expenses of the Agents and (ii) any other expenses or obligations (other than the payment of principal, interest or premium on any Bonds relating to the Project) incurred by AMP in carrying out its duties, responsibilities and obligations, and exercising its rights, under the Indenture. After the System Acquisition Date, AMP Operating Expenses shall mean (i) the following items of cost constituting Revenue Requirements under Section 5(A) of the Power Sales Contract, (i) through (viii), inclusive, and (xiv); (ii) any other current expenses or obligations required to be paid by AMP under the provisions of the Indenture or the Related Agreements or by law, all to the extent properly allocable to the Project, or required to be incurred under or in connection with the performance of the Power Sales Contract; (iii) the fees and expenses of the Agents; and (iv) any other expenses or obligations (other than the payment of principal, interest or premium on any Bonds relating to the Project) incurred by AMP in carrying out its duties, responsibilities and obligations, and exercising its rights, under the Related Agreements and any other agreement with respect to the Project.

Bank shall mean the issuer of a Letter of Credit.

Bond or Bonds shall mean any bonds, notes or other evidences of indebtedness, as the case may be, authenticated and delivered under and pursuant to the Indenture.

Bond Counsel shall mean a firm or firms of attorneys of recognized national standing in the field of law relating to municipal bonds selected by AMP.

Bondowner or Owner or Owner of Bonds shall mean each person or entity who is the registered owner of any Bond or Bonds.

Capital Improvements shall mean, after the System Acquisition Date, the costs of any capital improvements with respect to the Systems.

Debt Service for any period shall mean, as of any date of calculation and with respect to any Series, an amount equal to the sum of (i) interest accruing during such period on Outstanding Bonds of such Series, except to the extent that such interest is to be paid from deposits into any debt service fund or account in the Debt Service Fund made from Bond proceeds with respect to such Series and (ii) that portion of each Principal Installment of Outstanding Bonds of such Series that would become due during such period if such Principal Installment were deemed to become due daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later); provided, however, that interest with respect to Paired Obligations shall be deemed to accrue at the combined fixed rate of such Paired Obligations. Such interest and Principal Installments for such Series shall be calculated on the assumption that no Bonds of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof; provided, however, that if AMP certifies to the Trustee that any Principal Installment and, if applicable, interest to accrue with respect to such Principal Installment is expected to be refunded on or prior to the due date therefor, no such amounts need be included in the calculation of Debt Service and set aside toward such Principal Installment and, if applicable, the interest thereon to be so refunded.

Defeasance Obligations shall mean, unless modified by the terms of a Supplemental 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.

Demand Charge shall mean that portion of the Revenue Requirements specified in subsections (ix) through (xiii), inclusive, of Section 5(A) of the Power Sales Contract.

Early Termination Date shall have meaning ascribed thereto in the Power Purchase Agreement.

Fiscal Year shall mean the fiscal year of AMP, which shall be the period beginning on January 1 of each year and ending on December 31 of the same year, unless the Trustee is notified in writing by an Authorized AMP Representative of a change in such period, in which case the Fiscal Year shall be the period set forth in such notice.

Government Obligations shall mean direct obligations of, obligations the principal of and interest on which are unconditionally guaranteed by, and obligations to which is pledged the full faith and credit of, the United States of America

Indenture shall mean the Indenture of Trust dated as of January 1, 2019 from AMP to the Trustee relating to the Bonds as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of the Indenture.

Individual Site Prepayment Amount shall have the meaning ascribed thereto in the Power Purchase Agreement.

Letter of Credit shall mean, with respect to any Series of Bonds, a lending, liquidity or credit facility or agreement as provided in the Supplemental Indenture authorizing such Series of Bonds.

Maximum Interest Rate shall mean, with respect to any particular Variable Interest Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Indenture authorizing such Bonds, that shall be the maximum rate of interest such Bonds may at any time bear.

Metered Output shall have the meaning ascribed thereto in the Power Purchase Agreement.

Minimum Interest Rate shall mean, with respect to any particular Variable Interest Rate Bonds, a numerical rate of interest, which may (but need not) be set forth in the Supplemental Indenture authorizing such Bonds, that shall be (if so set forth in such Supplemental Indenture) the minimum rate of interest such Bonds may at any time bear.

Monthly Revenue Requirement means the Revenue Requirement for any calendar month determined by AMP in accordance with Section 5(A) of Power Sales Contract; provided, however, that prior to the System Acquisition Date, such Monthly Revenue Requirement shall consist solely of Accrued Debt Service due in such calendar month and AMP Operating Expenses, in any.

Opinion of Counsel shall mean an opinion signed by an attorney or firm of attorneys (who may be counsel to AMP, Bond Counsel or Tax Counsel) selected by AMP.

Outstanding, when used with reference to Bonds, shall mean, as of any date, Bonds theretofore or thereupon being authenticated and delivered under the Indenture except:

(i) Bonds cancelled by the Trustee at or prior to such date;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or Redemption Price thereof, as the case may be, with interest, if any, to the date of maturity or redemption date, shall be held in trust under the Indenture and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as provided in the Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice;

(iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to the Indenture; and

(iv) Bonds deemed to have been paid as provided in the Indenture.

Outstanding Balance shall have the meaning ascribed thereto in the Power Purchase Agreement.

Parity Common Reserve Fund means the Parity Common Reserve Fund established by the Indenture.

Parity Common Reserve Fund Requirement shall mean twenty-five percent (25%) of coincidental maximum Aggregate Debt Service for the current or any future Fiscal Year. The Parity Common Reserve Fund Requirement may be satisfied with cash, Qualified Investments or Reserve Alternative Instruments, or any combination of the foregoing, as AMP may determine from time to time.

Parity Swap shall mean any interest rate exchange or swap agreement, cash flow exchange or swap agreement or other similar financial agreement (including all confirmations, schedules, exhibits, attachments, appendices and other documentation attached to such agreement or forming a part thereof or incorporated therein) (a) that is entered into by AMP and a Parity Swap Provider (and, if applicable, the Trustee), (b) that is permitted to be entered into by AMP under the laws of the State of Ohio applicable thereto at the time AMP enters into such agreement, as evidenced by an Opinion of Counsel acceptable to AMP, (c) as to which the documentation thereof provides that payments to be made by AMP pursuant to such agreement (other than termination payments thereunder, which shall be payable on a basis subordinate and junior to the payments to be made on the Bonds) constitute obligations payable on a parity basis with the payments to be made on the Bonds as and to the extent provided in the Indenture and (d) designated in writing to the Trustee by an Authorized AMP Representative as a Parity Swap under the Indenture.

Parity Swap Provider shall mean, with respect to each Parity Swap, the entity (other than AMP and, if applicable, the Trustee) that is a party thereto, and its permitted successors and assigns, whose public credit ratings, or whose obligations under a Parity Swap are guaranteed by a financial institution whose public credit ratings are (at the time the applicable Parity Swap is entered into), unless otherwise approved by AMP, in not lower than the second highest rating category (without regard to any gradations within any such category) by any two of Moody's, Standard & Poor's or Fitch.

Paying Agent shall mean any bank or trust company organized under the laws of any state of the United States or any national banking association designated as paying agent for the Bonds of any Series, and its successor or successors hereafter appointed in the manner provided in the Indenture.

Portfolio Prepayment Credit Rate shall have the meaning ascribed thereto in the Power Purchase Agreement.

Power Purchase Agreement shall mean the Solar Power Purchase Agreement dated as of March 29, 2016, by and between AMP and the Seller, as the same may hereafter be amended from time to time.

Power Sales Contract shall means the Power Sales Contract, dated as of March 31, 2016, between AMP, on the one hand, and each of the Participants, on the other hand, including any amendments or supplements thereto.

Prepaid Generation shall mean Metered Output invoiced at the Portfolio Prepayment Credit Rate and which reduces the Outstanding Balance.

Principal Installment shall mean, as of any date of calculation and with respect to any Series, so long as any Bond thereof is Outstanding, (i) the principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance (determined as provided in the Indenture) of any Sinking Fund Installments due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, that would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

Purchase Option shall have the meaning ascribed thereto in the Power Purchase Agreement.

Qualified Investments means any of the following investments, if and to the extent that the same are at the time legal investments of AMP's funds and are rated (or are issued or guaranteed by an entity

rated) by each Rating Agency rating such investments in one of the two highest Rating Categories for long-term investments:

(i) Direct obligations of the United States government or any of its agencies;

(ii) Obligations guaranteed as to principal and interest by the United States government or any of its agencies;

(iii) Certificates of deposit and other evidences of deposit at state and federally chartered banks, savings and loan institutions or savings banks deposited and collateralized as required by law;

(iv) Repurchase agreements entered into with the United States or its agencies or with any bank, broker-dealer or other such entity (including the Trustee and its affiliates) so long as the obligation of the obligated party is secured by a perfected pledge of full faith and credit obligations of the United States or its agencies;

(v) Guaranteed investment contracts or similar agreements providing for a specified rate of return over a specified time period;

(vi) AA-rated corporate bonds;

(vii) Direct general obligations of a state of the United States, or a political subdivision or instrumentality thereof, having general taxing powers;

(viii) 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 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;

(ix) Obligations of any state of the United States or a political subdivision or instrumentality thereof, secured solely by revenues received by or on behalf of the state or political subdivision or instrumentality thereof irrevocably pledged to the payment of principal of and interest on such obligations; or

(x) Any other investments permitted by applicable law for the investment of the funds of AMP.

Rate Stabilization Fund shall mean the Rate Stabilization Fund established under the Indenture.

Rate Stabilization Fund Requirement shall mean, as of any date of calculation, with respect to any Series of Bonds, an amount equal to the 10% of the Aggregate Debt Service in the Fiscal Year in which highest Aggregate Debt Service occurs.

Redemption Price shall mean, with respect to any Bond, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or the Indenture.

Refunding Bonds shall mean all Bonds, whether issued in one or more Series, authenticated and delivered on original issuance pursuant to the Indenture, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Indenture.

Related Agreements shall have the meaning ascribed thereto in the Power Sales Contract

Reserve Alternative Instrument shall mean an irrevocable insurance policy or surety bond or an irrevocable letter of credit, guaranty or other facility deposited in the Parity Common Reserve Fund in lieu of or in partial substitution for the deposit of cash and Qualified Investments in satisfaction of the Parity Common Reserve Fund Requirement.

Revenue Requirement shall have meaning ascribed thereto in the Power Sales Contract.

Revenues shall mean, prior to the System Acquisition Date, (a) all revenues received or to be received by AMP from the Participants and allocable to the Demand Charge, (b) any net proceeds resulting from the sale of Prepaid Generation by AMP to a third-party purchaser pursuant to Section 3(D) of the Power Sales Contract; (c) an amount equal to the Shortfall Amount, if any, payable by AMP pursuant to the Indenture following the declaration of an Early Termination Date under the Power Purchase Agreement; (d) any Outstanding Balance received by AMP following the declaration of an Early Termination Date under the Power Purchase Agreement; but excluding (X) interest and other investment income received or to be received on any moneys or securities held pursuant to an indenture of trust entered into by AMP with respect to bonds, notes or other evidences of indebtedness payable on a basis subordinate to the Bonds except to the extent that AMP specifies that such interest and other investment income shall constitute Revenues, (Y) amounts received by or on behalf of AMP pursuant to any interest rate swap agreement or interest rate cap agreement relating to the Indenture except to the extent that AMP specifies that such amounts shall constitute Revenues and (Z) amounts received by or on behalf of AMP pursuant to a Letter of Credit relating to the Indenture except to the extent that AMP specifies that such amounts shall constitute Revenues. On and following the System Acquisition Date, if any, "Revenues" shall mean, (a) all revenues, income, rents and receipts derived or to be derived by AMP from or attributable to the Project as they relate to the Power Sales Contract or to the payment of the costs of the Project received or to be received by AMP or the Trustee under the Power Sales Contract or under any other contract for the sale by AMP of Capacity and Energy of the Project or any contractual or other arrangement with respect to the Project or the Capacity or Energy thereof, but excluding the Service Fee (as defined in the Power Sales Contract); (b) proceeds received by AMP of any insurance or of contractors' performance or guarantee bonds or other assurances of completion or levels of performance with respect thereto in connection with the Project or any Capital Improvement; (c) any condemnation awards received by AMP in connection with the Project; (d) any net proceeds resulting from the sale of Energy by AMP to a third-party purchaser pursuant to the Power Sales Contract; but excluding (X) interest and other investment income received or to be received on any moneys or securities held pursuant to an indenture of trust entered into by AMP with respect to bonds, notes or other evidences of indebtedness payable on a basis subordinate to the Bonds except to the extent that AMP specifies that such interest and other investment income shall constitute Revenues, (Y) amounts received by or on behalf of AMP pursuant to any interest rate swap agreement or interest rate cap agreement relating to the Indenture except to the extent that AMP specifies that such amounts shall constitute Revenues and (Z) amounts received by or on behalf of AMP pursuant to a Letter of Credit relating to the Indenture except to the extent that AMP specifies that such amounts shall constitute Revenues.

Seller shall mean DG AMP Solar LLC, a limited liability company organized and existing under the laws of the State of Delaware.

Series shall mean all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Indenture and the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Indenture, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

Shortfall Amount means, upon a declaration of an Early Termination Date, the difference, if any, between the amount available to pay the Redemption Price, plus accrued interest thereon, of one or more Series of Bonds and the Redemption Price.

Supplemental Indenture shall mean any indenture supplemental to or amendatory of the Indenture executed by AMP in accordance with the Indenture.

System(s) shall have the meaning ascribed thereto in the Power Purchase Agreement.

System Acquisition Date shall mean the date, if ever, on which AMP acquires one or more of the Systems, including, without limitation, by exercise of an option to purchase the System pursuant to the Power Purchase Agreement or otherwise at a foreclosure sale.

Tax Counsel shall mean a firm or firms of attorneys of recognized national standing in the field of law relating to tax-exempt or tax credit financing and the requirements and limitations to which any specified type or category of Bonds are subject under the Code or related Treasury regulations in order that such specified Bonds initially qualify and maintain qualification as that type or category of Bonds.

Trustee shall mean the trustee under the Indenture, initially being U.S. Bank National Association, and its permitted successor or successors and any other corporation that may at any time be substituted in its place pursuant to the Indenture.

Variable Interest Rate shall mean a variable interest rate to be borne by a Series of Variable Interest Rate Bonds or any one or more maturities within a Series of Variable Interest Rate Bonds. The method of computing such variable interest rate shall be specified in the Supplemental Indenture authorizing such Series of Variable Interest Rate Bonds and shall, unless otherwise provided in the Supplemental Indenture, be based on (i) a percentage or percentages or other function of an objectively determinable interest rate or rates (e.g., the prime lending rate) or a function of such objectively determinable interest rate or rates as may be in effect from time to time or at a particular time or times, provided, however, that such variable interest rate shall be subject to a Maximum Interest Rate and may be subject to a Minimum Interest Rate and that there may be an initial rate specified in each case as provided in such Supplemental Indenture, or (ii) a stated interest rate that may be changed from time to time as provided in the Supplemental Indenture authorizing such Series. Such Supplemental Indenture shall also specify either (y) the particular period or periods of time for which each value of such variable interest rate shall remain in effect or (z) the time or times upon which any change in such variable interest rate shall become effective and the method by which such variable interest rate shall be determined.

Variable Interest Rate Bonds shall mean any Bond that bears interest at a Variable Interest Rate.

Certain Requirements of and Conditions to Issuance of Bonds

Bonds shall be authenticated by the Trustee pursuant to the Indenture upon compliance with certain requirements and conditions, including, among others, the following:

(i) The Trustee shall have received an Opinion of Bond Counsel to the effect that the Bonds of the Series being issued have been duly and validly authorized and issued and are valid and binding obligations of AMP and as to certain other matters concerning the Indenture; and

(ii) An Opinion of Counsel, addressed to AMP and the Trustee, to the effect that interest on the Bonds is excluded from gross income for federal income taxes purposes under Section 103 of

the Internal Revenue Code (which may be subject to customary or reasonable assumptions and qualifications); and

(iii) Except in the case of the initial Series of Bonds issued under the Indenture and any Series of Refunding Bonds, AMP shall have certified that it is not in default in the performance of any of its covenants or agreements under the Indenture; and

(iv) In connection with any Series of Bonds issued to finance the Cost of Acquisition of the facilities comprising the Systems on the System Acquisition Date, if ever, an Opinion of Bond Counsel to the effect that the issuance of such Series of Bonds shall not adversely affect the validity of the Outstanding Bonds and, if applicable, an Opinion of Bond Counsel or Tax Counsel to the effect that the issuance of such Series of Bonds shall not adversely affect the exclusion of interest on the Outstanding Bonds from the gross income of the Owners thereof for federal income tax purposes.

The Indenture also authorizes the issuance of Bonds to be issued in one or more Series and at one time or from time to time to pay (or refinance) all or a portion of the Cost of Acquisition with respect to the Project (and other costs relating thereto) or, after the System Acquisition Date, to pay all or a portion of the costs of any Capital Improvements with respect to the Project (and other costs relating thereto). Proceeds, including accrued interest, of each Series of Bonds are to be applied as determined by the Supplemental Indenture authorizing such Series.

The Indenture also provides that each Supplemental Indenture authorizing a Series of Bonds shall establish the Principal Installment or Principal Installments for such Series or shall prescribe the methodology for determining the same.

Refunding Bonds

Refunding Bonds may be issued to refund all or a portion of any Outstanding Bonds. Refunding Bonds shall be authenticated and delivered by the Trustee pursuant to the Indenture only upon compliance with certain requirements and conditions, including the receipt by the Trustee of either (i) moneys in an amount sufficient to pay the applicable Redemption Price of the refunded Bonds to be redeemed and the principal amount of refunded Bonds not to be redeemed, together with accrued interest on such Bonds to the redemption date or maturity date, as the case may be, or (ii) Defeasance Obligations in such principal amounts, of such maturities, bearing such interest, and having such terms as required by the Indenture to pay the principal or Redemption Price, if applicable, and interest due on or prior to the redemption date or maturity date, as the case may be.

Investment of Certain Funds and Accounts

The Indenture provides that certain Funds and Accounts held thereunder may, and in the case of any debt service fund or account in the Debt Service Fund, the Parity Common Reserve Fund and the Rate Stabilization Fund shall, be invested and reinvested to the fullest extent practicable in Qualified Investments. The Indenture provides that such Qualified Investments shall mature or become available no later than such times as are necessary to provide moneys when needed for payments from such funds and accounts and provides specific limitations on the term of investments for moneys in certain funds and accounts.

Interest and other investment income (net of that which (i) represents a return of accrued interest paid in connection with the purchase of any investment and (ii) is required to offset the amortization of any premium paid in connection with the purchase of any investment) earned on any moneys or

investments in such Funds or Accounts (other than the Decommissioning Fund and the Project Fund), to the extent resulting in a balance that is in excess of any requirement for such Fund or Account, shall be paid into the Revenue Fund; provided, however, that such interest and other investment income shall be paid into the Project Fund to the extent provided in the Supplemental Indentures entered into from time to time. Interest and other investment income earned on moneys or investments in the Project Fund or a separate account therein shall be held in such Fund or Account for the purposes thereof unless otherwise provided in a Supplemental Indenture.

In computing the amount in any Fund or Account created under the Indenture, obligations purchased as an investment of moneys therein shall be valued at the greater of the cost of such obligations or the amortized value thereof, exclusive of accrued interest, except as otherwise provided in a Supplemental Indenture for funds or accounts created thereunder. Such computations shall be determined as of February 15 in each year.

The Trustee shall not be liable or responsible for any loss, fee, tax or other charge resulting from any investment, reinvestment or liquidation of an investment made in the manner provided in the Indenture except to the extent of its own negligence, misconduct or default. The Trustee may make such investment at the direction of AMP. In the absence of written direction from AMP, the Trustee shall invest solely in a taxable money market fund comprised of obligations issued or guaranteed by the United States Government or repurchase agreements collateralized by such obligations specified in standing instructions provided by an Authorized AMP Representative.

Rate Covenant

AMP has covenanted that it shall at all times establish and collect (or cause to be collected) amounts for, prior to the System Acquisition Date, the sale of Prepaid Generation, and, after the System Acquisition Date, the sale of Energy, acquired pursuant to or otherwise in respect of the Project, as shall be required to provide Revenues at least sufficient in each Fiscal Year, together with other available funds, for the payment of:

(i) AMP Operating Expenses during such Fiscal Year;

(ii) An amount equal to one hundred ten percent (110%) Aggregate Debt Service for such Fiscal Year, provided that in making such determination AMP may take into account amounts on deposit to the credit of the Rate Stabilization Fund;

(iii) The amount, if any, to be paid during such Fiscal Year into the Parity Common Reserve Fund;

(iv) The amount, if any, to be paid during such Fiscal Year into the Reserve and Contingency Fund;

(v) The amount, if any, to be paid during such Fiscal Year into the Decommissioning Fund;

(vi) The amount, if any, to paid during such Fiscal Year into the Rate Stabilization Fund;

(vii) The amount, if any, required to be paid into any fund or account during such Fiscal Year with respect to bonds, notes or other evidences of indebtedness payable on a basis subordinate to the Bonds;

(viii) The amount, if any, required to be deposited in the General Reserve Fund during such Fiscal Year; and

(ix) The amount, if any, required to pay all other charges or liens whatsoever payable out of Revenues during such Fiscal Year.

AMP will not furnish or supply or cause to be furnished or supplied any use or service of the Project free of charge to any person, firm or corporation, public or private, and AMP will, subject to the Indenture and consistent with the Related Agreements and subject to the Power Sales Contract, enforce the payment of any and all amounts owing to AMP by reason of the Project by discontinuing such use or service, or by filing suit therefor, as soon as practicable after any such amounts are due, or by both such discontinuance and by filing suit.

Covenants with Respect to the Power Sales Contact and Related Agreements

Except as otherwise provided in the Indenture, the Trustee covenants that it shall receive and deposit in the Revenue Fund all amounts payable to AMP under the Power Sales Contract constituting Revenues or otherwise payable to it with respect to the Project or any part thereof (to the extent amounts payable pursuant to any other such contract are properly allocable to the Indenture). Subject to the Indenture, AMP shall enforce or cause to be enforced the provisions of the Power Sales Contract and duly perform its covenants and agreements thereunder, and will not consent or agree to or permit any rescission of or amendment to, or otherwise take any action under or in connection with, the Power Sales Contract that would materially adversely affect the rights or security of Bondowners under the Indenture.

Subject to the Indenture, AMP shall enforce or cause to be enforced the provisions of the Related Agreements to which it is a party and duly perform its covenants and agreements thereunder. AMP will not consent or agree to or permit any rescission of or amendment to or otherwise take any action under or in connection with the Related Agreements that will impair or diminish the obligation of the Participants under the Power Sales Contract; provided that AMP shall not be precluded from approving or consenting to any sale, assignment, conveyance or other disposition under the Power Purchase Agreement (including any amendment thereof) of any right, title or interest in or to any portion of the Project or any right to capacity thereof which is determined by AMP to be not needed for the operation or maintenance of the Project or the delivery of the Energy therefrom.

Payment of Shortfall Amount

AMP covenants that, following any declaration of an Early Termination Date under the Power Purchase Agreement, it shall, on or prior to any redemption date established pursuant to the provisions of any Supplemental Indenture authorizing a Series of Bonds to finance or refinance one or more Individual Site Prepayment Amount, pay the Shortfall Amount, if any. The notice to the Trustee delivered by AMP pursuant to the Indenture shall be accompanied by an Accountant's Certificate establishing the amount, if any, of the Shortfall Amount and methodology used to determine such amount.

Events of Default and Remedies

Events of Default specified in the Indenture include failure to pay principal or Redemption Price of any Bond when due except as provided in the Indenture; failure to pay any interest installment on any Bond or the unsatisfied balance of any Sinking Fund Installment thereon when due; and default in the observance or performance of any other covenants, agreements or conditions contained in the Indenture or in the Bonds for 120 days after written notice thereof from the Trustee or the Owners of not less than 25% in principal amount of Bonds then Outstanding.

Upon the occurrence of any Event of Default which has not been remedied, AMP shall, if demanded in writing by the Trustee, (1) account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under the Indenture, and (2) cause to be paid over to the Trustee (a) forthwith, all moneys, securities and funds held by AMP in any Fund or Account under the Indenture (except for such Funds and Accounts, including the Decommissioning Fund, and any other amounts that the Indenture provides are not a source of payment for the Bonds) and (b) promptly after receipt, all Revenues. The Trustee shall apply all moneys, securities, funds and Revenues received during the continuance of an Event of Default in the following order: (1) to payment of the reasonable and proper charges, expenses and liabilities of the Agents, including, without limitation, those of its attorneys and advisors; (2) to the payment of reasonable and necessary AMP Operating Expenses; and (3) first, to the payment of interest on the Bonds and second, to the payment of principal or Redemption Price on those Bonds that shall have become due, whether at maturity or by call for redemption, and all obligations under any Parity Swaps that shall have become due and payable (with any termination payments due under any Parity Swaps being payable on a basis subordinate and junior to the payment of the principal or Redemption Price of any Bonds), in order of their due dates, and if the amount available shall not be sufficient to pay in full all the Bonds and Parity Swaps (other than termination payments thereunder) due on any date, then to the payment thereof, ratably, according to the amounts of principal or Redemption Price or payments due under any Parity Swaps (other than termination payments thereunder), due on such date. In addition, the Trustee shall have the right to apply in an appropriate proceeding for appointment of a receiver or custodian of the Project.

If an Event of Default has occurred and has not been remedied the Trustee may, and upon written request of the owners of not less than a majority in aggregate principal amount of Bonds Outstanding shall, proceed to protect and enforce its rights and the rights of the owners of the Bonds under the Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant in the Indenture or in aid of the execution of any power granted in the Indenture or any remedy granted under the Act, or for an accounting against AMP as if it were the trustee of an express trust, or in the enforcement of any other legal or equitable right, as the Trustee deems most effectual to enforce any of its rights or to perform any of its duties under the Indenture. The Trustee may, and upon the written request of the Owners of a majority in principal amount of the Bonds then Outstanding and upon being furnished with security and indemnity reasonable to the Trustee must, institute and prosecute proper actions to prevent any impairment of the security under the Indenture or to preserve or protect the interests of the Trustee and of the Bondowners.

No Bondowner shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Indenture or the execution of any trust under the Indenture or for any remedy under the Indenture, unless (1) such Bondowner previously has given the Trustee written notice of an Event of Default; (2) the Owners of at least a majority in aggregate principal amount of the Bonds then outstanding have filed a written request with the Trustee and have offered the Trustee a reasonable opportunity to exercise its powers or to institute such suit, action or proceeding; and (3) there have been offered to the Trustee adequate security and indemnity against its costs, expenses and liabilities to be incurred and the Trustee has refused to comply with such request within 60 days after receipt by it of such notice, request and offer of indemnity. The Indenture provides that nothing therein or in the Bonds affects or impairs the AMP's obligations to pay the principal or Redemption Price, if any, of the Bonds and interest thereon when due or the right of any Bondowner to enforce such payment of his or her Bonds.

The Owners of not less than a majority in principal amount of Bonds then Outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, subject to the Trustee's right to decline to follow such direction upon advice of counsel as to the unlawfulness thereof, upon its good faith

determination that such action would involve the Trustee in personal liability or be unjustly prejudicial to the Bondowners not parties to such direction, or if the Trustee has not been indemnified to its satisfaction by the Owners.

Amendments and Supplemental Indentures

Any of the provisions of the Indenture may be amended by AMP by a Supplemental Indenture upon (i) the written consent of the Owners of at least a majority in aggregate principal amount of the Bonds Outstanding at the time such consent is given and if less than all of the Series of Bonds Outstanding are affected by the modification or amendment, of the Owners of at least a majority in aggregate principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given and (ii) an Opinion of Bond Counsel stating that such Supplemental Indenture has been duly and lawfully executed and filed by AMP in accordance with the provisions of the Indenture, is authorized or permitted by the Indenture, and is valid and binding upon AMP and enforceable in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting creditors' rights generally. However, if such amendment or modification will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the consent of the Owners of such Bonds will not be required, and such Bonds shall not be deemed to be Outstanding for the purposes of such calculation. For purposes of clause (i) of the preceding sentence, the written consent of the Bondowner shall be deemed to have been received if the amendment is expressly referred to in the Supplemental Indenture relating to a Series of Bonds and in the text of such Bonds it recites that the Bondowner shall be deemed to have consented to such amendments by accepting such Bonds. No amendment or modification shall permit a change in the terms of any Sinking Fund Installment or the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount, Redemption Price, or rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages of the consents required for a further amendment or modification, or shall change or modify any of the rights or obligations of any Agent without its written assent thereto. A Series shall be deemed to be affected by a modification or amendment of the Indenture if the same adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing, Bonds of any particular Series or maturity would be adversely affected by any modification or amendment of the Indenture and any such determination will be binding and conclusive on AMP and all Owners of the Bonds.

AMP may adopt Supplemental Indentures for any of the following purposes: (1) to close the Indenture against, or provide limitations and restrictions in addition to the limitations and restrictions contained in the Indenture on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness; (2) to add to the covenants and agreements of AMP contained in the Indenture, other covenants and agreements to be observed by AMP that are not contrary or inconsistent with the Indenture as theretofore in effect; (3) to add to the limitations and restrictions in the Indenture, other limitations and restrictions to be observed by AMP that are not contrary to or inconsistent with the Indenture as theretofore in effect; (4) to authorize Bonds of a Series and, in connection therewith, specify and determine the matters and things referred to in the Indenture, and also any other matters and things relative to such Bonds that are not contrary to or inconsistent with the Indenture as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds; (5) to confirm, as further assurance, any security interest or pledge created under the Indenture; (6) to authorize the establishment of a fund or funds to enable AMP to self-insure against the risks and hazards relating to the Project and the interests of AMP and of the Bondowners as described in the Indenture; (7) to modify any of the provisions of the Indenture in any other respect, provided that (i) no Bonds are Outstanding at the date of the execution of such Supplemental Indenture or (ii) (a) such modification shall be, and be expressed to be, effective only after

all Bonds then Outstanding at the date of the execution of such Supplemental Indenture shall cease to be Outstanding and (b) such Supplemental Indenture shall be specifically referred to in the text of all Bonds of any Series authenticated and delivered after the date of execution of such Supplemental Indenture and of Bonds issued in exchange therefor or in place thereof; (8) to amend, modify, or supplement the Indenture in such manner as does not materially adversely affect the rights of the Owners of the Bonds (including, but not limited to, amending, modifying or supplementing the Indenture in such manner as AMP deems appropriate to provide for an interest rate exchange or swap agreement, cash flow exchange or swap agreement or other similar financial agreement payable on a basis subordinate and junior to the Bonds and any Parity Swaps, as provided in the Indenture), provided that the Trustee is first furnished with an Opinion of Bond Counsel to the effect that such amendment, modification or supplement is permitted under the Indenture and shall not adversely affect the validity of the Bonds and, if applicable, an Opinion of Bond Counsel or Tax Counsel to the effect that such amendment, modification or supplement shall not adversely affect the exclusion of interest on the Bonds from the gross income of the Owners thereof for federal income tax purposes; and (9) to comply with additional requirements that a rating agency may impose in order to issue or maintain a rating on the Bonds, provided that any Supplemental Indenture whose purpose is to effect such changes shall be effective only upon delivery to AMP and the Trustee of an Opinion of Bond Counsel that such changes shall not adversely affect the validity of the Bonds and, if applicable, an Opinion of Bond Counsel or Tax Counsel to the effect that such changes shall not adversely affect the exclusion of interest on the Bonds from the gross income of the Owners thereof for federal income tax purposes.

AMP may execute and deliver Supplemental Indentures with the consent of the Trustee to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Indenture or to insert such provisions clarifying matters or questions arising under the Indenture as are necessary or desirable and are not contrary to or inconsistent with the Indenture.

Defeasance

If AMP shall pay or cause to be paid, or there shall otherwise be paid, to owners of all Bonds the principal or Redemption Price, if applicable, of and interest, if any, due or to become due thereon, and to each of the Parity Swap Providers, if any, all of the obligations of AMP under any Parity Swaps, at the times and in the manner stipulated therein and in the Indenture, then the lien of the Indenture and all covenants, agreements and other obligations of AMP to the Bondowners and the Parity Swap Providers thereunder, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by AMP to be prepared and filed with AMP and, upon the request of AMP shall execute and deliver to AMP all such instruments as may be desirable to evidence such discharge and satisfaction, and the Agents shall pay over or deliver, as directed by AMP, all moneys or securities held by them pursuant to the Indenture that are not required for the payment of interest and principal or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption. If AMP shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of any Outstanding Bonds the principal or Redemption Price, if applicable, and interest, if any, due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under the Indenture, and all covenants, agreements and obligations of AMP to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied, except for the remaining rights of registration of transfer and exchange of Bonds.

The Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee or the Paying Agent (through deposit pursuant to the Indenture of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the above

paragraph. Any Outstanding Bonds shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the above paragraph if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, AMP shall have given to the Trustee irrevocable instructions accepted in writing by the Trustee to mail as provided in the Indenture notice of redemption of such Bonds on said date, (b) there shall have been deposited with the Trustee either moneys (including moneys withdrawn and deposited pursuant to any Supplemental Indenture) in an amount that shall be sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys that, together with the moneys, if any, on deposit with the Trustee, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be, and (c) AMP shall have given the Trustee, in form satisfactory to it irrevocable instructions to mail, postage prepaid, to the registered owners of such Bonds, at their last addresses, if any, appearing upon the registry books, a notice that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Indenture and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if any, on said Bonds. Neither Defeasance Obligations nor moneys deposited with the Trustee pursuant to the Indenture nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or Redemption Price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Trustee, (y) to the extent such cash will not be required at any time for such purpose, as certified to the Trustee by an Accountant's Certificate, shall be paid over upon the direction of AMP as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Indenture, and (z) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal or Redemption Price, if applicable, and interest to become due on said Bonds, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over as received by the Trustee, free and clear of any lien, pledge or security interest securing said Bonds or otherwise existing under the Indenture. For purposes of this paragraph, Defeasance Obligations shall mean and include only such securities which shall not be subject to redemption prior to their maturity other than at the option of the owner thereof.

For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Defeasance Obligations and moneys, if any, in accordance with the Indenture, the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, for any period for which such interest shall not yet be determinable, shall be calculated at the Maximum Interest Rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such Maximum Interest Rate for any period, the total amount of moneys and Defeasance Obligations on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount that would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy the Indenture, the Trustee shall, if requested by AMP, pay the amount of such excess to AMP free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under the Indenture. Notwithstanding the foregoing, if (i) Variable Interest Rate Bonds of a given maturity provide that the interest rate for such Variable Interest Rate Bonds may bear a fixed rate of interest for a period of six months or longer, (ii) the interest rate with respect to such Variable Interest Rate Bonds is currently accruing at a fixed rate of interest for a period of six months or longer and (iii) all or a portion of such Variable Interest Rate Bonds are to be purchased or redeemed on or prior to the last date upon which such Variable Interest Rate Bonds are to bear such fixed rate of interest, then in determining the amount of moneys or Defeasance Obligations required to be set aside as provided in the

Indenture, such Variable Interest Rate Bonds shall be deemed to bear a fixed rate of interest and the provisions set forth in this paragraph shall not apply.

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PROPOSED FORM OF OPINION OF DINSMORE & SHOHL LLP

January ___, 2019

American Municipal Power, Inc.
Columbus, Ohio

U.S. Bank National Association
Columbus, Ohio

Ladies and Gentlemen:

We have examined the transcript of proceedings relating to the issuance of $55,195,000 Solar Electricity Prepayment Project Revenue Bonds, Series 2019A (Green Bonds) (the "Bonds") issued by American Municipal Power, Inc. ("AMP"). The transcript documents include executed counterparts of: (i) Resolution No. 18-12-4079 adopted by the Board of Trustees of AMP on December 7, 2018 (the "Resolution"); (ii) the Power Sales Contract dated as of March 31, 2016 (the "Power Sales Contract") between AMP and 22 of its members, located in Delaware, Michigan, Ohio, Pennsylvania and Virginia (the "Participants"); (iii) the Indenture of Trust dated as of January 1, 2019 between AMP and U.S. Bank National Association, as trustee (the "Indenture of Trust"); (iv) the First Supplemental Indenture of Trust, dated as of January 1, 2019 and between AMP and U.S. Bank National Association, as trustee (the "First Supplemental Indenture," and, together with the Indenture of Trust, 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 Bonds do not constitute a debt, or a pledge of the faith and credit of the Participants or of any political subdivision of the States of Delaware, Michigan, Ohio, Pennsylvania or Virginia and the registered owners thereof will have no right to have excises or taxes levied by the States of Delaware, Michigan, Ohio, Pennsylvania or Virginia, the Participants or any other political subdivision of the States of Delaware, Michigan, Ohio, Pennsylvania or Virginia 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 January 8, 2019 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,

PROPOSED FORM OF FEDERAL TAX OPINION OF NORTON ROSE FULBRIGHT US LLP

_____, 2019

American Municipal Power, Inc.
Columbus, Ohio

Re: $55,195,000 American Municipal Power, Inc.
Solar Electricity Prepayment Project Revenue Bonds, Series 2019A

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. 18-12-4079, adopted on December 7, 2018, by the Board of Trustees of AMP authorizing the issuance of the Bonds (the "Authorizing Resolution");

(ii) the Power Purchase Agreement, dated as of March 29, 2016 (the "Power Purchase Agreement") by and between AMP and DG AMP Solar, LLC, a Delaware limited liability company (the "Seller") and subsidiary of NextEra Energy Capital Holdings, Inc. (the "Seller Parent"), pursuant to which a specified supply of electricity from thirteen solar photovoltaic generating facilities (each such facility, a "System" and collectively, the "Project") has been purchased by AMP;

(iii) the Power Sales Contract, dated as of March 31, 2016, between AMP and 22 of its members (such members, the "Participants," and such contract, the "Power Sales Contract");

(iv) the Indenture of Trust, dated as of January 1, 2019, between AMP and U.S. Bank National Association, as trustee (the "Trust Indenture");

(v) the First Supplemental Indenture of Trust, dated as of January 1, 2019, between AMP and U.S. Bank National Association, as trustee (the "Supplemental Indenture");

(vi) 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");

(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");

(viii) the opinion of McDermott Will & Emery LLP, dated the date hereof, that the Seller Parent is the owner of the Project for U.S. federal income tax purposes (the "McDermott 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. In addition, for purposes of rendering this opinion, we have assumed, without independent investigation, the correctness of the McDermott Opinion that the Seller Parent is the owner of the Project for U.S. federal income tax purposes. We have also assumed that each of the Authorizing Resolution, the Power Purchase Agreement, the Power Sales Contract, the Trust 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, the Participants, and the participating members of such 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 or any participating member of such Participants to comply with the applicable requirements of the Code and the covenants contained in the Power Sales Contract. 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.

As we state above, this opinion assumes the correctness of the McDermott Opinion that the Seller Parent is the owner of the Project for federal income tax purposes. A challenge by the Internal Revenue Service of the conclusion in the McDermott Opinion that the Seller Parent is the owner of the Project for federal income tax purposes, whether such challenge is ultimately successful or not, may result in the Internal Revenue Service challenging the exclusion from gross income of interest on the Bonds. In the event of a successful challenge by the Internal Revenue Service to the conclusion in the McDermott Opinion that the Seller Parent is the owner of the Project for federal income tax purposes, we express no opinion regarding the exclusion from gross income of interest on the Bonds for federal income tax purposes and, in such case, the holders of the Bonds may not rely upon our opinion.

The Code contains other provisions that could result in tax consequences as a result of ownership of the Bonds or the inclusion in certain computations of interest that is excluded from gross income. Other than as described herein, we have not addressed and we are not opining on the tax consequences to any investor of the investment in, or receipt of any interest on, the Bonds.

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 January 8, 2019 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,

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PROPOSED FORM OF OPINION OF MCDERMOTT, WILL AND EMERY LLP

[DATE]

DG AMP Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, Florida 33408

Re: Power Purchase Agreement Between DG AMP Solar, LLC and American Municipal Power, Inc.

Ladies and Gentlemen:

We have acted as counsel to DG AMP Solar, LLC, a Delaware limited liability company ("Seller") and NextEra Energy Capital Holdings, Inc. ("Seller Parent"), in connection with certain transactions (the "Transactions") between Seller and American Municipal Power, Inc., an Ohio not for profit corporation ("AMP") relating to solar photovoltaic systems (the "Systems") constructed and operating on the Sites (such Systems, together, the "Project"), pursuant to the Power Purchase Agreement, by and between Seller and AMP, effective as of March 29, 2016 (the "PPA") and the Joint Development Agreement, by and between Seller and AMP, dated as of February 18, 2016 (the "JDA"). In connection with the issuance by AMP of its $55,195,000 Solar Electricity Prepayment Project Revenue Bonds, Series 2019A (Green Bonds), as described in the Official Statement, dated January 8, 2019 (the "Official Statement"), you have requested our opinion regarding whether Seller Parent will be treated as the owner of the Project for U.S. federal income tax purposes. Capitalized terms not otherwise defined herein shall have the meanings set forth in the PPA.

In issuing this opinion, we have examined the JDA, the PPA, the NextEra AMP Screening Model, dated June 20, 2017 (the "Model"), the Form of Solar Project Lease Agreement (the "Lease"), and the Form of Interconnection Agreement (the "Reviewed Documents"). In addition, we have assumed with your consent that (i) original documents (including signatures) are authentic, documents submitted to us as copies conform to the original documents, and there has been due execution and delivery of all documents where due execution and delivery are prerequisites to the effectiveness thereof, (ii) the Transactions will be consummated in accordance with the terms of the Reviewed Documents and without any waiver, breach, or material amendment of any covenant, condition, or other provision thereof, and will be effective

under applicable state law, and (iii) all facts, statements, covenants, representations, and warranties contained in any of the documents referred to herein or otherwise made available to us are true and correct in all respects, and no actions have been (or will be) taken which are inconsistent with such facts, statements, covenants, representations, and warranties (the "Assumptions"). In addition to the Assumptions, this opinion is based on the representations (the "Representations") made by Seller in a letter to us dated [*] (the "Officer's Certificate").

Based on the foregoing, and subject to the exceptions, conditions, limitations, and qualifications set forth herein, for U.S. federal income tax purposes, it is our opinion that Seller Parent is, or will be, as applicable, the owner of the Project for U.S. federal income tax purposes.

Our opinion expressed herein represents our conclusions as to the application of the federal income tax laws of the United States existing as of the date hereof, but we can give no assurance that others could not reasonably differ in their conclusions as to the application of such laws. We can give no assurance that legislative enactments, administrative changes or differing interpretations or court decisions may not be forthcoming that would modify or supersede our opinion. In addition, there can be no assurance that positions contrary to our opinion will not be taken by the Internal Revenue Service or that a court considering the Transactions or similar transactions would not hold contrary to our opinion.

Further, our opinion represents our conclusions based upon the relevant transaction documents, and our understanding of the facts and the accuracy of the Assumptions set forth above and the Representations in the Officer's Certificate on which we are relying in delivering our opinion. Any material amendments to such documents, changes in any significant facts or inaccuracy of any Representations or Assumptions could affect our opinion. Although we have made such inquiries and performed such investigations as we have deemed necessary to fulfill our professional responsibilities as counsel, we will not have undertaken an independent investigation of all of the facts referred to in our opinion.

Except as provided in the following sentence, our opinion: (i) is limited to those matters expressly covered and no opinion is to be implied with respect to any other matter; (ii) is as of the date hereof; and (iii) is rendered by us solely for your benefit and may not be relied upon by any person or entity other than you without our express, written consent. Notwithstanding the foregoing, our Opinion may be expressly relied upon by AMP and by Norton Rose Fulbright US LLP in rendering its opinion or opinions with regard to the exclusion from U.S. federal income tax of interest on bonds issued by AMP to finance or refinance Individual Site Prepayment Amounts. We undertake no obligation to update our opinion in the event that there is a change in the legal authorities, facts or documents upon which our opinion is based or an inaccuracy in any of the Assumptions or Representations upon which we have relied in rendering our opinion.

We hereby consent to the inclusion of this opinion as an exhibit to the Official Statement. In giving this consent, we do not hereby admit that we are within the category of persons whose

consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder.

Sincerely,

_____

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APPENDIX E

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Series 2019A Bonds. The Series 2019A 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 2019A 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 2019A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019A 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 2019A 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 2019A Bonds, except in the event that use of the book-entry system for the Series 2019A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019A 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 2019A 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 2019A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019A 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 2019A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2019A Bonds may wish to ascertain that the nominee holding the Series 2019A 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 2019A 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 2019A 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 2019A 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 2019A 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 2019A 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 E 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.

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this "Disclosure Undertaking") is executed and delivered as of January 31, 2019 by American Municipal Power, Inc. ("AMP") in connection with the issuance of its Solar Electricity Prepayment Project Revenue Bonds Series 2019A (Green Bonds) (the "Series 2019A Bonds"). The Series 2019A Bonds are being issued pursuant to an Indenture of Trust, dated as of January 1, 2019 (the "Indenture of Trust"), as supplemented, including as supplemented by the First Supplemental Indenture of Trust (the "First Supplemental Indenture") dated as of January 1, 2019 and 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 (defined below). The Indenture of Trust, 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 Series 2019A Bonds and in order to assist the Participating Underwriters 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 Disclosure Undertaking. 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 Series 2019A 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 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.

"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, as specified in Section 4 hereof.

"Listed Events" shall mean, with respect to the Series 2019A 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;

Note to clause (12): 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;

(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;

"MOP" shall mean an "obligated person" within the meaning of the Rule. Each of the cities of Bowling Green, Ohio; Wadsworth, Ohio; and Piqua, Ohio 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 January 8, 2019 relating to the Series 2019A Bonds.

"Participating Underwriter" shall mean each original Underwriter (as defined in the Official Statement) of the Series 2019A Bonds required to comply with the Rule in connection with the offering of such Series 2019A 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, 2018. 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 (a) 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 in APPENDIX A to the Official Statement, (ii) the audited financial statements of AMP for the prior fiscal year, and if such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3.2, the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available, (iii) annual information of the type described in the table named "Performance of Initial Systems" under the heading "THE SYSTEMS – The Initial Systems" in the Official Statement, (iv) annual updates, if any, to the information in the first paragraph under the heading "AMERICAN MUNICIPAL POWER, INC. – Liquidity" in the Official Statement, and (v) with respect to the MOPs, annual statistical and financial information, including operating data as described in Exhibit A attached hereto.

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 notice of any of the Listed Events to the MSRB via EMMA in a timely manner not in excess of ten business days after the occurrence of the event. Whenever AMP obtains knowledge of the occurrence of a Listed Event that requires AMP to determine if such event would constitute material information, whether because of a notice from the Trustee or otherwise, AMP shall as soon as possible determine if such event would be material under applicable federal securities laws.

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 Series 2019A 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 Disclosure Undertaking 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 Series 2019A 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 Series 2019A 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 Underwriters and Beneficial Owners from time to time of the Series 2019A 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. Solar Electricity Prepayment Project Revenue Bonds Series 2019A (Green Bonds) (the "Series 2019A Bonds").

CUSIP NO. _____

Dated: _____ __, 2019

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 Series 2019A Bonds issued pursuant to that certain Indenture of Trust, dated as of January 1, 2019, as supplemented by the First Supplemental Indenture of Trust, dated as of January 1, 2019, 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

APPENDIX G

AMORTIZED VALUE SCHEDULE OF THE BONDS

The following table sets forth the Amortized Values per $5,000 Series 2019A Bond, as of each interest payment date. The Series 2019A Bonds are subject to Extraordinary Mandatory Redemption in accordance with the provision described in the Official Statement under the heading "THE SERIES 2019A BONDS – REDEMPTION PROVISIONS – *Extraordinary Mandatory Redemption*." AMP anticipates that any redemption after February 15, 2029 would be accomplished in accordance with the provision described in the Official Statement under the heading "THE SERIES 2019A BONDS – REDEMPTION PROVISIONS – *Optional Redemption*".

Date	Bond Maturing February 15, 2020	Bond Maturing February 15, 2021	Bond Maturing February 15, 2022	Bond Maturing February 15, 2023	Bond Maturing February 15, 2024	Bond Maturing February 15, 2025	Bond Maturing February 15, 2026
2/15/2019	$5,157.85	$5,309.85	$5,448.35	$5,573.85	$5,684.80	$5,788.95	$5,871.75
8/15/2019	5,079.25	5,233.45	5,375.40	5,504.60	5,619.50	5,727.05	5,814.00
2/15/2020	5,000.00	5,156.35	5,301.75	5,434.65	5,553.50	5,664.50	5,755.55
8/15/2020		5,078.50	5,227.35	5,364.00	5,486.80	5,601.25	5,696.45
2/15/2021		5,000.00	5,152.30	5,292.60	5,419.45	5,537.30	5,636.70
8/15/2021			5,076.50	5,220.55	5,351.35	5,472.65	5,576.25
2/15/2022			5,000.00	5,147.75	5,282.50	5,407.30	5,515.10
8/15/2022				5,074.25	5,213.00	5,341.25	5,453.25
2/15/2023				5,000.00	5,142.70	5,274.45	5,390.65
8/15/2023					5,071.70	5,206.95	5,327.40
2/15/2024					5,000.00	5,138.70	5,263.40
8/15/2024						5,069.70	5,198.65
2/15/2025						5,000.00	5,133.20
8/15/2025							5,066.95
2/15/2026							5,000.00

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Date	Bond Maturing February 15, 2027	Bond Maturing February 15, 2028	Bond Maturing February 15, 2029	Bond Maturing February 15, 2030	Bond Maturing February 15, 2031	Bond Maturing February 15, 2032	Bond Maturing February 15, 2033
2/15/2019	$5,941.10	$6,006.30	$6,050.70	$5,997.05	$5,944.00	$5,901.05	$5,853.70
8/15/2019	5,887.40	5,956.05	6,004.35	5,953.35	5,902.85	5,861.90	5,816.80
2/15/2020	5,833.05	5,905.20	5,957.40	5,909.00	5,861.05	5,822.20	5,779.35
8/15/2020	5,778.05	5,853.75	5,909.85	5,864.05	5,818.70	5,781.90	5,741.30
2/15/2021	5,722.40	5,801.60	5,861.70	5,818.55	5,775.75	5,741.00	5,702.70
8/15/2021	5,666.05	5,748.85	5,812.90	5,772.35	5,732.20	5,699.55	5,663.55
2/15/2022	5,609.05	5,695.40	5,763.45	5,725.60	5,688.00	5,657.50	5,623.80
8/15/2022	5,551.35	5,641.35	5,713.40	5,678.15	5,643.20	5,614.80	5,583.40
2/15/2023	5,493.00	5,586.55	5,662.65	5,630.10	5,597.80	5,571.50	5,542.45
8/15/2023	5,433.90	5,531.10	5,611.25	5,581.40	5,551.70	5,527.55	5,500.85
2/15/2024	5,374.10	5,475.00	5,559.20	5,532.00	5,505.00	5,483.00	5,458.65
8/15/2024	5,313.60	5,418.15	5,506.50	5,482.00	5,457.60	5,437.75	5,415.80
2/15/2025	5,252.35	5,360.60	5,453.05	5,431.25	5,409.55	5,391.90	5,372.30
8/15/2025	5,190.40	5,302.35	5,398.95	5,379.85	5,360.85	5,345.35	5,328.15
2/15/2026	5,127.65	5,243.35	5,344.15	5,327.75	5,311.45	5,298.10	5,283.35
8/15/2026	5,064.20	5,183.65	5,288.60	5,274.95	5,261.30	5,250.20	5,237.90
2/15/2027	5,000.00	5,123.15	5,232.35	5,221.40	5,210.50	5,201.60	5,191.70
8/15/2027		5,061.95	5,175.40	5,167.15	5,158.95	5,152.25	5,144.85
2/15/2028		5,000.00	5,117.65	5,112.20	5,106.70	5,102.25	5,097.25
8/15/2028			5,059.20	5,056.45	5,053.70	5,051.50	5,049.00
2/15/2029			5,000.00	5,000.00	5,000.00	5,000.00	5,000.00

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Date	Bond Maturing February 15, 2034	Bond Maturing February 15, 2035	Bond Maturing February 15, 2036	Bond Maturing February 15, 2037	Bond Maturing February 15, 2038	Bond Maturing February 15, 2039	Bond Maturing February 15, 2044
2/15/2019	$5,820.85	$5,788.20	$5,751.15	$5,728.15	$5,705.25	$5,687.00	$5,641.70
8/15/2019	5,785.45	5,754.35	5,719.05	5,697.10	5,675.25	5,657.85	5,614.60
2/15/2020	5,749.55	5,720.00	5,686.40	5,665.50	5,644.75	5,628.15	5,587.00
8/15/2020	5,713.10	5,685.05	5,653.20	5,633.45	5,613.70	5,598.00	5,558.95
2/15/2021	5,676.10	5,649.60	5,619.50	5,600.80	5,582.20	5,567.35	5,530.40
8/15/2021	5,638.50	5,613.60	5,585.30	5,567.65	5,550.10	5,536.15	5,501.35
2/15/2022	5,600.35	5,577.00	5,550.50	5,534.00	5,517.55	5,504.40	5,471.80
8/15/2022	5,561.60	5,539.85	5,515.10	5,499.75	5,484.40	5,472.15	5,441.75
2/15/2023	5,522.25	5,502.10	5,479.20	5,464.95	5,450.70	5,439.40	5,411.15
8/15/2023	5,482.30	5,463.75	5,442.70	5,429.55	5,416.45	5,406.05	5,380.05
2/15/2024	5,441.70	5,424.80	5,405.60	5,393.60	5,381.65	5,372.10	5,348.35
8/15/2024	5,400.50	5,385.25	5,367.90	5,357.05	5,346.25	5,337.65	5,316.15
2/15/2025	5,358.65	5,345.05	5,329.55	5,319.90	5,310.30	5,302.60	5,283.40
8/15/2025	5,316.20	5,304.25	5,290.65	5,282.15	5,273.70	5,266.95	5,250.05
2/15/2026	5,273.05	5,262.80	5,251.10	5,243.80	5,236.50	5,230.70	5,216.15
8/15/2026	5,229.25	5,220.70	5,210.90	5,204.80	5,198.70	5,193.80	5,181.65
2/15/2027	5,184.80	5,177.90	5,170.05	5,165.15	5,160.25	5,156.35	5,146.55
8/15/2027	5,139.65	5,134.45	5,128.55	5,124.85	5,121.15	5,118.20	5,110.85
2/15/2028	5,093.80	5,090.35	5,086.40	5,083.90	5,081.45	5,079.45	5,074.55
8/15/2028	5,047.25	5,045.50	5,043.50	5,042.30	5,041.05	5,040.05	5,037.55
2/15/2029	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00

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