AMP
PUBLIC POWER PARTNERS

2009

ANNUAL REPORT

AMERICAN MUNICIPAL POWER, INC.

Cover: (from top to bottom, left to right)
Work on the hydroelectric project at the Cannelton Locks & Dam is already well under way.

Insulators at an AMP member community substation

Groundbreaking for the Cannelton hydroelectric project

Power plant under construction at the Prairie State Energy Campus

AMP moved into its new headquarters at 1111 Schrock Road, Columbus, in July

Inside front cover:
A cofferdam allows excavation for the Cannelton hydroelectric plant to begin. The 88-megawatt plant is scheduled to begin commercial operation in 2013.

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LETTER TO MEMBERS

Jon Bisher, AMP Board Chairman
Marc S. Gerken, PE, AMP President/CEO

Whatever else can be said about 2009, no one will say it was "business as usual." Surprises, achievements, disappointments—all were present as the year progressed.

American Municipal Power's primary purpose—to help member communities meet their present and future power supply needs efficiently, reliably and economically—was the focus of much of 2009's activity. AMP broke ground at Cannelton, the first of five Ohio River hydroelectric projects the organization has in development, and now has contracted for turbines, generators and all other major equipment at four of the locations.

The organization's influence on this area of power generation was evidenced by two events late in the year. AMP participated in the National Hydropower Association's October announcement that showed more than half a million jobs could be created through the expansion of hydroelectric resources. The following month, Voith Hydro announced it would open a plant in southeastern Ohio to manufacture generator components for the AMP hydroelectric plants.

Another indication of AMP's leadership in renewable generation sources can be seen in the allocation of $143.7 million in Clean Renewable Energy Bonds (CREBs) to AMP, the largest allocation to any single entity in 2009. While much of this will be used to finance hydro projects, the largest single award is for a solar energy project in Danville; a wind energy project in Berlin and landfill gas generation in Bowling Green further demonstrate the diversity of our plans.

Whatever else can be said about 2009, no one will say it was "business as usual." Surprises, achievements, disappointments—all were present as the year progressed.

While work on the coal-fired Prairie State Energy Campus continued on pace during 2009, which should allow the plant to meet its scheduled August 2011 completion date for Unit 1, the story of our American Municipal Power Generating Station (AMPGS) took a different path.

Throughout much of the year, our plans to build a state-of-the-art coal-fired generating plant in southeastern Ohio moved forward as expected. AMP obtained needed permits from the Ohio Environmental Protection Agency and the Army Corps of Engineers, and received assurance of financial support from the state of Ohio.

Through each of the re-evaluations to the AMPGS feasibility study, the project remained a cost-effective source of base load generation when compared to projections of market-rate costs for wholesale energy purchases. That changed in November, when AMP received the latest indicated capital cost for the project from its engineer-procure-construct contractor, Bechtel Corporation.

That report showed an unexpected 37 percent increase in costs. At a meeting held November 24, the AMP Board of Trustees and AMPGS participants decided that it was in the best interests of the participating communities to end the coal-fired aspect of the project. Instead, participants decided the best economic decision would be to focus efforts on alternate methods, including potential conversion to natural gas combined cycle.

After nearly six years of work on the AMPGS project, this was not a quick decision, but it was the right thing to do. From the beginning, we had made it clear that we would recommend halting the project if the economics no longer favored the participating communities. Moving forward, AMPGS participants will continue making prudent business decisions about the direction this project—given the existing and future energy needs of member communities—must take.

While this end-of-the-year activity with AMPGS was clearly an unfortunate occurrence, it cannot overshadow the other achievements of 2009. Beyond the renewable energy projects already noted, the organization moved forward with its rebranding efforts, updated its governance and reached new levels of member involvement.

As stated last year, we realized that our old name of AMP-Ohio no longer accurately represented our membership. Just as our move to a new headquarters building gave us the room to realize the full talents of the AMP staff, our "move" to a new name gave us the scope to recognize all the communities that provide our communal strength.

With more than one-third of AMP member communities located outside the borders of Ohio, it was clear that allotting those communities just one seat on the Board of Trustees was not representative of their importance to the organization. In June, a vote of the full AMP membership expanded the board by three seats, and provided a mechanism for it to grow even more if needed. Under the change, any state outside Ohio with at least five member communities gained a seat on the Board of Trustees—adding spots for Michigan, Pennsylvania and Virginia. Communities in Kentucky and West Virginia—five in total—continue to be represented by an existing seat on the board.

Employees of Voith Hydro inspect a blade for the hydroelectric turbines at Cannelton during production at a Voith plant in Sao Paulo, Brazil. AMP has contracted with the company for turbines and generators at five hydroelectric projects on the Ohio River.

Membership continues to grow, with the addition of the Pennsylvania communities of Goldsboro, Wampum and Zelienople, as well as Toledo, Ohio.

Reaching out to non-Ohio communities, in July AMP held its first Board of Trustees meeting outside Ohio in member community Coldwater. The July 2010 board meeting is scheduled for Ephrata. The organization's finance and accounting subcommittee met in Pennsylvania and Virginia during the year, as well as at Ohio locations. For 2010, the subcommittee has meetings planned in Michigan, Pennsylvania and Virginia. A Pennsylvania safety meeting also drew new participants, and AMP added another part-time consultant in that state to assist with member relationships in the eastern part of Pennsylvania.

Financially, as noted in this report's narrative and the management discussion, AMP had a strong year as evidenced by the CREBs allocation, the use of Build America Bonds (BABs), the increase to our bank lines of credit, the success of our bond sale for the hydro projects and continued recognition by bond rating agencies. AMP has issued nearly $1 billion of BABs—more than anyone else in public power—in the low 4-percent range.

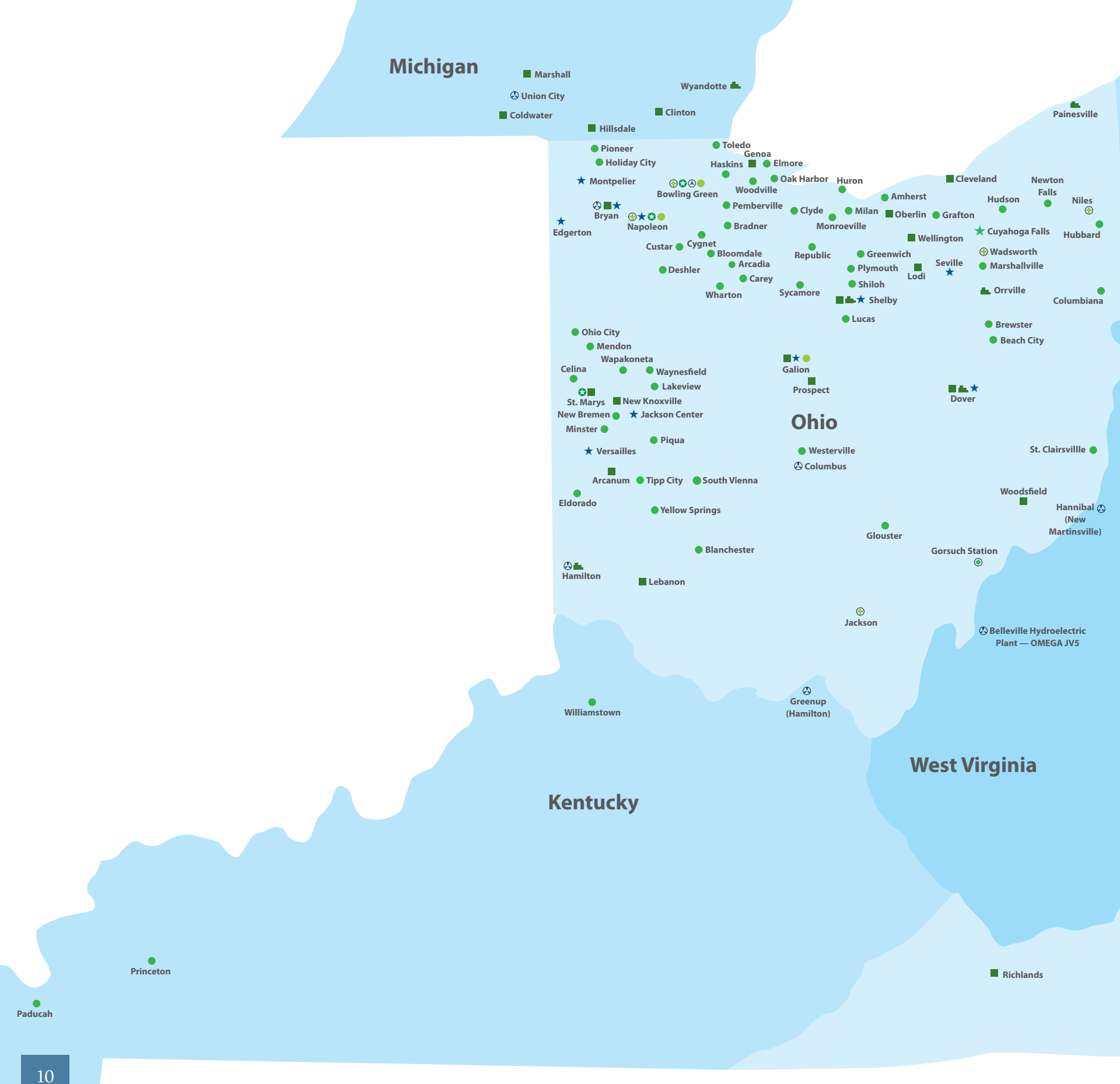
Although our hopes to have the AMPGS project under way in 2010 will not be realized, there is much more to be done in the coming year. Work on our other planned generation projects is moving forward. AMP continues to assess the feasibility of further renewable energy resources. And, AMP's updated long-term power supply plans for each member community provide both individual and collective data to inform our overall power supply strategy.

Because of this, our vision of how AMP and its member communities should proceed allows us to enter the new year with anticipation rather than trepidation. We remain confident that the shared knowledge and experience of our members will continue to guide our decisions, to the benefit of all public power customers in AMP's six-state area.

Marc S. Gerken, PE
AMP President/CEO

Jon Bisher
AMP Board Chairman

American Municipal Power's primary purpose: — to help member communities meet their present and future power supply needs efficiently, reliably and economically — was the focus of much of 2009's activity.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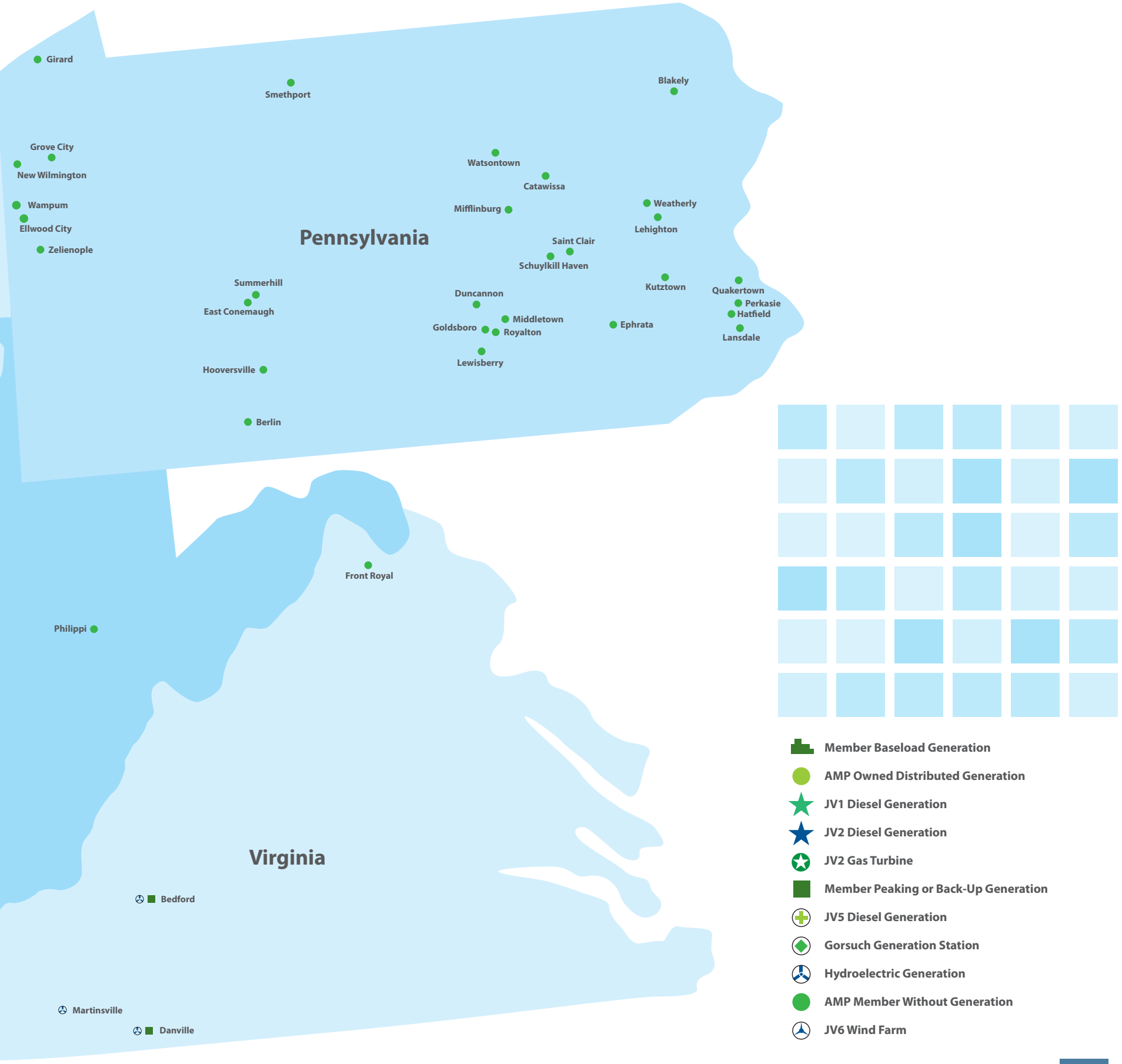
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AMP Owned Distributed Generation
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JV2 Diesel Generation
JV2 Gas Turbine
Member Peaking or Back-Up Generation
JV5 Diesel Generation
Gorsuch Generation Station
Hydroelectric Generation
AMP Member Without Generation
JV6 Wind Farm

INTRODUCTION

American Municipal Power (AMP) is the Columbus-based nonprofit wholesale power supplier and services provider for 128 member municipal electric systems – 82 in Ohio, 30 in Pennsylvania, six in Michigan, five in Virginia, three in Kentucky and two in West Virginia. Owned and governed by its member communities, the organization is dedicated to providing members with assistance and a reliable, economical power supply. AMP also serves as project manager for groups of municipal electric communities participating in joint ventures to share ownership of power generation and related facilities.

AMP's mission statement calls for it to "develop, manage and supply diverse, competitively priced, reliable wholesale energy to public power through strategic partnerships and member-focused relationships."

AMP is closely aligned with two other municipal power organizations. The Ohio Municipal Electric Association (OMEA) is the legislative liaison for AMP and Ohio's municipal electric systems. The Ohio Public Power Educational Institute (OPPEI) is the nonprofit foundation that provides educational services for municipal electric employees and informs consumers and the general public about the benefits of public power.

Construction of the power plant building at the Prairie State Energy Campus in southern Illinois is progressing on schedule. AMP has a 368-megawatt (MW) equity ownership position—the largest single ownership share—in the 1,582 MW plant.

"Receiving the American Public Power Association's Golden Tree Award in December was simply a validation of all the work the city has done over the last several decades to reach this point. It's a one-time award that recognizes communities that have planted at least one tree for every customer they have. In our case, that meant we've planted more than 16,000 trees over the years, working with other departments, community groups and individuals to achieve this. We also work directly with our customers through a program that helps them replace existing trees with ones that are more utility-line friendly."

Barry Gierard—Utility Forester, Westerville Electric Division

Westerville Electric Utility Forester Barry Gierard, left, and Electric Utility Manager Andy Boatright talks with Westerville homeowner Melissa Pavolino about the city's tree management program.

2009 was a study in contrasts. Although tempered by one major disappointment, the year saw ground broken for the first of five hydroelectric generation projects, the relocation to a new headquarters with ample room to meet the diverse needs of an expanding membership, the addition of four new member communities, and AMP President/CEO Marc Gerken assuming chairmanship of the American Public Power Association Board of Directors.

As always, the power supply needs of a widely divergent group of municipal electric systems—some with fewer than 125 customers, another with nearly 75,000; some with no full-time employees, others with hundreds of full-time staff members—was AMP's top priority. In a slowed economy, with power usage down for the year, the benefits of AMP's long-term power tracking and forecasting took on added significance. Projects designed to meet the future needs of those communities, both economically and environmentally, received even further scrutiny.

In November, acting on the latest information available to it, the AMP Board of Trustees and participants in the American Municipal Power Generating Station (AMPGS) project determined it was in the best interest of the participants to halt efforts to build the coal-fired generating facility. As explained more fully in the preceding "Letter to Members," unexpected cost increases reported by AMP's engineer-procure-construct contractor led to this decision.

The cost of the project had escalated several times, which had been anticipated. The final increases, however, moved the project cost above the market estimates, making it no longer an economical power supply option.

AMP will continue to pursue alternate energy resources to meet member community needs. In addition to expanding hydroelectric resources, AMP will explore technologies that include natural gas combined cycle and other alternative energy projects.

While the events surrounding AMPGS required AMP and the project participants to make this prudent business decision, other power supply generation projects saw considerable progress in 2009. Furthest along at the end of the year was the Prairie State Energy Campus, which marked several major milestones as the year progressed.

PRAIRIE STATE ENERGY CAMPUS

AMP has a 368-megawatt (MW) equity ownership position—the largest single ownership share—in the 1,582-MW Prairie State coal-fired plant in southern Illinois. Prairie State is the largest coal-fired generating plant under construction in the United States, and more than 2,400 construction workers were on site at certain points during the year.

Throughout the year, construction continued on schedule at the site, which is adjacent to the mine that will supply it with fuel. Structural steel work on Unit 1 was completed and similar work on Unit 2 began early in the year, with construction of the two boiler units following. Completion of Unit 1 is projected for August 2011, with Unit 2 completed the following May

Development of the Lively Grove Mine adjacent to the site continued alongside construction of the plant. The mine will provide a dedicated source of fuel for Prairie State for 30 years. Beyond the benefit of having a long-term source of fuel secured, the location eliminates a major fuel-supply expense—the cost of long-distance transportation, which has steadily risen in recent years.

In August, the mine reached a major milestone when the first coal flowed off the conveyor system, following many months of work building the mine entrance, the slope and conveyor system. Operators expect the mine to begin delivering coal to the power plant in late 2010.

By the end of 2009, Prairie State was more than 35 percent complete. It marked another major accomplishment in early winter when the 345-kilovolt switchyard connecting the plant to the regional power grid was energized.

In September, AMP sold $469.58 million of taxable revenue bonds, including $385.84 million of Build America Bonds (BABs); the largest BABs transaction to that date in public power and one that came close to completing the financing for AMP's 23.26 percent share of Prairie State. The low-cost bonds, secured by AMP's net revenues derived from contracts with the project participants, carried an A rating from both Fitch and Standard & Poors and an A1 rating from Moody's Investors Service. Credit analysts praised AMP's financial strength and the diversity of the member communities participating in the project

"AMP's creditworthiness program has been very important to us—in a bad economy, our credit rating has actually gone up. I believe AMP showed such foresight in realizing how important it was to help member communities improve their credit ratings. Its policies help make it relatively easy for a community to improve; we found that with some fairly straightforward steps we could bring our financial house into order. We went from the bottom side of average to above average and then to having a very good score. We're all members in this together; when AMP finances a major project these improved credit ratings earn better interest rates and lower the cost for all the participants."

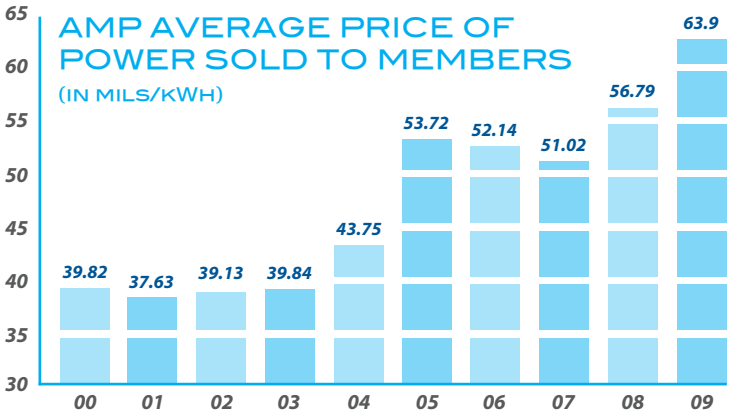
Kevin Cornish—Village Manager,
Village of Clinton

Clinton Village Manager Kevin Cornish, left, and Michigan South Center Power Agency General Manager Glen White stand in the control center of the agency's power plant in Litchfield, Mich.

"Providing measurable results—as validated by the American Public Power Association's Reliable Public Power Provider (RP_3) program—allows me to show the mayor, council and our customers that we are among the best utilities in Kentucky. It's also an important economic development tool. For many commercial and industrial customers now, reliability is more important than rates. Finally, it's saved the Princeton Electric Plant Board money with general liability and workers' compensation insurance carriers because of the documentation that the RP_3 program enables us to provide."

John Humphries—General Manager, Princeton Electric Plant Board

Princeton Electric Safety/ Operations Coordinator Randy Dorroh, left, and Chris Burton, journeyman lineworker, discuss the day's work schedule while in front of the West Princeton substation.



HYDROELECTRIC PROJECTS

To help meet the needs of member communities for environmentally responsible, renewable energy sources, AMP is developing five hydroelectric projects at existing locks and dams on the Ohio River. When completed, these projects will make more than 350 MW of additional capacity available to member communities.

The first of these projects, at the Cannelton Locks and Dam in western Kentucky, broke ground at a ceremony in August. Marc Gerken, AMP president/CEO, was joined by Kentucky Gov. Steve Beshear, Congressman Steve Guthrie and other dignitaries at the event attended by more than 150 people. Gov. Beshear applauded AMP's vision for developing energy projects, noting that Cannelton and two other projects in Kentucky—those at the Captain Meldahl Locks and Dam and at the Smithland Locks and Dam—show AMP "as a leader in the energy production of the future."

AMP had given Kiewit-Traylor Constructors (KTC) the notice to proceed with work on Cannelton in May, and work had already begun on the cofferdam—built to wall off the construction site from the river—when the groundbreaking was held. By year end, much of the cofferdam work had been completed, and KTC projected the site to be ready for construction of the powerhouse when the bid is awarded in the second half of 2010. Construction of the 88-MW plant—scheduled to begin commercial operation in 2013—will employ 200-400 workers. Once on line, the plant will require a staff of seven-to-12 operators.

Planning and licensing efforts moved forward on the four other Ohio River projects. While the Meldahl (105 MW) and Smithland (76 MW) projects are on the Kentucky side of the river, West Virginia will be the site for the Willow Island (44 MW) plant and the R.C. Byrd (48 MW) plant is projected to be on the Ohio side of the river. All but the Byrd facility are expected to come on line during the 2013-2014 time frame.

Meldahl is a joint project with member community Hamilton, which holds the FERC license for the site. When completed, Meldahl will be the largest hydroelectric plant on the Ohio River. Under an agreement signed in 2008, AMP will hold title to Meldahl, with a power purchase agreement giving Hamilton 51.4 percent of the plant's output. AMP will retain 48.6 percent on behalf of the communities participating in the hydro project. The same agreement gives AMP and Hamilton joint ownership of the existing 70-MW Greenup plant, with the output shared at the same percentages as Meldahl.

The project moved a step further in March, when AMP signed a contract with Voith Hydro for the manufacture of turbines and generators, extending the partnership that began with a 2008 contract for turbines and generators at the Cannelton, Smithland and Willow Island projects.

In October, the National Hydropower Association released a study showing that future development of hydroelectric resources could lead to the creation of more than 500,000 jobs. Marc Gerken, AMP president/CEO was at the study release, along with Pennsylvania Gov. Ed Rendell and Mark Garner, president of Voith Hydro.

AMP had a more direct role in creating those jobs when, in November, Voith Hydro announced it would open a plant in Hannibal, Ohio, to manufacture stators for the Cannelton, Meldahl, Smithland and Willow Island plants. Ohio Gov. Ted Strickland, Congressman Charlie Wilson, Jolene Thompson, AMP senior vice president of member services & external affairs, and Mark Garner, Voith Hydro president, were among those at the announcement ceremony. The Voith Hydro facility, along the Ohio River, is projected to employ 40 workers.

AMP had encouraged Voith Hydro to look for a suitable manufacturing site in Ohio for this work, which will be part of the 11 horizontal bulb generator units needed for the four projects. The stators produced by the Hannibal plant will be 30 feet in outside diameter, 10 feet in height and will weigh 128 tons each. The plant has an on-site barge landing that will facilitate moving the stators to the project sites.

AMP worked closely with its advisors and the financial community throughout the year on these projects, culminating in the sale of $644 million of bonds, including nearly $500 million of Build America Bonds (BABs), to fund Cannelton and Smithland construction through 2010 and to pay off a $350 million bond anticipation note issued earlier in the year. In a separate transaction, AMP sold $22.6 million of Clean Renewable Energy Bonds (CREBs) allocated for the hydro projects.

The organization's commitment to expand the use of renewable energy resources was recognized late in the year when the Internal Revenue Service notified AMP that it had been awarded $143.7 million in Clean Renewable Energy Bonds, the largest allocation of CREBs to a single entity for the year. The bonds AMP received are to help finance eight renewable energy projects covering four technologies—hydroelectric, wind, biomass/landfill gas and solar. Geographically, the projects are distributed throughout five of the six states that contain AMP member communities and, along with the diversity in technology covered, show AMP's commitment to a broad range of projects.

The majority of the CREBs ($107 million) will go for the hydroelectric projects, including $23 million for Cannelton, $20 million for Meldahl, $20 million for R.C. Byrd, $24 million for Smithland and $20 million for Willow Island. The largest allocation—$29 million—is for a solar project in Danville. A wind generation project in Berlin will receive $7 million in CREBs, and a landfill gas project in Bowling Green will receive the final $700,000. AMP intends to finance all hydro projects through a combination of CREBs and BABs.

"A reliable, cost-effective power supply is important to industrial customers, such as Ametek Westchester Plastics. A lot of our conversations with industrial customers are about power costs. We're committed, working with AMP, to keep our energy charges as appropriate as we can. We do this for all our customers, both residential and commercial; we don't have shareholders we have to pay dividends to. For industry, reliability of the power source is also very important. Wapakoneta is upgrading its entire system from 4.16 kilovolts to 12.47 kV, and this includes an upgrade of all four substations and new wires. When we're done—toward the middle of 2012—we'll have essentially a brand-new system."

Bill Rains—Director of Public Service & Safety, City of Wapakoneta

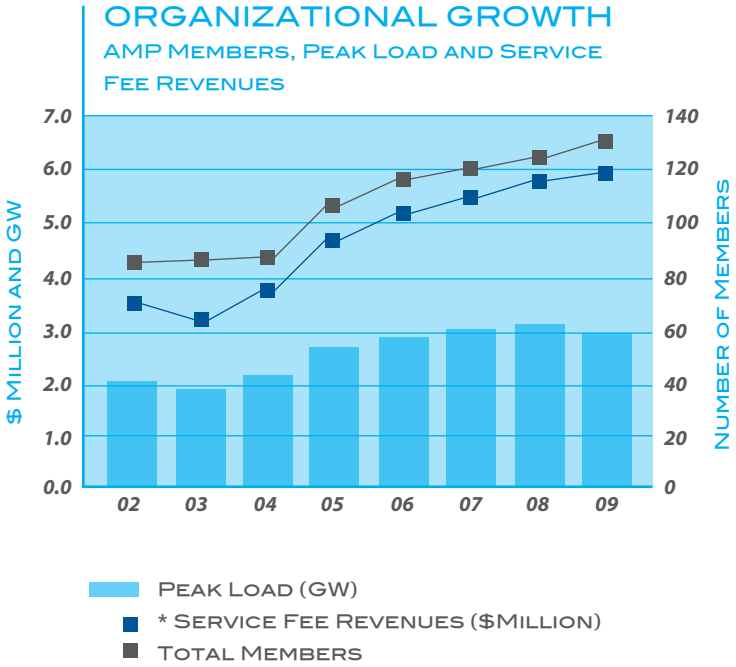
Westchester Plastics General Manager Ron Gasior, right, shows Wapakoneta Mayor Rodney Metz some of the products that the company manufactures during a recent plant tour.

"The finance & accounting (F&A) subcommittee meetings provide members with an opportunity for staff to meet and discuss current finance and accounting issues with experts from AMP and representatives from securities firms. Although about half of the time is spent on strictly accounting subjects, the meetings also address issues important to electric operations, such as power supply, transmission and distribution. We also learn about programs available through AMP, such as RP$_3$, GIS mapping and demand reduction. The opportunity to interact with industry experts, other member organizations and to discuss and analyze problems and issues common to municipal electric financial operations, away from the interruptions of our business offices, is invaluable."

Russell Samilo—Finance Director, Borough of Kutztown

Participants at AMP's finance & accounting meetings also learn about operational aspects of the utility industry such as transmission and distribution.

Here, Kutztown Electric Department Crew Leader Dennis Follweiler, left, and electric lineworker Steve Diehl work at one of the city's substations.



* Service fee rates have not been increased since 1996

POWER SUPPLY HIGHLIGHTS

In September, AMP signed a contract with The Energy Authority (TEA), the nation's leader in public power energy trading, to provide bilateral trading, risk control and regional transmission organization (RTO) services for the organization's wholesale portfolio. To that end, TEA will perform short-term trading services and RTO market participation functions on behalf of AMP, while maintaining best-practices risk control and reporting over the entire portfolio.

The growth of AMP, coupled with the organization's ambitious development plans for generation assets, make a comprehensive risk analysis and mitigation program a priority. To achieve this goal, AMP management and the Board of Trustees conducted thorough due diligence of TEA. Because of this, the board is confident the relationship with TEA will mitigate risk and strengthen power supply services to member communities.

Following up on a project begun in 2007, AMP had R.W. Beck update the long-term power supply plans it had done for member communities and create plans for the communities that have joined the organization since then. The 2009 plans incorporate new load forecasts, current project subscription amounts, new power supply contracts and optimization of planned or potential generation resources.

An alternate power supply plan considers the effect of energy efficiency programs and how this would reduce the energy needs of member communities.

Sustainability Efforts

AMP's leadership on renewable energy issues was further acknowledged in January, 2009, when a delegation of business and government leaders from the Xinjiang Autonomous Region in northern China visited AMP headquarters and the Belleville Hydroelectric Plant. The Xinjiang Energy Efficiency and Power Consumption Reduction Group, hosted by Marietta College, toured AMP's Energy Control Center and heard an overview of the organization's generation development, energy efficiency and conservation efforts.

In September, AMP staff member Larry Marquis reversed the direction of travel, joining a delegation from member community Cleveland in a tour of waste-to-energy (WTE) facilities in China and Japan. Cleveland Public Power has been investigating the feasibility of installing WTE technology at a City of Cleveland solid waste transfer station. The process uses thermal gasification to convert solid waste into a synthetic gas that is burned to fuel the generators. The group toured operating generation sites using municipal and medical waste, as well as plants manufacturing the equipment used in the process. AMP is providing monetary support to assist CPP with its WTE feasibility study.

Continuing our efforts in conservation and efficiency education, AMP became an Energy Star program sponsor. A joint federal program of the Environmental Protection Agency and the Department of Energy, Energy Star is a voluntary labeling program designed to identify and promote energy-efficient products to reduce greenhouse gas emissions.

Beginning in 2008, AMP has been working toward implementation of a comprehensive energy efficiency program under the name Efficiency Smart. The organization has set goals for achieving annual energy savings and is working with Vermont Energy Investment Corporation to execute this program.

In May, AMP's efforts at energy education in the schools were recognized by the Ohio Energy Project (OEP), which acknowledged the 20-year sponsorship relationship between the two organizations. The OEP provides energy programs and materials for schools throughout the state. In 2009, the OEP also recognized the efforts of students and schools in seven AMP member communities at its annual Youth Energy Celebration.

"The AMP scholarships program is both a great opportunity to recognize good students in our public power community and a solid public power outreach program. Since 2004, AMP has awarded scholarships to three of the high school seniors we've nominated. To raise interest and awareness of the scholarship opportunity, we work closely with our four community high schools—as well as all interested, qualified students—through a localized scholarship application process. On average, we receive 15 to 30 applications per year. Each scholarship nominee sent to AMP is selected by a scholarship nominating committee composed of community leaders, who take into consideration the students' academic and extracurricular achievements."

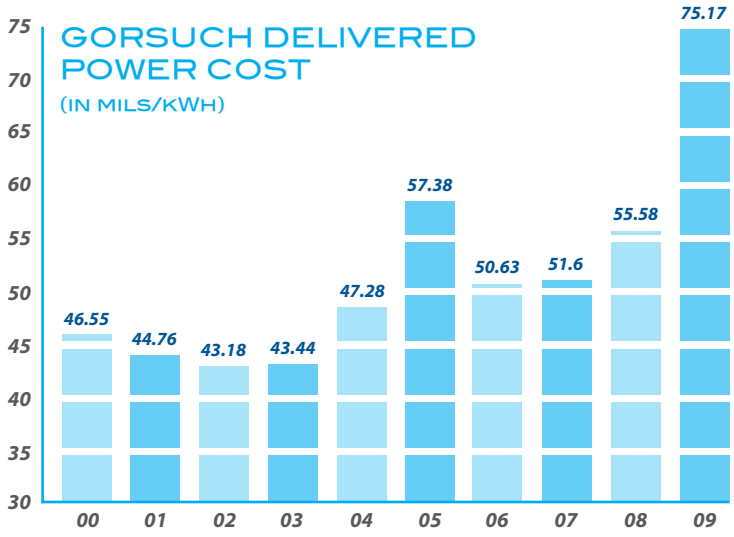
Becky McCleary—Public Utilities Customer Advocate, Cuyahoga Falls Electric Department

Kara Brock, a first-year student from Cuyahoga Falls, stands in front of Bierce Library on the campus of the University of Akron. Brock was a recipient of a 2009 Lyle B. Wright Scholarship from American Municipal Power.

"There are probably a number of reasons we had such a high response here to the Energy Depot program. We included information about it in a billing mailed to customers. We also have an excellent borough Web site with an online magazine format; many of our residents check the site regularly for community news. Smethport, working with AMP, has also been involved with several energy initiatives, each of which raised awareness of energy conservation. As an example, last fall we mailed a heat analysis questionnaire to every resident household. We were examining whether waste heat from an electric generating facility could be used in a European-style district heat system for homes in Smethport."

Mayor Ross Porter—Borough of Smethport

Smethport Mayor Ross Porter, left, offers some home energy conservation tips to homeowners Sally and Scott Newton during a meeting at the borough library.



AMP continued to offer its EcoSmart Choice program, which provides customers of participating member communities the opportunity to support renewable energy development. The EcoSmart Choice green pricing program, which supplanted an earlier service, allows residential and commercial customers to offset all, or a portion of, their electric usage with renewable energy at a small increase in their rate per kilowatt hour.

In 2009, AMP maintained its membership in the Chicago Climate Exchange (CCX), North America's only voluntary, rules-based greenhouse gas emission and reduction trading system. However, the organization conducted no trades in 2009 because of the depressed prices for carbon credits, which continued to decline as a result of uncertainty around the future of federal climate change legislation. Trading will resume after the carbon market stabilizes and prices recover to reasonable levels.

When AMP joined CCX in 2007, the exchange established a historical baseline of emissions from the Richard H. Gorsuch Generating Station and three combustion turbines owned by AMP. The agreement with CCX calls for AMP to reduce emissions below that baseline by a certain percentage each year from 2003 to 2010. When the actual reduction for each year is greater than the agreed on percentage, AMP receives allowances that can be sold.

The Energy Depot home energy audit program continued to grow in 2009, with the 55 participating member communities and AMP accounting for more than 16,500 queries for information. Through the online audit program, provided at no cost to AMP member systems, residential customers can assess their current energy usage, learn what their estimated savings will be if they change usage patterns or purchase energy-efficient appliances, and access a library of home energy information.

MEMBERSHIP

AMP continued its membership growth in 2009, adding three more Pennsylvania communities and one in Ohio. Toledo is in the process of forming a municipal electric system and the three Pennsylvania communities—Goldsboro, Wampum and Zelienople—bring with them approximately 2,600 customers.

Recognizing the growing number of communities outside the borders of Ohio, the organization's general membership voted in June to expand the Board of Trustees from 16 to 19 members. Previously, all communities outside Ohio were represented by the Other AMP Service Group (OASG). The new structure provides a board seat for any state other than Ohio with at least five member communities. States with less than five member communities will continue to be represented by the OASG seat on the board. At the Annual Conference elections in October, Coldwater was chosen to represent Michigan, Ephrata to represent Pennsylvania, Front Royal to represent Virginia and Princeton to represent the OASG.

In July, the organization moved into its new headquarters building in northern Columbus. Visible from two interstate routes and easily accessible, the new building provides significantly more work space, stepped-up security measures, facilities to host large membership meetings, and sufficient conference rooms for small meetings. A September open house and building dedication, attended by more than 200 member community representatives and guests, included tours of the building and dedication remarks by U.S. Rep. Pat Tiberi (R), whose district includes the new headquarters location.

Events such as the open house, the Annual Conference, and the spring Technical Services Conference serve as powerful reminders of the organization's strength, as representatives of the member communities gather—over distances of hundreds of miles—to share information, learn new techniques and network with their peers.

Peer-to-peer information sharing is so important that the American Public Power Association uses it as one criterion for awarding its Reliable Public Power Provider (RP_3) recognition to municipal electric systems. In March, four AMP member communities (Middletown, Minster, New Martinsville and Piqua) joined the 16 member communities that already carried the RP_3 designation.

The first month of the year brought another vivid reminder of how strength-in-numbers ensures better service to public power customers. A severe ice storm in Kentucky left many customers without power for days, with the days stretching into weeks for some areas. Crews from Ohio municipal electric systems responded to the call for help, aiding both member communities and non-member public power systems.

The ongoing requirements of a coordinated power supply, the increasing need for well-trained and safety-conscious field personnel, and the ever-present possibility of events such as the Kentucky ice storm validate the joint efforts that AMP has promoted since its creation as the Ohio Municipal Electric Association in 1962. Through nearly 50 years of service to municipal electric systems, as it grew from fewer than 35 member communities in one state to nearly 130 in six states, this organization has never lost sight of its original vision that the strength of each member system is heightened when combined with others.

"We were among the earliest AMP communities to complete the reliability standards audit that is now required by the North American Electric Reliability Corp. That was in 2008 and we're on a six-year cycle, so the next audit is due in 2014. At first, I was skeptical about the benefits for Shelby of this requirement, but the process has proven helpful to our utility. It brought all the documents together into one place; all of our contracts, the feasibility studies we've done, along with operating information. Beyond the convenience of having it all readily available, it will prove very useful in the future to whoever follows me in this job."

Brad Harvey—Director of Utilities,
City of Shelby

Shelby Division of Electricity and Telecommunications lineworkers Phillip Price, left, and Jeff Yates work to install fiber optic cable as part of the city's system upgrade project.

The Board Room at AMP's new headquarters provides ample space for both board members and AMP staff, and can also be used for large meetings of project participants and other AMP business functions.

AMP BOARD OF TRUSTEES

Jon Bisher
Chairman
City Manager
City of Napoleon
(at large)

Steve Dupee
Vice Chairman
Director
Oberlin Municipal
Light & Power System
(at large)

Pam Lucas
Secretary
Village Manager
Village of Montpelier
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Tracy Reimbold
Treasurer
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City of Newton Falls
(at large)

Kevin Maynard
Director of Utilities
City of Bowling Green
(NWASG)

Steve Casebere
Director of Utilities
City of Bryan
(at large)

Roy Johnson
Village Administrator
Village of Carey
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Kent Bryan, PE
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Borough of Ephrata
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Plant Board
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Chris Easton
Director of Public
Service
City of Wadsworth
(NEASG)

Andrew Boatright, PE
Manager
Westerville Electric
Division
(CASG)

Marc S. Gerken, PE
President/CEO
American Municipal
Power
(ex officio)

John W. Bentine, Esq.
General Counsel AMP
Chester, Willcox
& Saxbe LLP
(ex officio)

AMP EXECUTIVE MANAGEMENT

Marc S. Gerken, PE, has served as president and chief executive officer of AMP since February 2000. Previously, Gerken served as vice president of business & operations from 1998 to 2000. 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. Gerken became chair of the American Public Power Association Board of Directors in June 2009. He is also a member of the executive committee of the Transmission Access Policy Study Group. Gerken has provided testimony on numerous occasions to the Federal Energy Regulatory Commission and Congress regarding electric industry issues. He holds a Bachelor of Science degree in civil engineering from the University of Dayton.

Pam Sullivan came to AMP in 2003, and was named senior vice president of marketing and operations in 2008. She had previously served as vice president of marketing. Before joining AMP, Sullivan was vice president 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. She holds a Bachelor of Science degree in electrical engineering from the University of Toledo.

Jolene M. Thompson was named senior vice president of member services and external affairs in 2008. She has been with AMP since 1990, most recently as vice president of public affairs. She also continues to serve as executive director of the Ohio Municipal Electric Association. She is a registered lobbyist in Ohio and Washington. Thompson is a past chair of the American Public Power Association (APPA) advisory committee of state and regional associations and former member of the APPA board of directors. She holds a Bachelor of Arts degree in journalism from Otterbein College.

Robert W. Trippe was named senior vice president of finance in 2008 and continues to serve as chief financial officer (CFO). Trippe served as vice president of finance and CFO of AMP since April 1991. Before joining the organization, he worked at Detroit Edison from 1978 to 1991. During that time, Trippe served as the vice president and chief financial officer for SYNDECO Inc., a wholly owned, diversification subsidiary of Detroit Edison. Trippe holds a Bachelor of Science degree in accounting and finance from Southwest Missouri State University.

John W. Bentine has served as AMP general counsel since 1981. Bentine is a partner in the Columbus, Ohio, law firm of Chester, Willcox & Saxbe LLP. Before entering private practice in 1981, he served as a senior assistant city attorney, City of Columbus, 1978-1981, and as an assistant attorney general and counsel to the Public Utilities Commission of Ohio, 1975-1978. Bentine holds a Bachelor of Business Administration degree from Marshall University and received a Juris Doctor degree cum laude from The Ohio State University.

American Municipal Power Director of Energy Marketing Jerry Willman, third from left, leads the daily power supply meeting in the Energy Control Center. Listening in are, from left, Ryan Thompson, power supply planning engineer; Craig Kleinhenz, manager of power supply planning; and Bianca Hill, power transaction specialist.

AMP MEMBER ELECTRIC SYSTEMS AT A GLANCE

Community	*Number of Meters*	*2009 System Peak (kW)*	*Installed Generation (kW) (as of 12/31/09)*
Central AMP Service Group (CASG)			
Columbus	13,593 *	155,300 *	5,000
Glouster	993	2,448	
Jackson	4,161	33,027	3,600[3]
Westerville	16,198	100,124	
CASG subtotal	**34,945**	**290,899**	**8,600**
Northern AMP Service Group (NASG)			
Cleveland	74,891 *	289,600	59,950[5]
Painesville	12,056	55,200	35,400
NASG subtotal	**86,947**	**344,800**	**95,350**
North Central AMP Service Group (NCASG)			
Arcadia	304	1,089	
Bloomdale	311	1,330	
Bryan	6,037	42,720	54,450[6]
Carey	1,867	14,027	
Clyde	2,983	35,941	
Cygnet	254	958	
Deshler	1,043	4,403	
Dover	6,733	44,000	51,850[6]
Greenwich	750	3,594	
Marshallville	490	1,633	
New Knoxville	454	2,454	
Ohio City	464 *	1,323	
Orrville	7,058	55,250	70,475[5]
Plymouth	840	2,657	
Republic	323	681	
St. Clairsville	2,925	12,079	
St. Marys	4,129	36,828	25,000[6]
Shelby	5,189	22,040	34,325[6]
Shiloh	310	1,143	
Sycamore	509	1,457	
Wapakoneta	5,343	31,471	
Wharton	183	715	
Woodsfield	1,557	5,645	8,000
NCASG subtotal	**50,056**	**313,438**	**244,100**

Community	*Number of Meters*	*2009 System Peak (kW)*	*Installed Generation (kW) (as of 12/31/09)*
Northeast AMP Service Group (NEASG)			
Amherst	5,760	25,516	
Beach City	877	3,097	
Brewster	969	8,623	
Columbiana	3,546	15,440	
Cuyahoga Falls	24,521	103,950	9,000 [1]
Galion	6,199	21,537	53,305 [2,4,6]
Grafton	1,205	6,179	
Hubbard	3,837	14,070	5,400
Hudson	6,445	42,049	
Huron	4	12 *	
Lodi	1,784	8,900	1,800
Lucas	347	840	
Milan	724	2,320	
Monroeville	898	9,325	
Newton Falls	2,579	10,049	
Niles	11,564	63,710	5,400 [3]
Oberlin	3,079	20,750	20,656
Prospect	732 *	2,121	1,800
Seville	1,788	13,937	5,475 [2]
South Vienna	234 *	1,061	
Wadsworth	12,538	58,950	5,400 [3]
Wellington	2,591	13,570	1,000
NEASG subtotal	**92,221**	**446,006**	**109,236**

Community	*Number of Meters*	*2009 System Peak (kW)*	*Installed Generation (kW) (as of 12/31/09)*
Northwest AMP Service Group (NWASG)			
Bowling Green	14,622	99,115	91,530 [2, 3,4,7]
Bradner	550	1,469	
Custar	120	705	
Edgerton	1,121	5,245	3,650 [2]
Elmore	933	3,311	
Genoa	1,087	3,801	5,400
Haskins	522	1,608	
Holiday City	30	17,818	
Montpelier	2,317	14,330	10,950 [2]
Napoleon	5,874	30,490	58,055 [2,3,4]
Oak Harbor	1,776	5,593	
Pemberville	692	3,436	
Pioneer	828	6,675	
Toledo	—	—	
Woodville	1,057	3,005	
NWASG subtotal	**31,529**	**196,601**	**169,585**
Southwest AMP Service Group (SWASG)			
Blanchester	2,207	15,998	
Hamilton	29,297	145,700	230,500 [6]
Lebanon	9,045	58,160	33,800
SWASG subtotal	**40,549**	**219,858**	**264,300**
Western AMP Service Group (WASG)			
Arcanum	1,661	5,198	2,725 [5]
Celina	7,707	40,951	
Eldorado	270	1,079	
Jackson Center	767	4,253	1,825 [2]
Lakeview	940	2,456	
Mendon	334	1,399	
Minster	1,404	19,895	
New Bremen	1,562	12,438	
Piqua	10,555	60,000	36,000
Tipp City	4,833	29,354	
Versailles	1,863	11,716	5,475 [2]
Waynesfield	476	2,251	
Yellow Springs	2,073	7,189	
WASG subtotal	**34,445**	**198,179**	**46,025**

Community	Number of Meters	2009 System Peak (kW)	Installed Generation (kW) (as of 12/31/09)
Belleville Hydroelectric Plant			42,000
Richard H. Gorsuch Generating Station			213,000
AMP Wind Farm			7,200[8]
Ohio Total	**370,692**	**2,009,781**	**1,192,196**
New Martinsville	1,751	8,922	37,400
Philippi	1,674 *	7,324	
West Virginia Total	**3,425**	**16,246**	**37,400**
Berlin	1,131	4,359	
Blakely	3,186	8,000	
Catawissa	888	2,303	
Duncannon	937	2,500	
East Conemaugh	726	1,200	
Ellwood City	4,182	12,646	
Ephrata	6,699	29,657	
Girard	1,536	6,337	
Goldsboro	382	1,484	
Grove City	2,952	11,400	
Hatfield	1,528	4,406	
Hooversville	389	996	
Kutztown	2,464	14,949	
Lansdale	7,982 *	26,818	
Lehighton	3,000	9,268	
Lewisberry	179	595	
Middletown	3,865	17,865	
Mifflinburg	1,845	10,882	
New Wilmington	737	3,921	
Perkasie	3,877	13,506	
Quakertown	5,676	19,148	
Royalton	416	1,077	
Saint Clair	2,050 *	3,932	
Schuylkill Haven	2,987	9,699	
Smethport	1,063	2,772	
Summerhill	299 *	794	
Wampum	382	868	
Watsontown	1,057	2,924	
Weatherly	1,231	4,712	
Zelienople	2,251	7,478	
Pennsylvania Total	**65,897**	**236,496**	

Community	Number of Meters	2009 System Peak (kW)	Installed Generation (kW) (as of 12/31/09)
Clinton	1,404	5,169	17,520
Coldwater	6,832	55,510	12,000
Hillsdale	6,311	21,172	23,600
Marshall	4,570	23,092	11,800
Union City	1,417	3,333	375
Wyandotte	12,638 *	57,743	72,500
Michigan Total	**33,172**	**166,019**	**137,795**
Bedford	7,042	48,637	5,000
Danville	44,579 *	217,572	11,100
Front Royal	7,389	44,033	
Martinsville	8,034	38,780	1,300
Richlands	2,645	21,473	1,200
Virginia Total	**69,689**	**370,495**	**18,600**
Paducah	22,455 *	145,776	
Princeton	3,931	23,476	
Williamstown	1,850	11,330 *	
Kentucky Total	**28,236**	**180,582**	
AMP Total	**571,111**	**2,979,619**	**1,385,991**

* 2008 total; 2009 not available

[1] Owned by OMEGA JV1

[2] Owned by OMEGA JV2

[3] Owned by OMEGA JV5

[4] AMP distributed generation

[5] Member and distributed generation

[6] Member and OMEGA JV2

[7] Owned by OMEGA JV6

[8] AMP Wind Farm is also included in Bowling Green generation total; is only counted once in Ohio total

Member community Versailles is a recipient of the American Public Power Association's Reliable Public Power Provider (RP_3) award.

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