



2023

SUSTAINABILITY REPORT



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American Municipal Power, Inc. (AMP) is pleased to share its 2023 Report on Sustainability.

In 2023, AMP remained committed to our Sustainability Principles, continuing to focus on the concept of sustainability as a business practice to create long-term value for our Member utilities and their communities. These principles serve as the foundational cornerstones to AMP's broader corporate sustainability goals and objectives:

Principle 1 – Provide a balanced and sustainable power supply portfolio to Members

Principle 2 – Reduce environmental and societal impacts from our operations

Principle 3 – Provide valued services and support to Members

Principle 4 – Collaborate, educate and engage with stakeholders to promote AMP and Member interests

Principle 5 – Further employee engagement and responsible governance



Some of the key elements of AMP’s commitment to sustainability are the programs and initiatives designed to prepare and support Members with the rapidly evolving power sector while assisting Members in exceeding the expectations of their customers.

In 2023, AMP launched the **Community Energy Savings: Smart Thermostat Program**. This subscription-based service enables participating Members to combat increasing transmission and capacity charges by reducing their system peak demand through management of connected residential technologies, such as smart thermostats. Following the initial launch, nine Member communities signed up to participate. To date, 86 percent of all enrolled customers participate in peak-shaving demand response events, resulting in an average of 1.09 kilowatts (kW) of load shed per thermostat.

AMP’s EcoSmart Choice® Program – which was launched in 2009 to provide Members’ customers with the option of supporting renewable energy generation and offsetting some or all of their energy usage through the purchase of renewable energy certificates (RECs) – subscribed an additional Member community in 2023, bringing the total number of participating communities to 14. In 2023, the program reported 157,930 megawatt-hours (MWhs) of REC sales, marking an increase of almost 25 percent over 2022 figures. Since its inception, the program has reported 842,820 MWhs in REC sales.

AMP’s Efficiency Smart® Program – administered by VEIC, a nonprofit organization that designs and implements energy efficiency and clean energy solutions – continued to provide participating Members with access to professional energy efficiency services tailored to their needs. In 2023, AMP facilitated a one-year extension of a master services agreement with VEIC and worked to successfully resubscribe the Village of Versailles in the program. Following issues related to the COVID-19 pandemic, AMP and VEIC completed the implementation of compensation packages for Member participants who experienced underperformance of the program. VEIC staff also worked directly with AMP staff to incorporate energy efficiency into Member capacity plans.





CANNELTON HYDROELECTRIC PLANT



MELDAHL HYDROELECTRIC PLANT



WILLOW ISLAND HYDROELECTRIC PLANT

LETTER TO MEMBERS (CONTINUED)

The Member-led Focus Forward Advisory Council (FFAC) — which examines emerging trends, identifies needs and develops tools to assist Member communities — took on a number of new efforts in 2023. The group published and distributed the *Focus Forward Behind-the-Retail-Meter Distributed Energy Resource Interconnection Technical Requirements Guidance* document. This public power utility guidance document provides valuable information regarding customer-owned installations and can be used as a resource to aid in the safe interconnection of customer-owned solar, solar+storage and other distributed energy resource (DER) installations. Additionally, the FFAC released a Peer Exchange Database, providing a searchable resource of Member experiences with emerging technologies and DERs, helping to facilitate peer sharing during deployment of new programs and technologies.

The year was again productive for our renewable* energy facilities. AMP and Member-owned hydroelectric facilities generated 2,198,461 MWhs of hydroelectric power. Additionally, AMP and our Members' solar projects generated 106,120 MWhs; wind power generated 4,596 MWh; and landfill gas generated 24,625 MWhs.

AMP staff coordinated the completion and submittal of applications for the U.S. Department of Energy's (DOE) Section 242: Hydroelectric Production Incentive Program. As a result of those efforts, the DOE awarded AMP \$8 million in connection with electricity generated in 2021 and 2022 at four AMP hydroelectric facilities — Cannelton, Meldahl, Smithland and Willow Island. Funded through the Bipartisan Infrastructure Law and administered by the DOE's Grid Deployment Office, the program aims to support the continued operation of the hydropower fleet in the United States, maintain and invest in critical generation facilities and ensure a reliable and resilient electric grid.

As the transformational shift in the electric industry continues, AMP seeks new ways to assist Members in meeting their sustainability needs. Our collaborative efforts are setting up Members for a successful transition into a more sustainable future.

*AMP, on behalf of its Members, sells all or a portion of the renewable energy certificates (RECs) created by its renewable energy projects, power purchase agreements and joint ventures to help reduce its wholesale power costs.



The following pages provide an in-depth look at our achievements and the key performance metrics that supported our sustainability goals in 2023.

On behalf of the Members,



Jolene Thompson

Jolene Thompson
President/CEO



Dave Carroll

Dave Carroll
Chair of the AMP Board of Trustees
CEO of Paducah Power System

Formed in 1971, AMP is based in Columbus, Ohio, with approximately 200 employees at its headquarters and generating facilities.

AMP is the nonprofit wholesale power supplier and services provider for more than 130 Members, including municipal electric systems in the states of Indiana, Kentucky, Maryland, Michigan, Ohio, Pennsylvania, Virginia, West Virginia; as well as the Delaware Municipal Electric Corporation (DEMEC), a joint action agency in Smyrna, Del. Together, these Member utilities serve approximately 650,000 customers.

The organization is governed by a Board of Trustees that consists of 22 AMP Members — 21 elected by the Members or subgroups of Members, and DEMEC, on behalf of its nine member systems. Each elected Member then appoints a person to represent it on the Board.





Mission

To serve Members through public power joint action, innovative solutions, robust advocacy and cost-effective management of power supply and energy services.

Vision

To be the trusted leader of public power in providing Members and their customers with the highest-quality, forward-looking services and solutions.

Values

Integrity

Be honest, fair, reliable, trustworthy and ethical.

Member Focus

Provide dedicated and professional support to all Members in the AMP footprint.

Partnership

Collaborate to achieve common goals.

Employee Engagement

Commit to a diverse, inclusive, safe and supportive work environment.

Stewardship

Manage resources wisely and sustainably while striving for operational, financial and administrative excellence.

Innovation

Energize and inspire new and creative approaches that increase value to Members and Employees.

Accountability

Be responsive and communicate transparently and effectively.

AMP values and appreciates the strengths afforded by the different attributes, characteristics and experiences of each employee.

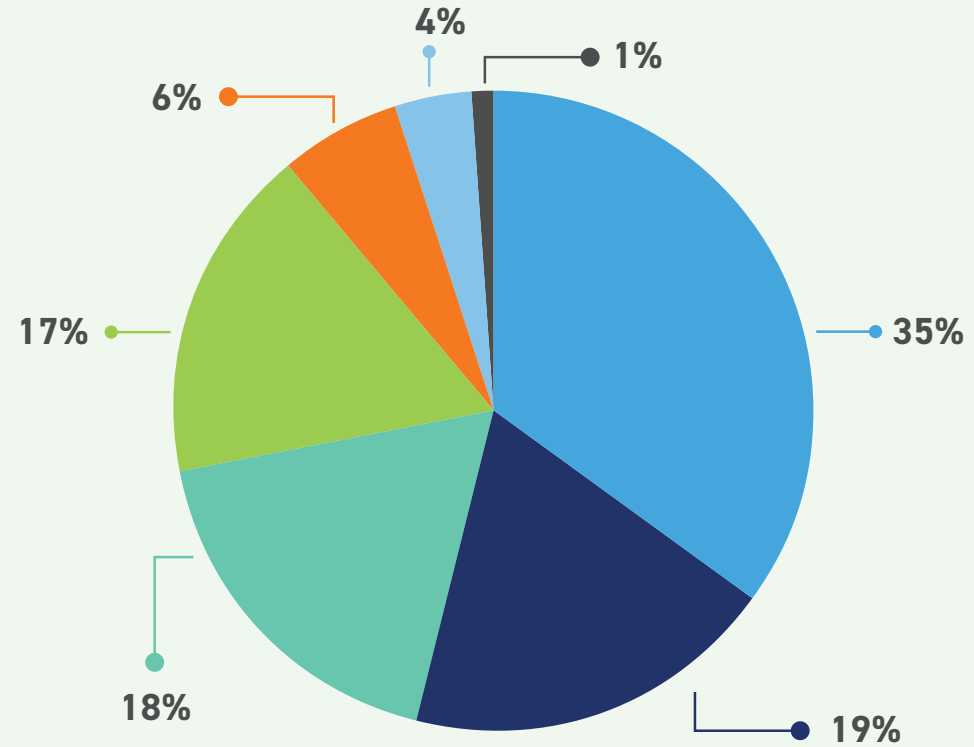
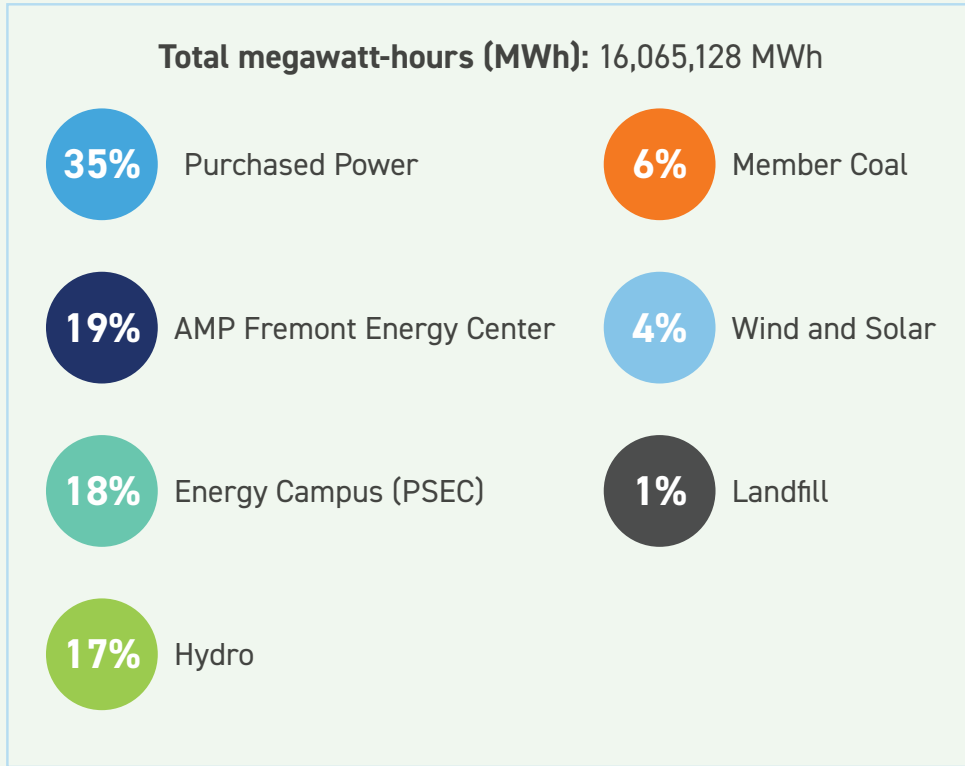
AMP is dedicated to creating an inclusive workplace made up of employees who strengthen AMP with their diverse talents and perspectives gained through their age, race, culture, color, disability, ethnicity, religion, sexual orientation, gender identity, education, service to our country and unique personality.

AMP will continue to make a good-faith effort to recruit and retain a diverse group of employees and will maintain its commitment to being an equal-opportunity employer. In so doing, AMP and its employees can maximize their contributions to their community and those of AMP's Members.

MEMBER MAP



MEMBER POWER SUPPLY RESOURCE MIX



NOTES

- The Wind and Solar percentage includes Member-owned solar.
- The Member Coal figure includes the participation of AMP Members Paducah and Princeton in PSEC through the Kentucky Municipal Power Agency.
- The Hydro percentage includes Member-owned hydro and New York Power Authority.
- AMP, on behalf of its Members, sells all or a portion of the RECs created by its renewable energy projects, power purchase agreements and joint ventures to help reduce its wholesale power costs.

AMP'S SUSTAINABILITY PERFORMANCE 2015 (BASELINE YEAR), 2022 AND 2023

	2015	2022	2023
AMP Organization and Financial Metrics			
Number of Member communities	131	133	132
Load (in million MWh)	16.5	13.8	13.5
System peak (in MW) (non-coincidental)	3,378	3,523	3,420
Electric revenue (in \$)	\$1,103,886,270	\$1,157,686,869	\$1,051,940,393
Service fees (in \$)	\$11,515,575	\$11,949,101	\$11,465,691
Programs and other revenue (in \$)	\$12,589,167	\$59,900,795	\$18,149,848
Operating expenses (in \$)	\$1,002,832,762	\$1,048,451,459	\$934,508,609
Net margin (in \$)	\$5,823,840	(\$1,954,149)	\$6,526,932
Value of assets (in \$billion)	\$6.49	\$5.70	\$5.80
Total women and minorities on Board of Trustees	2	1	1
Power Generation (in net MWh)			
Prairie State Energy Campus (AMP share)	2,585,795	2,700,236	2,903,835
AMP Fremont Energy Center	3,429,684	3,962,766	3,361,767
Distributed Generation (gas, diesel units: JV and AMP, and BTM)	9,396	10,069	12,827
Belleville Hydro (JV5)	262,065	267,472	272,818
Greenup Hydro	0	307,645	262,129
Meldahl Hydro	0	553,219	534,679
Cannelton Hydro	0	475,818	468,856
Willow Island Hydro	0	212,800	220,373
Smithland Hydro	0	425,336	439,606

AMP'S SUSTAINABILITY PERFORMANCE 2015 (BASELINE YEAR), 2022 AND 2023 (CONTINUED)

	2015	2022	2023
Power Generation (in net MWh) (continued)			
AMP Wind Farm (JV6)	13,086	5,108	4,596
Napoleon Solar (Solar I)	5,111	4,676	4,556
Landfill Gas (PPA)	373,821	83,962	84,074
Blue Creek Wind (PPA)	140,083	81,038	0
Locust Ridge Wind (PPA)		58,013	188,214
Solar Phase II (PPA)	0	98,795	101,564
NYPA (PPA)/SEPA (PPA)	364,465	311,294	313,019
Market Power Purchases made on behalf of Members	6,081,708	4,335,274	4,260,388
Health and Safety			
Employee work-related fatalities	0	0	0
Reportable incidents or accidents	1	1	0
Lost work-day incidents	1	0	0
Days Away, Restricted and Transfer (DART) Rate	0.60%	0%	0%
Environment			
Permit violations	0	0	0
Fines or penalties	0	0	0
NPDES permit exceedances	0	0	0
CO2e emissions (in metric tons) for AMP	7,998,734	5,828,501	5,793,868
CO2e emissions rate (in lbs/net MWh) for AMP	1,352	943	959

AMP'S SUSTAINABILITY PERFORMANCE 2015 (BASELINE YEAR), 2022 AND 2023 (CONTINUED)

	2015	2022	2023
Environment (continued)			
For AFEC, PSEC (AMP share), OMEGA JV and AMP peakers: CO2 emissions (in short tons)	3,967,732	4,452,312	4,178,568
Annual CO2 emission rate (in lbs/MWh)	1,127	1,334	1,252
SO2 emissions (in short tons)	1,824	1,202	2,163
Annual SO2 emission rate (in lbs/MWh)	0.52	0.36	0.65
NOx emissions (in short tons)	894	656	1,086
Annual NOx emissions rate (in lbs/MWh)	0.25	0.20	0.33
PM emissions (in short tons)	79	49	100
Annual PM emission rate (in lbs/MWh)	0.02	0.01	0.03
CO emissions (in short tons)	352	65	199
Annual CO emission rate (in lbs/MWh)	0.10	0.02	0.06
VOC emissions (in short tons)	14	31	33
Annual VOC emission rate (in lbs/MWh)	0.004	0.010	0.010
Cooling water usage, AFEC (net, in million gallons)	467	571	665
Cooling water usage, AMP share of PSEC (in million gallons)	1,308	629	1,157
Community			
Number of scholarships awarded	8	10	10
Value of scholarships awarded	\$16,000	\$30,000	\$30,000
AMP employee charitable giving (payroll deduction in \$)	\$14,213	\$17,557	\$22,967

AMP's Sustainability Program Participation 2023

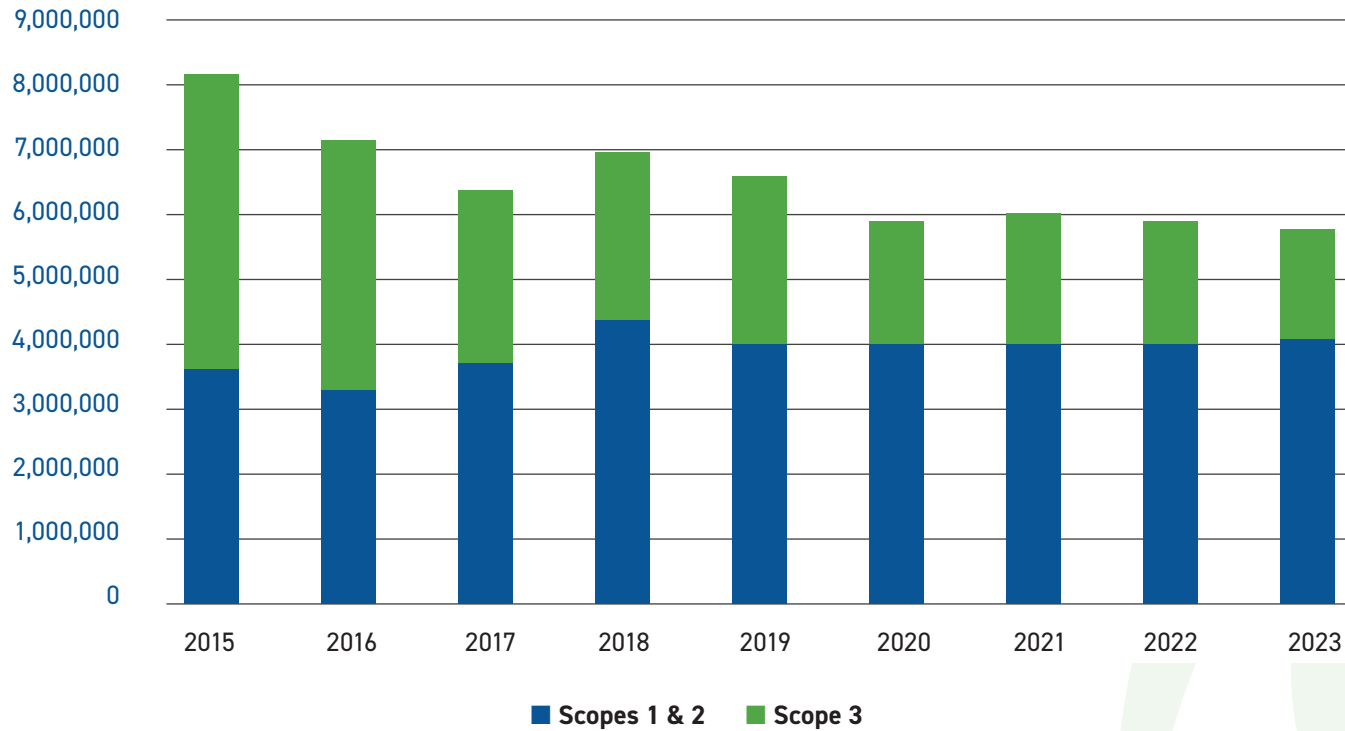
EcoSmart Choice	Number of current participants: 14	Total 2023 RECs: 157,930 MWh	Since inception: 842,820 MWh
Efficiency Smart	Number of current participants: 25	2023 energy saved: 18,373 MWh	Since inception: 259,251 MWh
Smart Thermostat Program	Number of current participants: 9	2023 energy shifted: 5,150 kWh	Since inception: 5,150 kWh

AMP's Green Bond Financed Projects 2023

	Meldahl	Combined Hydro (Cannelton, Willow Island, Smithland)	Solar Phase II
Net renewable* capacity (MW)	108.8	208	58.3
Net renewable generation (MWh)	499,521	926,457	101,563
Capacity factor (%)	52.9%	61.8%	21.9%

*AMP, on behalf of its Members, sells all or a portion of the RECs created by its renewable energy projects, power purchase agreements and joint ventures to help reduce its wholesale power costs.

All Scopes 2015-2023



-30%
emissions rate
between 2015-2023

Scope 1: GHG emissions from sources that are owned or controlled by an organization; at AMP that includes AMP-owned generating facilities and fleet vehicles.

Scope 2: GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling and steam consumed by an organization; at AMP that includes energy use at building facilities.

Scope 3: Indirect GHG emissions not included in Scope 2; emissions that occur outside of the organization; at AMP that includes power purchases (from non AMP-owned facilities) made on behalf of AMP Members.

	YEARS ENDED DEC. 31						
	2017	2018	2019	2020	2021	2022	2023
FINANCIAL RESULTS (\$000's)							
Operating Revenues	\$1,228,959	\$1,279,866	\$1,170,034	\$1,091,395	\$1,137,287	\$1,229,537	\$1,132,921
Operating Expenses	\$982,458	\$1,045,580	\$957,096	\$878,308	\$926,942	\$1,048,451	\$934,509
Non-Operating Expenses (Net)	(\$242,971)	(\$231,499)	(\$207,667)	(\$210,586)	(\$195,908)	(\$183,093)	(\$191,885)
Net Margin	\$3,531	\$2,787	\$5,271	\$2,501	\$14,437	(\$1,954)	\$6,527
SIGNIFICANT FINANCIAL METRICS							
Consolidated Fixed Obligation Coverage Ratio	1.2	1.2	1.2	1.1	1.1	1.1	1.1
Days Cash on Hand¹	184	210	238	272	285	266	289
Gross Utility Plant	\$4,870,764	\$4,878,808	\$4,888,632	\$4,944,200	\$4,970,639	\$4,989,916	\$5,022,205
Long-Term Debt Outstanding	\$6,136,159	\$5,464,947	\$5,914,272	\$5,391,059	\$5,624,610	\$4,911,285	\$5,007,472
Bond Debt Service Coverage Ratio	1.1	1.1	1.1	1.1	1.1	1.1	1.1

1. Budgeted Rates include 110% of debt service requirements for AMP Projects in accordance with the bond indentures



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