



SUSTAINABILITY PERFORMANCE

At A Glance First Quarter 2016

AMERICAN MUNICIPAL POWER, INC.

1111 Schrock Road, Suite 100 • Columbus, Ohio 43229

614.540.1111 • FAX 614.540.1113 • www.amppartners.org 

AMP is proud to issue this 2016 Q1 "At a Glance" sustainability report. The quarterly update is intended to measure and compare progress of sustainability metrics over time while also highlighting accomplishments in the quarter.

If you have any questions or would like additional information, please contact David Deal, director of energy policy and sustainability, at 614.540.0840 or ddeal@amppartners.org.

FOCUS FORWARD ADVISORY COUNCIL

The AMP Focus Forward Advisory Council held its kickoff meeting to discuss the continued evolution of the electric utility sector. Allen Moshier, vice president of policy analysis at the American Public Power Association (APPA), gave a presentation and led a discussion on the challenges and opportunities for public power utilities across the country.

Focus Forward attendees agreed that AMP can play a crucial role in providing resources and tools for members who are attempting to address issues of rate design and interconnection in relation to distributed energy resources. The council will develop a set of deliverables and tools and present them at the AMP/OMEA Conference this fall. As an immediate resource for all members, the AMP Member Extranet now has a Focus Forward portal, which contains all of the material and information shared at the kickoff meeting; please contact us if you need a username and password for access to the extranet. AMP staff will continue to update the site as new information becomes available.

SOLAR POLICY & PROJECT DEVELOPMENTS

AMP and DG AMP Solar LLC, a wholly owned subsidiary of NextEra Energy Resources, a premier developer of renewable energy, executed a Solar Power Purchase Agreement (PPA) on March 29, 2016. The PPA, in conjunction with the previously announced Joint Development Agreement between the parties, paves the way for 80 megawatts or more of solar generation "behind the meter" at a number of sites in AMP member communities. The unique arrangement with NextEra allows AMP members to benefit from pricing and terms that are better than other offers available from third parties and includes energy, capacity and 50 percent of the environmental attributes produced by the solar facilities. Now that the PPA has been executed, AMP staff has prepared the

subscription packets including draft ordinances/resolutions, the Solar Power Sales Contract, summary financial analysis and recommended "up to" amounts.

AMP HYDRO UPDATE

Substantial progress has continued at all of AMP's hydroelectric projects, with many projects' units reaching commercial operation. As of June 10, 2016, Cannelton, Meldahl and Willow Island facilities are all in full commercial operation. Smithland is anticipated to be online in early 2017.

The Willow Island hydroelectric plant was the first of the four AMP hydro projects under development to reach full commercial operation. The facility's Unit 2 was declared in commercial operation on Feb. 4, 2016, and is now under the care, custody and control of AMP operations. Willow Island Unit 1 began commercial operation on Jan. 4, and with Unit 2 online, the Willow Island facility is now in full commercial operation.

Meldahl Unit 2 achieved commercial operation on Jan. 20, and AMP received final paperwork confirming full operations.

Cannelton Unit 3 began commercial operation on Jan. 28, AMP received formal paperwork from MWH and Voith indicating the Cannelton Unit 2 trial run was successfully completed on March 22, and the plant achieved full commercial operation on June 7.

AMP and our members are taking the next step in helping secure an energy future for generations to come with these hydro facilities. These projects are long-term assets with an estimated life of 80 to 100 years. They play a key role in creating balanced and diversified resource portfolios for participating members.

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POWER GENERATION

in net MWh

Jan. 1, 2016 – March 31, 2016

AFEC: 846,819

AMP Wind Farm: 4,123

Belleville Hydro: 77,470

Distributed Generation: 850

Landfill Gas: 75,331

Blue Creek Wind: 49,894

Napoleon Solar: 1,017

Prairie State Energy Campus (delivered to participants): 699,976

HEALTH & SAFETY

Jan. 1, 2016 – March 31, 2016

Employee Work Related Fatalities:

0

Reportable Incidents or Accidents:

0

Lost Work Day Incidents:

0

COMMUNITY

Jan. 1, 2016 – March 31, 2016

AMP Employee Charitable Giving: \$2,700

Combined, the four projects under various stages of construction and commissioning will add more than 300 MW of new hydropower. This represents the largest deployment of new run-of-the-river hydro in the nation.

EFFICIENCY SMART 2015 PERFORMANCE

At the end of 2015, the second Efficiency Smart contract had achieved an additional 36,373 MWh in savings for 28 participating member communities – approximately 78 percent of the three-year target.

AMP CORPORATE SUSTAINABILITY INITIATIVES

AMP staff and the Green Team continue to make progress on a number of internal sustainability initiatives across the organization. AMP staff is working with a third-party engineer to develop a turnkey scope of work to replace the buildings chilled water and control systems and is providing revised analysis for 2016-17 budget approval and project execution.

AMP members and staff had an opportunity to learn more about electric vehicles and charging infrastructure at the annual AMP Technical Services Conference in April during a presentation from Ohio EV Solutions and Clean Fuels Ohio. The Green Team continues to finalize the details for installation of a charging station at the headquarters.

AMP continues to investigate the potential for solar energy integration at the corporate headquarters and has identified two optimal sites; the first site is a ground mounted system located along the southeastern portion of the auxiliary parking lot running parallel to I-71, the second option under investigation is a carport structure installation in the rear employee parking lot. Preliminary cost and power production estimates have been completed and will be refined for future budgeting purposes.

In an initiative from the AMP finance department, and as part of our continued efforts to reduce paper usage, accounting will now be paying and reimbursing staff by ACH. With this initiative, AMP has reduced a significant volume of paper on an annual basis.

CARBON OFFSET PROJECTS COMPLETED

At the end of March, approximately 257 acres across three of Ohio's state forests were planted with more than 182,000 native hardwood tree seedlings as a result AMP's ongoing reforestation efforts on reclaimed strip mine land on behalf of its member communities. The projects are located at Fernwood, Harrison and West Blue Rock state

forests across eastern Ohio. The project is the result of a joint effort by AMP and the Ohio Department of Natural Resources (ODNR).

"This project furthers AMP's goal, as guided by our Sustainability Principles, of reducing our overall emissions profile," said AMP President and CEO Marc Gerken. "In addition to strategic investments our members have made in renewable energy projects, this and the other reforestation efforts are further offsetting greenhouse gas emissions that are an inevitable part of a balanced generation portfolio. The partnerships we have created not only benefit our members, but are improving public space for generations to come."

"We are pleased to partner with AMP in this tree-planting project," said Robert Boyles, ODNR deputy director and state forester. "Not only will these plantings provide excellent reclamation for formerly strip-mined land, but ongoing care for the seedlings and subsequent sustainable management of the resulting woodlands will provide numerous benefits for generations to come."

The project was initiated in 2015 as part of AMP's continued reforestation efforts across reclaimed mine land in the Midwest. These projects represent the second phase of reforestation, which first began in 2010 with the planting of 200 acres in Columbiana County.

In exchange for the value of future carbon offsets that will eventually be generated by the newly planted tree seedlings, AMP provides the project management and funding to execute site preparation and professional planting through contracted partner Williams Forestry. ODNR retains the ownership of the land and will be responsible for the sustainable management of the new forest, in consultation with AMP. Site preparation work and species selection was coordinated with ODNR and reflects substantial research into reforesting abandoned mine lands in the Appalachian region.

ECOSMART CHOICE TALLIES PERFORMANCE

Eight member communities purchased more than 38,000 MWh of green power in 2015 through AMP's EcoSmart Choice program. The program is designed to allow AMP members to offer a green pricing option for individuals and companies who are interested in purchasing up to 100 percent renewable energy through the purchase of Renewable Energy Certificates (RECs.)

ENVIRONMENT emissions in short tons

Jan. 1, 2016 – March 31, 2016

CO2 emissions: 832,725

SO2 emissions: 412

NOx emissions: 199

PM emissions: 21.45

CO emissions: 41

VOC emissions: 2.43

ENERGY EFFICIENCY & REC SALES

Jan. 1, 2016 – March 31, 2016

**Efficiency Smart - cumulative savings
through 3/31/16:** 37,870 MWh

Percent of 2014-2016 Target: 94.8%

EcoSmart Choice REC Sales: 11,700 MWh

AMP HEADQUARTERS RECYCLING

Jan. 1, 2016 – March 31, 2016

**AMP HQ Recycled Glass, Plastic & Metals
(in lbs):** 170

**AMP HQ Recycled paper and cardboard
(in lbs):** 3,200