



SUSTAINABILITY PERFORMANCE

At A Glance Through Fourth Quarter 2015

AMERICAN MUNICIPAL POWER, INC.

1111 Schrock Road, Suite 100 • Columbus, Ohio 43229

614.540.1111 • FAX 614.540.1113 • www.amppartners.org 

AMP looks to provide timely sustainability updates to its members and other key stakeholders. Moving forward, we will provide a brief "At a Glance" report each quarter to measure and compare sustainability progress over time while also noting highlights and accomplishments. In addition to the quarterly reports, AMP will be issuing a 2015 annual sustainability report in the coming months.

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.

AMP HEADQUARTERS ENERGY AUDIT

In the fourth quarter, the AMP Green Team coordinated the release of the AMP Headquarters Equipment Evaluation and Energy Audit Report. This timely initiative closely examined the many original building systems reaching the end of their useful lives. The report identified a total of eight low-cost improvements, including controls adjustments, and upgrades to exterior lighting and controls. The report also identified potential capital improvement projects focused on the chilled water plant, controls upgrades and an interior lighting LED retrofit. The report is allowing AMP to plan for future capital spending needs and take a strategic approach to asset improvement.

AMP's current energy performance at 1111 Schrock Road is better than the national average, but there is room for improvement. AMP uses 73 kBtu per square foot annually, compared to the national average of 81 kBtu per square foot annually. The energy conservation measures identified provide an opportunity to save more than \$30,000 annually and reduce energy use by approximately 15 kBtu per square foot annually. At the end of 2015, the Green Team was developing a formal series of recommendations for AMP Executive Management Team and Board.

AMP HYDRO UPDATE

The Belleville hydroelectric plant was instrumental in AMP's pursuit of other hydro development and continues to perform at a high level. A recent Moody's Investors Service (Moody's) rating affirmed the outstanding

OMEGA JV5 (Belleville Plant) Series 2001 Beneficial Interest Certificates at a rating of A1 with a stable outlook. Moody's pointed out that the rating was stable largely due to average weighted credit quality of the participants, satisfactory bond covenants, and expected consistent performance of the hydro facility and its sound record of adherence to the certificate security requirements. This rating confirms the value of AMP's approach to diverse generation and commitment to AMP's sustainability principles.

In addition, AMP's new hydro facilities have made substantial progress toward commercial operations. Willow Island reached commercial operations at the start of 2016 on January 4th, and both the Meldahl (Unit 2) and Cannelton (Unit 3) plants were operating in the thirty day commercial testing phase at the end of 2015.

Hydro REC Applications Approved

The Public Utilities Commission of Ohio Renewable Energy Credit (REC) generating facility applications have been conditionally approved allowing the Cannelton, Willow Island and Meldahl facilities to sell RECs and provide added value to participants.

SOLAR POLICY & PROJECT DEVELOPMENTS

The solar investment tax credit will benefit AMP's solar efforts through the joint development agreement with NextEra. The project will subscribe and develop and operate 80 MW of behind-the-meter solar photovoltaic (PV) installations in a number of member communities across Delaware,

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POWER GENERATION in net MWh

Oct. 1, 2015 – Dec. 31, 2015

AFEC: 991,465

AMP Wind Farm: 4,053

Belleville Hydro: 72,738

Distributed Generation: 12,376

Landfill Gas: 76,357

Napoleon Solar: 903

Prairie State Energy Campus (delivered to participants): 744,404

HEALTH & SAFETY

Oct. 1, 2015 – Dec. 31, 2015

Employee Work Related Fatalities:
0

Reportable Incidents or Accidents:
0

Lost Work Day Incidents:
0

COMMUNITY

Oct. 1, 2015 – Dec. 31, 2015

AMP Employee Charitable Giving: \$3,500

Michigan, Ohio, Pennsylvania and Virginia. A total of 25 projects have been identified across 20 member communities with the potential for additional projects based on total subscribed megawatts. As of the first quarter of 2016, AMP has entered a Power Purchase Agreement with NextEra Energy Resources and further details will be reported in the 2016 Q1 sustainability at-a-glance.

At the end of 2015, congress passed a budget bill that included, among other things, an extension to clean energy tax breaks. The energy provisions negotiated, as part of the \$1.1 trillion omnibus spending bill, represent the most significant energy policy enacted in years, and involved intense negotiations with major energy industry interest groups and policymakers from both sides of the aisle. The omnibus extended and phased out the wind production tax credit through 2019 and phases down the solar investment tax credit through 2021.

PUBLIC POWER FORWARD

A group of AMP staff and Board members attended the American Public Power Association's (APPA) first Public Power Forward Summit – Preparing for a New Era in Electricity – Oct. 26-27 in Alexandria, Virginia. In recognition of a rapidly evolving utility landscape, APPA convened a series of expert speakers to discuss topics including: New Business Models in Public Power, Financing and Rate Implications, the Impact of Technology on Operations, and Consumer Engagement and Communications. The conference was insightful and it reinforced the importance of many of AMP's existing sustainability initiatives focused on power supply diversity and smart investments in technology.

The lessons learned during the conference provide affirmation of the many drivers AMP has observed within its footprint and membership. Furthermore, those implications highlight next steps for the organization and outline a series of follow-up tasks to best ensure AMP member communities are well positioned to engage with these emerging issues. While there were multiple sessions held over the course of two days, many speakers discussed similar themes that can be described as common major drivers causing reorientation of business models. A key question consistently asked was "how do we best

understand a trend compared to fad?" As the former is worth following, while the latter comes and goes with time; AMP continues to evaluate market trends and long-term drivers for its member communities. AMP is also in the process of developing the Focus Forward Advisory Committee to assist member communities with rate design, model ordinance and interconnection issues.

CARBON OFFSET PROJECTS GET UNDERWAY

AMP has begun the site preparation process at three of Ohio's state forests in partnership with the Ohio Department of Natural Resources Forestry Division. AMP's contracted partner (Williams Forestry) has performed site ripping and invasive species removal at the 160 acres located at Fernwood State Forest and an additional 100 acres at Harrison State Forest as well as 40 in West Blue Rock State Park. The site ripping loosens the soil on the reclaimed mine land and creates a better soil composition for seedling planting. In spring 2016, approximately 180,000 seedlings, including oak, sycamore, sweetgum, silver maple, black locust and black cherry will be planted.

EFFICIENCY SMART

Efficiency Smart started working with community action agencies to provide free energy efficiency kits to hard-to-reach populations in its service area. By partnering with these community agencies, Efficiency Smart is able to increase its reach and help ensure that a larger base of residential electric customers has an opportunity to take advantage of its services. Community action agencies have the infrastructure, credibility within the local community, and implementation strategies in place to access these hard to reach populations.

EMPLOYEE GIVING

Staff members at AMP headquarters made a positive impact in the Columbus area community for the 2015 holiday season by donating to the Mid-Ohio Foodbank and Community Shelter Board. Employees collected nearly 350 pounds of donations, which exceeded last year's donation weight by over 100 pounds. In addition in 2015, AMP employees donated a total of \$14,213 to local charities through payroll deduction.

ENVIRONMENT emissions in short tons

Oct. 1, 2015 – Dec. 31, 2015

CO2 emissions: 951,481

SO2 emissions: 327

NOx emissions: 174

PM emissions: 12.8

CO emissions: 130.2

VOC emissions: 7.7

**AMP HQ Recycled Glass, Plastic & Metals
(in lbs): 250**

**AMP HQ Recycled paper and cardboard
(in lbs): 4,900**

ENERGY EFFICIENCY & REC SALES

Oct. 1, 2015 – Dec. 31, 2015

Efficiency Smart - cumulative generation REC Sales (savings through 12/30/15): 35,885

Percent of 2014-2016 Target: 77.4%

EcoSmart Choice REC Sales: 14,370