American Municipal Power, Inc.

Interim Consolidated Financial Statements and Supplementary Information
June 30, 2013

American Municipal Power, Inc.
Index
Six-Months Through and Ended June 30, 2013 (unaudited)

Independent Auditor's Report

To the Board of Trustees and Members of
American Municipal Power, Inc.

We have reviewed the accompanying consolidated interim financial information of American Municipal Power, Inc. and its subsidiaries (the "Organization"), which comprise the consolidated balance sheets of American Municipal Power as of June 30, 2013, and the related consolidated statements of revenues and expenses, of changes in member and patron equities and of cash flows for the six-month periods ended June 30, 2013 and 2012.

Management's Responsibility for the Consolidated Interim Financial Information

The Organization's management is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with accounting principles generally accepted in the United States of America; this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of the consolidated interim financial information in accordance with accounting principles generally accepted in the United States of America.

Auditor's Responsibility

Our responsibility is to conduct our review in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial information taken as a whole. Accordingly, we do not express such an opinion.

Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated interim financial information for it to be in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of American Municipal Power, Inc. and its subsidiaries as of December 31, 2012, and the related consolidated statements of revenues and expenses, of changes in member and patron equities, and of cash flows for the year then ended (not presented herein), and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated April 11, 2013. In our opinion, the information set forth in the accompanying consolidated balance sheet as of December 31, 2012, is consistent, in all material respects, with the audited consolidated balance sheet from which it has been derived.

PricewaterhouseCoopers LLP

August 21, 2013

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American Municipal Power, Inc.
Consolidated Balance Sheets
June 30, 2013 (unaudited) and December 31, 2012

	June 30 2013	December 31 2012
Assets		
Utility plant		
Electric plant in service	$ 1,969,642,507	$ 1,962,752,677
Accumulated depreciation	(75,346,731)	(48,008,139)
Total utility plant	1,894,295,776	1,914,744,538
Nonutility property and equipment		
Nonutility property and equipment	21,325,915	21,155,390
Accumulated depreciation	(8,191,615)	(6,946,820)
Total nonutility property and equipment	13,134,300	14,208,570
Construction work-in-progress	1,495,623,449	1,294,410,938
Plant held for future use	34,881,075	34,881,075
Coal reserves	25,746,035	26,089,599
Trustee funds and other assets		
Trustee funds	1,198,198,219	1,376,534,679
Financing receivables - members	27,672,105	30,958,138
Note receivable	3,075,000	3,075,000
Regulatory assets	240,686,133	194,716,465
Prepaid pension costs	1,444,207	2,357,710
Intangible and other assets, net of accumulated amortization of $15,893,424 and $13,563,695, respectively	49,101,606	50,848,021
Total trustee funds and other assets	1,520,177,270	1,658,490,013
Current assets		
Cash and cash equivalents	52,356,461	65,226,463
Cash and cash equivalents - restricted	45,150,422	48,007,847
Trustee funds	343,882,799	474,041,248
Investments	13,794,067	14,705,591
Collateral postings	19,038,636	21,308,300
Accounts receivable	76,509,127	74,638,711
Interest receivable	32,371,597	37,400,314
Financing receivables - members	11,429,612	9,708,525
Inventories	7,017,931	6,192,734
Regulatory assets	10,179,874	4,690,756
Prepaid expenses and other assets	5,887,425	8,871,938
Total current assets	617,617,951	764,792,427
Total assets	$ 5,601,475,856	$ 5,707,617,160

American Municipal Power, Inc.
Consolidated Balance Sheets
June 30, 2013 (unaudited) and December 31, 2012

	June 30 2013	December 31 2012
Equities and Liabilities		
Member and patron equities		
Contributed capital	$ 806,248	$ 801,208
Patronage capital	53,948,253	53,133,603
Total member and patron equities	54,754,501	53,934,811
Long-term debt		
Term debt	4,961,677,921	4,992,772,776
Term debt on behalf of members	5,667,000	6,347,000
Term debt on behalf of Central Virginia Electric Cooperative	23,625,000	24,479,167
Line of credit	180,000,000	184,000,000
Total long-term debt	5,170,969,921	5,207,598,943
Current liabilities		
Accounts payable	88,953,843	98,627,596
Accrued postretirement benefits	750,000	750,000
Accrued interest	115,786,056	120,705,475
Term debt	44,712,412	98,992,412
Term debt on behalf of members	15,805,000	16,468,000
Term debt on behalf of Central Virginia Electric Cooperative	854,167	520,833
Regulatory liabilities	797,256	6,202,941
Other liabilities	17,524,828	15,570,639
Total current liabilities	285,183,562	357,837,896
Other noncurrent liabilities		
Accrued postretirement benefits	4,835,603	5,082,764
Deferred gain on sale of real estate	1,276,789	1,276,789
Other liabilities	7,834,584	6,347,903
Asset retirement obligations	7,457,685	8,776,496
Regulatory liabilities	69,163,211	66,761,558
Total other noncurrent liabilities	90,567,872	88,245,510
Total liabilities	5,546,721,355	5,653,682,349
Total equities and liabilities	$ 5,601,475,856	$ 5,707,617,160

The accompanying notes are an integral part of these consolidated financial statements

American Municipal Power, Inc.
Consolidated Statements of Revenues and Expenses
Six-Months Ended June 30, 2013 and 2012 (unaudited)

	June 30 2013	June 30 2012
Revenues		
Electric revenue	$ 474,954,342	$ 369,971,049
Service fees	4,308,053	3,214,152
Programs and other	9,526,182	9,896,406
Total revenues	488,788,577	383,081,607
Operating expenses		
Purchased electric power	298,470,610	281,021,176
Production	31,248,021	16,071,606
Fuel	64,714,750	53,041,932
Depreciation	28,926,376	11,315,088
Administrative and general	5,598,978	2,325,341
Property and real estate taxes	859,125	378,534
Programs and other	8,811,638	8,814,828
Total operating expenses	438,629,498	372,968,505
Operating margin	50,159,079	10,113,102
Nonoperating revenues (expenses)		
Interest expense	(59,240,956)	(10,511,121)
Interest income, subsidy	6,813,546	459,217
Interest income, other	2,700,975	581,344
Other, net	382,006	280,542
Total nonoperating expenses	(49,344,429)	(9,190,018)
Net margin	$ 814,650	$ 923,084

The accompanying notes are an integral part of these consolidated financial statements

American Municipal Power, Inc.
Consolidated Statements of Changes in Members and Patron Equities
Six-Months Ended June 30, 2013 (unaudited) and December 31, 2012

	Contributed Capital	Patronage Capital	Total
Balances, December 31, 2011	$ 801,208	$ 51,222,984	$ 52,024,192
Net margin	-	1,910,619	1,910,619
Balances, December 31, 2012	801,208	53,133,603	53,934,811
Capital contributions	5,040	-	5,040
Net margin	-	814,650	814,650
Balances, June 30, 2013	$ 806,248	$ 53,948,253	$ 54,754,501

The accompanying notes are an integral part of these consolidated financial statements

American Municipal Power, Inc.
Consolidated Statements of Cash Flows
Six-Months Ended June 30, 2013 and 2012 (unaudited)

	June 30 2013	June 30 2012
Cash flows from operating activities		
Net margin	$ 814,650	$ 923,084
Adjustments to reconcile net margin to net cash (used in) provided by operating activities		
Depreciation	28,571,692	11,315,088
Depletion of coal reserves	343,564	-
Amortization of deferred financing costs	2,329,729	1,763,389
Amortization of bond premium, net of amortization of bond discount	(1,264,855)	(747,754)
Accretion of interest on asset retirement obligations	71,527	27,608
Impairment of projects on behalf of members	900,000	-
Loss on sale of utility property and equipment	11,695	-
Unrealized loss on natural gas swaps	409,651	-
Unrealized loss (gain) on investments	199,319	(354,892)
Changes in assets and liabilities		
Collateral postings	2,269,664	(14,682,086)
Accounts receivable	(1,870,416)	(18,269)
Interest receivable	729,555	(459,400)
Inventories	(825,197)	-
Regulatory assets and liabilities, net	(53,308,054)	4,596,379
Prepaid power purchase asset	-	28,799,089
Prepaid expenses and other assets	2,901,199	(1,641,929)
Accounts payable	9,156,452	(5,068,143)
Accrued postretirement benefits	666,342	(286,517)
Accrued interest	(4,923,889)	1,490,450
Asset retirement obligations	(1,259,151)	(233,877)
Other liabilities	976,455	5,153,714
Net cash (used in) provided by operating activities	(13,100,068)	30,575,934
Cash flows from investing activities		
Purchase of utility property and equipment	(5,065,220)	(476,454)
Sale of utility property and equipment	420,893	30,882,700
Purchase of nonutility property and equipment	(135,491)	(453,395)
Purchase of construction work-in-progress	(218,150,808)	(291,144,251)
Proceeds from sale of investments	731,866,527	651,720,300
Purchase of investments	(422,659,413)	(414,519,729)
Restricted cash and cash equivalents	2,857,425	2,031,789
Net cash provided by (used in) investing activities	89,133,913	(21,959,040)

American Municipal Power, Inc.
Consolidated Statements of Cash Flows
Six-Months Ended June 30, 2013 and 2012 (unaudited)

	June 30 2013	June 30 2012
Cash flows from financing activities		
Proceeds from revolving credit loan	30,000,000	139,445,731
Payments on revolving credit loan	(34,000,000)	(697,445,731)
Cost of issance of debt	(500,000)	(6,248,406)
Principal payments on term debt	(84,110,000)	(68,955,004)
Proceeds from issuance of term debt	-	591,499,022
Principal payments on term debt on behalf of members	(4,961,000)	(13,783,000)
Proceeds from issuance of term debt on behalf of members	3,618,000	4,286,000
Principal payments on term debt on behalf of CVEC	(520,833)	-
Proceeds from issuance of term debt on behalf of CVEC	-	25,000,000
Proceeds from financing receivables - members	3,503,461	3,988,162
Funding of financing receivables - members	(1,938,515)	(510,882)
Capital contributions	5,040	-
Net cash used in financing activities	(88,903,847)	(22,724,108)
Net change in cash and cash equivalents	(12,870,002)	(14,107,214)
Cash and cash equivalents, beginning of year	65,226,463	70,481,931
Cash and cash equivalents, end of year	$ 52,356,461	$ 56,374,717
Supplemental disclosure of cash flow information		
Cash paid during the year for interest, net of amount capitalized	$ 64,164,844	$ 7,691,777
Supplemental disclosure of noncash investing and financing activities		
Capital expenditures included in accounts payable and other liabilities	19,892,322	25,122,258
Capital expenditures included in accrued interest net of interest receivable	43,626,945	63,901,327

The accompanying notes are an integral part of these consolidated financial statements

1. Description of Business

American Municipal Power, Inc. (“AMP”) is a not-for-profit Ohio corporation organized to provide electric capacity and energy and to furnish other services to its members on a cooperative basis. AMP is a tax-exempt organization for federal tax purposes under Section 501(c)(12) of the Internal Revenue Service Code. AMP is a membership organization comprised of 83 municipalities throughout Ohio, two municipalities in West Virginia, 30 municipalities in Pennsylvania, six municipalities in Michigan, five municipalities in Virginia, three municipalities in Kentucky and one joint action agency in Delaware, all of which own and operate electric systems. AMP purchases and generates electric capacity and energy for sale to its members. AMPO, Inc. is a for-profit subsidiary that provides electric and natural gas aggregation consulting services to both members and nonmembers in Ohio.

In addition, AMP serves as a project manager for Ohio members participating in joint venture projects to share ownership of power generation and transmission facilities, known as Ohio Municipal Electric Generation Agency Joint Ventures: 1, 2, 4, 5, and 6 (“OMEGA,” “JV1,” “JV2,” “JV4,” “JV5,” and “JV6”) (collectively, the “OMEGA Joint Ventures”).

AMP is closely aligned with Ohio Municipal Electric Association (“OMEA”), the legislative liaison for the state’s municipal electric systems. In addition to the OMEGA Joint Ventures, Municipal Energy Services Agency (“MESA”) has also been formed by the members. MESA provides management and technical services to AMP, its members, and the OMEGA Joint Ventures.

AMP has received approval pursuant to a private letter ruling from the Internal Revenue Service (“IRS”) to issue tax-exempt securities on behalf of its members. In connection with the financing of projects undertaken by the electric systems of certain member communities, AMP has issued tax-exempt debt on their behalf. Additionally, AMP has issued tax-exempt and other tax-advantaged bonds to finance the construction of its generating projects.

AMP 368 LLC (“AMP 368”) is a wholly owned and consolidated subsidiary of AMP, which through AMP 368 is the owner of a 23.26%, or 368MW, undivided interest in the Prairie State Energy Campus (“PSEC”). The PSEC is a mine-mouth, pulverized coal-fired generating station in southwest Illinois.

Meldahl LLC is a wholly owned and consolidated subsidiary of AMP, which through Meldahl LLC, is the owner of the 105 MW Meldahl project under construction as a run-of-the river hydroelectric facility on the Ohio River.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and include all entities in which AMP has control, which are its majority-owned subsidiaries. The interim consolidated financial statements have been prepared without audit. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. The interim consolidated financial statements as of June 30, 2013 should be read in conjunction with the consolidated financial statements and the notes thereto for the year ended December 31, 2012.

The accompanying interim consolidated financial statements reflect all adjustments which, in the opinion of management, are necessary for a fair statement of the results of the interim periods presented. Operating results for the six months ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year ending December 31, 2013.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results may differ from those estimates. All intercompany transactions and balances have been eliminated.

Construction Work-in-Progress

AMP records amounts expended in connection with construction work-in-progress projects at cost. Upon completion of a project, AMP places the asset in service and the related costs are recorded as either utility plant or nonutility property and equipment. There is $1,074,625 of land included in the construction work-in-progress account at both June 30, 2013 and December 31, 2012. There is $265,113,861 and $215,298,847 of capitalized interest included in the construction work-in-progress account at June 30, 2013 and December 31, 2012, respectively. AMP capitalized interest costs in the amount of $49,815,014 and $115,712,600 for the six-month periods ended June 30, 2013 and 2012, respectively.

Construction work-in-progress projects consist of the following at June 30, 2013 and December 31, 2012:

	June 30 2013	December 31 2012
Prairie State Energy Campus	$ 7,510,561	$ 7,019,021
Hydro Plants	1,481,693,565	1,281,644,260
AMP Fremont Energy Center	3,901,649	4,405,066
Other	2,517,674	1,342,591
	$1,495,623,449	$1,294,410,938

Jointly-Owned Utility Plant

Under ownership agreements with other joint owners, AMP has a 23.26% undivided ownership interest in PSEC. Each of the respective owners is responsible for its portion of the construction costs. Kilowatt-hour generation and operating expenses are divided on an owner's percentage of dispatched power with each owner reflecting its respective costs in its statements of revenues and expenses. AMP's ownership interest in PSEC includes the proportionate share of PSEC's balance sheet as provided for under ASC 970-810-45, *Undivided Interests*. This Accounting Standard requires the recording of undivided interests in assets and liabilities when given conditions are met. Information relative to AMP's ownership interest in these facilities is as follows:

	June 30, 2013	December 31, 2012
Utility plant in service	$ 1,126,978,232	$ 1,122,075,507
Construction work-in-progress	7,510,561	7,019,021
AMP's ownership share	23.26%	23.26%

AMP's ownership interest in PSEC includes an interest in nearby coal reserves, valued at $25,746,035 and $26,089,599 (net of depletion) as of June 30, 2013 and December 31, 2012, respectively.

Derivative Instruments

AMP accounts for derivative instruments on its consolidated balance sheets at fair value unless the instruments qualify to be accounted for as normal purchase and normal sales. The fair values of derivative instruments accounted for using mark-to-market accounting are based on exchange prices and broker quotes, when available. If a quoted market price is not available, the estimate of fair value is based on the best information available including valuation models that estimate future share energy prices based on existing market and broker quotes and supply and demand market data and other assumptions. The fair values determined are reduced by the appropriate valuation adjustments for items such as discounting, liquidity, credit quality and modeling risk. There is inherent risk in valuation modeling given the complexity and volatility of energy markets. Therefore, it is possible that results in future periods may be materially different as contracts are ultimately settled.

AMP has determined each of its power purchase and power sales contracts which meet the definition of a derivative instrument qualifies to be accounted for as normal purchases and normal sales.

AMP's interest rate management strategy uses derivative instruments to minimize earnings fluctuations caused by interest rate volatility associated with AMP's variable rate debt. The derivative instruments used to meet AMP's risk management objectives are interest rate swaps.

AMP has entered into three interest rate swap agreements which are carried at their fair value on the consolidated balance sheets. The fair value of the swaps was $(1,601,733) and $(2,572,389) at June 30, 2013 and December 31, 2012, respectively, and is included in other liabilities. A corresponding regulatory asset has been recorded equal to the unrealized loss.

AMP has adopted a fuel procurement and hedging program which contemplates that AMP will, subject to market conditions, undertake to secure, at times when AMP deems such advantageous and prudent, contracts with fuel providers and financial institutions, the effect which will be to hedge, on a rolling 36-month basis, the price of up to 80% of the natural gas volume that AMP projects will be consumed by AFEC operating at its base capacity. AMP has entered into a number of International Swaps and Derivatives Association ("ISDA") agreements that are specific to AFEC in managing its natural gas supply requirements.

All of these agreements are with investment grade or higher counterparties (Baa3/BBB-). AMP utilizes fixed-for-floating swap contracts ("swaps") to economically hedge the total natural gas fuel expense and recorded at fair value. AMP does not utilize derivative financial instruments for speculative purposes, nor does it have trading operations.

The maturities of the swaps highly correlate to forecasted purchases of natural gas, during time frames through December 2022. Under such agreements, AMP pays the counterparty at a fixed rate and receives from the counterparty a floating rate per MMBtu ("dekatherm" or "DTH") of natural gas. Only the net differential is actually paid or received. The differential is calculated based on the notational amounts under the agreements.

On the short term agreements, there was an unrealized loss of $(1,999,335) and $(411,350) at June 30, 2013 and December 31, 2012, respectively. On the long-term agreements, there was an unrealized gain (loss) of $1,154,764 and $(23,570) at June 30, 2013 and December 31, 2012, respectively. A net loss of $(844,571) and $(434,920) was recognized in AMP's consolidated statements of revenues and expenses for the periods ending June 30, 2013 and December 31, 2012, respectively. A corresponding regulatory asset and liability has been recorded equal to the unrealized gain and loss.

Presentation

Certain prior year balances have been reclassified to conform with current year presentation.

3. Gorsuch Project

On May 19, 2010, AMP announced plans to begin cessation of operation at the Gorsuch Project, a 1950's vintage coal-fired plant located near Marietta, Ohio, as in the best interest of the participating member communities, and on November 11, 2010, the facility ceased electric generation. The decision to cease operations stems from a consent decree reached between the U.S. EPA and AMP that resolves all issues related to a Notice of Violation ("NOV") issued by the U.S. EPA. The settlement includes a binding obligation that AMP cease coal-fired generation operation at the Gorsuch Project no later than December 31, 2012 and also requires AMP to spend $15,000,000 on an environmental mitigation project over the next several years and pay a civil penalty of $850,000. This penalty was paid in October of 2010. The $15,000,000 required to be spent on the environmental mitigation project will be expensed as project expenditures are incurred. The environmental mitigation project is in the form of robust energy efficiency initiatives administered by a third party, The Vermont Energy Investment Corp. This project includes services for residential, commercial and industrial customers and is designed to assist participating AMP member communities with energy conservation. Through June 30, 2013, $13,093,400 of the $15,000,000 requirement has been incurred and expensed.

4. Revolving Credit Loan and Term Debt

Revolving Credit Loan

AMP has a revolving credit loan facility ("Facility") with a syndicate of lenders led by JPMorgan Chase Bank, N.A. Other members of the syndicate include KeyBank, N.A.; Wells Fargo, N.A.; Suntrust Bank; U.S. Bank, N.A.; Bank of America, N.A.; Huntington National Bank, N.A.; Royal Bank of Canada; Barclays Bank PLC; and Bank of Montreal. The Facility allows AMP to obtain loans with different interest rates and terms and letters of credit. The Facility expires on January 10, 2018. AMP's base borrowing capacity under the Facility is $750,000,000. At June 30, 2013, AMP had $180,000,000 outstanding under the Facility and the effective interest rate was 1.125%. At December 31, 2012, AMP had $184,000,000 outstanding under the Facility and the effective interest rate was 1.125%.

Term Debt

AMP has issued term debt in the form of notes payable and bonds for the financing of its own assets and on behalf of specific members. AMP is the primary obligor on term debt issued to finance its assets.

Bonds and notes payable related to financing AMP assets consists of the following at June 30, 2013 and December 31, 2012:

	June 30, 2013	December 31, 2012
AMP project note due in October 2013 with interest at 1.00% and 1.00% at June 30, 2013 and December 31, 2012, respectively, payable at maturity	$ 13,553,000	$ 13,553,000
AMP Multi-mode Variable Rate Combustion Turbine Project Revenue Bonds, Series 2006	9,205,000	9,930,000
AMP Electricity Purchase Revenue Bonds Prepayment Issue, Series 2007A	-	63,505,000
Unamortized premium on Electricity Purchase Revenue Bonds, Series 2007A	-	114,829
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2008A	750,295,000	760,655,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2009A	166,565,000	166,565,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2009B	74,225,000	83,745,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2009C	385,835,000	385,835,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2010	300,000,000	300,000,000
Unamortized discount on Prairie State Revenue Bonds	(10,482,308)	(10,798,821)
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009A	24,425,000	24,425,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009B	497,005,000	497,005,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009C	122,405,000	122,405,000
Unamortized premium on AMP Combined Hydroelectric Project Revenue Bonds, Series 2009C	5,490,842	5,970,785
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009D	17,282,353	17,282,353
Unamortized discount on AMP Combined Hydroelectric Project Revenue Bonds, Series 2009D	(2,329,870)	(2,423,377)
AMP Combined Hydroelectric Project Revenue Bonds, Series 2010A	152,995,000	152,995,000
Unamortized discount on AMP Combined Hydroelectric Project Revenue Bonds, Series 2010A	(689,610)	(711,508)
AMP Combined Hydroelectric Project Revenue Bonds, Series 2010B	1,109,995,000	1,109,995,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2010C	116,000,000	116,000,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2010A	45,495,000	45,495,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2010B	260,000,000	260,000,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2010C	20,000,000	20,000,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2010D	4,570,000	4,570,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2010E	300,000,000	300,000,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2011A	55,035,000	55,035,000
Unamortized premium on Meldahl Hydroelectric Revenue Bonds, Series 2010	198,498	211,515
AMP Fremont Energy Center Revenue Bonds, Series 2012A	20,540,000	20,540,000
AMP Fremont Energy Center Revenue Bonds, Series 2012B	525,545,000	525,545,000
Unamortized premium on AMP Fremont Energy Center Revenue Bonds, Series 2012B	43,232,428	44,321,412
	5,006,390,333	5,091,765,188
Current portion	(44,712,412)	(98,992,412)
Noncurrent portion	$ 4,961,677,921	$ 4,992,772,776

5. Fair Value of Financial Instruments

As defined in the fair value measurements standard, fair value is the price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between willing market participants on the measurement date. This standard establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy defined by the fair value measurement standard are as follows:

Level 1 Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those where transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. AMP's Level 1 assets primarily consist of equity securities, mutual funds and money market funds that are listed on active exchanges which are included in investments and trustee funds on the consolidated balance sheets. AMP does not have any liabilities that meet the definition of Level 1.

Level 2 Pricing inputs are either directly or indirectly observable in the market as of the reporting date, other than quoted prices in active markets included in Level 1. Level 2 includes those financial instruments that are valued using models or other valuation methodologies based on assumptions that are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. AMP's Level 2 assets consist primarily of debt securities and guaranteed investment contracts. Liabilities in this category include AMP's interest rate swaps and natural gas swaps. Interest rate swaps are included in other liabilities on AMP's consolidated balance sheets. Natural gas swaps are included in other liabilities and intangible and other assets on AMP's consolidated balance sheets.

Level 3 Pricing inputs include inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. AMP's Level 3 assets consist of its investment in hedge funds, which are included in investments on the consolidated balance sheets.

AMP utilizes market data and assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. AMP primarily applies the market approach for recurring fair value measurements using the best information available. Accordingly, AMP maximizes the use of observable inputs and minimizes the use of unobservable inputs.

Financial Instruments	June 30, 2013 Carrying Value	June 30, 2013 Estimated Fair Value	December 31, 2012 Carrying Value	December 31, 2012 Estimated Fair Value
Assets				
Investments	$ 13,794,067	$ 13,794,067	$ 14,705,591	$ 14,705,591
Trustee funds, AMP	1,541,093,243	1,568,638,628	1,786,251,547	1,837,737,961
Trustee funds, on behalf of members	987,775	987,775	64,324,380	64,324,380
Liabilities				
Fixed rate term debt, including current maturities, AMP	4,997,185,333	5,593,670,534	5,081,835,188	6,167,762,502
Fixed rate term debt, including current maturities, on behalf of members	19,008,000	19,040,874	19,856,000	20,038,509
Fixed rate term debt, including current maturities, on behalf of Central Virginia Electric Cooperative	24,479,167	24,479,167	25,000,000	25,000,000
Variable rate term debt, including current maturities, AMP and on behalf of members	11,669,000	11,669,000	12,889,000	12,889,000
Interest rate swaps	1,601,733	1,601,733	2,572,389	2,572,389
Natural gas swaps	844,571	844,571	434,920	434,920

The carrying amounts of cash, accounts receivable, accounts payable, the AMP project notes, the municipal project notes and the revolving credit loan approximate their fair value. The carrying amount of the Combustion Turbine Bonds and the OMEGA JV6 Bonds approximate their fair value due to their variable rates of interest and are therefore within Level 1 of the fair value hierarchy. The fair values of long-term debt reflect the present value of cash outflows relating to those obligations based on the current call price or the yield to maturity as deemed appropriate at the end of each respective year. The yields assumed were based on yields on municipal bonds issued by organizations similar to AMP with ratings comparable to those on AMP's bonds. The fair value of long-term debt is within Level 2 of the fair value hierarchy.

The estimated fair values of the natural gas swaps were determined using New York Mercantile Exchange (“NYMEX”) futures settlement prices for delivery of natural gas at Henry Hub adjusted by the price of NYMEX ClearPort basis swaps, which reflect the difference between the price of natural gas at a given delivery basin and the Henry Hub pricing points. The fair value is within Level 2 of the fair value hierarchy.

The following tables set forth AMP's financial assets and financial liabilities that are accounted for at fair value by level within the fair value hierarchy as of June 30, 2013 and December 31, 2012. As required by the fair value measurement standard, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. AMP's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

	June 30, 2013			
Recurring Fair Value Measures	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Equity securities and mutual funds	$ 233,304	$ -	$ -	$ 233,304
Money market funds	6,889,943	-	-	6,889,943
Debt securities	-	6,606,822	-	6,606,822
Hedge funds	-	-	63,998	63,998
Total	7,123,247	6,606,822	63,998	13,794,067
Liabilities				
Interest rate swaps		1,601,733		1,601,733
Natural gas swaps	-	844,571	-	844,571
Total	$ -	$ 2,446,304	$ -	$ 2,446,304

	December 31, 2012			
Recurring Fair Value Measures	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Equity securities and mutual funds	$ 221,885	$ -	$ -	$ 221,885
Money market funds	6,912,580	-	-	6,912,580
Debt securities	-	7,507,401	-	7,507,401
Hedge funds	-	-	63,725	63,725
Total	7,134,465	7,507,401	63,725	14,705,591
Liabilities				
Interest rate swaps	-	2,572,389	-	2,572,389
Natural gas swaps	-	434,920	-	434,920
Total	$ -	$ 3,007,309	$ -	$ 3,007,309

The determination of the above fair value measures takes into consideration various factors required under the fair value measurement standard. These factors include nonperformance risk, including counterparty credit risk and the impact of credit enhancements (such as cash deposits, LOCs and priority interests). The impact of nonperformance risk was immaterial in the fair value measurements.

The following table provides a reconciliation of changes in the fair value of hedge fund investments classified as Level 3 in the fair value hierarchy during the six months ended June 30, 2013 and the year ended December 31, 2012:

Balance as of December 31, 2011	$	65,014
Unrealized losses		(1,289)
Balance as of December 31, 2012		63,725
Unrealized gains		273
Balance as of June 30, 2013	$	63,998

6. Regulatory Assets and Liabilities

In accordance with ASC 980, *Regulated Operations*, for accounting for regulated entities, AMP records regulatory assets (capitalized expenses to be recovered in rates in future periods) and regulatory liabilities (deferred revenues for rates collected for expenses not yet incurred). Regulatory assets include the deferral of depreciation expense associated with asset retirement costs, impairment charges related to coal inventories and emission allowances at the retired Gorsuch Project, the costs associated with the abandoned AMPGS Project, unrecognized actuarial losses associated with the pension and postretirement healthcare plans and other capital expenditures not yet recovered through rates approved by the AMP board of trustees. Regulatory liabilities include revenues collected and intended to fund future capital expenditures, emission allowances, and other differences between the rates collected from members and expense recognition. As the capital expenditures are depreciated and inventories are used, regulatory assets and liabilities are amortized to match revenues with the related expenditures. Regulatory liabilities or regulatory assets are also recognized for unrealized mark-to-market gains and losses on derivative instruments that are subject to the ratemaking process when realized.

Regulatory assets and liabilities consist of the following:

	June 30 2013	December 31 2012
Regulatory assets		
Asset retirement costs	$ 4,863,062	$ 7,478,256
Debt service	170,007,690	135,876,126
Operating and maintenance	2,932,780	1,545,692
Fair value of derivative instruments	4,755,832	3,007,309
Rate stabilization	38,264,035	28,345,762
Pension plan and postretirement healthcare	10,978,952	10,249,249
Interest rate lock expense	5,392,450	5,362,049
Closure of Gorsuch Project costs	7,797,021	5,008,863
Other	5,874,185	2,533,915
Total regulatory assets	250,866,007	199,407,221
Current portion	(10,179,874)	(4,690,756)
Noncurrent portion	$ 240,686,133	$ 194,716,465
Regulatory liabilities		
Capital improvements	$ 838,905	$ 984,539
Debt service	41,515,051	40,998,558
Operating and maintenance	4,308,420	4,704,228
Working capital	14,944,588	14,944,588
Fair value of derivative instruments	1,154,764	-
Rate stabilization programs	3,594,132	2,014,016
Gains on early termination of power purchase	2,726,286	3,075,446
Power purchases	-	5,527,829
Other	878,321	715,295
Total regulatory liabilities	69,960,467	72,964,499
Current portion	(797,256)	(6,202,941)
Noncurrent portion	$ 69,163,211	$ 66,761,558

7. Employee Benefits

Pension Plan
AMP has a defined benefit pension plan (the "Pension Plan") which covers substantially all former hourly employees of Gorsuch. Due to the closure of the Gorsuch plant in 2010, there are no active plan participants as of June 30, 2013. Benefits for eligible employees are based primarily on years of service and compensation rates. Assets held by the Pension Plan consist primarily of treasury notes, marketable securities, and alternative investments.

Postretirement Plan
AMP sponsors a postretirement benefit plan (the "Postretirement Plan") covering salaried and hourly employees at the Gorsuch Project who were hired before November 1, 2003. The Postretirement Plan provides prescription drug and medical, dental, and life insurance benefits. Benefits are available to employees who retire under provisions of the Postretirement Plan. The eligible employees' share of the medical insurance premiums in the postretirement period is increased on the basis of the provisions of the Postretirement Plan. At June 30, 2013 and December 31, 2012, $13,794,067 and $14,705,591 respectively, of investments in the accompanying consolidated balance sheets are designated to fund Postretirement Plan benefits.

The following table sets forth the components of net periodic benefit cost, for the Pension Plan and Postretirement Plan at June 30, 2013 and 2012:

	Pension Plan	
	June 30, 2013	June 30, 2012
Components of net periodic benefit costs		
Service cost	$ -	$ 24,000
Interest cost	250,000	280,839
Expected return on plan assets	(600,000)	(629,333)
Recognized actuarial loss	245,000	291,500
Settlement loss	100,000	-
Net periodic benefit cost	$ (5,000)	$ (32,994)

	Postretirement Plan	
	June 30, 2013	June 30, 2012
Components of net periodic benefit costs		
Service cost	$ -	$ 10,000
Interest cost	70,000	129,845
Amortization of transition obligation	39,300	39,300
Recognized actuarial loss	149,500	142,500
Net periodic benefit cost	$ 258,800	$ 321,645

8. Commitments and Contingencies

Environmental Matters

AMP is subject to regulation by federal and state authorities with respect to air and water quality control and other environmental matters and is subject to zoning and other regulations by local authorities. AMP is considering, or has considered, compliance with the following regulations:

President's Climate Action Plan

Announced on June 25, 2013, the President's Climate Action Plan establishes for the United States Environmental Protection Agency ("USEPA") certain specific rulemaking requirements and a timetable relative to emission reductions of carbon dioxide ("CO2") and other greenhouse gases ("GHGs"). USEPA is to complete its rule to establish New Source Performance Standards ("NSPS") for CO2 and other GHGs for new fossil-fueled power plants by September 20, 2013. AMP has no units that will be impacted by the "new" unit NSPS for GHGs.

Separately, the agency is required to issue proposed standards, regulations, or guidelines to reduce CO2 and other GHGs from modified, reconstructed, and existing fossil-fueled power plants by June 1, 2014, with final rules required by June 1, 2015. States will have until June 30, 2016 to submit their implementation plans to USEPA for meeting the existing unit rules. Because USEPA will not issue its proposed rules for "existing" units until next June, AMP is unable to estimate compliance options at this time.

RICE-NESHAP

USEPA originally proposed National Emission Standards for Hazardous Air Pollutants ("NESHAP") for certain reciprocating internal combustion engines ("RICE") units in February 2010. While the rule was finalized by the agency in August 2010, the rule has been under reconsideration, settlement discussions, and proposal since January 2011. On January 30, 2013, the final reconsidered rule was published in the Federal Register. AMP does not anticipate additional changes to the rule, although additional litigation is possible. The RICE-NESHAP Rule establishes emission limits and working practice standards for compression-ignited diesel engines and spark-ignited engines at area and major sources nationwide. The diesel engines owned by AMP are affected by this rule and are in compliance as of June 30, 2013.

On June 28, 2013, USEPA announced that it would be again reconsidering several portions of the final RICE-NESHAP rule, including the provision that allows existing emergency engines to operate for up to 50 hours per year in non-emergency situations, including "peak shaving" until May 3, 2014, and possibly the provision permitting emergency demand response. This latest reconsideration may mean that these provisions will be altered. USEPA has not formally announced this action (notice in the Federal Register) as of the date of these financial statements.

NAAQS for Various Pollutants

Every five years, USEPA is required to propose new National Ambient Air Quality Standards ("NAAQS") for various criteria pollutants. USEPA's NAAQS for ozone was to have been issued in 2010, but having missed that and other subsequent deadlines, the ozone NAAQS was withdrawn by the Obama Administration in September 2011. Details as to the level of the upcoming ozone NAAQS are unknown at this time. In addition, the USEPA proposed new NAAQS for fine particulate matter ("PM") in June 2012 and issued final NAAQS for PM on December 14, 2012, lowering the allowable limit from 15 micrograms per cubic meter to 12 micrograms per cubic meter.

Both the ozone and PM NAAQS can have significant impacts on general economic development throughout AMP's footprint states, based on the final standards. For example, many metropolitan or industrialized counties would be expected to become nonattainment areas under the new ozone and PM standards if the levels are set low enough. This could require substantial local reductions of nitrogen oxides, volatile organic compounds, sulfur dioxide, and particulate matter.

Cross State Air Pollution Rule (related to the Clean Air Interstate Rule)
In addition to emission reductions required to achieve local compliance, additional reductions may be required to achieve compliance in down-wind neighboring states. At this point, USEPA's Cross-State Air Pollution Rule ("CSAPR") has been overturned by the U.S. Court of Appeals for the D.C. Circuit and various petitions for rehearing were denied by the Court on January 24, 2013. The rule has been sent back to the agency to be rewritten. However, the Clean Air Interstate Rule ("CAIR") remains in place for allowance allocations. On June 24, 2013, the Supreme Court announced it will review the appeals court's rejection of CSAPR in its next session.

New Source Performance Standards for Combustion Turbines
USEPA proposed NSPS for natural gas combustion turbines in June 2012. The agency took comments on the proposal until December 28, 2012. The proposed revised NSPS would cover combustion turbines located at power plants, pipeline compressor stations, chemical and manufacturing plants, oil fields, landfills, and institutional facilities. AMP filed comments noting that the proposed revisions could severely limit unit operation and add significant compliance costs. The timing of USEPA issuing final NSPS for combustion turbines is unknown at this time.

Start-up, Shut-down, and Malfunction Rule
Issued in February 2013, the proposed rule would require certain states to submit revised State Implementation Plans ("SIPs") within 18 months of the issuance of a final rule. The proposed rule would impact existing AMP units that are currently shielded from penalties for excess emissions during periods of start-up, shut-down, or malfunction. The proposed rule targets SIPs of 36 states, including Delaware, Kentucky, Michigan, Ohio, Virginia, and West Virginia. Timing of a final rule is unknown at this time.

Cooling Water Intake Structures (Clean Water Act, Sec. 316(b))
USEPA published its proposed rule to update regulations relating to minimizing adverse environmental impacts (fish impingement, entrainment, etc.) to regulated waterways in April 2011 and was to have finalized a rule by July 2012. No rule has been issued, but USEPA agreed on June 27, 2013, to finalize a rule by November 4, 2013.

Effluent Limitation Guidelines
USEPA published its proposed rule on June 6, 2013, and is required to issue its final rule by May 22, 2014 (per a consent decree). The rule would limit pollutants discharged in effluent to regulated waterways from steam-electric generating units (including combined cycle natural gas). AMP is assessing possible impacts and will be filing comments by the September 20, 2013, comment deadline.

Power Purchase Commitments
AMP's general practice is to enter into long-term power purchase contracts only when such contracts are supported by corresponding sales contracts to its members. All such contracts are considered normal pursuant to the FASB's guidance on derivative instruments. All such purchases are "covered" by corresponding power sales arrangements either with individual members or one of AMP's power pools.

AMP has certain power supply agreements that include provisions that would require collateral upon a decrease in AMP's credit rating below investment grade or power prices below certain thresholds.

Other Commitments
In February 2011, AMP filed a complaint against Bechtel Power Corporation ("Bechtel") stemming from cancellation of the proposed American Municipal Power Generating Station ("AMPGS") project. In the complaint, AMP alleges breach of contract, gross negligence and breach of fiduciary duty on the part of Bechtel and seeks to recover, among other things, approximately $100 million of costs that AMP incurred with respect to the AMPGS project prior to its cancellation. Bechtel filed an answer denying any liability and a counterclaim seeking $383,566 from AMP related to a termination payment that Bechtel alleges it is entitled to as a result of AMP terminating the AMPGS project for convenience. All costs associated with the litigation, as well as Bechtel's counterclaim, are project costs recoverable from the project participants under their power sales agreement with AMP. Similarly, any recovery associated with the litigation would inure to the benefit of the project participants.

AMP is also a party to various legal actions and complaints arising in the ordinary course of business. AMP does not believe that the ultimate resolution of such matters will have a material adverse affect on AMP's financial position or results of operations.

In January 2013, the staff of the Division of Enforcement of the Securities and Exchange Commission ("SEC") issued a subpoena to AMP seeking information and documents relating to the Prairie State Energy Campus. AMP is fully cooperating with the SEC's investigation which is non-public in nature. Based upon current information, AMP believes that investigation will likely be resolved without a material adverse effect on its financial condition.

On November 5, 2012, AMP executed a non-binding Memorandum of Understanding ("MOU") with First Energy Corp. ("FE") relating to the construction, ownership and operation of a proposed natural gas generating facility located on the site of FE's electric generating plant in the city of Eastlake, Ohio. On May 7, 2013, the MOU between FE and AMP expired and AMP is no longer moving forward with the project.

9. Subsequent Events

Ozone NAAQS
On July 23, 2013, the U.S. Court of Appeals upheld the 2008 primary standard for ozone (at 0.075 ppm) but remanded the 2008 secondary standard for ozone to USEPA for reconsideration. Specific impacts to AMP facilities / operations are not known at this time.

The Company has evaluated subsequent events through August 21, 2013 as this was the date the interim consolidated financial statement were available to be issued.

Supplementary Information

Independent Auditor's Report on Supplementary Information

Board of Trustees and Members of
American Municipal Power, Inc.

The report on our review of the consolidated financial statements of American Municipal Power, Inc. ("AMP") and its subsidiaries at June 30, 2013 and for the six months then ended appears on page one of this document. That review was conducted for the purpose of becoming aware of any material modifications that should be made to the consolidated interim financial statements taken as a whole. Based on the our review, we are not aware of any material modifications that should be made to the consolidated interim financial information for it to be in conformity with accounting principles generally accepted in the United States of America. The consolidating balance sheet at June 30, 2013 and the consolidating statements of revenues and expenses and of cash flows for the six-months ended June 30, 2013 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and cash flows of the individual entities. Accordingly, we do not express an opinion on the financial position, results of operations and cash flow of the individual entities. However, the consolidating interim information has been subjected to the review procedures applied in the review of the consolidated financial statements and based on the procedures performed, we are not aware of any material modifications that should be made to the consolidating information in relation to the consolidated financial statements taken as a whole.

PricewaterhouseCoopers LLP

August 21, 2013

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American Municipal Power, Inc.
Consolidating Balance Sheet
June 30, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Assets					
Utility plant					
Electric plant in service	$ 35,218,225	$ 1,366,207,011	$ 568,217,271	$ -	$ 1,969,642,507
Accumulated depreciation	(15,187,786)	(35,091,473)	(25,067,472)	-	(75,346,731)
Total utility plant	20,030,439	1,331,115,538	543,149,799	-	1,894,295,776
Nonutility property and equipment					
Nonutility property and equipment	21,325,915	-	-	-	21,325,915
Accumulated depreciation	(8,191,615)	-	-	-	(8,191,615)
Total nonutility property and equipment	13,134,300	-	-	-	13,134,300
Construction w ork-in-process	1,484,211,239	7,510,561	3,901,649	-	1,495,623,449
Plant held for future use	34,881,075	-	-	-	34,881,075
Coal reserves	-	25,746,035	-	-	25,746,035
Trustee funds and other assets					
Trustee funds	953,489,258	203,609,634	41,099,327	-	1,198,198,219
Financing receivables-members	27,672,105	-	-	-	27,672,105
Notes receivable	3,075,000	-	-	-	3,075,000
Regulatory assets	165,112,497	56,075,867	19,497,769	-	240,686,133
Prepaid pension costs	1,444,207	-	-	-	1,444,207
Intangible and other assets	28,399,718	16,239,607	4,462,281	-	49,101,606
Total trustee funds and other assets	1,179,192,785	275,925,108	65,059,377	-	1,520,177,270
Current assets					
Cash and cash equivalents	31,424,540	10,649,605	10,282,316	-	52,356,461
Cash and cash equivalents - restricted	45,150,422	-	-	-	45,150,422
Trustee funds	288,434,186	41,379,548	14,069,065	-	343,882,799
Investments	13,794,067	-	-	-	13,794,067
Collateral postings	7,038,636	12,000,000	-	-	19,038,636
Accounts receivable	56,398,600	7,931,517	12,412,985	(233,975)	76,509,127
Interest receivable	27,338,871	5,032,542	184	-	32,371,597
Financing receivables - members	11,429,612	-	-	-	11,429,612
Inventories	29,685	6,988,246	-	-	7,017,931
Regulatory assets	7,025,775	-	3,154,099	-	10,179,874
Prepaid expenses and other assets	4,021,124	1,219,347	646,954	-	5,887,425
Total current assets	492,085,518	85,200,805	40,565,603	(233,975)	617,617,951
Total assets	$ 3,223,535,356	$ 1,725,498,047	$ 652,676,428	$ (233,975)	$ 5,601,475,856

* This column represents all consolidated AMP entities except for AFEC and PSEC.

American Municipal Power, Inc.
Consolidating Balance Sheet
June 30, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Equities and Liabilities					
Member and patron equities					
Contributed capital	$ 806,248	$ -	$ -	$ -	$ 806,248
Patronage capital	53,948,253	-	-	-	53,948,253
Total member and patron equities	54,754,501	-	-	-	54,754,501
Long-term debt					
Term debt	2,734,972,801	1,645,772,692	580,932,428	-	4,961,677,921
Term debt on behalf of members	5,667,000	-	-	-	5,667,000
Term debt on behalf of Central Virginia Electric Cooperative	-	-	23,625,000	-	23,625,000
Lines of credit	180,000,000	-	-	-	180,000,000
Total long-term debt	2,920,639,801	1,645,772,692	604,557,428	-	5,170,969,921
Current liabilities					
Accounts payable	75,524,533	9,012,292	4,650,993	(233,975)	88,953,843
Accrued postretirement benefits	750,000	-	-	-	750,000
Accrued interest	71,310,858	34,406,063	10,069,135	-	115,786,056
Term debt	15,662,412	20,665,000	8,385,000	-	44,712,412
Term debt on behalf of members	15,805,000	-	-	-	15,805,000
Term debt on behalf of Central Virginia Electric Cooperative	-	-	854,167	-	854,167
Regulatory liabilities	733,767	-	63,489	-	797,256
Other liabilities	3,881,370	11,332,690	2,310,768	-	17,524,828
Total current liabilities	183,667,940	75,416,045	26,333,552	(233,975)	285,183,562
Other noncurrent liabilities					
Accrued postretirement benefits	4,835,603	-	-	-	4,835,603
Deferred gain on sale of real estate	1,276,789	-	-	-	1,276,789
Other liabilities	7,834,584	-	-	-	7,834,584
Asset retirement obligations	3,822,029	3,563,743	71,913	-	7,457,685
Regulatory liabilities	46,704,109	745,567	21,713,535	-	69,163,211
Total other noncurrent liabilities	64,473,114	4,309,310	21,785,448	-	90,567,872
Total liabilities	3,168,780,855	1,725,498,047	652,676,428	(233,975)	5,546,721,355
Total equities and liabilities	3,223,535,356	1,725,498,047	652,676,428	(233,975)	5,601,475,856

* This column represents all consolidated AMP entities except for AFEC and PSEC.

American Municipal Power, Inc.
Consolidating Statement of Revenues and Expenses
June 30, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Revenues					
Electric revenue	290,621,815	97,853,945	86,478,582	-	$ 474,954,342
Service fees	4,308,053	-	-	-	4,308,053
Programs and other	9,526,182	-	-	-	9,526,182
Total revenues	304,456,050	97,853,945	86,478,582	-	488,788,577
Operating expenses					
Purchased electric power	285,279,144	12,121,376	1,070,090	-	298,470,610
Production	3,958,780	14,250,266	13,038,975	-	31,248,021
Fuel	38,363	13,083,042	51,593,345	-	64,714,750
Depreciation	2,003,655	18,583,622	8,339,099	-	28,926,376
Administrative and general	3,211,292	2,387,686	-	-	5,598,978
Property and real estate taxes	361,971	39,164	457,990	-	859,125
Programs and other	8,811,638	-	-	-	8,811,638
Total operating expenses	303,664,843	60,465,156	74,499,499	-	438,629,498
Operating margin	791,207	37,388,789	11,979,083	-	50,159,079
Nonoperating revenues and expenses					
Interest expense	(43,662)	(46,719,772)	(12,477,522)	-	(59,240,956)
Interest income, subsidy	-	6,813,546	-	-	6,813,546
Interest income, other	(209,933)	2,879,216	31,692	-	2,700,975
Other, net	277,038	(361,779)	466,747	-	382,006
Total nonoperating revenues and expenses	23,443	(37,388,789)	(11,979,083)	-	(49,344,429)
Net margin	$ 814,650	$ -	$ -	$ -	$ 814,650

* This column represents all consolidated AMP entities except for AFEC and PSEC.

American Municipal Power, Inc.
Consolidating Statement of Cash Flows
June 30, 2013

	AMP *	PSEC	AFEC	Eliminations	Total
Cash flows from operating activities					
Net margin	$ 814,650	$ -	$ -	$ -	$ 814,650
Adjustments to reconcile net margin to net cash provided by (used in) operating operating activities					
Depreciation and amortization	1,992,808	18,239,785	8,339,099	-	28,571,692
Depletion of coal reserves	-	343,564	-	-	343,564
Amortization of deferred financing costs	506,157	1,232,679	590,893	-	2,329,729
Amortization of bond premium, net of amortization of bond discount	(492,384)	316,513	(1,088,984)	-	(1,264,855)
Accretion of interest on asset retirement obligations	70,440	-	1,087	-	71,527
Impairment of projects on behalf of members	900,000	-	-	-	900,000
Loss on disposal of property and equipment	11,695	-	-	-	11,695
Unrealized gain on natural gas swaps	-	-	409,651	-	409,651
Unrealized gain on investments	312,637	350,084	(463,402)	-	199,319
Changes in assets and liabilities					
Collateral postings	14,269,664	(12,000,000)	-	-	2,269,664
Accounts receivable	(3,266,180)	838,857	669,589	(112,682)	(1,870,416)
Interest receivable	106,392	623,163	-	-	729,555
Prepaid expenses and other assets	1,288,640	1,016,313	596,246	-	2,901,199
Inventories	2,205	(827,402)	-	-	(825,197)
Regulatory assets and liabilities, net	(22,716,191)	(27,969,398)	(2,622,465)	-	(53,308,054)
Accounts payable	12,771,618	(1,734,659)	(1,993,189)	112,682	9,156,452
Accrued postretirement benefits	666,342	-	-	-	666,342
Accrued interest	(1,246,027)	(349,143)	(3,328,719)	-	(4,923,889)
Asset retirement obligations	(1,259,151)	-	-	-	(1,259,151)
Other liabilities	(134,010)	1,547,804	(437,339)	-	976,455
Net cash provided by (used in) operating activities	4,599,305	(18,371,840)	672,467	-	(13,100,068)
Cash flows from investing activities					
Proceeds from sale of investments	555,607,511	166,071,844	10,187,172	-	731,866,527
Purchase of investments	(287,535,917)	(128,588,915)	(6,534,581)	-	(422,659,413)
Purchase of utility property and equipment	(285,001)	(4,780,219)	-	-	(5,065,220)
Sale of utility property and equipment	367,268	11,970	41,655	-	420,893
Purchase of non utility property and equipment	(135,491)	-	-	-	(135,491)
Purchase of construction work-in-process	(209,379,444)	(4,961,530)	(3,809,834)	-	(218,150,808)
Restricted cash and cash equivalents	1,503,317	1,354,108	-	-	2,857,425
Net cash provided by investing activities	60,142,243	29,107,258	(115,588)	-	89,133,913

* This column represents all consolidated AMP entities except for AFEC and PSEC.

American Municipal Power, Inc.
Consolidating Statement of Cash Flows
June 30, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Cash flows from financing activities					
Proceeds from revolving credit loan	30,000,000	-	-	-	30,000,000
Payments on revolving credit loan	(34,000,000)	-	-	-	(34,000,000)
Cost of issuance of debt	-		(500,000)	-	(500,000)
Principal payments on term debt	(64,230,000)	(19,880,000)	-	-	(84,110,000)
Proceeds from issuance of term debt	-	-	-	-	-
Principal payments on term debt on behalf of members	(4,961,000)	-	-	-	(4,961,000)
Proceeds from issuance of term debt on behalf of members	3,618,000	-	-	-	3,618,000
Principal payments on term debt on behalf of Central Virginia Electric Cooperative	-	-	(520,833)	-	(520,833)
Proceeds from issuance of term debt on behalf of Central Virginia Electric Cooperative	-	-	-	-	-
Proceeds from financing receivable members	3,503,461	-	-	-	3,503,461
Funding of financing receivable members	(1,938,515)	-	-	-	(1,938,515)
Capital contributions	5,040	-	-	-	5,040
Cash used in financing activities	(68,003,014)	(19,880,000)	(1,020,833)	-	(88,903,847)
Net change in cash equivalents	(3,261,466)	(9,144,582)	(463,954)	-	(12,870,002)
Cash and cash equivalents, beginning of year	34,686,006	19,794,187	10,746,270	-	65,226,463
Cash and cash equivalents, end of year	$ 31,424,540	$ 10,649,605	$ 10,282,316	$ -	$ 52,356,461

* This column represents all consolidated AMP entities except for AFEC and PSEC.