American Municipal Power, Inc.

Interim Consolidated Financial Statements and Supplementary Information
March 31, 2013

American Municipal Power, Inc.
Index
Three-Months Through and Ended March 31, 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 March 31, 2013, and the related consolidated statements of revenues and expenses, of changes in member and patron equities and of cash flows for the three-month periods ended March 31, 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

June 14, 2013

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

	March 31, 2013	December 31, 2012
Assets		
Utility plant		
Electric plant in service	$ 1,963,342,658	$ 1,962,752,677
Accumulated depreciation	(61,679,787)	(48,008,139)
Total utility plant	1,901,662,871	1,914,744,538
Nonutility property and equipment		
Nonutility property and equipment	21,291,059	21,155,390
Accumulated depreciation	(7,568,364)	(6,946,820)
Total nonutility property and equipment	13,722,695	14,208,570
Construction work-in-progress	1,386,347,968	1,294,410,938
Plant held for future use	34,881,075	34,881,075
Coal reserves	25,910,792	26,089,599
Trustee funds and other assets		
Trustee funds	1,270,869,772	1,376,534,679
Financing receivables - members	29,070,932	30,958,138
Note receivable	3,075,000	3,075,000
Regulatory assets	221,450,064	194,716,465
Prepaid pension costs	2,137,093	2,357,710
Intangible and other assets, net of accumulated amortization of $14,315,574 and $13,563,695, respectively	54,009,737	50,848,021
Total trustee funds and other assets	1,580,612,598	1,658,490,013
Current assets		
Cash and cash equivalents	72,894,267	65,226,463
Cash and cash equivalents - restricted	47,061,219	48,007,847
Trustee funds	323,229,014	474,041,248
Investments	14,827,466	14,705,591
Collateral postings	6,938,467	21,308,300
Accounts receivable	72,496,113	74,638,711
Interest receivable	13,658,900	37,400,314
Financing receivables - members	10,761,456	9,708,525
Inventories	5,304,563	6,192,734
Emission allowances	1,694,358	1,686,896
Regulatory assets	7,157,095	4,690,756
Prepaid expenses and other assets	10,115,375	7,185,042
Total current assets	586,138,293	764,792,427
Total assets	$ 5,529,276,292	$ 5,707,617,160

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

	March 31, 2013	December 31, 2012
Equities and Liabilities		
Member and patron equities		
Contributed capital	$ 806,248	$ 801,208
Patronage capital	53,612,724	53,133,603
Total member and patron equities	54,418,972	53,934,811
Long-term debt		
Term debt	4,962,252,557	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	175,000,000	184,000,000
Total long-term debt	5,166,544,557	5,207,598,943
Current liabilities		
Accounts payable	88,230,895	98,627,596
Accrued salaries and related benefits	750,009	1,134,881
Accrued postretirement benefits	750,000	750,000
Accrued interest	38,773,239	120,705,475
Term debt	44,712,412	98,992,412
Term debt on behalf of members	15,905,000	16,468,000
Term debt on behalf of Central Virginia Electric Cooperative	854,167	520,833
Regulatory liabilities	8,987,561	6,202,941
Other liabilities	16,248,690	14,435,758
Total current liabilities	215,211,973	357,837,896
Other noncurrent liabilities		
Accrued postretirement benefits	4,973,615	5,082,764
Deferred gain on sale of real estate	1,276,789	1,276,789
Other liabilities	6,961,160	6,347,903
Asset retirement obligations	7,855,803	8,776,496
Regulatory liabilities	72,033,423	66,761,558
Total other noncurrent liabilities	93,100,790	88,245,510
Total liabilities	5,474,857,320	5,653,682,349
Total equities and liabilities	$ 5,529,276,292	$ 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
Three-Months Ended March 31, 2013 and 2012 (unaudited)

	March 31, 2013	March 31, 2012
Revenues		
Electric revenue	$ 229,101,104	$ 187,412,466
Service fees	2,104,534	1,630,724
Programs and other	4,303,917	4,731,187
Total revenues	235,509,555	193,774,377
Operating expenses		
Purchased electric power	141,804,987	150,971,670
Production	15,251,246	6,394,277
Fuel	32,993,178	23,791,231
Depreciation	14,471,153	3,904,705
Administrative and general	2,136,576	1,237,494
Property and real estate taxes	431,134	182,213
Programs and other	3,966,102	4,201,248
Total operating expenses	211,054,376	190,682,838
Operating margin	24,455,179	3,091,539
Nonoperating revenues (expenses)		
Interest expense	(29,908,177)	(3,126,081)
Interest income, subsidy	3,486,048	-
Interest income, other	2,938,512	359,587
Other, net	(492,441)	152,093
Total nonoperating expenses	(23,976,058)	(2,614,401)
Net margin	$ 479,121	$ 477,138

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
Three-Months Ended March 31, 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	-	479,121	479,121
Balances, March 31, 2013	$ 806,248	$ 53,612,724	$ 54,418,972

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

American Municipal Power, Inc.
Consolidated Statements of Cash Flows
Three-Months Ended March 31, 2013 and 2012 (unaudited)

	March 31, 2013	March 31, 2012
Cash flows from operating activities		
Net margin	$ 479,121	$ 477,138
Adjustments to reconcile net margin to net cash used in operating activities		
Depreciation	14,292,346	3,904,705
Depletion of coal reserves	178,807	-
Amortization of deferred financing costs	751,879	848,682
Amortization of bond premium, net of amortization of bond discount	(690,219)	(373,877)
Accretion of interest on asset retirement obligations	7,243	13,803
Unrealized gain on natural gas swaps	(2,560,618)	-
Unrealized loss (gain) on investments	508,939	(338,383)
Changes in assets and liabilities		
Investments	-	33,933
Collateral postings	14,369,833	(27,230,773)
Accounts receivable	2,142,598	(6,139,445)
Interest receivable	4,028,464	-
Inventories	888,171	-
Emission allowances	(7,462)	28,729
Regulatory assets and liabilities, net	(21,257,750)	2,553,197
Prepaid power purchase asset	-	14,399,544
Prepaid expenses and other assets	(2,930,486)	(1,316,694)
Accounts payable	7,505,988	1,779,012
Accrued salaries and related benefits	(384,872)	(6,824)
Accrued postretirement benefits	111,468	188,767
Accrued interest	(34,715,563)	(2,228,995)
Asset retirement obligations	(796,749)	-
Other liabilities	1,573,365	(547,551)
Net cash used in operating activities	(16,505,497)	(13,955,032)
Cash flows from investing activities		
Purchase of utility property and equipment	(921,139)	(130,375)
Sale of utility property and equipment	41,655	-
Purchase of nonutility property and equipment	(100,636)	(265,526)
Purchase of construction work-in-progress	(137,105,016)	(190,823,122)
Proceeds from sale of investments, net of purchase of investments	255,846,327	225,335,792
Restricted cash and cash equivalents	946,628	1,987,613
Net cash provided by investing activities	118,707,819	36,104,382

American Municipal Power, Inc.
Consolidated Statements of Cash Flows
Three-Months Ended March 31, 2013 and 2012 (unaudited)

	March 31, 2013	March 31, 2012
Cash flows from financing activities		
Proceeds from revolving credit loan	20,000,000	93,288,250
Payments on revolving credit loan	(29,000,000)	(65,288,250)
Cost of issance of debt	(500,000)	-
Principal payments on term debt	(84,110,000)	(64,955,002)
Principal payments on term debt on behalf of members	(2,366,000)	(1,832,000)
Proceeds from issuance of term debt on behalf of members	1,123,000	-
Principal payments on term debt on behalf of CVEC	(520,833)	-
Proceeds from financing receivables - members	1,897,265	1,488,657
Funding of financing receivables - members	(1,062,990)	(72,713)
Capital contributions	5,040	-
Net cash used in financing activities	(94,534,518)	(37,371,058)
Net change in cash and cash equivalents	7,667,804	(15,221,708)
Cash and cash equivalents, beginning of year	65,226,463	70,481,931
Cash and cash equivalents, end of year	$ 72,894,267	$ 55,260,223
Supplemental disclosure of cash flow information		
Cash paid during the year for interest, net of amount capitalized	$ 65,623,860	$ 5,375,909
Supplemental disclosure of noncash investing and financing activities		
Capital expenditures included in accounts payable and other liabilities	20,934,134	27,959,526
Capital expenditures included in accrued interest net of interest receivable	11,819,590	16,040,546

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 March 31, 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 three months ended March 31, 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 March 31, 2013 and December 31, 2012. There is $237,634,915 and $215,298,847 of capitalized interest included in the construction work-in-progress account at March 31, 2013 and December 21, 2012, respectively. AMP capitalized interest costs in the amount of $22,336,068 and $36,514,369 for the three-month periods ended March 31, 2013 and 2012, respectively.

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

	March 31, 2013	December 31, 2012
Prairie State Energy Campus	$ 8,722,802	$ 7,019,021
Hydro Plants	1,371,178,429	1,281,644,260
AMP Fremont Energy Center	4,688,594	4,405,066
Other	1,758,143	1,342,591
	$1,386,347,968	$ 1,294,410,938

On January 21, 2012 the AMP Fremont Energy Center ("AFEC") began commercial operation. AFEC is a 707 MW natural gas fired combined cycle generation plant, located near the city of Fremont, Ohio. AMP's acquisition of the plant was financed with draws on an additional line of credit for $600,000,000 secured solely for the purpose of purchasing the plant. The total cost of construction of the AFEC at the date it was placed in service was $582,200,642. This amount includes a development fee of $35,535,448 paid by AFEC participants for the account of AMP Generating Station participants who are also AFEC participants. In June 2012, AMP sold 5.16% undivided ownership interest in AFEC to Michigan Public Power Agency ("MPPA") and entered into a power sales contract with Central Virginia Electric Cooperative ("CVEC") for the output of a 4.15% interest in AFEC. AMP has sold the output of the remaining 90.69% interest to the AFEC participants, which consist of 87 of its members, pursuant to a take-or-pay power sales contract.

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 at December 31 is as follows:

	March 31, 2013	December 31, 2012
Utility plant in service	$ 1,126,746,982	$ 1,122,075,507
Construction work-in-progress	4,689,300	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 $25,910,792 and $26,089,599 (net of depletion) as of March 31, 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 holds firm transmission rights ("FTRs") with the PJM Interconnection and the Midwest ISO, regional transmission organizations, that do not qualify to be accounted for as normal purchases and normal sales and have been included in prepaid and other assets on the consolidated balance sheets at their estimated fair value. The fair value of FTRs was $(8,380) at both March 31, 2013 and December 31, 2012. A corresponding regulatory asset has been recorded for this unrealized loss. The impact of utilizing FTRs is included in the transmission cost of purchased power.

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 $(2,283,049) and $(2,572,389) at March 31, 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 gain of $3,413,442 at March 31, 2013 and unrealized loss of $411,350 at December 31, 2012 which is included in other assets. On the long-term agreements, there was an unrealized loss of $1,287,744 at March 31, 2013 and $23,570 at December 31, 2012 which is included in intangible and other assets. A net gain of $2,125,698 and net loss of $434,920 was recognized in AMP's consolidated statements of revenues and expenses for the periods ending March 31, 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 March 31, 2013, $11,699,515 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 March 31, 2013, AMP had $175,000,000 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 March 31, 2013 and December 31, 2012:

	March 31, 2013	December 31, 2012
AMP project note due in October 2013 with interest at 1.00% and 1.00% at March 31, 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	(10,640,338)	(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	5,730,814	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	(2,376,623)	(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	(700,559)	(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	205,006	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	43,776,316	44,321,412
	5,006,964,969	5,091,765,188
Current portion	(44,712,412)	(98,992,412)
Noncurrent portion	$ 4,962,252,557	$ 4,992,772,776

5. Fair Value of Financial Instruments

	March 31, 2013		December 31, 2012	
Financial Instruments	**Carrying Value**	**Estimated Fair Value**	**Carrying Value**	**Estimated Fair Value**
Assets				
Investments	$ 14,827,466	$ 14,827,466	$ 14,705,591	$ 14,705,591
Trustee funds, AMP	1,591,505,032	1,637,949,794	1,786,251,547	1,837,737,961
Trustee funds on behalf of members	2,593,754	2,710,552	64,324,380	64,324,380
Natural gas swaps	2,125,698	2,125,698	-	-
Liabilities				
Fixed rate term debt, including current maturities, AMP	4,997,759,969	6,232,301,329	5,081,835,188	6,167,762,502
Fixed rate term debt, including current maturities, on behalf of members	20,590,000	20,672,884	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	10,187,000	10,187,000	12,889,000	12,889,000
Interest rate swaps	2,283,049	2,283,049	2,572,389	2,572,389
Natural gas swaps	-	-	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 due to their short maturities. The carrying amount of the Combustion Turbine Bonds and the OMEGA JV6 Bonds approximate their fair value due to their variable rates of interest. 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 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.

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.

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 March 31, 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.

	March 31, 2013			
Recurring Fair Value Measures	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Equity securities and mutual funds	$ 235,186	$ -	$ -	$ 235,186
Money market funds	7,089,252	-	-	7,089,252
Debt securities	-	7,439,688	-	7,439,688
Hedge funds	-	-	63,340	63,340
Natural gas swaps	-	2,125,698	-	2,125,698
Total	7,324,438	9,565,386	63,340	16,953,164
Liabilities				
Interest rate swaps	-	2,283,049	-	2,283,049
Total	$ -	$ 2,283,049	$ -	$ 2,283,049

	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 three months ended March 31, 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 losses		(385)
Balance as of March 31, 2013	$	63,340

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:

	March 31, 2013	December 31, 2012
Regulatory assets		
Asset retirement costs	$ 5,172,368	$ 7,478,256
Debt service	159,091,425	135,876,126
Operating and maintenance	1,743,293	1,545,692
Fair value of derivative instruments	3,570,792	3,007,309
Rate stabilization	33,660,519	28,345,762
Pension plan and postretirement healthcare	10,494,934	10,249,249
Interest rate lock expense	5,377,144	5,362,049
Closure of Gorsuch Project costs	6,477,555	5,008,863
Other	3,019,129	2,533,915
Total regulatory assets	228,607,159	199,407,221
Current portion	(7,157,095)	(4,690,756)
Noncurrent portion	$ 221,450,064	$ 194,716,465
Regulatory liabilities		
Capital improvements	$ 842,107	$ 984,539
Debt service	44,228,206	40,998,558
Operating and maintenance	5,708,060	4,704,228
Working capital	14,944,588	14,944,588
Fair value of derivative instruments	3,413,442	-
Rate stabilization programs	3,440,135	2,014,016
Gains on early termination of power purchase	2,867,856	3,075,446
Power purchases	4,452,021	5,527,829
Other	1,124,569	715,295
Total regulatory liabilities	81,020,984	72,964,499
Current portion	(8,987,561)	(6,202,941)
Noncurrent portion	$ 72,033,423	$ 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 March 31, 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 March 31, 2013 and December 31, 2012, $14,827,466 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 March 31, 2013 and 2012:

	Pension Plan	
	March 31, 2013	March 31, 2012
Components of net periodic benefit costs		
Service cost	$ -	$ 12,000
Interest cost	126,170	142,424
Expected return on plan assets	(300,000)	(321,392)
Recognized actuarial loss	121,330	145,750
Settlement loss	50,000	-
Net periodic benefit cost	$ (2,500)	$ (21,218)

	Postretirement Plan	
	March 31, 2013	March 31, 2012
Components of net periodic benefit costs		
Service cost	$ -	$ 5,000
Interest cost	35,000	66,311
Amortization of transition obligation	19,650	19,650
Recognized actuarial loss	74,750	71,250
Net periodic benefit cost	$ 129,400	$ 162,211

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:

RICE-NESHAP

United States Environmental Protection Agency ("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 2013.

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.

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.

New Source Performance Standards for Combustion Turbines
USEPA proposed New Source Performance Standards ("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.

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.

9. Subsequent Events

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.

The Company has evaluated subsequent events through June 14, 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 March 31, 2013 and for the three 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 March 31, 2013 and the consolidating statements of revenues and expenses and of cash flows for the three-months ended March 31, 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

June 14, 2013

American Municipal Power, Inc.
Consolidating Balance Sheet
March 31, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Assets					
Utility plant					
Electric plant in service	$ 35,577,505	$ 1,361,944,504	$ 565,820,649	$ -	$ 1,963,342,658
Accumulated depreciation	(14,800,429)	(25,985,717)	(20,893,641)	-	(61,679,787)
Total utility plant	20,777,076	1,335,958,787	544,927,008	-	1,901,662,871
Nonutility property and equipment					
Nonutility property and equipment	21,291,059	-	-	-	21,291,059
Accumulated depreciation	(7,568,364)	-	-	-	(7,568,364)
Total nonutility property and equipment	13,722,695	-	-	-	13,722,695
Construction w ork-in-process	1,372,936,572	8,722,802	4,688,594	-	1,386,347,968
Plant held for future use	34,881,075	-	-	-	34,881,075
Coal reserves	-	25,910,792	-	-	25,910,792
Trustee funds and other assets					
Trustee funds	1,023,187,549	205,294,181	42,388,042	-	1,270,869,772
Financing receivables-members	29,070,932	-	-	-	29,070,932
Notes receivable	3,075,000	-	-	-	3,075,000
Regulatory assets	157,147,643	46,382,620	17,919,801	-	221,450,064
Prepaid pension costs	2,137,093	-	-	-	2,137,093
Intangible and other assets	28,735,950	17,318,705	7,955,082	-	54,009,737
Total trustee funds and other assets	1,243,354,167	268,995,506	68,262,925	-	1,580,612,598
Current assets					
Cash and cash equivalents	37,351,586	21,839,349	13,703,332	-	72,894,267
Cash and cash equivalents - restricte	45,707,078	1,354,141	-	-	47,061,219
Trustee funds	296,009,250	21,584,149	5,635,615	-	323,229,014
Investments	14,827,466	-	-	-	14,827,466
Collateral postings	6,938,467	-	-	-	6,938,467
Accounts receivable	54,751,839	10,120,384	8,887,220	(1,263,330)	72,496,113
Interest receivable	11,925,084	1,733,146	670	-	13,658,900
Financing receivables - members	10,761,456	-	-	-	10,761,456
Inventories	32,871	5,271,692	-	-	5,304,563
Emission allow ances	1,687,022	640	6,696	-	1,694,358
Regulatory assets	4,851,033	1,018,318	1,287,744	-	7,157,095
Prepaid expenses and other assets	4,123,110	4,946,525	1,045,740	-	10,115,375
Total current assets	488,966,262	67,868,344	30,567,017	(1,263,330)	586,138,293
Total assets	$ 3,174,637,847	$ 1,707,456,231	$ 648,445,544	$ (1,263,330)	$ 5,529,276,292

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

American Municipal Power, Inc.
Consolidating Balance Sheet
March 31, 2013

	AMP*	PSEC	AFEC	Eliminating	Total
Equities and Liabilities					
Member and patron equities					
Contributed capital	$ 806,248	$ -	$ -	$ -	$ 806,248
Patronage capital	53,612,724	-	-	-	53,612,724
Total member and patron equities	54,418,972	-	-	-	54,418,972
Long-term debt					
Term debt	2,735,161,579	1,645,614,662	581,476,316	-	4,962,252,557
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	175,000,000	-	-	-	175,000,000
Total long-term debt	2,915,828,579	1,645,614,662	605,101,316	-	5,166,544,557
Current liabilities					
Accounts payable	74,331,875	10,064,876	5,097,474	(1,263,330)	88,230,895
Accrued salaries and related benefits	213,974	536,035	-	-	750,009
Accrued postretirement benefits	750,000	-	-	-	750,000
Accrued interest	24,002,713	11,414,814	3,355,712	-	38,773,239
Term debt	15,662,412	20,665,000	8,385,000	-	44,712,412
Term debt on behalf of members	15,905,000	-	-	-	15,905,000
Term debt on behalf of Central Virginia Electric Cooperative	-	-	854,167	-	854,167
Regulatory liabilities	5,096,019	-	3,891,542	-	8,987,561
Other liabilities	3,804,529	11,037,291	1,406,870	-	16,248,690
Total current liabilities	139,766,522	53,718,016	22,990,765	(1,263,330)	215,211,973
Other noncurrent liabilities					
Accrued postretirement benefits	4,973,615	-	-		4,973,615
Deferred gain on sale of real estate	1,276,789	-	-	-	1,276,789
Other liabilities	6,961,160	-	-	-	6,961,160
Asset retirement obligations	4,220,690	3,563,743	71,370	-	7,855,803
Regulatory liabilities	47,191,520	4,559,810	20,282,093	-	72,033,423
Total other noncurrent liabilities	64,623,774	8,123,553	20,353,463	-	93,100,790
Total liabilities	3,120,218,875	1,707,456,231	648,445,544	(1,263,330)	5,474,857,320
Total equities and liabilities	3,174,637,847	1,707,456,231	648,445,544	(1,263,330)	5,529,276,292

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

American Municipal Power, Inc.
Consolidating Statement of Revenues and Expenses
March 31, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Revenues					
Electric revenue	137,893,804	48,460,093	42,747,207	-	$ 229,101,104
Service fees	2,104,534	-	-	-	2,104,534
Programs and other	4,303,917	-	-	-	4,303,917
Total revenues	144,302,255	48,460,093	42,747,207	-	235,509,555
Operating expenses					
Purchased electric power	135,147,065	6,523,493	134,429	-	141,804,987
Production	2,108,334	6,970,652	6,172,260	-	15,251,246
Fuel	16,697	6,930,507	26,045,974	-	32,993,178
Depreciation	993,050	9,312,835	4,165,268	-	14,471,153
Administrative and general	1,441,566	695,010	-	-	2,136,576
Property and real estate taxes	181,259	19,582	230,293	-	431,134
Programs and other	3,966,102	-	-	-	3,966,102
Total operating expenses	143,854,073	30,452,079	36,748,224	-	211,054,376
Operating margin	448,182	18,008,014	5,998,983	-	24,455,179
Nonoperating revenues and expenses					
Interest expense	(278,326)	(23,384,420)	(6,245,431)	-	(29,908,177)
Interest income, subsidy	-	3,486,048	-	-	3,486,048
Interest income, other	175,584	2,740,309	22,619	-	2,938,512
Other, net	133,681	(849,951)	223,829	-	(492,441)
Total nonoperating revenues and expenses	30,939	(18,008,014)	(5,998,983)	-	(23,976,058)
Net margin	$ 479,121	$ -	$ -	$ -	$ 479,121

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

American Municipal Power, Inc.
Consolidating Statement of Cash Flows
March 31, 2013

	AMP *	PSEC	AFEC	Eliminations	Total
Cash flows from operating activities					
Net margin	$ 479,121	$ -	$ -	$ -	$ 479,121
Adjustments to reconcile net margin to net cash provided by (used in) operating operating activities					
Depreciation and amortization	993,049	9,134,029	4,165,268	-	14,292,346
Depletion of coal reserves	-	178,807	-	-	178,807
Amortization of deferred financing costs	465,430	210,248	76,201	-	751,879
Amortization of bond premium, net of amortization of bond discount	(303,606)	158,483	(545,096)	-	(690,219)
Accretion of interest on asset retirement obligations	6,699	-	544	-	7,243
Unrealized gain on natural gas sw aps	-	-	(2,560,618)	-	(2,560,618)
Unrealized loss on investment	(119,728)	849,951	(221,284)	-	508,939
Changes in assets and liabilities					
Collateral postings	14,369,833	-	-	-	14,369,833
Accounts receivable	(1,619,419)	(1,350,010)	4,195,354	916,673	2,142,598
Interest receivable	106,391	3,922,559	(486)	-	4,028,464
Inventories	(981)	889,152	-	-	888,171
Emission allow ances	(126)	(640)	(6,696)	-	(7,462)
Regulatory assets and liabilities, net	(7,841,229)	(15,480,226)	2,063,705	-	(21,257,750)
Prepaid expenses and other assets	(417,081)	(2,710,865)	197,460	-	(2,930,486)
Accounts payable	16,907,666	(5,021,668)	(3,463,337)	(916,673)	7,505,988
Accrued salaries and related benefits	(7,449)	(377,423)	-	-	(384,872)
Accrued postretirement benefits	111,468	-	-	-	111,468
Accrued interest	(1,333,029)	(23,340,392)	(10,042,142)	-	(34,715,563)
Asset retirement obligations	(796,749)	-	-	-	(796,749)
Other liabilities	37,148	2,165,863	(629,646)	-	1,573,365
Net cash provided by (used in) operating activities	21,037,408	(30,772,132)	(6,770,773)	-	(16,505,497)
Cash flows from investing activities					
Purchase of utility property and equipment	(285,000)	(636,139)	-	-	(921,139)
Sale of utility property and equipment	-	-	41,655	-	41,655
Purchase of non utility property and equipment	(100,636)	-	-	-	(100,636)
Purchase of construction w ork-in-process	(135,117,707)	(1,703,781)	(283,528)	-	(137,105,016)
Proceeds from sale of investments, net of purchase of investments	190,197,205	55,093,914	10,555,208	-	255,846,327
Restricted cash and cash equivalents	946,661	(33)	-	-	946,628
Net cash provided by investing activities	55,640,523	52,753,961	10,313,335	-	118,707,819

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

American Municipal Power, Inc.
Consolidating Statement of Cash Flows
March 31, 2013

	AMP *	PSEC	AFEC	Eliminating	Total
Cash flows from financing activities					
Proceeds from revolving credit loan	20,000,000	-	-	-	20,000,000
Payments on revolving credit loan	(29,000,000)	-	-	-	(29,000,000)
Cost of issuance of debt	(378,666)	(56,667)	(64,667)	-	(500,000)
Principal payments on term debt	(64,230,000)	(19,880,000)	-	-	(84,110,000)
Proceeds from issuance of term debt	1,123,000	-	-	-	1,123,000
Principal payments on term debt on behalf of members	(2,366,000)	-	-	-	(2,366,000)
Proceeds from financing receivable members	1,897,265	-	-	-	1,897,265
Principal payments on term debt on behalf of Central Virginia Electric Cooperative	-	-	(520,833)	-	(520,833)
Funding of financing receivable members	(1,062,990)	-	-	-	(1,062,990)
Capital contributions	5,040				5,040
Cash used in financing activities	(74,012,351)	(19,936,667)	(585,500)	-	(94,534,518)
Net change in cash equivalents	2,665,580	2,045,162	2,957,062	-	7,667,804
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	$ 37,351,586	$ 21,839,349	$ 13,703,332	$ -	$ 72,894,267

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