American Municipal Power, Inc.

Consolidated Financial Statements
December 31, 2019 and 2018

American Municipal Power, Inc.
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December 31, 2019 and 2018

Report of Independent Auditors

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

We have audited the accompanying consolidated financial statements of American Municipal Power, Inc. and its subsidiaries, which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the related consolidated statements of revenues and expenses, of changes in member and patron equities and of cash flows for the years then ended.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of American Municipal Power, Inc. and its subsidiaries as of December 31, 2019 and 2018, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

April 15, 2020

American Municipal Power, Inc.
Consolidated Balance Sheets
December 31, 2019 and 2018

	December 31, 2019	December 31, 2018
Assets		
Utility plant		
Electric plant in service	$ 4,888,631,808	$ 4,878,808,405
Accumulated depreciation	(728,592,452)	(586,625,010)
Total utility plant	4,160,039,356	4,292,183,395
Nonutility property and equipment		
Nonutility property and equipment	23,392,228	23,505,923
Accumulated depreciation	(16,180,976)	(13,945,084)
Total nonutility property and equipment	7,211,252	9,560,839
Construction work-in-progress	46,161,502	20,107,609
Plant held for future use	34,881,075	34,881,075
Coal reserves	21,132,014	21,945,584
Trustee funds and other assets		
Trustee funds	269,693,704	304,309,796
Trustee funds - restricted	279,148,889	166,157,567
Financing receivables - members	2,045,688	3,031,611
Regulatory assets	571,224,740	534,392,822
Prepaid assets	72,010,938	55,493,606
Intangible and other assets, net of accumulated amortization of $6,115,302 and $5,350,880 respectively	44,479,292	42,948,772
Total trustee funds and other assets	1,238,603,251	1,106,334,174
Current assets		
Cash and cash equivalents	118,929,976	124,268,956
Cash and cash equivalents - restricted	19,287,700	22,261,566
Trustee funds	272,735,184	233,343,168
Trustee funds - restricted	294,524,948	101,703,014
Collateral postings	22,154,158	19,400,134
Accounts receivable	105,049,887	112,704,511
Interest receivable	32,662,953	27,015,633
Financing receivables - members	22,557,640	15,727,043
Inventories	12,095,526	14,039,009
Regulatory assets	43,526,410	23,599,557
Prepaid expenses and other assets	19,979,530	18,913,732
Total current assets	963,503,912	712,976,323
Total assets	$ 6,471,532,362	$ 6,197,988,999

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

American Municipal Power, Inc.
Consolidated Balance Sheets
December 31, 2019 and 2018

	December 31, 2019	December 31, 2018
Equities and Liabilities		
Member and patron equities		
Contributed capital	$ 828,968	$ 828,968
Patronage capital	88,650,241	83,379,309
Total member and patron equities	89,479,209	84,208,277
Long-term debt		
Term debt	5,383,472,854	5,303,898,034
Term debt on behalf of others	18,499,998	19,354,165
Revolving credit loan	189,600,000	210,100,000
Total long-term debt	5,591,572,852	5,533,352,199
Current liabilities		
Accounts payable	103,524,908	108,735,245
Accrued interest	120,381,867	118,105,405
Term debt	359,799,412	161,049,412
Term debt on behalf of others	33,535,167	29,805,167
Regulatory liabilities	9,009,950	4,156,109
Other liabilities	37,149,049	29,233,974
Total current liabilities	663,400,353	451,085,312
Other noncurrent liabilities		
Asset retirement obligations	7,121,169	6,840,083
Regulatory liabilities	69,998,448	66,529,229
Other liabilities	49,960,331	55,973,899
Total other noncurrent liabilities	127,079,948	129,343,211
Total liabilities	6,382,053,153	6,113,780,722
Total equities and liabilities	$ 6,471,532,362	$ 6,197,988,999

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

American Municipal Power, Inc.
Consolidated Statements of Revenues and Expenses
Years Ended December 31, 2019 and 2018

	December 31, 2019	December 31, 2018
Revenues		
Electric revenue	$ 1,138,687,466	$ 1,254,793,628
Service fees	11,439,922	11,679,120
Programs and other	19,907,027	13,393,319
Total revenues	1,170,034,415	1,279,866,067
Operating expenses		
Purchased electric power	479,291,284	535,284,459
Production	161,034,956	166,224,303
Fuel	123,607,471	144,526,906
Depreciation and amortization	145,766,568	151,353,252
Administrative and general	17,153,949	19,598,220
Property and real estate taxes	5,473,321	11,402,931
Programs and other	24,768,917	17,189,457
Total operating expenses	957,096,466	1,045,579,528
Operating margin	212,937,949	234,286,539
Nonoperating revenues (expenses)		
Interest expense	(303,609,583)	(322,162,001)
Interest income, subsidy	76,207,216	71,476,190
Interest and other income	19,735,350	19,186,606
Total nonoperating expenses	(207,667,017)	(231,499,205)
Net margin	$ 5,270,932	$ 2,787,334

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

American Municipal Power, Inc.
Consolidated Statements of Changes in Member and Patron Equities
Years Ended December 31, 2019 and 2018

	Contributed Capital	Patronage Capital	Total
Balances at December 31, 2017	$ 828,968	$ 80,591,975	$ 81,420,943
Net margin	-	2,787,334	2,787,334
Balances at December 31, 2018	828,968	83,379,309	84,208,277
Balances at December 31, 2018	828,968	83,379,309	84,208,277
Net margin	-	5,270,932	5,270,932
Balances at December 31, 2019	$ 828,968	$ 88,650,241	$ 89,479,209

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

American Municipal Power, Inc.
Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018

	December 31, 2019	December 31, 2018
Cash flows from operating activities		
Net margin	$ 5,270,932	$ 2,787,334
Adjustments to reconcile net margin to net cash provided by operating activities		
Depreciation and amortization	145,766,568	151,353,252
Amortization of bond premium, net of amortization of bond discount and amortization of deferred financing costs	(23,993,056)	(12,540,272)
Accretion of interest on asset retirement obligations	240,536	237,714
Loss (gain) on disposal of utility property and equipment	601,666	(170,960)
Unrealized loss on investments	8,494,407	7,174,929
Changes in assets and liabilities		
Collateral postings	(2,754,024)	(3,554,988)
Accounts and interest receivable	2,007,304	18,193,907
Inventories	1,938,831	(3,183,389)
Regulatory assets and liabilities, net	(57,640,558)	(61,665,133)
Prepaid expenses and other assets	(2,317,386)	(22,529,199)
Accounts payable and other liabilities	(10,940,371)	(3,871,337)
Accrued interest	2,276,462	(15,055,985)
Asset retirement obligations	40,550	(1,603,088)
Net cash provided by operating activities	68,991,861	55,572,785
Cash flows from investing activities		
Purchase of property plant, equipment and construction work-in progress	(37,870,645)	(20,169,371)
Proceeds from sale of property, plant and equipment	641,615	1,217,157
Proceeds from sale of investments	888,407,654	1,122,681,404
Purchase of investments	(1,207,474,123)	(424,418,029)
Net cash (used in) provided by investing activities	$ (356,295,499)	$ 679,311,161

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

American Municipal Power, Inc.
Consolidated Statements of Cash Flows
Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from financing activities		
Proceeds from revolving credit loan	47,000,000	19,500,000
Payments on revolving credit loan	(67,500,000)	(127,800,000)
Cost of issuance of debt	(4,316,136)	(751,469)
Principal payments on term debt	(328,129,412)	(757,014,412)
Principal payments on term debt on behalf of others	(29,805,167)	(17,778,039)
Proceeds from issuance of term debt	634,905,181	99,236,387
Proceeds from issuance of term debt on behalf of others	32,681,000	28,951,000
Proceeds from financing receivables - members	2,375,653	10,001,604
Funding of financing receivables - members	(8,220,327)	(2,559,477)
Net cash provided by (used in) financing activities	278,990,792	(748,214,406)
Net change in cash, cash equivalents and restricted cash	(8,312,846)	(13,330,460)
Cash, cash equivalents and restricted cash		
Beginning of period	146,530,522	159,860,982
End of period	$ 138,217,676	$ 146,530,522
Supplemental disclosure of cash flow information		
Cash paid during the period for interest, net of amount capitalized	$ 301,333,121	$ 337,217,986
Supplemental disclosure of noncash investing and financing activities		
Capital expenditures included in accounts payable	$ 44,241,279	$ 36,555,181

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 ("IRC"). As AMP derives its income from the exercise of an essential government function and will accrue to a state or a political subdivision there of; AMP's income is excludable from gross income under IRC Section 115. AMP is a membership organization comprised of 84 municipalities throughout Ohio, 29 municipalities in Pennsylvania, six municipalities in Michigan, six municipalities in Kentucky, five municipalities in Virginia, two municipalities in West Virginia, one municipality in Indiana, one municipality in Maryland, and one joint action agency in Delaware, all but one 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 provider of legislative liaison services to AMP and 80 Ohio public power communities. AMP members have also formed Municipal Energy Services Agency ("MESA") whose purpose is to provide administrative, management and technical services to AMP, its members, OMEA 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 bonds to finance the construction of its generating projects.

AMP 368 LLC ("AMP 368"), a wholly owned and consolidated subsidiary of AMP, is the owner of a 23.26%, or 368 MW, undivided interest in the Prairie State Energy Campus ("PSEC"). PSEC, located in Washington County, Illinois, includes a coal-fired generating plant and adjacent coal mine.

Meldahl LLC, a wholly owned and consolidated subsidiary of AMP, is the owner of the 105 MW Meldahl project, a run-of-the river hydroelectric facility on the Ohio River near Maysville, Kentucky.

AMP Transmission LLC, a wholly owned and consolidated subsidiary of AMP, an Ohio not-for-profit, owns and provides transmission services in Delaware, Indiana, Kentucky, Maryland, Michigan, Ohio, Pennsylvania, Virginia and West Virginia for the Members.

2. Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the accounts of AMP and its wholly owned subsidiaries, AMPO, Inc., Meldahl LLC, AMP 368 and AMP Transmission LLC. All intercompany transactions have been eliminated in the preparation of the consolidated financial statements.

Utility Plant

AMP records amounts expended in connection with the purchase or construction of utility plant assets at cost. Major renewals, betterments and replacements are capitalized, while maintenance and repair costs are charged to operations as incurred. Operations are charged with labor, material, supervision and other costs incurred to maintain the utility plant. When utility plant assets are retired, accumulated depreciation is charged with the cost of assets, plus removal costs, less any salvage value, and any resulting gain or loss is reflected in other nonoperating revenues (expenses), net in the consolidated statements of revenues and expenses.

Depreciation on utility plant assets is provided for by the straight-line method over the estimated useful lives of the property. The provisions are determined primarily by use of functional composite rates as follows:

Production, plant	5%-10%
Transmission plant	5%
General plant	5%-33%
Station equipment	4%-20%

Nonutility Property and Equipment
Nonutility property and equipment is recorded at cost. Major renewals, betterments and replacements are capitalized, while maintenance and repair costs are charged to operations as incurred. When nonutility property and equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and the related gains or losses are reflected in other nonoperating revenues (expenses), net in the consolidated statements of revenues and expenses.

Depreciation on nonutility property and equipment is provided for on the straight-line method over the estimated useful lives of the property as follows:

Building	25 years
Furniture and equipment	5-10 years
Computer software	3-5 years
Vehicles	3-5 years

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.

Plant Held for Future Use
In November 2009, the participants in the AMP Generating Station Project (the “AMPGS Project”) voted to terminate the development of the pulverized coal power plant in Meigs County, Ohio. The AMPGS Project was to be a 1,000 MW base load, clean-coal technology plant scheduled to go on-line in 2014. This pulverized coal plant was estimated to be a $3 billion project, but the project’s targeted capital costs increased by 37% and the engineer, procure and construct contractor could not guarantee that the costs would not continue to escalate. At the termination date, minimal construction had been performed on the AMPGS Project at the Meigs County site. AMP still intends to develop this site for the construction of a generating asset; however, at December 31, 2019, the type of future generating asset had not been determined.

The AMPGS Project participants signed “take or pay” contracts with AMP. As such, the participants of the project are obligated to pay any costs incurred for the project.

As a result of the decision to terminate further development of a coal plant at AMPGS, the AMPGS Project costs have been reclassified out of construction work-in-progress and into plant held for future use or regulatory assets in the consolidated balance sheets. At December 31, 2010, AMP reclassified $34,881,075 of costs to plant held for future use in the consolidated balance sheets. These costs were determined to be associated with the undeveloped Meigs County site regardless of the type of generating asset ultimately developed on the site.

The remaining costs previously incurred were determined to be impaired but reclassified as a regulatory asset which is fully recoverable from the AMPGS Project participants as part of their unconditional obligation under the “take or pay” contract. These stranded costs are being recovered through collections from Participants and Members over a 15 year term and from service fee and other member related revenues over the same term. At December 31, 2019, AMP has a remaining regulatory asset of $14,662,944 for the recovery of these abandoned construction costs.

Impairment of Long-lived Assets
Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that full recoverability is questionable. The determination of whether an impairment has occurred is based on an estimate of undiscounted future cash flows attributable to the assets, as compared with the carrying value of the assets. If an impairment has occurred, the amount of the impairment recognized is the excess of the carrying value of the assets over fair value of the assets.

Coal Reserves
AMP has purchased coal reserves in conjunction with the construction of the PSEC. The coal reserves are recorded at cost. AMP also has a contractual right of first refusal for additional coal reserves. These reserves are valued at $21,132,014 and $21,945,584 (net of depletion) as of December 31, 2019 and 2018, respectively. Depletion occurs as the coal reserves are mined.

Trustee Funds
AMP maintains funds on deposit with the trustees ("trustee funds") under its various trust indentures securing bonds issued for its various projects. Investments of the trustee funds include money market funds and debt securities. The debt securities are classified as held-to-maturity in accordance with Accounting Standards Codification (“ASC”) 320 *Investments – Debt and Equity Securities,* and are recorded at amortized cost. The debt securities mature at various dates through February 2050. The money market funds are valued at the net asset value of the underlying fund determined on the valuation date.

Realized gains and losses on investment transactions are determined on the basis of specific identification. Gross unrealized holding losses at December 31, 2019 and 2018 were $8,477,289 and $7,178,349, respectively. Gross unrealized holding gains and losses are included in other, net in the consolidated statements of revenues and expenses.

On February 13, 2019, AMP issued, pursuant to the Prairie State Energy Campus (“PSEC”) Master Trust Indenture (“MTI”), as amended and supplemented, its Prairie State Energy Campus Project Revenue Bonds Refunding Series 2019A (“PSEC 2019A Bonds”) (see Note 9). A portion of the proceeds of the PSEC 2019A Bonds and other available funds under the MTI were applied to refund a portion of the PSEC 2015B Bonds and the PSEC 2015C Bonds. To effect the refunding, a sufficient amount of the proceeds of the PSEC 2019A Bonds and certain other available funds under the MTI, as amended and supplemented, were deposited in the respective redemption subaccounts for each series in an amount sufficient, without reinvestment, to pay the redemption price of the above-referenced bonds on the redemption date. A portion of the PSEC 2015B Bonds and the PSEC 2015C Bonds were redeemed on February 15, 2019, each at the redemption prices of 100%.

On December 4, 2019, AMP issued, pursuant to the PSEC MTI, its Prairie State Energy Campus Project Revenue Bonds, consisting of three series: the Refunding Series 2019B Bonds ("PSEC 2019B Bonds"), the Refunding Series 2019C Bonds ("PSEC 2019C Bonds"), and the Refunding Series 2019D (Federally Taxable) Bonds ("PSEC 2019D Bonds" and, together with the PSEC 2019B Bonds and the PSEC 2019C Bonds, the "PSEC 2019BCD Bonds") (see Note 9). A portion of the proceeds of the PSEC 2019BCD Bonds and other available funds under the MTI, were applied to refund a portion of the PSEC 2009C Bonds, the PSEC 2015A Bonds, and the PSEC 2015B Bonds ("Refunded Bonds"). AMP deposited a portion of the proceeds of the PSEC 2019BCD Bonds in an escrow account (an "Escrow Fund") established by AMP with U.S. Bank National Association (the "Escrow Agent") to pay a portion of the principal of and interest on such PSEC 2009C Bonds on the February 15, 2020 redemption date. To effect the refunding of the PSEC 2015A Bonds and the PSEC 2015B Bonds, a sufficient amount of the proceeds of the PSEC Series 2019BCD Bonds and certain other funds available under the Indenture were deposited in one or more escrow accounts (each, an "Escrow Fund") established by AMP with the Escrow Agent, and were invested in certain noncallable direct obligations or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America (the "Defeasance Obligations") that mature in amounts and pay interest at rates sufficient to pay, when due, the principal, applicable redemption premiums, if any, and interest on PSEC 2015A Bonds and the PSEC 2015B Bonds through their respective maturity or redemption dates, as applicable. A portion of the Refunded Bonds were redeemed on February 15, 2020 and the remainder of the Refunded Bonds will be redeemed on February 15, 2022, each at the redemption price of 100%.

Financing Receivable–Members

Financing receivable - members is comprised of debt service obligations on AMP's limited recourse tax-exempt debt issued on behalf of its members (Note 9).

In connection with the issuance of municipal project notes, AMP has entered into loan agreements with individual member communities. The terms of these loan agreements provide that the member community will issue its note to AMP in the same amount as the related AMP project note. The member community note issued to AMP is payable solely from the net revenue of the member community's electric system. Certain of these loan agreements also provide that a portion of the proceeds from the issuance of municipal project notes shall be deposited in a project fund held for the purpose of making payments of project costs as designated by the member community. The project fund amounts are invested at the direction of the member community and are disbursed by AMP upon submission of a payment requisition satisfactory to AMP. Project fund deposits are restricted to the payment of designated project costs.

Investment in The Energy Authority

On January 1, 2014 AMP entered into a membership agreement with The Energy Authority ("TEA"). As a condition of membership, AMP is subject to TEA operations and settlement procedures as AMP receives services from TEA for dispatch services and natural gas management. AMP is also subject to guaranty agreements where if TEA is unable to deliver capacity, energy or gas obligations, AMP is obligated to pay that amount to relevant counterparties the extent of the guaranty limit, which is $28,928,571 for capacity and energy and $5,500,000 for natural gas. AMP accounts for their ownership interest in TEA as a cost method investment.

Intangible and Other Assets

Included in intangible assets are two interconnections contracts for offsite facilities which were a part of the acquisition cost for the AMP Fremont Energy Center ("AFEC") project. These contracts were valued at $28,665,190 and were net of $6,115,240 and $5,350,835 of accumulated amortization as of December 31, 2019 and 2018, respectively. The contracts are being amortized over a 37.5 year period at a rate of $764,405 per year, which is recognized in depreciation and amortization.

Prepaid Assets

AMP prepays for 25-year power supply solar agreements (the “Prepaid Agreements”) which are included in prepaid assets in the accompanying consolidated balance sheets. The amount of the Prepaid Agreements was $76,402,976 and $58,706,033 as of December 31, 2019 and 2018, respectively. AMP is amortizing the cost of the power over the life of the Prepaid Agreements. AMP records the amount expected to be amortized over the next twelve months as a current asset in prepaid expenses and other assets in the accompanying consolidated balance sheets, which was $4,909,649 and $3,782,419 as of December 31, 2019 and 2018, respectively. AMP has concluded that the Prepaid Agreements qualify for the normal purchase sale exemption in accordance with FASB’s standard on accounting for derivative instruments.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash equivalents consist of highly-liquid cash and short-term investments with original maturities of three months or less.

Restricted Cash

Restricted cash consist of cash from members for contractual restrictions on rate stabilization plans is held in trust for the benefit of the members.

Collateral Postings

At December 31, 2019 and 2018, AMP posted collateral deposits to the bank accounts of certain of its power suppliers related to long-term power supply agreements with the suppliers and collateral deposits with insurance companies in connection with long-term construction projects. AMP also has collateral posted to Midwest Independent Transmission System Operator, Inc. (”MISO”) for the ability to participate in auctions for future transmission rights (“FTRs”). AMP has recorded these collateral postings as current assets in the accompanying consolidated balance sheets. The impact of utilizing FTRs is included in the transmission cost of purchased power.

Concentration of Credit Risk and Accounts Receivable

AMP periodically maintains cash balances in excess of the federally insured limit. At December 31 2019 and 2018 accounts receivable due from two customers were 16% and 17% respectively. Revenues due from two customers were 17% in each year.

Inventories

Inventories consist of fuel inventory and materials and supplies inventories. Fuel inventory is the recorded amount of unused coal inventory at PSEC. This amount is verified semi-annually by a third party and is valued at the weighted average cost. Materials and supplies inventories are recorded at average cost. These items are used primarily for maintenance and daily operational requirements.

Member and Patron Equities

Contributed capital represents initial capital contributions made by members. Should AMP cease business, these amounts, if available, will be returned to the members, and any available patronage capital will also be distributed to members and former members based on their patronage of AMP while they were members.

Asset Retirement Obligations

AMP records, at fair value initially, legal obligations associated with the retirement or removal of long-lived assets that can be reasonably estimated. The recognition of a liability is accompanied by a corresponding increase in utility plant. The liability is adjusted for any revisions to the expected value of the retirement obligation (with corresponding adjustments to utility plant) and for accretion due to the passage of time. Certain AMP assets have an indeterminate life, such as hydroelectric facilities, and thus the fair value of the retirement obligation is not reasonably estimable. A liability for these asset retirement obligations will be recorded when a fair value is determinable.

Revenue Recognition and Rates

Revenues are recognized when service is delivered. AMP's rates for capacity and energy billed to members are designed by the AMP board of trustees to recover actual costs. In general, costs are defined to include AMP's costs of purchased power and operations (except for depreciation and amortization) and debt service requirements.

Rates charged to members for non-project power are based on the actual cost of purchased power. Members also pay a service fee based on kilowatt hours purchased through AMP and retail sales of kilowatt hours in each member electric system.

Programs and other revenues consist of the reimbursement for expenses incurred from programs that AMP offers to its members. Revenue from these programs is recorded as costs are incurred.

Accounts receivable includes $87,635,823 and $100,722,569 during the years ended December 31, 2019 and 2018, respectively, for capacity and energy delivered to members that were not billed until the subsequent year.

Project Power Sales Contracts

AMP's member power sales contracts for AMPGS, AFEC, PSEC and the hydro projects are long-term take or pay agreements, which must be paid regardless of delivery, construction completion or power availability.

Regulatory Assets and Liabilities

In accordance with the FASB standard 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, the costs associated with the abandoned AMPGS Project, funds for member rate stabilization plans, unrecognized actuarial losses associated with the pension plan, 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, funds for member rate stabilization plans, 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 (Note 6).

Taxes

The IRS ruled that AMP is tax-exempt under Section 501(a) as an organization described in Section 501(c)(12) of the IRC, provided 85% of its total revenue consists of amounts collected from its members for the sole purpose of meeting losses and expenses. As AMP derives its income from the exercise of an essential government function and will accrue to a state or a political subdivision thereof; AMP's income is excludable from gross income under IRC Section 115. For the years ended December 31, 2019 and 2018, AMP complied with this requirement. Accordingly, no provision for federal or state income taxes has been made. AMP is subject to State of Ohio personal property, real estate and sales taxes. AMP has signed agreements with the taxing authorities in West Virginia and Kentucky obligating payment of agreed upon amounts in lieu of real estate taxes.

AMPO, Inc. is a for-profit entity subject to federal, state and local income taxes. Deferred taxes result from temporary differences between the book and tax basis of assets and liabilities. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

Market and Credit Risk

AMP is potentially exposed to market risk associated with commodity prices for electricity and natural gas. AMP manages this risk through the use of long-term power purchase contracts and long-term natural gas supply arrangements.

AMP has credit risk associated with the ability of members to repay amounts due from power sales and other services and of counterparties to long-term power supply arrangements. AMP regularly monitors receivables from its members. AMP does not require collateral with its trade receivables.

AMP has established a risk management function that regularly monitors the credit quality of counterparties to its power purchase arrangements. The risk management function uses multiple sources of information in evaluating credit risk including credit reports, published credit ratings of the counterparty and AMP's historical experience with the counterparty. Credit limits are established depending on the risk evaluation and, when warranted, AMP requires credit protection through letters of credit or other guarantees. The inability of counterparties to deliver power under power supply arrangements could cause the cost of power to members to be in excess of prices in the power supply arrangements.

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 purchases 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 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 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 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 to economically hedge the total natural gas fuel expense and records them 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 2027. 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 notional amounts under the agreements. Notional amounts under contracts were $172,439,430 and $208,243,970 at December 31, 2019 and 2018, respectively.

On the short-term agreements, there was an unrealized loss of $18,008,459 and $13,453,375 at December 31, 2019 and 2018, respectively, which is included in other liabilities. On the long-term agreements, there was an unrealized loss of $45,415,826 and $50,025,466 at December 31, 2019 and 2018, respectively, which is included in other liabilities. A net gain of $54,556 and $3,850,635 was recognized in fuel on AMP's consolidated statements of revenues and expenses for the years ending December 31, 2019 and 2018, respectively. Net loss or gain is deferred via regulatory liabilities or assets for recovery in future periods. The losses from the natural gas contracts do not result from other-than-temporary declines in market value.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Pronouncements
In 2014, the FASB issued Accounting Standards Update ("ASU") 606, *Revenue from Contracts with Customers*. The objective of this revenue standard is to provide a single, comprehensive revenue recognition model in which revenue is recognized to reflect the transfer of goods or services to customers at the amount expected to be collected. The new standard requires enhanced disclosures regarding the nature, amount, timing, and uncertainty of revenue and the related cash flows arising from contracts with customers. The Company adopted the new standard effective January 1, 2018, by means of the modified retrospective approach. The adoption did not have a material impact on the consolidated financial statements. Given the lack of material impact to the consolidated financial statements, the adoption of the new standard did not give rise to any material changes in the Company's previously established accounting policies for revenue recognition.

In 2016, the FASB issued ASU 2016-02, *Leases* (*Topic 842*). This standard is intended to improve financial reporting about leasing transactions. Among other changes, the standard will require both operating and capital leases to be recognized on the balance sheet and require incremental disclosures around the amount, timing and uncertainty of cash flows arising from leases. The Company adopted the new standard effective January 1, 2019. The adoption did not have a material impact on these consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses of Financial Instruments (Topic 326)*. The new guidance requires an allowance to be recorded for all expected credit losses for financial assets. The allowance for credit losses is based on historical information, current conditions, and reasonable and supportable forecasts. This standard is effective for the Company's 2020 fiscal year. The impact of adopting this standard is not expected to have a material impact on the consolidated financial statements.

3. Utility Plant

Utility plant cost consists of the following:

	December 31, 2019	December 31, 2018
Land	$ 48,286,151	$ 48,307,425
Production Plant	4,395,961,534	4,387,678,445
Station Equipment	41,360,214	41,285,118
Transmission Plant	207,955,873	206,898,698
General Plant	195,068,036	194,638,719
	$ 4,888,631,808	$ 4,878,808,405

Depreciation expense for utility plant for the years ended December 31, 2019 and 2018 was $141,912,874 and $147,172,151, respectively.

Jointly-Owned Utility Plant

In May 2016, under an ownership agreement with the City of Hamilton, Ohio, AMP acquired a 48.6% undivided ownership in the Greenup Hydroelectric Power Plant ("Greenup"), a 70.2 MW hydroelectric plant located on the Ohio River near Franklin Furnace, Ohio. AMP's ownership interest in Greenup is recorded in accordance with ASC 970-810-45, Undivided Interests. Each owner is obligated to pay its share of the costs of this jointly-owned facility in the same proportion as its ownership interest. Operating costs associated with Greenup are included in AMP's consolidated statements of revenues and expenses and the assets are reflected in AMP's consolidated balance sheets under total utility plant as follows:

	December 31 2019	December 31, 2018
Greenup		
Utility plant in service	$ 139,000,000	$ 139,000,000

AMP 368 has a 23.26% undivided joint ownership interest in PSEC. Kilowatt-hour generation and variable operating expenses are divided on an owner's percentage of dispatched power and fixed operating expenses are allocated by project ownership with each owner reflecting its respective costs in its statements of revenue and expenses. AMP 368'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 the PSEC is as follows:

	December 31, 2019	December 31, 2018
Prairie State		
Utility plant in service	$ 1,154,776,002	$ 1,152,778,050
Construction work-in-progress	5,224,252	1,441,680

4. Nonutility Property and Equipment

Nonutility property and equipment cost consists of the following:

	December 31, 2019	December 31, 2018
Land	$ 1,482,031	$ 1,482,031
Building	9,649,431	9,722,790
Furniture and equipment	499,373	499,373
Computer software	11,102,972	11,102,972
Vehicles	658,421	698,757
	$ 23,392,228	$ 23,505,923

Depreciation expense for nonutility property and equipment for the years ended December 31, 2019 and 2018 was $2,271,067 and $2,612,268, respectively.

5. Construction Work-in-Progress

Construction work-in-progress consists of the following:

	December 31, 2019	December 31, 2018
'Behind-the-meter' Sub-peaking facilities	$ 20,631,025	$ -
AMP Fremont Energy Center	13,387,566	6,753,357
Prairie State Energy Campus	5,224,252	1,441,680
Hydro Plants	1,634,089	9,492,681
Other	5,284,570	2,419,891
	$ 46,161,502	$ 20,107,609

6. Regulatory Assets and Liabilities

Regulatory assets and liabilities consist of the following:

	December 31, 2019	December 31, 2018
Regulatory assets		
Asset retirement costs	$ 1,397,961	$ 780,385
Debt service costs	420,046,672	378,967,525
Abandoned construction costs	17,868,444	17,448,612
Projects on behalf of	14,629,373	2,333,432
Operating and maintenance expenditures	34,666,649	53,033,590
Fair value of derivative instruments	63,424,285	63,478,841
Rate stabilization programs	31,112,260	9,623,061
Pension plan and postretirement healthcare plan obligations	8,747,689	9,428,405
Closure of Gorsuch Project costs	11,955,451	12,747,365
Other	10,902,366	10,151,163
Total regulatory assets	614,751,150	557,992,379
Current portion	(43,526,410)	(23,599,557)
Noncurrent portion	$ 571,224,740	$ 534,392,822
Regulatory liabilities		
Capital improvement expenditures	$ 1,657,521	$ 1,091,635
Debt service costs	1,587,365	977,279
Projects on behalf of	7,417,417	1,225,963
Operating and maintenance expenditures	26,219,665	23,795,989
Working capital expenditures	14,944,588	14,944,588
Rate stabilization programs	16,834,851	15,801,530
Other	10,346,991	12,848,354
Total regulatory liabilities	79,008,398	70,685,338
Current portion	(9,009,950)	(4,156,109)
Noncurrent portion	$ 69,998,448	$ 66,529,229

a. Debt service costs – Represents over or under recovery of depreciation expenses principally related to power received from generating assets. When the project expenses recorded in the consolidated statements of revenues and expenses exceed the billings, a regulatory asset is created. When the project expenses recorded in the consolidated statements of revenues and expenses are lower than the billings, a regulatory liability is created.

b. Operating and maintenance expenditures – Represents over (under) collection of operating and maintenance expenditures principally related to power received from generating assets.

c. Abandoned construction costs – See Note 2

d. Fair value of derivative instruments – See Note 11

7. Related Parties

AMP has entered into agreements for management and agency services ("Service Agreements") with the OMEGA Joint Ventures, MESA, and OMEA. Participants in these organizations are all members of AMP. The AMP board of trustees has established a joint venture oversight committee that is responsible for reviewing financial information and operating matters related to the OMEGA Joint Ventures. Under these Service Agreements, AMP serves as agent and provides planning, construction and financial management, operations, and other professional and technical services. AMP is compensated based on an allocation of direct expenses and overhead. There was no compensation for these services for the years ended December 31, 2019 and 2018.

MESA provides engineering, administrative and other services to AMP and its members. The expense related to these services for the years ended December 31, 2019 and 2018 was $11,405,603 and $11,756,400, respectively.

Certain members of AMP are also members of OMEGA: JV1, JV2, JV4, and JV6. In addition, all of OMEGA JV5 generation is delivered to OMEGA JV5 members. AMP purchases power and fuel on behalf of OMEGA JV5. Power and fuel purchases for the years ended December 31, 2019 and 2018 were $3,445,305 and $3,996,103, respectively.

For each of the years ended December 31, 2019 and 2018, AMP made contributions of $240,000 to OMEA.

At December 31, 2019, accounts receivable and accounts payable include $1,726,816 and $1,229,317, respectively, of amounts due from/to affiliates. At December 31, 2018, accounts receivable and accounts payable include $1,275,518 and $924,572, respectively, of amounts due from/to affiliates.

TEA provides various power scheduling and commodity management services to AMP as well as purchases natural gas on behalf of AMP. Expenses related to these services were $78,726,996 for 2019 and $106,737,942 for 2018.

8. Revolving Credit Loan and Term Debt

Revolving Credit Loan

AMP has a revolving credit loan facility ("Facility") with a syndicate of nine lenders. The Facility allows AMP to obtain loans with different interest rates and terms and letters of credit. The Facility expires on May 3, 2022. AMP's base borrowing capacity under the Facility is $600,000,000, with an accordion feature to expand to $850,000,000. At December 31, 2019, AMP had $189,600,000 outstanding under the Facility and the effective interest rate was 2.62438%. At December 31, 2018, AMP had $210,100,000 outstanding under the Facility and the effective interest rate was 3.34738%.

The Facility contains various restrictions including a) proceeds of loans and letters of credit will be used only i) to refinance the existing revolving credit loan, ii) for general working capital purposes and iii) for transitional financing to bond financing and bond anticipation notes; b) AMP is required to give notice of certain ERISA events exceeding $500,000 in any year or $1,000,000 for all periods; c) AMP is required to give notice of events causing a material adverse effect on the business, assets or condition of AMP or the rights or benefits of the lenders under the Facility; d) AMP will not incur indebtedness or make guarantees of indebtedness except for indebtedness fully supported by commitments of AMP members and except for i) indebtedness to finance any prepayment for power supply or indebtedness or capital lease obligations for acquisition, construction or improvement of assets up to $35,000,000 or ii) other unsecured indebtedness up to $25,000,000; e) AMP will not make loans to i) AMPO, Inc. in excess of $500,000 or to ii) joint ventures in excess of $5,000,000; f) cash dividends to members are prohibited; g) annual lease payments may not exceed $1,000,000 and sale of leaseback transactions are limited to $5,000,000; h) AMP must maintain financial covenants including i) minimum consolidated tangible net worth and ii) interest coverage ratio in excess of 2.50 to 1.00 measured on a trailing four quarter basis.

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:

	December 31, 2019	December 31, 2018
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2009A	$ -	$ 11,835,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2009B	32,950,000	35,585,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2009C	282,515,000	385,835,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2010	300,000,000	300,000,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2015A	283,235,000	507,875,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2015B	-	135,350,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2015C	-	95,100,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2017A	64,910,000	65,850,000
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2019A	168,455,000	-
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2019B	127,315,000	-
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2019C	87,485,000	-
AMP Prairie State Energy Campus Project Revenue Bonds, Series 2019D	148,380,000	-
AMP Prairie State Energy Campus Project Revenue Bonds, Escrow	391,330,000	96,435,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009B	497,005,000	497,005,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009C	21,610,000	48,860,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2009D	7,976,470	9,305,882
AMP Combined Hydroelectric Project Revenue Bonds, Series 2010A	132,750,000	132,750,000
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 Combined Hydroelectric Project Revenue Bonds, Series 2016A	209,530,000	209,530,000
AMP Combined Hydroelectric Project Revenue Bonds, Series 2018A	99,530,000	99,530,000
AMP Combined Hydroelectric Project Revenue Bond, Escrow	28,390,000	28,390,000
AMP Meldahl Hydroelectric Project Revenue Bonds, Series 2010A	12,285,000	21,190,000
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 2016A	78,825,000	79,455,000
AMP Fremont Energy Center Project Revenue Bonds, Series 2012B	364,895,000	374,720,000
AMP Fremont Energy Center Project Revenue Bonds, Series 2017A	124,385,000	124,385,000
AMP Fremont Energy Center Project Revenue Bonds, Escrow	127,630,000	127,630,000
AMP Greenup Hydroelectric Project Revenue Bonds, Series 2016A	124,035,000	125,300,000
AMP Solar Electric Prepayment Project Revenue Bonds, Series 2019A	55,195,000	-
Subtotal	5,581,181,470	5,322,480,882
Less: Current portion	(359,799,412)	(161,049,412)
Plus: Unamortized premium and discount, net	196,810,261	176,100,510
Plus: Unamortized debt issuance costs, net	(34,719,465)	(33,633,946)
Long-term debt	$ 5,383,472,854	$ 5,303,898,034

Build America Bonds and New Clean Renewable Energy Bonds

Certain AMP bonds have been designated as Build America Bonds ("BABs") and New Clean Renewable Energy Bonds ("New CREBs") pursuant to the provisions of the American Recovery and Reinvestment Act (the "Recovery Act."). As of the date of issuance of the bonds designated as BABs, AMP expected to receive a federal cash subsidy in the amount of 35% of the interest payable on or about each interest payment date. As of the date of issuance of the bonds designated as New CREBs, AMP expected to receive a cash subsidy payment from the United States Treasury over the term of the bonds equal to 70% of interest which would have been payable on the designated bonds if the interest on such bonds were determined by reference to the applicable tax credit rate under Section 54A (b)(3) of the Internal Revenue Code. These federal subsidies do not constitute a full faith and credit guarantee of the United States but are required to be paid by the Treasury under the Recovery Act. AMP is obligated to make all payments of principal and interest on the bonds designated as BABs and New CREBs whether or not it receives the federal subsidy pursuant to the Recovery Act. The federal government mandated budget sequestration that went into effect beginning March 1, 2013, applied to direct credit subsidy payments. The federal subsidy payment to issuers of BABs and New CREBs was reduced by 6.2% and 6.6% in fiscal years 2019 and 2018, respectively. AMP has been notified by the IRS that the subsidy will be reduced by 5.9% in 2020. The reductions in subsidies related to the sequestration have been extended through 2024.

Refunding of Portion of Prairie State Energy Campus Debt

On February 13, 2019, AMP issued, pursuant to the PSEC MTI, its Prairie State Energy Campus Project Revenue Bonds, consisting of one series: $168,455,000 Refunding Series 2019A Bonds (the "PSEC 2019A Bonds"). The PSEC 2019A Bonds were issued at par. The PSEC 2019 Bonds were issued to (i) refund AMP's outstanding Prairie State Energy Campus Project Revenue Bonds, Series 2015B (Subseries 2015B-1) (the "PSEC 2015B-1 Bonds"), issued on January 14, 2015 in the aggregate principal amount of $71,980,000, (ii) refund AMP's outstanding Prairie State Energy Campus Project Revenue Bonds, Series 2015C (the "PSEC 2015C Bonds"), issued on January 14, 2015 in the aggregate principal amount of $95,100,000 and (iii) pay costs of issuance of the PSEC 2019A Bonds. Specifically, a portion of the proceeds of the PSEC 2019A Bonds and other available funds under the Indenture were deposited in Redemption Subaccounts established by AMP to be used exclusively to advance refund the PSEC 2015B-1 Bonds and PSEC 2009C Bonds.

On December 4, 2019, AMP issued, pursuant to the PSEC MTI, its Prairie State Energy Campus Project Revenue Bonds, consisting of three series: $127,315,000 Refunding Series 2019B Bonds (the "PSEC 2019B Bonds"), $87,485,000 Refunding Series 2019C Bonds (the "PSEC 2019C Bonds"), and $148,380,000 Refunding Series 2019D (Federally Taxable) Bonds (the "PSEC 2019D Bonds" and, together with the PSEC 2019B Bonds and the PSEC 2019C Bonds, the "PSEC 2019 Bonds"). The PSEC 2019 Bonds were issued at an aggregate premium of $39,875,783. The PSEC 2019 Bonds were issued to (i) refund a portion ($103,320,000) of AMP's outstanding Prairie State Energy Campus Project Revenue Bonds, Series 2009C (Federally Taxable-Issuer Subsidy-Build America Bonds) (the "PSEC 2009C Bonds"), issued on October 15, 2009 in the aggregate principal amount of $385,835,000, (ii) refund a portion ($224,600,000) of AMP's outstanding Prairie State Energy Campus Project Revenue Bonds, Refunding Series 2015A (the "PSEC 2015A Bonds"), issued on January 14, 2015 in the aggregate principal amount of $507,875,000, (iii) refund AMP's outstanding Prairie State Energy Campus Project Revenue Bonds, Refunding Series 2015B (Subseries 2015B-2) (the "PSEC 2015B-2 Bonds" and, together with the PSEC 2009C Bonds and the PSEC 2015A Bonds the "Refunded Bonds"), issued on January 14, 2015 in the aggregate principal amount of $63,370,000 and (iv) pay costs of issuance of the PSEC 2019 Bonds.

Specifically, a portion of the proceeds of the PSEC 2019 Bonds and other available funds under the Indenture were deposited in an Escrow Fund established by AMP to be used exclusively to advance refund portions of the PSEC 2009C Bonds and PSEC 2015A Bonds and all of the PSEC 2015B-2 Bonds. In the consolidated balance sheets, the funds held in escrow are presented in Trustee funds – restricted.

PSEC 2009A Bonds
As of December 31, 2019, there were no remaining PSEC 2009A Bonds outstanding.

PSEC 2009B Bonds
The Prairie State Energy Campus Project Revenue Bonds, Series 2009B ("PSEC 2009B Bonds") were issued on October 15, 2009, pursuant to the PSEC MTI, in the form of serial and term bonds with an aggregate par amount of $83,745,000. Interest is payable semiannually, beginning February 15, 2010. AMP has the right to redeem the PSEC 2009B Bonds on any date, in whole or in part, at the make-whole premium.

The PSEC 2009B Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2024	16,300,000	5.355 %
2028	16,650,000	5.803 %
	$ 32,950,000	

The PSEC 2009B Bonds due on February 15, 2024 and February 15, 2028, are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

The PSEC 2009B Bonds, maturing on February 15, 2024:

Year	Principal Amount
2020	$ 2,845,000
2021	3,055,000
2022	3,260,000
2023	3,455,000
2024	3,685,000
	$ 16,300,000

The PSEC 2009B Bonds, maturing on February 15, 2028:

Year	Principal Amount
2025	$ 3,955,000
2026	4,245,000
2027	4,550,000
2028	3,900,000
	$ 16,650,000

PSEC 2009C Bonds

The Prairie State Energy Campus Project Revenue Bonds, Series 2009C ("PSEC 2009C Bonds") were issued on October 15, 2009, pursuant to the PSEC MTI, in the form of serial and term bonds with an aggregate par amount of $385,835,000. The PSEC 2009C Bonds mature between 2034 and 2043 with interest at fixed rates between 5.953% and 6.553%. Interest is payable semiannually, beginning February 15, 2010.

AMP designated the PSEC 2009C Bonds as BABs. See "Build America Bonds and New Clean Renewable Energy Bonds" above.

See Refunding of Portion of Prairie State Energy Campus Debt for details on refunding of a portion of the PSEC 2009C Bonds.

The PSEC 2009C Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2034	$ 10,000,000	5.953 %
2043	272,515,000	6.053 %
	$ 282,515,000	

From any available moneys, AMP may, at its option, redeem, prior to their respective maturities, in whole or in part, the PSEC 2009C Bonds stated to mature on (i) February 15, 2034 and bearing interest at 6.453%, and (ii) February 15, 2039, on any date beginning February 15, 2020, at the redemption price of par, together with interest accrued to the date fixed for redemption. In addition, AMP has the right to redeem any or all of the PSEC 2009C Bonds on any date, in whole or in part, at the make-whole premium. The PSEC 2009C Bonds are subject to redemption from any available funds, at the option of AMP, prior to their maturity, in whole or in part upon the occurrence of certain extraordinary events, at a make-whole redemption price.

The PSEC 2009C Bonds due on February 15, 2034, February 15, 2039 and February 15, 2043, are term bonds subject to mandatory sinking fund redemption on the principal payment date in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

The PSEC 2009C Bonds bearing interest at 5.953% and maturing on February 15, 2034:

Year	Principal Amount
2028	$ 950,000
2029	1,330,000
2030	1,395,000
2031	1,460,000
2032	1,545,000
2033	1,625,000
2034	1,695,000
	$ 10,000,000

The PSEC 2009C Bonds bearing interest at 6.053% maturing on February 15, 2043:

Year	Principal Amount
2040	$ 64,140,000
2041	66,730,000
2042	69,425,000
2043	72,220,000
	$ 272,515,000

PSEC 2010 Bonds

The Prairie State Energy Campus Project Revenue Bonds, Series 2010 ("PSEC 2010 Bonds") were issued on September 29, 2010, pursuant to the PSEC MTI, in the form of term bonds due February 15, 2047 with an aggregate par amount of $300,000,000. The PSEC 2010 Bonds carry interest at a fixed rate of 5.939%. Interest is payable semiannually, beginning February 15, 2011.

AMP designated the PSEC 2010 Bonds as BABs. See "Build America Bonds and New Clean Renewable Energy Bonds" above.

The PSEC 2010 Bonds are subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

Maturity Date - February 15	Principal Amount
2044	$ 87,695,000
2045	91,150,000
2046	94,735,000
2047	26,420,000
	$ 300,000,000

AMP has the right to redeem the PSEC 2010 Bonds on any date in whole or in part, at the make-whole redemption price. The PSEC 2010 Bonds are subject to redemption from any available funds at the option of AMP, prior to their maturity, in whole or in party, upon the occurrence of certain extraordinary events, at a make-whole redemption price.

The PSEC includes adjacent coal reserves and all associated mine, rail, water, coal combustion waste storage and ancillary support. The generating station consists of two supercritical units with a nominal net output capacity of 800MW each. The plant incorporates state-of-the-art emissions control technology consistent with other plants that have been successfully permitted. All permits required for the construction of the power plant have been issued. PSEC Unit 1 was declared to be in commercial operation in June 2012 and PSEC Unit 2 was declared to be in commercial operation in November 2012. AMP entered into a power sales contract dated November 1, 2007 with 68 of its members (the “PSEC Participants”) for its share of the electric output of the PSEC (the “AMP Entitlement”). The PSEC Participants’ obligations to make payments pursuant to the power sales contract are limited obligations payable solely out of the revenues, and, with two exceptions, as an operating expense, of their respective electric systems. Each PSEC Participant’s obligation to make payments pursuant to the power sales contract is a take-or-pay obligation. Therefore, such payments shall not be subject to any reduction, whether by offset, counterclaim, or otherwise; and such payments shall be made whether or not either unit of PSEC or any other power sales contract resource is completed, operable, operating and notwithstanding the suspension, interruption, interference, reduction or curtailment, in whole or in part, for any reason whatsoever, of the AMP Entitlement or the PSEC Participants’ power sales contract resources share, including step-up power. The power sales contract contains a step-up provision that requires, in the event of default by an PSEC Participant, the nondefaulting PSEC Participants to purchase a pro rata share, based upon each nondefaulting PSEC Participant’s original power sales contract resources share which, together with the shares of the other nondefaulting PSEC Participants, is equal to the defaulting PSEC Participant’s power sales resources share. No nondefaulting participant is obligated to accept step-up power in excess of 25% of its original power sales contract resources share.

The proceeds of the PSEC 2009A Bonds, the PSEC 2009B Bonds, the PSEC 2009C Bonds and the PSEC 2010 Bonds were used to fund the cost of construction of the PSEC.

PSEC 2015A Bonds

The PSEC 2015A Bonds mature between 2020 and 2043 at fixed rates between 4.00% and 5.25%. Interest is payable semiannually, beginning August 15, 2015.

See Refunding of Portion of Prairie State Energy Campus Debt for details on refunding of a portion of the PSEC 2015A Bonds.

The PSEC Series 2015A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	$ 18,380,000	5.000 %
2021	21,305,000	5.000 %
2022	24,760,000	5.000 %
2026	31,785,000	5.000 %
2027	32,870,000	5.000 %
2028	34,510,000	5.000 %
2029	36,150,000	5.000 %
2039	40,890,000	5.000 %
2042	31,190,000	5.000 %
2043	11,395,000	4.000 %
	$ 283,235,000	

The PSEC 2015A Bonds due February 15, 2039 and February 15, 2042 are term bonds subject to mandatory sinking fund redemption on February 15 in the following years, in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

The PSEC 2015A Bonds bearing interest of 5.000% maturing on February 15, 2039:

Year	Principal Amount
2034	$ 340,000
2035	355,000
2036	370,000
2037	7,975,000
2038	8,375,000
2039	23,475,000
	$ 40,890,000

The PSEC 2015A Bonds bearing interest of 5.000% maturing on February 15, 2042:

Year	Principal Amount
2040	$ 9,895,000
2041	10,390,000
2042	10,905,000
	$ 31,190,000

PSEC 2015B Bonds

See Refunding of Portion of Prairie State Energy Campus Debt for details on refunding of the PSEC 2015B Bonds. As of December 31, 2019, there were no remaining PSEC 2015B Bonds outstanding.

PSEC 2015C Bonds

See Refunding of Portion of Prairie State Energy Campus Debt for details on refunding of the PSEC 2015C Bonds. As of December 31, 2019, there were no remaining PSEC 2015C Bonds outstanding.

PSEC 2017A Bonds

The PSEC 2017A Bonds mature between 2019 and 2038 with interest at a fixed rate of 5.00%.

Interest is payable semiannually, beginning February 15, 2018. The PSEC 2017A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount
2020	$ 2,955,000
2021	3,125,000
2022	1,235,000
2023	1,210,000
2024	410,000
2025	710,000
2026	925,000
2027	1,465,000
2028	1,545,000
2029	1,745,000
2030	1,835,000
2031	1,925,000
2032	1,590,000
2033	1,665,000
2034	7,705,000
2035	8,090,000
2036	8,490,000
2037	8,920,000
2038	9,365,000
	$ 64,910,000

PSEC 2019A Bonds

The PSEC 2019A Bonds mature on February 15, 2038, with interest at a fixed rate of 2.300%. Interest is payable semiannually, beginning August 15, 2019. The PSEC 2019A term bonds are subject to mandatory sinking fund redemption in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption.

The PSEC Series 2019A Bonds outstanding at December 31, 2019 are as follows:

Year	Principal Amount
2030	$ 4,005,000
2031	4,190,000
2032	11,865,000
2033	12,155,000
2034	41,335,000
2036	21,410,000
2037	36,245,000
2038	37,250,000
	$ 168,455,000

The PSEC 2019A Bonds have a mandatory tender date of February 15, 2022 and AMP may, at its option, redeem the bonds on any date beginning August 15, 2021 at the redemption price of par, together with interest accrued to the date fixed for redemption.

PSEC 2019B Bonds
The PSEC 2019B Bonds mature between 2020 and 2036 with interest at a fixed rate of 5.00%. Interest is payable semiannually, beginning February 15, 2020. The PSEC 2019B Bonds were issued at an aggregate premium of $23,590,192.

The PSEC Series 2019B Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount
2020	$ 810,000
2021	765,000
2022	785,000
2023	17,525,000
2024	25,580,000
2025	30,605,000
2035	35,670,000
2036	15,575,000
	$ 127,315,000

PSEC 2019C Bonds
The PSEC 2019C Bonds mature between 2033 and 2039 and bear interest at fixed rates between 4.00% and 5.25%. Interest is payable semiannually, beginning February 15, 2020. The PSEC 2019C Bonds were issued at an aggregate premium of $16,285,591.

The PSEC Series 2019C Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2033	$ 32,185,000	5.000 %
2035	7,560,000	5.000 %
2036	8,050,000	5.000 %
2039	39,690,000	4.000 %
	$ 87,485,000	

PSEC 2019D Bonds
The PSEC 2019D Bonds mature between 2021 and 2032 and bear interest with fixed rates between 2.085% and 3.114%. Interest is payable semiannually, beginning February 15, 2020.

The PSEC Series 2019D Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2021	$ 2,395,000	2.085 %
2022	2,465,000	2.148 %
2023	12,745,000	2.219 %
2024	6,795,000	2.299 %
2025	2,960,000	2.453 %
2026	3,170,000	2.563 %
2027	3,250,000	2.714 %
2028	3,340,000	2.764 %
2029	7,170,000	2.814 %
2030	36,105,000	2.914 %
2031	37,020,000	3.014 %
2032	30,965,000	3.114 %
	$ 148,380,000	

The PSEC Escrow Bonds

The PSEC Escrow Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	$ 190,140,000	5.000 - 6.553%
2020	63,370,000	5.000 %
2022	137,820,000	5.250 %
	$ 391,330,000	

On February 15, 2020 $253,510,000 of outstanding PSEC Escrow Bonds were retired.

Combined Hydroelectric Projects Financings

The Combined Hydroelectric Projects Revenue Bonds, Series 2009A, 2009B and 2009C ("Hydro 2009A Bonds", "Hydro 2009B Bonds" and "Hydro 2009C Bonds") were issued on December 9, 2009, pursuant to the terms of a Master Trust Indenture, dated as of November 1, 2009 (as amended and supplemented, ("Hydro MTI"), in the form of serial and term bonds with an aggregate par amount of $643,835,000. Interest is payable semiannually, beginning February 15, 2010.

AMP designated the Hydro 2009B Bonds as BABs. See "Build America Bonds and New Clean Renewable Energy Bonds" above.

Hydro 2009B Bonds

The Hydro 2009B Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	$ 3,465,000	5.264 %
2021	10,745,000	5.514 %
2022	12,675,000	5.664 %
2023	13,155,000	5.814 %
2024	13,890,000	5.964 %
2027	45,390,000	6.000 %
2029	33,505,000	6.449 %
2032	55,810,000	6.424 %
2044	308,370,000	6.449 %
	$ 497,005,000	

From any available moneys, AMP may, at its option, redeem, prior to their respective maturities, in whole or in part, the Hydro 2009B Bonds stated to mature on February 15, 2021 through February 15, 2024, inclusive, February 15, 2027 and February 15, 2029, on any date beginning February 15, 2020 at the redemption price of par, together with interest accrued to the date fixed for redemption. AMP has the right to redeem any or all the Hydro 2009B Bonds, on any date, in whole or in part, at the make-whole redemption price.

The Hydro 2009B Bonds due on February 15, 2027, February 15, 2029, February 15, 2032 and February 15, 2044, are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

The Hydro 2009B Bonds maturing on February 15, 2027:

Year	Principal Amount
2025	$ 14,525,000
2026	15,125,000
2027	15,740,000
	$ 45,390,000

The Hydro 2009B Bonds maturing on February 15, 2029:

Year	Principal Amount
2028	$ 16,405,000
2029	17,100,000
	$ 33,505,000

The Hydro 2009B Bonds maturing on February 15, 2032:

Year	Principal Amount
2030	$ 17,835,000
2031	18,590,000
2032	19,385,000
	$ 55,810,000

The Hydro 2009B Bonds maturing on February 15, 2044:

Year	Principal Amount
2033	$ 20,210,000
2034	21,070,000
2035	21,975,000
2036	22,910,000
2037	23,885,000
2038	24,910,000
2039	25,965,000
2040	27,080,000
2041	28,230,000
2042	29,435,000
2043	30,695,000
2044	32,005,000
	$ 308,370,000

Hydro 2009C Bonds
The Hydro 2009C Bonds mature on February 15, 2020, and bear interest at a fixed rate of 5.00%.

Hydro 2009D Bonds
The Combined Hydroelectric Project Revenue Bonds, Series 2009D ("Hydro 2009D Bonds") were issued on December 2, 2009, pursuant to the Hydro MTI, as clean renewable energy bonds, pursuant to the Energy Tax Incentive Act of 2005, at a par amount of $22,600,000. The Hydro 2009D Bonds were issued at a discount of $3,000,000 and do not bear interest. AMP is required to make annual debt service payments on the Hydro 2009D Bonds in the amount of $1,329,412 on December 15 of each year, beginning in 2009 and ending in 2025. The Hydro 2009D Bonds are subject to redemption in whole or in part in the case of certain extraordinary events.

Hydro 2010A, 2010B and 2010C Bonds
The Combined Hydroelectric Projects Revenue Bonds, Series 2010A, 2010B and 2010C ("Hydro 2010A Bonds", "Hydro 2010B Bonds" and "Hydro 2010C Bonds", collectively "Hydro 2010 Bonds") were issued on December 21, 2010, pursuant to the Hydro MTI, with an aggregate par amount of $1,378,990,000. Interest is payable semiannually, beginning February 15, 2011.

AMP designated the Hydro 2010B Bonds as BABs and the Hydro 2010C Bonds as New CREBs. See "Build America Bonds and New Clean Renewable Energy Bonds" above.

Hydro 2010A Bonds

The Hydro 2010A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	$ 2,365,000	6.123 %
2021*	8,060,000	6.223 %
2029	22,570,000	7.200 %
2030	24,265,000	7.300 %
2033	75,490,000	7.734 %
	$ 132,750,000	

* Assured Guaranty Corp issued a municipal bond insurance policy to insure the payment of the principal and interest on these Hydro 2010A Bonds.

The Hydro 2010A Bonds due on February 15, 2033 are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption.

Year	Principal Amount
2031	$ 26,165,000
2032	28,270,000
2033	21,055,000
	$ 75,490,000

Hydro 2010B Bonds

The Hydro 2010B Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2041	$ 324,130,000	7.834 %
2050	785,865,000	8.084 %
	$ 1,109,995,000	

The Hydro 2010B Bonds due on February 15, 2041 and due on February 15, 2050 are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

The Hydro 2010B Bonds maturing on February 15, 2041:

Year	Principal Amount
2033	$ 9,405,000
2034	32,420,000
2035	34,185,000
2036	36,055,000
2037	38,030,000
2038	40,100,000
2039	42,300,000
2040	44,600,000
2041	47,035,000
	$ 324,130,000

The Hydro 2010B Bonds maturing on February 15, 2050:

Year	Principal Amount
2042	$ 49,645,000
2043	52,435,000
2044	55,380,000
2045	91,900,000
2046	96,685,000
2047	101,725,000
2048	107,025,000
2049	112,600,000
2050	118,470,000
	$ 785,865,000

Hydro 2010C Bonds
The Hydro 2010C Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2022*	$ 9,735,000	6.473 %
2023*	9,500,000	6.623 %
2024	16,095,000	6.973 %
2028	80,670,000	7.334 %
	$ 116,000,000	

* Assured Guaranty Corp issued a municipal bond insurance policy to insure the payment of the principal and interest on these Hydro 2010C Bonds.

The Hydro 2010C Bonds due on February 15, 2028 are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

Year	Principal Amount
2025	$ 18,730,000
2026	19,930,000
2027	20,640,000
2028	21,370,000
	$ 80,670,000

From any available moneys, AMP may, at its option, redeem, on any business day, prior to their respective maturities, in whole or in part, the Hydro 2010 Bonds at the make whole-redemption price.

The Hydro 2010B Bonds and Hydro 2010C Bonds are subject to redemption from any available moneys, at the option of AMP, prior to their maturity, in whole or in part upon the occurrence of certain extraordinary events, at a make-whole.

The proceeds of the Hydro 2009 and 2010 Bonds were used to fund the cost of construction of the Hydro projects.

Hydro 2016A Bonds
On October 6, 2016, AMP issued, pursuant to the Hydro MTI, its Combined Hydroelectric Project Revenue Bonds, Series 2016A, ("Hydro 2016A Bonds") with an aggregate par amount of $209,530,000. The Hydro 2016A Bonds were issued at an aggregate premium of $34,152,726. The Hydro 2016A Bonds were issued to in order to (i) finance construction of the Combined Hydroelectric Projects, (ii) repay draws on the line of credit used as interim financing, (iii) fund a Parity Common Reserve Account, (iv) refund a portion of the Hydro 2009C Bonds ("Hydro Escrow Bonds"), and (v) pay the cost of issuance. Specifically, a portion of the proceeds of the Hydro 2016A Bonds were deposited in an Escrow Fund established by AMP to be used exclusively to advance refund portions of Hydro 2009C Bonds. In the consolidated balance sheets, the funds held in escrow are presented in Trustee funds – restricted.

The Hydro 2016A Bonds mature between 2020 and 2046 and bear interest at fixed rates ranging from 4.000% to 5.000%. Interest is payable semiannually, beginning February 15, 2017.

The Hydro 2016A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	$ 835,000	4.000 %
2021	10,885,000	5.000 %
2022	8,590,000	5.000 %
2023	9,565,000	5.000 %
2024	3,490,000	5.000 %
2025	1,510,000	5.000 %
2026	5,445,000	5.000 %
2027	5,665,000	5.000 %
2028	5,895,000	5.000 %
2029	6,165,000	5.000 %
2030	6,450,000	4.000 %
2031	6,715,000	5.000 %
2032	6,985,000	5.000 %
2033	7,230,000	5.000 %
2034	7,485,000	5.000 %
2035	7,755,000	4.000 %
2036	8,040,000	5.000 %
2037	8,365,000	5.000 %
2038	8,710,000	5.000 %
2041	28,315,000	5.000 %
2046	21,935,000	4.000 %
2046	33,500,000	5.000 %
	$ 209,530,000	

The Hydro 2016A Bonds due on February 15, 2041 and February 15, 2046 are term bonds subject to mandatory sinking fund redemption on the principal payment date in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption.

Hydro 2016A Bonds bearing interest at 5.00% and maturing February 15, 2041:

Year	Principal Amount
2039	$ 9,060,000
2040	9,435,000
2041	9,820,000
	$ 28,315,000

Hydro 2016A Bonds bearing interest at 4.00% and maturing at February 15, 2046:

Year	Principal Amount
2042	$ 4,085,000
2043	4,210,000
2044	4,335,000
2045	4,520,000
2046	4,785,000
	$ 21,935,000

Hydro 2016A Bonds bearing interest at 5.00% and maturing on February 15, 2046:

Year	Principal Amount
2042	$ 6,115,000
2043	6,360,000
2044	6,620,000
2045	6,975,000
2046	7,430,000
	$ 33,500,000

Hydro 2018A Bonds

The Hydro 2018A Bonds mature on February 15, 2048 with an initial fixed rate of interest of 2.250%. Interest is payable semiannually, beginning February 15, 2019. The bonds have a mandatory tender date of August 15, 2021 and AMP may, at its option, redeem the bonds on any date beginning February 15, 2021.

The Hydro 2018A Bonds are term bonds subject to mandatory sinking fund redemption on the principal payment date in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption. The Hydro 2018A Bonds outstanding at December 31, 2019 are as follows:

Year	Principal Amount
2022	$ 2,720,000
2023	2,780,000
2024	2,845,000
2025	2,905,000
2026	2,970,000
2027	3,040,000
2028	3,110,000
2029	3,180,000
2030	3,250,000
2031	3,320,000
2032	3,395,000
2033	3,475,000
2034	3,550,000
2035	3,630,000
2036	3,715,000
2037	3,795,000
2038	3,880,000
2039	3,970,000
2040	4,060,000
2041	4,150,000
2042	4,245,000
2043	4,340,000
2044	4,435,000
2045	4,535,000
2046	4,640,000
2047	4,745,000
2048	4,850,000
	$ 99,530,000

AMP has entered into a power sales contract dated as of November 1, 2007 with 79 of its members (the “Hydro Participants”) by the terms of which AMP agrees to sell, and the Hydro Participants agree to buy on a take-or-pay basis, the electric output of three hydroelectric facilities with an aggregate capacity of 208 MW on the Ohio River. The take-or-pay obligations of the Hydro Participants under the Hydro power sales contract are limited obligations payable solely out of the revenues, and, with two exceptions, as an operating expense, of their respective electric systems and are subject to step up to the same extent as are the obligations of the PSEC Participants under the PSEC power sales contract.

Hydro Escrow Bonds

The Hydro Escrow Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	$ 28,390,000	5.000 %
	$ 28,390,000	

On February 15, 2020 $28,390,000 of outstanding Hydro Escrow Bonds were retired.

Meldahl Financings

The Meldahl Hydroelectric Project Revenue Bonds, Series 2010A, 2010B, 2010C, and 2010D ("Meldahl 2010A Bonds", "Meldahl 2010B Bonds", "Meldahl 2010C Bonds" and "Meldahl 2010D Bonds", collectively "Meldahl A-D Bonds") were issued on December 7, 2010, pursuant to a Master Trust Indenture, dated as of October 1, 2010 (as amended and supplemented, "Meldahl MTI"), with an aggregate par amount of $330,065,000. Interest is payable semiannually, beginning February 15, 2011.

AMP designated the Meldahl 2010B Bonds and the Meldahl 2010E Bonds as BABs and the Meldahl 2010C Bonds as New CREBs. See "Build America Bonds and New Clean Renewable Energy Bonds" above.

Meldahl 2010A Bonds

The Meldahl 2010A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	9,375,000	5.472 %
2021	2,910,000	5.672 %
	$ 12,285,000	

Meldahl 2010B Bonds

The Meldahl 2010B Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2035	$ 10,000,000	7.000 %
2050	250,000,000	7.499 %
	$ 260,000,000	

The Meldahl 2010B Bonds due on February 15, 2050 are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

Year	Principal Amount
2024	$ 3,710,000
2025	3,985,000
2026	4,285,000
2027	4,600,000
2029	4,945,000
2030	5,310,000
2031	5,705,000
2032	6,130,000
2033	6,585,000
2034	7,075,000
2036	7,605,000
2037	8,170,000
2038	8,775,000
2039	9,430,000
2040	10,130,000
2041	10,885,000
2042	11,695,000
2043	12,565,000
2044	13,500,000
2045	14,505,000
2046	15,585,000
2047	16,745,000
2048	17,990,000
2049	19,325,000
2050	20,765,000
	$ 250,000,000

Meldahl 2010C Bonds

The Meldahl 2010C Bonds were issued at a par amount of $20,000,000, bearing interest at a rate of 6.849% and mature on February 15, 2028. From any available moneys, AMP may, at its option, redeem, on any business day, prior to their respective maturities, in whole or in part, the Meldahl 2010A Bonds, the Meldahl 2010B Bonds and the Meldahl 2010C Bonds, at the make whole-redemption price. The Meldahl 2010B Bonds and the Meldahl 2010C Bonds are subject to redemption from any available moneys, at the option of AMP, prior to their maturity, in whole or in part upon the occurrence of certain extraordinary events, at a make-whole redemption price.

Meldahl 2010D Bonds

The Meldahl 2010D Bonds were issued at a par amount of $4,570,000, bearing interest at a rate of 5.000% and mature on February 15, 2021.

Meldahl Series 2010E Bonds

The Meldahl Hydroelectric Project Revenue Bonds, Series 2010E ("Meldahl 2010E Bonds") were issued on December 17, 2010, pursuant to the Meldahl MTI, with an aggregate par amount of $355,035,000. From the date of issuance to May 23, 2011, the bonds bore interest at the three-month LIBOR rate plus a 2.95% fixed spread.

On May 23, 2011, $300,000,000 of the Meldahl 2010E Bonds was remarketed. The Meldahl 2010E Bonds will mature in 2050 and bear interest at a fixed rate of 6.270%. Interest is payable semiannually, beginning August 15, 2011.

The Meldahl 2010E Bonds are term bonds with an interest rate of 6.27%, subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption:

Year	Principal Amount
2021	$ 2,065,000
2022	8,900,000
2023	9,340,000
2024	6,665,000
2025	6,915,000
2026	7,170,000
2027	2,125,000
2028	125,000
2029	7,965,000
2030	8,250,000
2031	8,545,000
2032	8,845,000
2033	9,145,000
2034	9,455,000
2035	7,735,000
2036	10,535,000
2037	10,890,000
2038	11,260,000
2039	11,625,000
2040	11,995,000
2041	12,365,000
2042	12,745,000
2043	13,120,000
2044	13,500,000
2045	13,875,000
2046	14,245,000
2047	14,615,000
2048	14,980,000
2049	15,330,000
2050	15,675,000
	$ 300,000,000

From any available funds, AMP may, at its option, redeem, on any business day, prior to their respective maturities, in whole or in part, the Meldahl 2010E Bonds at the make whole-redemption price. The Meldahl 2010E Bonds are subject to redemption from any available funds, at the option of AMP, prior to their maturity, in whole or in part upon the occurrence of certain extraordinary events, at a make-whole redemption price.

Meldahl 2016A Bonds

The Meldahl Hydroelectric Project Revenue Bonds, Series 2016A ("Meldahl 2016A Bonds"), were issued on July 27, 2016, pursuant to the terms of Meldahl MTI, with an aggregate par amount of $80,050,000. The Meldahl 2016A Bonds were issued at an aggregate premium of $13,247,689. The Meldahl 2016A Bonds mature between 2018 and 2046 and bear interest at fixed rates ranging from 2.000% to 5.000%. Interest is payable semiannually, beginning February 15, 2017. AMP has the option to redeem the Meldahl 2016A Bonds on any date in whole or in part, at the make-whole premium on or after February 15, 2026.

The Meldahl 2016A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	675,000	4.000 %
2021	1,035,000	4.000 %
2022	2,185,000	5.000 %
2023	2,240,000	5.000 %
2024	1,735,000	5.000 %
2025	1,780,000	5.000 %
2026	2,735,000	5.000 %
2027	1,780,000	5.000 %
2028	1,305,000	2.000 %
2029	3,000,000	5.000 %
2030	3,080,000	5.000 %
2031	3,160,000	5.000 %
2032	3,235,000	5.000 %
2033	3,320,000	5.000 %
2034	3,385,000	4.000 %
2035	3,060,000	4.000 %
2036	3,550,000	3.000 %
2041	18,225,000	4.000 %
2046	19,340,000	5.000 %
	$ 78,825,000	

The Meldahl 2016A Bonds due February 15, 2041 and February 15, 2046 are term bonds subject to mandatory sinking fund redemption on the principal payment date in the following years in the following principal amounts as a redemption price equal to par, together with interest accrued to the date of redemption.

Meldahl 2016A Bonds bearing interest at 4.000% and maturing on February 15, 2041:

Year	Principal Amount
2037	$ 3,580,000
2038	3,610,000
2039	3,645,000
2040	3,680,000
2041	3,710,000
	$ 18,225,000

Meldahl 2016A Bonds bearing interest at 5.000% and maturing on February 15, 2046:

Year	Principal Amount
2042	$ 3,750,000
2043	3,815,000
2044	3,870,000
2045	3,925,000
2046	3,980,000
	$ 19,340,000

The proceeds of the Meldahl 2016A funds were used to (i) repay draws on the line of credit used as interim financing, (ii) fund a parity common reserve account, and (iii) pay the cost of issuance.

AMP has entered into a power sales contract dated as of March 1, 2009 with 48 of its members (the "Meldahl Participants") by the terms of which AMP agrees to sell, and the Meldahl Participants agree to buy on a take-or-pay basis, the electric output of a hydroelectric facility with an aggregate capacity of 105 MW on the Ohio River. The take-or-pay obligations of the Meldahl Participants under the Meldahl power sales contract are limited obligations payable solely out of the revenues, and, with two exceptions, as an operating expense, of their respective electric systems and are subject to step up to the same extent as the obligations of the PSEC Participants under the PSEC power sales contract, except that the maximum step-up percentage is 106%.

Fremont Energy Center Projects Financings

The AMP Fremont Energy Center Revenue Bonds, Series 2012B (the "AFEC 2012B Bonds") were issued June 29, 2012, pursuant to a Master Trust Indenture, dated as of June 1, 2012, as supplemented ("AFEC MTI"), in the form of serial and term bonds with an aggregate par amount of $525,545,000. Interest is payable semiannually beginning February 15, 2013. AMP has the right to redeem the AFEC 2012B Bonds maturing after February 15, 2022, prior to their respective maturities, in whole or in part, on any date beginning February 15, 2022, at a redemption price of par, plus accrued interest.

On December 20, 2017, AMP issued, pursuant to the AFEC MTI, its AMP Fremont Energy Campus Project Revenue Bonds, Refunding Series 2017A, ("AFEC 2017A Bonds") with an aggregate par amount of $124,385,000. The AFEC 2017A Bonds were issued to in order to (i) refund a portion ($127,630,000) of the AMP's Fremont Energy Campus Project Bonds, Series 2012B ("the AFEC 2012B Bonds"), issued on June 29, 2012 in the aggregate principal amount of $525,545,000, and (ii)pay the costs of issuance of the AFEC 2017A Bonds. Specifically, a portion of the proceeds of the AFEC 2017A Bonds were deposited in an Escrow Fund established by AMP to be used exclusively to advance refund portions of AFEC 2012B Bonds. In the consolidated balance sheets, the funds held in escrow are presented in Trustee funds – restricted

The AFEC 2012B Bonds outstanding at December 31, 2019 were as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	10,315,000	5.000 %
2021	10,830,000	5.000 %
2022	11,375,000	5.000 %
2030	16,965,000	5.250 %
2031	17,645,000	4.000 %
2032	18,525,000	5.000 %
2037	107,485,000	5.000 %
2041	107,000,000	4.000 %
2044	64,755,000	4.375 %
	$ 364,895,000	

The AFEC 2012B Bonds due on February 15, 2037, February 15, 2042 and February 15, 2044 are term bonds subject to mandatory sinking fund redemption on the principal payment date in the following years in the following principal amounts at the redemption price equal to par, together with interest accrued to the date of redemption.

The AFEC 2012B Bonds maturing on February 15, 2037:

Year	Principal Amount
2033	$ 19,450,000
2034	20,425,000
2035	21,445,000
2036	22,520,000
2037	23,645,000
	$ 107,485,000

The AFEC 2012B Bonds maturing on February 15, 2042:

Year	Principal Amount
2038	$ 24,825,000
2039	26,065,000
2040	27,370,000
2041	28,740,000
	$ 107,000,000

The AFEC 2012B Bonds maturing on February 15, 2044:

Year	Principal Amount
2043	$ 31,685,000
2044	33,070,000
	$ 64,755,000

AMP has entered into a power sales contract dated as of June 1, 2012 with 87 of its members (the "AFEC Participants") by the terms of which AMP agrees to sell, and the AFEC Participants agree to buy, on a take-or-pay basis, the electric output of an AMP 90.69% undivided ownership interest in AFEC with an aggregate capacity of 641 MW. The take-or-pay obligations of the AFEC Participants under the AFEC power sales contract are limited obligations, payable solely out of the revenues, and, with two exceptions, as an operating expense, of their respective electric systems and are subject to step up to the same extent as the obligations of the PSEC Participants under the PSEC power sales contract.

AMP Fremont Energy Center 2017A Bonds
AFEC 2017A Bonds matures beginning February 15, 2018 through 2042. Interest is payable semiannually beginning February 15, 2023. AMP has the right to redeem the AFEC 2017A Bonds maturing after February 15, 2042, prior to their respective maturities, in whole or in part, on any date beginning February 15, 2023, at a redemption price of par, plus accrued interest.

The AMP Fremont Energy Center 2017A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2023	$ 11,640,000	5.000 %
2024	12,225,000	5.000 %
2025	12,835,000	5.000 %
2026	13,480,000	5.000 %
2027	14,150,000	5.000 %
2028	14,860,000	5.000 %
2029	15,605,000	5.000 %
2042	29,590,000	4.000 %
	$ 124,385,000	

AMP Fremont Energy Center Escrow Bonds

The AMP Fremont Energy Center Escrow Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2022	$ 127,630,000	5.117 %
	$ 127,630,000	

Greenup Hydroelectric Project 2016A Revenue Bonds

The Greenup Hydroelectric Project Revenue Bonds, Series 2016A ("Greenup 2016A Bonds") were issued May 11, 2016 in the form of serial and term bonds with an aggregate par amount of $125,630,000. The Greenup 2016A Bonds were issued at an aggregate premium of $21,832,548. The bonds will mature between 2018 and 2046 and bear interest at fixed rates between 3.00% and 5.00%. Interest is payable semiannually beginning August 15, 2016. AMP has the option to redeem the Greenup 2016A Bonds on any date in whole or in part, at the make-whole premium on or after February 15, 2026.

The Greenup 2016A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount	Interest Rate
2020	1,685,000	4.000 %
2021	1,750,000	5.000 %
2022	1,840,000	5.000 %
2023	1,930,000	5.000 %
2024	2,030,000	5.000 %
2025	2,130,000	5.000 %
2026	3,235,000	5.000 %
2027	3,395,000	5.000 %
2028	3,565,000	5.000 %
2029	3,745,000	5.000 %
2030	3,930,000	5.000 %
2031	4,130,000	5.000 %
2032	4,335,000	4.000 %
2033	4,550,000	5.000 %
2034	4,780,000	3.000 %
2035	4,920,000	4.000 %
2036	5,120,000	4.000 %
2041	29,420,000	5.000 %
2046	37,545,000	5.000 %
	$ 124,035,000	

The Greenup 2016A Bonds due on February 15, 2041 and February 15, 2046 are term bonds subject to mandatory sinking fund redemption on the principal payment date in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption.

Greenup 2016A Bonds bearing interest at 5.000% and maturing on February 15, 2041:

Year	Principal Amount
2037	$ 5,325,000
2038	5,590,000
2039	5,870,000
2040	6,165,000
2041	6,470,000
	$ 29,420,000

Greenup 2016A Bonds bearing interest at 5.000% and maturing on February 15, 2046:

Year	Principal Amount
2042	$ 6,795,000
2043	7,135,000
2044	7,490,000
2045	7,865,000
2046	8,260,000
	$ 37,545,000

The proceeds of the Greenup 2016A Bonds were used to (i) finance the purchase price of the 48.6% undivided ownership interest in the Greenup Hydroelectric facility (see Note 3), (ii) provide funds for capital construction, (iii) repay draws on the line of credit used as interim financing, (iv) fund a portion of interest due on the Greenup 2016A Bonds, and (v) pay the cost of issuance.

AMP Solar Phase II 2019A Bonds
The Solar Electricity Prepayment Project Revenue Bonds Series 2019A (Green Bonds) (“Solar 2019A Bonds”) were issued on January 31, 2019, pursuant to the terms of a Master Trust Indenture, dated as of January 1, 2019 (as amended and supplemented), (“Solar MTI”), in the form of serial and term bonds with an aggregate par amount of $55,195,000. The Solar 2019A Bonds were issued at an aggregate premium of $8,199,396.90. The bonds will mature between 2020 and 2044 and bear interest at a fixed rate of 5.000%. Interest is payable semiannually, beginning August 15, 2019.

The Solar 2019A Bonds were issued by AMP for the purpose of (i) refinancing the prepayment for a specified supply of electricity from thirteen (13) solar photovoltaic generating facilities with a rated capacity of approximately 36.825 megawatts located in the States of Delaware, Michigan, Ohio and Virginia pursuant to the terms of a Power Purchase Agreement, between DG AMP Solar, LLC and AMP, dated March 29, 2016, (ii) funding a deposit to the Parity Common Reserve Fund, and (iii) paying costs of issuance of the Series 2019A Bonds.

The Solar II Series 2019A Bonds outstanding at December 31, 2019 are as follows:

Maturity Date - February 15	Principal Amount
2020	$ 1,255,000
2021	1,420,000
2022	1,480,000
2023	1,540,000
2024	1,605,000
2025	1,670,000
2026	1,740,000
2027	1,815,000
2028	1,890,000
2029	1,970,000
2030	2,055,000
2031	2,145,000
2032	2,240,000
2033	2,340,000
2034	2,445,000
2035	2,550,000
2036	2,665,000
2037	2,790,000
2038	2,915,000
2039	3,045,000
2044	13,620,000
	$ 55,195,000

From any available moneys, AMP may, at its option, redeem, prior to their respective maturities, in whole or in part, the Solar 2019A Bonds stated to mature on February 15, 2030 through February 15, 2039, inclusive, and February 15, 2044, on any date beginning February 15, 2029 at the redemption price of par, together with interest accrued to the date fixed for redemption.

The Solar 2019A Bonds due on February 15, 2044 are term bonds subject to mandatory sinking fund redemption on February 15 in the following years in the following principal amounts at a redemption price equal to par, together with interest accrued to the date of redemption.

The Solar 2019A Bonds maturing on February 15, 2044:

Year	Principal Amount
2040	3,185,000
2041	3,335,000
2042	3,490,000
2043	2,070,000
2044	1,540,000
	$ 13,620,000

Term Debt on Behalf of Others

Central Virginia Electric Cooperative

AMP and CVEC entered into a power sales contract dated July 26, 2011 under which AMP sells and CVEC purchases on a take-or-pay basis, the output associated with the "4.15% Interest". On June 26, 2012, to finance the cost of the 4.15% Interest, AMP obtained from the National Cooperative Services Corporation, an affiliate of the Rural Utilities Cooperative Financial Corporation (commonly known as "CFC"), a $25,000,000 term loan to be amortized over 30 years.

This loan is secured by the CVEC power sales contract, a mortgage on and security interest in the 4.15% Interest and a CVEC payment guaranty. AMP's obligations for the term loan are nonrecourse to AMP except to the extent of AMP's rights under the CVEC power sales contract and the mortgage on and the security interest in the 4.15% Interest.

The term loan has fixed interest rates ranging from 2.75% to 5.60% through the life of the loan and the term loan matures on February 15, 2042.

As of December 31, 2019 and 2018, $19,354,165 and $20,208,332 remained as outstanding principal, respectively.

Term debt on behalf of Members (Nonrecourse)

The individual municipality is the primary obligor on term debt issued on its behalf. "On behalf of" financings are nonrecourse to AMP and are presented in the consolidated balance sheets with a corresponding receivable from the project or member to which the on-behalf-of financing relates.

Bonds and notes payable issued by AMP on behalf of member communities consist of the following at December 31:

	2019	2018
Municipal project notes, due on various dates through December 2019 with interest from 1.90% to 3.00% at December 31, 2019 and 2018	$ 32,681,000	$ 28,951,000
	32,681,000	28,951,000
Current portion	(32,681,000)	(28,951,000)
Noncurrent portion	$ -	$ -

Aggregate Future Maturities

The aggregate amounts of future maturities for AMPs revolving credit loan, term debt and term debt on behalf of others are as follows:

Years Ending December 31	Term Debt AMP	Term Debt On Behalf Of Others	Revolving Credit Line
2020	359,799,412	33,535,167	-
2021	86,244,412	854,167	-
2022	358,784,412	854,167	189,600,000
2023	97,954,412	854,167	-
2024	102,089,412	854,167	-
2025 and Thereafter	4,576,309,410	15,083,330	-
	$ 5,581,181,470	$ 52,035,165	$ 189,600,000

9. Trustee Funds

Bond proceeds and funds collected in advance of contractually scheduled principal and interest payments for certain bond offerings are held in trust.

Trustee funds related to these bond offerings consist of the following at December 31:

	2019	2018
PSEC Parity Common Reserve	$ 109,481,329	$ 112,114,465
PSEC Revenue 2009A Bonds	-	11,255,086
PSEC Revenue 2009B Bonds	3,570,537	3,399,823
PSEC Revenue 2009C Bonds	4,426,674	6,922,634
PSEC Revenue 2010 Bonds	5,191,992	5,109,830
PSEC Revenue 2015A Bonds	22,861,647	10,862,592
PSEC Revenue 2015B Bonds	-	2,848,565
PSEC Revenue 2015C Bonds	-	929,653
PSEC Revenue 2017A Bonds	4,363,103	2,487,449
PSEC Revenue 2019A Bonds	3,609,905	-
PSEC Revenue 2019B Bonds	495,213	-
PSEC Escrow	408,309,489	97,738,826
Hydro Parity Common Reserve	140,257,644	141,957,321
Hydro 2009B Bonds	19,030,743	15,145,552
Hydro 2009C Bonds	20,916,049	26,352,715
Hydro 2009D Bonds	144,119	129,823
Hydro 2010A Bonds	6,948,406	4,642,191
Hydro 2010B Bonds	44,670,741	42,640,488
Hydro 2010C Bonds	5,490,314	5,255,526
Hydro 2016A Bonds	5,227,986	4,395,371
Hyrdo 2018A Bonds	950,659	1,046,261
Hydro Escrow	28,584,324	29,795,890
Meldahl Parity Common Reserve	41,492,384	41,785,429
Meldahl 2010A Bonds	9,096,886	8,746,279
Meldahl 2010B Bonds	9,334,881	9,095,070
Meldahl 2010C Bonds	814,323	789,239
Meldahl 2010D Bonds	285,772	278,046
Meldahl 2010E Bonds	8,977,300	8,747,865
Meldahl 2016A Bonds	3,218,431	3,450,376
AFEC Parity Common Reserve	34,885,572	35,435,124
AFEC 2012A Bonds	6,023,084	5,627,154
AFEC 2012B Bonds	18,150,136	17,501,130
AFEC 2017A Bonds	2,612,363	2,571,489
AFEC Escrow	136,780,025	140,325,866
Greenup 2016A Bonds	5,730,307	5,840,368
Solar Phase II 2019A Bonds	3,879,378	-
Rate Stabilization Plans	291,009	290,049
	1,116,102,725	805,513,545
Current portion	(567,260,132)	(335,046,182)
Noncurrent portion	$ 548,842,593	$ 470,467,363

Investments held in the trustee funds consist of the following at December 31:

	2019	2018
Money market funds	$ 230,314,510	$ 185,712,973
Debt securities	885,788,215	619,800,572
	$ 1,116,102,725	$ 805,513,545

PSEC Bonds
The PSEC MTI contains a provision, among others, that AMP will at all times fix, charge and collect rates and charges for the use of, and for the services and facilities furnished by, the PSEC. These rates and charges are to provide net revenues at least 110% of the net annual debt service requirements of the PSEC Bonds.

As supplemented by supplemental trust agreements executed in connection with each series of the PSEC Bonds, the trust agreement also provides for the creation with the trustee of the following subfunds and accounts for each such series of PSEC Bonds: (a) Acquisition and Construction Subfund (containing amounts to be paid for costs incurred by AMP in connection with the construction of the PSEC); (b) Cost of Issuance Account (containing amounts to be paid for costs incurred by AMP in connection with the issuance of the PSEC Bonds);c) Bond Subfund (consisting of the Capitalized Interest Subaccount, the Interest Subaccount, the Principal Subaccount, the Sinking Subaccount, the Redemption Subaccount, and the Parity Common Reserve Account; (d) Subordinate Obligations Subfund; and (e) Reserve and Contingency Subfund (consisting of the Overhaul Account, the Renewal and Replacement Account, the Capital Improvement Account, the Rate Stabilization Account, the Environmental Improvement Account and the Self -Insurance Account).

Certain of the supplemental trust indentures also create Tracking Interest Subaccounts for the series of BABs and tax-exempt bonds to hold capitalized funds to pay interest on such bonds subsequent to the commercial operation dates of the project units.

Hydro Bonds
The Hydro MTI contains a provision that AMP will at all times fix, charge and collect rates and charges for the use of, and for the services and facilities furnished by, the Hydro plants. These rates and charges should provide net revenues at least 110% of the net annual debt service requirements of the Hydro Bonds.

As supplemented by supplemental trust agreements executed in connection with each series of the Hydro Bonds, the trust agreement also provides for the creation with the trustee of the following subfunds and accounts for each such series of Hydro Bonds: (a) Acquisition and Construction Account (containing amounts to be paid for costs incurred by AMP in construction of the Hydro plants); (b) Cost of Issuance Account (containing amounts to be paid for costs incurred by AMP in connection with the issuance of the series of Hydro Bonds); (c) Bond Subfund (consisting of the Capitalized Interest Subaccount, the Interest Subaccount, the Derivatives Payments Subaccount, the Principal Subaccount, the Sinking Subaccount, the Redemption Subaccount and the Parity Common Reserve Account; (d) Subordinate Obligations Subfund; and (e) Reserve and Contingency Subfund (consisting of the Overhaul Account, the Renewal and Replacement Account, the Capital

Improvement Account, the Rate Stabilization Account, the Environmental Improvement Account and the Self-Insurance Account).

Certain of the supplemental trust agreements also create (i) Tracking Interest Subaccounts for the series of BABs, New CREBs and tax-exempt bonds to hold capitalized funds to pay interest on such bonds subsequent to the commercial operation dates of the project units and (ii) Special Reserve Accounts to hold amounts pledged particular series of BABs and New CREBs.

Meldahl Bonds
The Meldahl MTI contains a provision that AMP will at all times fix, change and collect rates and charges for the use of, and for the services and facilities furnished by, the Meldahl Hydro plant. These rates and charges should provide net revenues at least equal to 110% of the net annual debt service requirements of the Meldahl Bonds.

As supplemented by supplemental trust agreements executed in connection with each series of the Meldahl Bonds, the trust agreement also provides for the creation with the trustee of the following subfunds and accounts for each such series of Meldahl Bonds: (a) Acquisition and Construction Account (containing amounts to be paid for costs incurred by AMP in construction of the Meldahl Hydro plant); (b) Cost of Issuance Account (containing amounts to be paid for costs incurred by AMP in connection with the issuance of the Meldahl Bonds); (c) Bond Subfund (consisting of the Capitalized Interest Subaccount, the Interest Subaccount, the Derivatives Payments Subaccount, the Principal Subaccount, the Sinking Subaccount, the Redemption Subaccount and the Parity Common Reserve Account (containing amounts to be paid for debt service and amounts to be paid should a redemption be triggered); (d) Subordinate Obligations Subfund; and (e) Reserve and Contingency Subfund (consisting of the Overhaul Account, the Renewal and Replacement Account, the Capital Improvement Account, the Rate Stabilization Account, the Environmental Improvement Account and the Self-Insurance Account).

Certain of the supplemental trust agreements also create (i) Tracking Interest Subaccounts for the series of BABs, New CREBs and tax-exempt bonds to hold capitalized funds to pay interest on such bonds subsequent to the commercial operation date of the project units and (ii) Special Reserve Accounts to hold amounts pledged to particular series of BABs and New CREBs.

AFEC Bonds
The AFEC MTI contains a provision that AMP will at all times fix, change and collect rates and charges for the use of, and for the services and facilities furnished by, the AFEC plant. These rates and charges should provide net revenues equal to at least 110% of the net annual debt service requirements of the AFEC Bonds.

As supplemented by the first and second supplemental trust indentures executed in connection with the two series of the AFEC Bonds, and a third supplemental trust agreement that secures AMP's fuel hedge agreement counterparties, the trust agreement also provides for the creation with the trustee of the following subfunds and accounts for each such series of AFEC Bonds: (a) Acquisition and Construction Account (containing amounts to be paid for costs incurred by AMP in construction of the AFEC plant); (b) Cost of Issuance Account (containing amounts to be paid for costs incurred by AMP in connection with the issuance of the series of AFEC Bonds); (c) Revenue Subfund (consisting of the Operating Subaccount, the Fuel Reserve Subaccount, the Working Capital Subaccount, the Derivative Receipt Subaccount, and the General Subaccount and the Fuel Hedge Subaccount to be held by the trustee); (d) Bond Subfund (consisting of the Capitalized Interest Subaccount, the Interest Subaccount, the Derivatives Payment Subaccount, the Principal Subaccount, the Sinking Subaccount, the Redemption Subaccount, and the Parity Common Reserve Account; containing amounts to be paid for debt service and amounts to be paid should a redemption be triggered); (e) Subordinate Obligations Subfund; (f) Reserve and Contingency Subfund (consisting of the Overhaul Account, the Renewal and Replacement Account, the Capital Improvement Account, the Environmental Improvement Account, the Rate Stabilization Account, the Self-Insurance Account and with the trustee the Fuel Hedge Reserve Account).

Greenup Bonds
The Greenup MTI contains a provision that AMP will at all times fix, change and collect rates and charges for the use of, and for the services and facilities furnished by, the Greenup Hydro plant. These rates and charges should provide net revenues at least equal to 110% of the net annual debt service requirements of the Greenup Bonds.

As supplemented by the supplemental trust agreement executed in connection with the one series of the Greenup Bonds, the trust agreement also provides for the creation with the trustee of the following subfunds and accounts for the series of Greenup Bonds: (a) Acquisition and Construction Account (containing amounts to be paid for costs incurred by AMP to acquire an ownership interest in and in the construction of the Greenup Hydro plant); (b) Cost of Issuance Account (containing amounts to be paid for costs incurred by AMP in connection with the issuance of the Greenup Bonds); (c) Bond Subfund (consisting of the Capitalized Interest Subaccount, the Interest Subaccount, the Derivatives Payments Subaccount, the Principal Subaccount, the Sinking Subaccount, the Redemption Subaccount and the Parity Common Reserve Account (containing amounts to be paid for debt service and amounts to be paid should a redemption be triggered); (d) Subordinate Obligations Subfund; and (e) Reserve and Contingency Subfund (consisting of the Overhaul Account, the Renewal and Replacement Account, the Major Maintenance Account, the FERC Relicensing Reserve Account, the Rate Stabilization Account, the Environmental Improvement Account and the Self-Insurance Account).

Solar Electricity Prepay Bonds
The Solar MTI contains a provision that AMP will at all times fix, adjust and collect the demand charge for the cost of of the project associated with debt service on the Solar Bonds and operating expenses associated with the issuance of the Solar Bonds. The demand charge should provide revenues at least equal to 110% of the net annual debt service requirements of the Solar Bonds, as well as the amounts, if any, required to be paid to AMP for Operating Expenses, the Parity Common Reserve Fund, the Reserve and Contingency Fund, the Decommissioning Fund, the Rate Stabilization fund, the General Reserve Fund or any other funds or accounts required by the MTI or supplemental indentures.

As supplemented by the supplemental trust agreement executed in connection with the one series of the Solar Bonds, the trust agreement also provides for the creation with the trustee of the following subfunds and accounts for the series of Solar Bonds: (a) Project Fund; (b) Revenue Fund; (c) Operating Fund (consisting of the Operating Account and the Operating Reserve Account); (d) Debt Service Fund; (e) the Parity Common Reserve Fund; (f) Reserve and Contingency Fund; (g) Rate Stabilization Fund; (g) Redemption Fund; (h) Decommissioning Fund; and (i) General Reserve Fund. The Project Fund includes the Solar Series 2019A Subaccount and the Solar Series 2019A Cost of Issuance Subaccount therein as established under the First Supplemental Indenture. The Debt Service Fund include the (i) Solar Series 2019A Debt Service Account as established under the First Supplemental Indenture.

10. 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 money market funds which are included in 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. Liabilities in this category include natural gas swaps.

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 does not have any assets or liabilities that met the definition of Level 3.

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 table presents the carrying amounts and fair values of financial instruments not recognized at fair value in the consolidated balance sheets:

	December 31, 2019		December 31, 2018	
Financial Instruments	**Carrying Value**	**Estimated Fair Value**	**Carrying Value**	**Estimated Fair Value**
Assets				
Debt securities held in trustee funds, restricted and non-restricted	$ 885,788,215	$ 913,438,879	$ 619,800,572	$ 630,473,514
Liabilities				
Fixed rate term debt, including current maturities, AMP	5,777,991,731	7,229,636,207	5,403,481,392	6,464,674,005
Fixed rate term debt, including current maturities, on behalf of others	52,035,165	52,035,165	49,159,332	49,159,332
Variable rate term debt, including current maturities, AMP	-	-	95,100,000	95,100,000

The carrying amounts of cash, accounts receivable, accounts payable and the municipal project notes approximate their fair value due to their short maturities. The carrying amount of the revolving credit loan approximates fair value because it carries a variable interest rate. The fair value of trustee funds is determined based on market observable inputs that include, but are not limited to, benchmark yields, reportable trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, and offers. The fair value of debt securities included trustee funds is within Level 2 of the fair value hierarchy. The fair value of long-term debt reflects 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 municipal bond ratings offered by organizations similar to AMP. 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 following tables set forth AMP's financial assets and financial liabilities that are accounted for on a recurring basis at fair value by level within the fair value hierarchy as of December 31, 2019 and 2018. 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.

	December 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Money market funds	$ 230,314,510	$ -	$ -	$ 230,314,510
	$ 230,314,510	$ -	$ -	$ 230,314,510
Liabilities				
Natural gas swaps	$ -	$ 63,424,285	$ -	$ 63,424,285
	$ -	$ 63,424,285	$ -	$ 63,424,285

	December 31, 2018			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Money market funds	$ 185,712,973	$ -	$ -	$ 185,712,973
	$ 185,712,973	$ -	$ -	$ 185,712,973
Liabilities				
Natural gas swaps	$ -	$ 63,478,841	$ -	$ 63,478,841
	$ -	$ 63,478,841	$ -	$ 63,478,841

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, line of credit and priority interests). The impact of nonperformance risk was immaterial in the fair value measurements.

11. Asset Retirement Obligations

Asset retirement obligations consist of the following:

	2019	2018
Asset retirement obligation, beginning of year	$6,840,083	$8,205,457
Accretion	240,536	237,714
Change in estimates	40,550	-
Liabilities settled	-	(1,603,088)
Asset retirement obligation, end of year	$7,121,169	$6,840,083

12. 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. All referenced legislative and regulatory comment filings can be found on AMP's website.

Federal Greenhouse Gas Emission Standards

On August 31, 2018, USEPA proposed the Affordable Clean Energy (ACE) rule, designed to impose greenhouse gas emissions reductions at large power plants by improving operating efficiency. AMP submitted comments on October 30, 2018 that were generally supportive of the proposal. The final ACE rule was issued on June 19, 2019. As an affected source, Prairie State is evaluating the rule and assessing potential obligations.

RICE NESHAP

This USEPA rule regulates emissions of hazardous air pollutants from reciprocating internal combustion engines ("RICE") by establishing emission limits and work practice standards. Some diesel engines owned or operated by AMP are affected and maintain compliance by using pollution control equipment.

Cross-State Air Pollution Rule

This USEPA rule requires large electric generating units to purchase allowances for air pollutant emissions impacting air quality in downwind states. AMP owned or operated facilities subject to this rule either have been allocated sufficient allowances for continued operation or, if necessary, are able to purchase allowances as needed to comply.

Clean Water Act §401/§404 permits

Permits are required when performing activities that impact streams and other water bodies, such as the construction of generation or distribution assets. The jurisdictional boundary between the state and federal authority is delineated in the definition of "waters of the United States" (or WOTUS). U.S. EPA posted a signed pre-publication final rule on September 12, 2019, revising the definition of WOTUS. The current rule defining WOTUS has been enjoined by the federal courts in some parts of the country. AMP staff are monitoring ongoing litigation and rulemaking activities.

Other Commitments

Voith

On August 14, 2017, after the expiration of a tolling agreement and exhaustion of informal resolution efforts, AMP filed a complaint against Voith Hydro, Inc. (Voith) in federal court in Columbus, Ohio alleging breach of contract and breach of express warranty claims against Voith for each of the four hydro projects. AMP's breach of contract claim states that Voith materially breached the contracts on the projects as follows:

(a) delivering drawings and equipment late and out of sequence;
(b) delivering defective, incomplete and uncoordinated drawings and defective installation instructions;
(c) delivering defectively manufactured guide bearings and discharge rings;
(d) defectively designing and/or manufacturing equipment and equipment components;
(e) delivering equipment that was not completely and/or properly manufactured and required significant additional field work to install;
(f) failing to deliver "Category C" parts necessary for Voith Equipment assembly;
(g) failing to timely and completely address installation issues with the Voith Equipment, including but not limited to, failing to timely and completely address turbine alignment issues;
(h) failing to provide check sheets consistent with the Contracts' specifications;
(i) refusing to promptly and accurately address problems with the Voith Equipment; and
(j) failing to maintain a consistent executive and project management team and site representatives who were informed and prepared to address ongoing issues; and causing substantial delay and damage to the Hydro Projects, all in material breach of the Contracts.

The Complaint alleges that Voith's material breaches caused extensive damages to AMP. The Complaint notes that the contracts entitled AMP to withhold payment from Voith, and AMP withheld approximately $40 million in payments from Voith to offset the damages and costs incurred by AMP and its general contractors due to Voith's material breaches of the Contracts. After taking an agreed extension, Voith filed its Answer and Counterclaim on October 16, 2017. Voith's Answer denied AMP's claims, and Voith's Counterclaim for breach of contract and unjust enrichment made the following allegations against AMP:

(a) that a series of material interferences, hindrances, delays and defective performance by AMP, MWH and other Installation Contractors adversely impacted Voith, absolve Voith from liability to AMP, and make AMP liable to Voith;
(b) that AMP materially breached its contract with Voith by inappropriately modifying and increasing Voith's scope of work and refusing to pay Voith for the added scope and legitimate requests for additional payments;
(c) that AMP has failed and refused to pay the balance of the contract price and other amounts owed to Voith under the contract; and
(d) that Voith has been damaged in an amount in excess of $40M, plus interest and attorney fees.

On December 1, 2017, AMP filed its Answer and denied liability to Voith.

Affirmative expert reports were exchanged on December 6, 2019. After several case schedule extensions, on February 27, 2020, the Court again extended the case schedule in this matter at Voith's request. The current case schedule establishes the following deadlines:

October 12, 2020	Defensive Expert Reports
December 4, 2020	Fact Discovery Completed
February, 8 2021	Rebuttal Expert Reports
April 30, 2021	Expert Discovery Completed
June 18, 2021	Dispositive Motion Deadline

The Magistrate Judge has been monitoring the discovery in this case closely. The Parties have had, and will continue to have, status conferences with the Magistrate Judge roughly every month during the discovery phase of the case.

Both sides have responded to initial written discovery on October 5, 2018 and produced ESI discovery in mid-December. Fact depositions have begun and are expected to continue through the end of the fact discovery in December 2020.

On February 4, 2019, Voith informed AMP that Voith's prior ESI production on December 17, 2018 had a serious technical error in which a substantial amount of Voith's ESI was not produced. Voith accordingly made a supplemental production on May 10, 2019.

At the request of the Magistrate Judge during the May 2019 status conference, the Parties began the process of selecting a mediator to serve in this case. A mediation occurred on December 11 and 12, 2019 in Baltimore, which was unsuccessful. At mediation and as disclosed in expert reports to date, AMP is claiming damages totaling approximately $110M and Voith is claiming damages totaling approximately $70M. These damage figures continue to be refined by the parties as discovery and expert review proceed forward.

AMP will vigorously pursue its claims and defend against Voith's Counterclaim. All costs associated with these claims are project costs recoverable from the project participants under their power sales agreement with AMP.

Other
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 effect on AMP's financial position or results of operations.

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 standard on derivative instruments. All such purchases are "covered" by corresponding power sales arrangements either with individual members or one of AMP's power pools.

Energy purchase commitments at December 31, 2019 are as follows:

2020	$ 173,022,627
2021	143,285,785
2022	156,004,027
2023	127,626,497
2024	124,815,571
2025-2032	308,617,468
	$ 1,033,371,975

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.

AMP has also entered into long-term natural gas purchase contracts to provide fuel for AFEC. Natural gas purchase commitments at December 31, 2019 are as follows:

2020	$ 43,799,840
2021	41,398,130
2022	33,195,980
2023	22,905,480
2024	11,670,000
2025-2027	19,470,000
	$ 172,439,430

13. Subsequent Events

Refunding of Portion of Combined Hydroelectric Projects Debt

On February 18, 2020, AMP issued, pursuant to the Hydro MTI, $105,310,000 Combined Hydroelectric Projects Revenue Bonds, Refunding Series 2020A ("Hydro 2020A Bonds"). The Hydro 2020A Bonds were issued to (i) refund a portion ($129,360,000) of AMP's outstanding Combined Hydroelectric Projects Revenue Bonds, Series 2009B (Federally Taxable-Issuer Subsidy-Build America Bonds) ("Hydro 2009B Bonds"), issued on December 9, 2009 in the aggregate principal amount of $497,005,000 and (ii) pay costs of issuance of the Hydro 2020 Bonds. Specifically, a portion of the proceeds of the Hydro 2020 Bonds and other available funds under the Indenture were applied to refund a portion of the Hydro 2009B Bonds as shown below:

Maturity Date - February 15	Principal Amount	Redemption Date	Redemption Price
2021	$10,745,000	February 18, 2020	100%
2022	12,675,000	February 18, 2020	100%
2023	13,155,000	February 18, 2020	100%
2024	13,890,000	February 18, 2022	100%
2027	45,390,000	February 18, 2022	100%
2029	33,505,000	February 18, 2022	100%
	$129,360,000		

To effect the refunding, proceeds of the Hydro 2020 Bonds and certain other available amounts under the Hydro MTI were deposited in the Hydro 2009B Bonds Redemption Subaccount created under the Second Supplemental Indenture securing the Hydro 2009B Bonds in an amount sufficient, without reinvestment, to pay the Redemption Price of the refunded Hydro 2009B Bonds on the Redemption Date together with the irrevocable instructions of AMP to apply the amounts on deposit therein to pay the Redemption Price on the Redemption Date.

The Company has evaluated subsequent events through April 15, 2020 as this was the date the consolidated financial statements were available to be issued.