

**The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60**

Original Sheet No. 1

FACILITIES OPERATION AGREEMENT

Between

THE CINCINNATI GAS & ELECTRIC COMPANY

and

THE UNION LIGHT, HEAT AND POWER COMPANY

Dated September 27, 2004

**Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company**

Effective: January 1, 2006

Issued On: February 23, 2006

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February 23, 2006

ER06-548-001

Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

RE: The Cincinnati Gas & Electric Company, ~~ER04-1249~~

Dear Secretary Salas:

On January 25, 2006, The Cincinnati Gas & Electric Company ("CG&E") submitted for filing an amended Facilities Operation Agreement ("Agreement") between CG&E and The Union Light, Heat and Power Company ("ULH&P"). It has come to our attention that this Agreement was inadvertently submitted as Rate Schedule No. 58. This designation, however, was already given to the Joint Transmission System Planning and Operating Agreement between CG&E and PSI Energy, Inc.¹ Therefore, in order to correct this inadvertent error, CG&E is resubmitting the Agreement as Rate Schedule No. 60. Accordingly, a clean copy and a blacklined copy of the Agreement are attached.

If you have any questions regarding this filing, please contact the undersigned.

Respectfully submitted,


Denise M. Buffington

Counsel for The Cincinnati Gas & Electric Co.

Enclosures

¹ See *Cinergy Servs., Inc.*, 98 FERC ¶ 61,306 (2002).

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Original Sheet No. 2

FACILITIES OPERATION AGREEMENT

Between

THE CINCINNATI GAS & ELECTRIC COMPANY

and

THE UNION LIGHT, HEAT AND POWER COMPANY

Dated September 27, 2004

THIS FACILITIES OPERATION AGREEMENT is dated this 27th day of September, 2004 by and between The Cincinnati Gas & Electric Company, an Ohio corporation with offices at 139 East Fourth Street, Cincinnati, Ohio ("CG&E") and The Union Light, Heat and Power Company, a Kentucky corporation with offices at 139 East Fourth Street, Cincinnati, Ohio ("ULH&P") (each a "Party" and collectively the "Parties").

WITNESSETH:

WHEREAS, ULH&P desires to acquire CG&E's ownership interest in the East Bend Generating Station located in Rabbit Hash, Kentucky, Miami Fort Unit 6 electric generating facility located in North Bend, Ohio, and the Woodsdale Generating Station located in Butler County, Ohio (collectively, the "Plants") from CG&E; and

WHEREAS, CG&E desires to transfer its ownership interest in the Plants to ULH&P;
and

WHEREAS, CG&E owns generation step-up transformers connecting the Plants (as

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 3

defined in Article 2 of this Agreement and collectively referred to hereinafter as the "CG&E Facilities") to the Transmission System; and

WHEREAS, ULH&P desires to utilize the CG&E Facilities to step up power from the Plants to the appropriate voltage level of the interconnected Transmission System; and

WHEREAS, CG&E's costs of owning, operating and maintaining the CG&E Facilities are not included in the rates assessed under the OATT.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, CG&E and ULH&P agree as follows:

ARTICLE 1

DEFINITIONS

1.1 "Agreement" means this Facility Operations Agreement, including all exhibits attached hereto and any amendments thereto.

1.2 "CG&E" has the meaning given in the recitals to this Agreement, and includes CG&E's permitted successors and assigns.

1.3 "CG&E Facilities" means those facilities described as such in Article 2 of this Agreement.

1.4 "East Bend" shall mean the East Bend Generating Station located in Rabbit Hash, Kentucky.

1.5 "ECAR" means the East Central Area Reliability Council, or any successor organization.

1.6 "Effective Date" means the date of closing of the Transaction.

1.7 "Emergency" has the meaning customarily attributed to it in the electric utility

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

industry in the United States, including, without limitation, any condition on any of the Plants, CG&E Facilities, the Transmission System or the transmission system of other utilities which is likely to result in imminent significant disruption to service to consumers or is imminently likely to endanger life or property.

1.8 "Environmental Laws" means all federal, state, and local laws (including common laws), regulations, rules, ordinances, codes, decrees, judgments, binding directives, or judicial or administrative orders relating to the protection, preservation or restoration of human health, the environment, or natural resources, including, without limitation, laws relating to the Release, or threatened Release, of Hazardous Substances into any media (including, without limitation, ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use treatment, storage, Release, transport, or handling of Hazardous Substances.

1.9 "Event" has the meaning given in Article 26.3 of this Agreement.

1.10 "FERC" means the Federal Energy Regulatory Commission or any successor agency.

1.11 "Force Majeure" has the meaning set forth in Article 11 of this Agreement.

1.12 "Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in the United States during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to

**The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60**

Original Sheet No. 5

the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, method, or acts generally accepted in the region. Good Utility Practice shall include, but not be limited to, the Rules and Procedures.

1.13 "GSUs" means generation step-up transformers used to increase the voltage from the Plants to the compatible voltage of the interconnected Transmission System.

1.14 "Hazardous Substances" means:

(A) any petrochemical or petroleum products, oil, radioactive materials, radon gas, asbestos in any form that is or could become friable, urea formaldehyde foam insulation and transformers or other equipment that contain dielectric fluid which may contain levels of polychlorinated biphenyls;

(B) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," or "pollutants," or words of similar meaning and regulatory effect; or

(C) any other chemical, material, or substance, exposure to which is prohibited, limited or regulated by applicable Environmental Laws.

1.15 "Miami Fort 6" means the Miami Fort Unit 6 electric generating facility located in North Bend, Ohio.

1.16 "MISO" means the Midwest Independent Transmission System Operator, Inc. or any successor organization.

1.17 "Monthly Fee" means the monthly charge for service under this Agreement, as defined in Article 3.2 of this Agreement.

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Effective: January 1, 2006

Issued On: February 23, 2006

1.18 "NERC" means the North American Electric Reliability Council or any successor organization.

1.19 "OATT" means the applicable open access transmission tariff, as filed with the FERC and as it may be amended from time to time, including any successor tariff, under which the applicable open access transmission service over the Transmission System is provided.

1.20 "Parties" means collectively, CG&E and ULH&P, and their permitted successors and assigns.

1.21 "Party" means either CG&E or ULH&P, and their permitted successors and assigns.

1.22 "Plants" has the meaning given in the recitals to this Agreement.

1.23 "PSI Energy" means PSI Energy, Inc. and its permitted successors and assigns.

1.24 "RTO" means the applicable regional transmission operator as certified and approved by FERC.

1.25 "Release" means release, spill, leak, discharge, dispose of, pump, pour, emit, empty, inject, leach, dump, or allow to escape into or through the environment.

1.26 "Rules and Procedures" means the applicable rules and procedures that CG&E or ULH&P must follow and abide by and which shall govern the operational conditions of the Transmission System, including but not limited to such applicable criteria, rules, procedures and standards of MISO, the RTO, NERC, ECAR, and the National Electrical Safety Code, and any successor entity or organization, as they may be amended from time to time, including those of any entity or successor organization.

1.27 "Transaction" means ULH&P's acquisition of CG&E's ownership interest in the

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 7

Plants.

1.28 "Transmission System" means the transmission facilities owned, operated or controlled by PSI Energy, or CG&E, including conductors, circuit breakers, switches, transformers and other associated equipment used to control the transfer of energy from one place to another, and shall include any modifications, additions, or upgrades made to those facilities.

1.29 "ULH&P" has the meaning given in the recitals to this Agreement, and includes ULH&P's permitted successors and assigns.

1.30 "Woodsdale" means the Woodsdale Generating Station located in Butler County, Ohio.

ARTICLE 2

FACILITIES OPERATION AND MAINTENANCE

2.1 CG&E shall own, operate and maintain in conformance with Good Utility Practice, and permit ULH&P to utilize for the purpose for which they were utilized by CG&E on the date preceding the Effective Date, at ULH&P's expense as set forth in Article 3 hereof, the following described CG&E Facilities (transformer ratings specified as of Effective Date); viz.:

2.1.1 East Bend: the 700 MVA step-up transformer bank (TB) 2 located in or near Rabbit Hash, Kentucky and identified as such in Exhibit 1 of this Agreement;

2.1.2 Miami Fort 6: the 180 MVA step-up transformer bank (TB) 6 located in or

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

near North Bend Ohio as identified as such in Exhibit 2 of this Agreement;

- 2.1.3 Woodsdale: the three 240 MVA step-up transformer banks (TB) 39, 40, and 41 located in Butler County, Ohio, as identified in Exhibit 3 of this Agreement.

2.2 Curtailment or Interruption of Operation of CG&E Facilities and Disconnection of the Plants and CG&E Facilities.

- 2.2.1 (A) CG&E may not curtail or interrupt ULH&P's use of any of the CG&E Facilities, disconnect any of the Plants from the CG&E Facilities, or disconnect any of the CG&E Facilities from the Transmission System except when such curtailment, interruption or disconnection is necessary under Good Utility Practice, is required under the OATT, or is otherwise required by MISO or the RTO.

(B) With respect to any curtailment, interruption or disconnection permitted under Article 2.2.1(A) of this Agreement:

- (1) CG&E agrees that:
- (a) the curtailment, interruption or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice, as required under the OATT, or is otherwise required by MISO or the RTO;
- (b) any such curtailment, interruption or disconnection shall be made on a not unduly discriminatory basis with respect to other generators interconnected to the Transmission System;

(c) when the curtailment, interruption or disconnection must be made under circumstances which do not allow for advance notice, CG&E will notify ULH&P or its agent as soon as practicable of the reasons for the curtailment, interruption or disconnection and, if known, its expected duration consistent with FERC Order No. 2004 and applicable standards of conduct thereafter; and

(d) when the curtailment, interruption or disconnection can be scheduled, CG&E will consult in advance with ULH&P regarding the timing of such scheduling, and notify ULH&P in advance of the expected duration of the curtailment, interruption or disconnection consistent with FERC Order No. 2004 and any applicable standards of conduct thereafter. CG&E agrees to use commercially reasonable efforts to schedule the curtailment, interruption or disconnection to coincide with the scheduled outages of the Plants.

(2) The Parties agree to cooperate and coordinate with each other to the extent necessary in order to restore the CG&E Facilities to their normal operating state, consistent with system conditions and Good Utility Practice.

2.3 Notwithstanding any other provision of this Agreement, this Agreement shall not be interpreted to or construed to, nor shall this Agreement, confer, transfer, convey or otherwise provide ULH&P an ownership, leasehold or any other property interest in the CG&E Facilities.

2.4 Consistent with the Rules and Procedures and applicable standards of conduct, and prior to development thereof, CG&E shall consult with ULH&P to develop a non-binding maintenance schedule in accordance with which CG&E shall perform scheduled maintenance on the CG&E Facilities. CG&E shall use commercially reasonable efforts to coordinate the scheduled maintenance of the CG&E Facilities with the scheduled outages of the Plants.

2.5 Unless otherwise agreed to by the Parties, or otherwise required by law or regulation, or Good Utility Practice, CG&E shall not be required at any time to upgrade or otherwise modify the CG&E Facilities; provided however, at ULH&P's sole expense, CG&E agrees to make any additions, modification, or replacements to the CG&E Facilities requested by ULH&P so long as such additions, modifications, or replacements are consistent with Good Utility Practice.

2.6 Inspections

2.6.1 Right to Inspect. Each Party, at its own cost and expense, has the right, but not the obligation, to inspect or observe the operation and maintenance activities, equipment tests, installation, construction, or other modifications to the other Party's equipment, systems or facilities which might reasonably be expected to affect the observing Party's operations. The Party desiring to inspect or observe must provide the other Party advance written notice of such inspection or observation.

2.6.2 Deficiencies and Defects. If the observing Party observes any deficiencies or defects which might reasonably be expected to adversely affect its operations, it may notify the other Party and said Party will be responsible

for making any corrections necessitated by Good Utility Practice. Notwithstanding the foregoing, the observing Party shall have no liability whatsoever for failure to give such notice, it being agreed that the Party owning such equipment, systems or facilities will be fully responsible and liable for all such activities, tests, installation, construction or modification.

2.7 Information and Recordkeeping Obligations and Audit Rights

2.7.1 Information Obligations

(A) Consistent with FERC Order No. 2004 and any applicable standards of conduct, either Party may request that the other Party, and that other Party will promptly provide, at the requesting Party's sole cost and expense, such information and data that the requesting Party may reasonably require to: (1) verify costs relating to, in CG&E's case, the Plants, and in ULH&P's case, the CG&E Facilities, including, but not limited to, costs relating to the procurement, operation, maintenance, construction, and installation of any modifications thereto; (2) carry out its responsibilities and enforce its rights under this Agreement; and (3) satisfy any required reporting obligations it may have to any organization issuing criteria, rules, procedures or standards included in the Rules and Procedures, or any agency to which it is required to report.

2.7.2 Recordkeeping Obligations

(A) Transaction Records. Each Party shall keep such records as may be needed to substantiate performance of its obligations under this Agreement.

Neither Party shall make use of the records or summary of transactions of the other Party without the express written consent of the other Party, unless such use is permitted by this Agreement or required by law.

(B) Record Retention. Each Party agrees to retain all records under Article 2.7.2(A) normally kept in the course of business and consistent with Good Utility Practice for a minimum of three (3) years from the date of such record.

2.7.3 Audit Rights. Either Party has the right to audit the other Party's accounts and records pertaining to this Agreement, within three (3) years following the calendar year in which such account entry or record is made, at that other Party's offices where such accounts and records are maintained, provided proper notice is given prior to any audit and such audit occurs during normal business hours, and provided further that the audit will be limited to those portions of such accounts and records that relate to services provided under this Agreement for that calendar year. All actual and reasonable non-labor related costs incurred by either Party in connection with an audit shall be borne by the Party undertaking the audit.

2.8 Environmental Compliance and Procedures. The Parties agree to comply with: (A) all applicable Environmental Laws which affect the ability of the Parties to meet their obligations under this Agreement; and (B) all local notification and response procedures required for all applicable environmental and safety matters which affect the ability the Parties to meet their obligations under this Agreement.

ARTICLE 3.

FEES, BILLING AND PAYMENT

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

3.1 Cooperation. Each Party agrees to cooperate with the other Party in attempting to minimize costs under this Agreement. The Parties may agree to other billing/invoicing arrangements, in recognition of the fact that the Parties are affiliates and share an accounting system, and such arrangement shall not constitute an amendment to this Agreement.

3.2 Monthly Fee. During the Term of this Agreement, ULH&P shall pay to CG&E a monthly fee of \$161,148 ("Monthly Fee") for use of the CG&E Facilities, such Monthly Fee being intended to enable CG&E to recover its full costs of owning, operating and maintaining the CG&E Facilities.

3.3 Billing Procedures.

3.3.1 Monthly Invoices. With respect to any costs and expenses for which a Party is entitled to be reimbursed under this Agreement, the Party (the "invoicing Party") must submit an invoice to the other Party at the start of each calendar month for the costs for which it is entitled to be reimbursed for the previous period under this Agreement. Each invoice must detail the work, equipment, or services for which the costs were incurred. The invoicing Party shall provide any supporting documentation requested during the course of an audit.

3.3.2 Payment. Payment of invoiced amounts will be due and payable within thirty (30) days of receipt of the invoice or such other time as the Parties mutually agree. If the payment falls on a Saturday, Sunday or federal or state legal holiday, payment shall be made on the next business day. All payments will be made in immediately available funds payable to the invoicing Party or by wire transfer to a bank named by the invoicing Party. If any undisputed portion of any invoice remains unpaid thirty (30) days after the

receipt of the invoice or such other time as the Parties mutually agree upon, the invoicing Party will apply to the unpaid balance, and the other Party will pay, a finance charge at the rate of one and one half percent (1.5%) per month but in no event more than the maximum allowed by the law governing the Agreement.

3.3.3 Disputes. If a Party disputes any portion of an invoice, that Party shall make payment of all amounts not in dispute and notify the invoicing Party in writing of any such dispute and the reasons therefor. No invoice may be disputed after such time as a Party's audit rights set forth in Article 2.7.3 of this Agreement have expired. Any billing disputes must be resolved in accordance with Article 8 of this Agreement. In the event of a billing dispute, each Party agrees to continue to perform its duties and obligations under this Agreement as long as the other Party continues to make all payments not in dispute and adheres to the dispute resolution procedures set forth in Article 8 of this Agreement, pending resolution of such dispute. If a Party fails to meet the requirements set forth in the prior sentence and fails to correct or cure such failure within thirty (30) days after receiving written notice from the other Party, then the other Party may, at its option, proceed in accordance with Article 6.5 of this Agreement. Upon the resolution of any billing dispute, any amounts that must be paid to a Party as a result shall be promptly paid, with a finance charge assessed from the date the payment was due to the date payment is made at the rate of one and one half percent (1.5%) per month but in no event more than the maximum allowed by the law governing this Agreement.

3.3.4 Payment Not a Waiver. Payment of invoices by a Party will not relieve that Party from any responsibilities or obligations it has under this Agreement, nor will it

constitute a waiver of any claims that Party may have under this Agreement.

3.4 Limitations on ULH&P's Cost Responsibility Obligations. To the extent that the CG&E Facilities' costs for which ULH&P is responsible for under this Agreement are now or at any time in the future to be recovered by CG&E pursuant to the OATT, any other applicable tariff, or from a party other than ULH&P, ULH&P will not be responsible for such costs under this Agreement. If ULH&P has already paid CG&E for such costs, CG&E agrees to refund to ULH&P such amounts no later than thirty (30) days after CG&E rolls such costs in under the OATT, or any other applicable CG&E tariff, or is otherwise reimbursed for such costs by a party other than ULH&P. CG&E agrees to provide to ULH&P such documentation as ULH&P reasonably requires to determine the amounts of such refunds due to ULH&P.

ARTICLE 4.

CONFIDENTIALITY

4.1 General. Unless compelled to disclose by judicial or administrative process or other provisions of law or as otherwise provided for in this Agreement, any information provided by either Party to the other pursuant to this Agreement and either labeled "CONFIDENTIAL" or otherwise designed in writing as confidential will be utilized by the receiving Party solely in connection with the purposes of this Agreement and will not be disclosed by the receiving Party to any third party (or, in the case of CG&E, to any person engaged in the marketing or trading of electric power) other than as expressly contemplated herein and as necessary for the performance of such Party's obligations hereunder. Each Party will hold in confidence any and all such documents and information furnished by the other Party in connection with this Agreement. Notwithstanding the foregoing provisions of this Article 4.1, each Party may release or disclose

such information or documents if such disclosure is compelled by judicial or administrative process or other provisions of law, or to: (i) any organization issuing criteria, rules, procedures or standards included in the Rules and Procedures, to the extent consistent with Good Utility Practice; or (ii) the Party's employees, contractors, affiliates and agents (other than any such employees, contractors, affiliates or agents engaged in the marketing or trading of electric energy, capacity or ancillary services) on a need to know basis so long as the Party first advises them of the existence and content of such provisions.

4.2 Exempt Information and Documents. The Parties' confidentiality obligations set forth in Article 4.1 of this Agreement shall not apply to information or documents that are (A) generally available to the public other than as a result of disclosure by a Party (the "disclosing Party") to the other Party; (B) available to a Party on non-confidential basis prior to disclosure by the disclosing Party; or (C) available to a Party on a non-confidential basis from a source other than the disclosing Party, provided that the source is not known and, by reasonable effort, could not be known by the Party receiving such information or documents to be bound by a confidentiality agreement with the disclosing Party or otherwise prohibited from transmitting the information to the Party receiving such information or documents by a contractual, legal or fiduciary obligation.

4.3 Notification. Each Party will promptly notify the other Party if it receives notice or otherwise concludes that the production of any information or documentation furnished by the disclosing Party and subject to Article 4.1 of this Agreement is being sought under any provision of law, but the notifying Party shall have no obligation to oppose or object to any attempt to obtain such production. If the disclosing Party desires to object or oppose such production, it

must do so at its own expense.

4.4 Use of Information or Documentation. Each Party may utilize information or documentation furnished by the disclosing Party and subject to Article 4.1 of this Agreement in any proceeding under Article 8 of this Agreement or in an administrative agency or court of competent jurisdiction addressing any dispute arising under this Agreement, subject to a confidentiality agreement with all participants (including, if applicable, any arbitrator) or a protective order.

4.5 Remedies Regarding Confidentiality. The Parties agree that monetary damages by themselves will be inadequate to compensate a Party for the other Party's breach of its obligations under this Article 4. Each Party accordingly agrees that the other Party is entitled to equitable relief, by way of injunction or otherwise, if it breaches or threatens to breach its obligations under this Article 4.

ARTICLE 5.

DAMAGE TO EQUIPMENT, FACILITIES, AND PROPERTY

5.1 ULH&P's Responsibility. Except to the extent caused by CG&E's negligence, intentional misconduct or failure to act in a manner consistent with Good Utility Practice, ULH&P will be responsible for all physical damage to or destruction of property, equipment, or facilities owned by ULH&P or its affiliates other than CG&E regardless of who brings the claim and regardless of who caused the damage, and ULH&P will not seek recovery or reimbursement from CG&E for the damage.

5.2 CG&E's Responsibility. Except to the extent caused by ULH&P's negligence, intentional misconduct, or failure to act in a manner consistent with Good Utility Practice,

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 18

CG&E will be responsible for all physical damage to or destruction of property, equipment, or facilities owned by CG&E or its affiliates other than ULH&P regardless of who brings the claim and regardless of who caused the damage, and CG&E will not seek recovery or reimbursement from ULH&P for the damage.

5.3 Insurance. The obligations under this Article 5 are not limited in any way by any limitation on either Party's insurance, and each Party waives any subrogation which any of its insurers may have against the other Party.

ARTICLE 6.

TERM, TERMINATION, AND DEFAULT

6.1 Term. This Agreement shall be effective on the date first written above, subject to its approval or acceptance for filing by the FERC as provided for in Article 26 of this Agreement, and subject to the transfer of CG&E's interest in the Plants to ULH&P, and shall continue in effect for thirty (30) years, and, thereafter, for successive one year periods until either Party terminates the Agreement after providing to the other Party at least twelve months' advance written notice of its intent to terminate this Agreement. Notwithstanding the above, this Agreement may be terminated earlier if (A) the Parties mutually agree; (B) this Agreement is terminated earlier as provided for in this Agreement; or (C) ULH&P terminates the Agreement after providing CG&E at least sixty (60) days' advance written notice of intent to terminate this Agreement.

6.2 Effect of Expiration or Termination of Agreement on Liabilities and Obligations. Expiration or termination of this Agreement shall not relieve ULH&P or CG&E of any of its liabilities and obligations arising hereunder prior to the date expiration or termination becomes

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effective.

6.3 Effectiveness of Certain Provisions After Expiration or Termination of Agreement. The applicable provisions of this Agreement will continue in effect after expiration or early termination hereof to the extent necessary to provide for final billings, billing adjustments and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect. These provisions include, without limitation, Article 9 ("Insurance"), Article 12 ("Indemnification"), and Article 20 ("Limitation of Liability") of this Agreement.

6.4 Default. A Party will be in default under this Agreement if, at any time:

(A) the Party fails to make any payment due the other Party in accordance with this Agreement, and does not make such payment to the other Party within thirty (30) days after receiving written notice from the other Party of such failure;

(B) (1)(a) the Party fails in any material respect to comply with, observe or perform any term or condition of this Agreement; (b) any representation or warranty made herein by the Party fails to be true and correct in all material respects; (c) the Party abandons its work or the facilities contemplated in this Agreement; or (d) the Party fails to provide to the other Party reasonable written assurance of its ability to perform fully and completely any of its material duties and responsibilities under this Agreement within thirty (30) days after receiving any reasonable request for such assurances from the other Party; and

(2)(a) the Party fails to correct or cure the situation within thirty (30) days after receiving written notice thereof from the other Party; or (b) excluding those events set forth in Articles 6.4(A) and 6.4(C), if the situation cannot be completely corrected or cured within such thirty day

period, the Party fails to either (i) commence diligent efforts to correct or cure the situation within such thirty day period or (ii) completely correct or cure the situation within sixty (60) days after receiving written notice thereof from the other Party; or

(C) (1) a receiver or liquidator or trustee of the Party or of any of its property is appointed by a court of competent jurisdiction, and such receiver, liquidator or trustee is not discharged within sixty (60) days;

(2) by decree of such court, the Party is adjudicated bankrupt or insolvent or any substantial part of its property is sequestered, and such decree continues undischarged and unstayed for a period of sixty (60) days after the entry thereof;

(3) a petition to declare bankruptcy or to reorganize the Party pursuant to any provision of any federal or state bankruptcy law now in effect or as may hereafter be amended (collectively, "Bankruptcy Laws") is filed against the Party and is not dismissed within sixty (60) days after such filing;

(4) the Party files a voluntary petition in bankruptcy under any provision of any Bankruptcy Law;

(5) the Party consents to the filing of any bankruptcy or reorganization petition against it under any Bankruptcy Law;

(6) the Party makes an assignment for the benefit of its creditors; or

(7) the Party consents to the appointment of a receiver, trustee or liquidator of the Party or all or any part of its property.

6.5 Remedies of Parties Upon Default. Subject to Article 8 of this Agreement, if a Party defaults under this Agreement in accordance with Article 6.4 of this Agreement, the other

Party may, at its option, (A) act to terminate this Agreement by providing written notice of termination to the defaulting Party, or (B) take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreements, or covenants under this Agreement. Any termination sought under this Article 6.5 shall not take effect until FERC either authorizes any request by either Party seeking termination of this Agreement or accepts any written notice of termination.

6.6 Performance of Other Party's Obligations. If either Party (the "defaulting Party") fails to carry out its obligations under this Agreement and such failure could reasonably be expected to have a material adverse impact on the Transmission System, the CG&E Facilities, the ULH&P Facilities, the Plants, or the regional network, the other Party, following at least ten (10) days' advance written notice (except in cases of Emergencies, in which case only such notice as is reasonably practicable in the circumstances is required), may, but will not be obligated to, perform the obligations of the defaulting Party (including, without limitation, maintenance obligations), in which case the defaulting Party will, upon presentation of an invoice therefor, reimburse the other Party for all actual and reasonable costs and expenses incurred by it in performing said obligations of the defaulting Party (including, without limitation, costs associated with its employees and the costs of appraisers, engineers, environmental consultants and other experts retained by said Party in connection with performance of the defaulting Party's obligations), together with a finance charge on all such amounts of one and one half percent (1.5%) per month but in no event more than the maximum allowed by the law governing this Agreement.

6.7 Remedies Cumulative. Subject to Article 8 of this Agreement, no remedy

conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue other available remedies.

ARTICLE 7.

REPRESENTATIONS

7.1 Representations of CG&E. CG&E represents and warrants the following:

7.1.1 CG&E is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio, and it has the requisite corporate power and authority to own its properties, and to carry on its business as now being conducted.

7.1.2 CG&E has the requisite corporate power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement. The execution and delivery of this Agreement and the actions it contemplates have been duly and validly authorized by CG&E, and no other corporate proceedings on the part of CG&E are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by CG&E and constitutes a legal, valid and binding agreement of CG&E enforceable against CG&E in accordance with its terms, subject to the acceptance of this Agreement by the FERC.

7.1.3 The CG&E Facilities are owned by CG&E, and operated or controlled by CG&E. It is further acknowledged that CG&E has the authorization to grant ULH&P use of the CG&E Facilities consistent with Good Utility Practice or will obtain, with the assistance of ULH&P,

such authorization as necessary prior to the transfer of the Plants to ULH&P.

7.1.4 CG&E has obtained or will use its reasonable best efforts to timely obtain all approvals of, and has given or will use its reasonable best efforts to give all notices to, any public authority that are required for CG&E to execute, deliver and perform its obligations under this Agreement.

7.1.5 To CG&E's knowledge, it is not in violation of any applicable law, statute, order, rule or regulation promulgated by, or judgment, decree, writ, injunction, or award rendered by, any federal, state, or local governmental court or agency which, individually or in the aggregate, would adversely affect such entity's entering into or performance of its obligations under this Agreement. Such entity's entering into and performance of its obligations under this Agreement will not give rise to any default under any agreement to which either such entity is a party.

7.1.6 CG&E will comply with all applicable laws, rules, regulations, codes, and standards of all federal, state, and local governmental agencies having jurisdiction over either such entity or the transactions under this Agreement and with respect to which failure to comply could reasonably be expected to have a material adverse effect on either Party's performance under this Agreement.

7.1.7 CG&E shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as ULH&P may reasonably request from time to time in furtherance of the purposes of this Agreement.

7.2 Representations of ULH&P. ULH&P represents and warrants the following:

7.2.1 ULH&P is corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Kentucky, and ULH&P has the requisite corporate

power and authority to own its properties, and to carry on its business as now being conducted.

7.2.2 ULH&P has the requisite corporate power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement. The execution and delivery of this Agreement and the actions it contemplates have been duly and validly authorized by ULH&P, and no other corporate proceedings on the part of ULH&P are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by ULH&P and constitutes a legal, valid and binding agreement of ULH&P enforceable against it in accordance with its terms, subject to the acceptance of this Agreement by the FERC.

7.2.3 ULH&P has obtained or will obtain all approvals of, and has given or will give all notices to, any public authority that are required for ULH&P to execute, deliver and perform its obligations under this Agreement.

7.2.4 To ULH&P's knowledge, it is not in violation of any applicable law, statute, order, rule, or regulation promulgated by, or judgment, decree, writ, injunction, or award rendered by, any federal, state, or local governmental court or agency which, individually or in the aggregate, would adversely affect ULH&P's entering into or performance of its obligations under this Agreement. ULH&P's entering into and performance of its obligations under this Agreement will not give rise to any default under any agreement to which it is a party.

7.2.5 ULH&P will comply with all applicable laws, rules, regulations, codes, and standards of all federal, state, and local governmental agencies having jurisdiction over ULH&P or the transactions under this Agreement and with respect to which failure to comply could reasonably be expected to have a material adverse effect on either Party's performance under this

Agreement.

7.2.6 *ULH&P shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as CG&E may reasonably request from time to time in furtherance of the purposes of this Agreement.*

7.3 Representations of Both Parties. *The representations in Articles 7.1 and 7.2 of this Agreement shall continue in full force and effect for the term of this Agreement.*

ARTICLE 8.

DISPUTE RESOLUTION

8.1 Actions Prior to Arbitration

8.1.1 Parties to Address First. *Any dispute, disagreement, or claim arising out of or concerning this Agreement must first be addressed by the Parties.*

8.1.2 Notice of Dispute. *When a Party believes that there is such a dispute, disagreement or claim, that Party may initiate the dispute resolution procedures by giving the other Party written notice of the dispute, disagreement or claim.*

8.1.3 Good Faith Negotiations; Applicability of Arbitration. *Representatives of the Parties must attempt to negotiate in good faith to resolve such dispute, disagreement or claim within ten (10) days after notice of the dispute, disagreement or claim has been given. If such representatives are unable to satisfactorily resolve such dispute, disagreement or claim, they must refer the matter to senior representatives of each Party with the authority to settle the dispute, disagreement or claim, which such senior representatives shall meet at a mutually acceptable time and place to attempt to resolve the dispute, disagreement or claim. If the senior representatives have not resolved such dispute, disagreement or claim within twenty (20) days*

after notice of the dispute, disagreement or claim has been given, then the Parties may, upon mutual agreement, submit such dispute, disagreement or claim (including the issue of whether such dispute, disagreement or claim is arbitrable) to binding arbitration.

8.2 Arbitration Procedures. Any arbitration shall be conducted by a single neutral arbitrator appointed by the Parties under the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") in effect at the time a notice of arbitration is made. The arbitrator shall be selected pursuant to the Arbitration Rules. The arbitrator must be knowledgeable in matters that are the subject of the dispute. The arbitrator shall conduct the arbitration in accordance with the Arbitration Rules in effect at the time arbitration is initiated under this Article 8; provided, however, that, in the event of a conflict between the Arbitration Rules and the terms and provisions of this Article 8, the terms and provisions of this Article 8 shall govern.

8.3 Authority of Arbitrator

8.3.1 No Authority to Modify Agreement. The arbitrator shall have the authority only to interpret and apply the terms and conditions of this Agreement and shall have no power to modify or change any such terms or conditions.

8.3.2 Compliance with Law. The arbitrator shall be required to follow any and all applicable federal, state, or local laws and regulations.

8.3.3 Remedies

(A) The arbitrator may not award punitive damages, multiple damages, or any other damages which are not measured by the prevailing Party's actual damages.

(B) Any award of damages must be determined, limited and controlled by the

limitation of damages provision of this Agreement.

(C) The arbitrator may, in his or her discretion, award pre award and post award interest on any damages awarded; provided, however that the rate of interest may not exceed a rate equal to the lower of one and one half percent (1.5%) per month or the maximum rate allowed by the law governing this Agreement.

8.4 Timing and Nature of Decision

8.4.1 Timing. Unless otherwise agreed upon by the Parties, the arbitrator must render a decision as quickly as practicable under the circumstances.

8.4.2 Binding on Parties; Challenges. The decision must be in writing and contain the reasons for the decision. The decision and award of the arbitrator shall be final and binding upon the Parties, their successors, and assigns; provided, however, that such decision and award may be challenged solely on the grounds that the conduct of the arbitrator, or the decision and award itself, violated the standards set forth in the Federal Arbitration Act. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

8.4.3 Filing With FERC. The decision must also be filed with FERC if it affects FERC jurisdictional rates, terms and conditions of service or facilities.

8.5 Location of Arbitration. Any arbitration conducted hereunder must be conducted in Indianapolis, Indiana, unless the Parties mutually agree upon another location.

8.6 Costs. Each Party shall be responsible for its own costs and expenses, including attorneys' fees, incurred during the arbitration and for fifty percent (50%) of the cost of the arbitrator.

8.7 Confidentiality. The existence, contents, or results of any arbitration proceeding

conducted under this Article 8 may not be disclosed without the prior written consent of both Parties; provided, however, that either Party may (A) make such disclosures as may be necessary to (1) satisfy regulatory obligations to any regulatory authority having jurisdiction or (2) seek or obtain from a court of competent jurisdiction judgment on, confirmation or vacation of an arbitration award; (B) inform its lenders, affiliates, auditors, and insurers, as necessary, under pledge of confidentiality; and (C) consult with experts as required in connection with the arbitration proceeding under pledge of confidentiality. If either Party seeks preliminary injunctive relief from any court to preserve the status quo or avoid irreparable harm pending arbitration, the Parties agree to use commercially reasonable efforts to keep the court proceedings confidential, to the maximum extent permitted by the law.

8.8 FERC Jurisdiction Over Certain Disputes

8.8.1 Nothing in this Agreement shall preclude, or be construed as precluding, either Party from filing a petition or complaint with the FERC with respect to any arbitrable claim over which the FERC has jurisdiction; provided, however, that neither Party may file a petition or claim at FERC with respect to an issue which has been submitted to binding arbitration pursuant to Article 8.1.3 of this Agreement.

8.8.2 If the FERC determines that it has no jurisdiction or declines to resolve all or a portion of a claim, that portion of the claim may be resolved through arbitration as provided for in this Article 8. Any decision, finding of fact, or order of the FERC shall be final and binding, subject to the judicial review provided for under the Federal Power Act.

8.8.3 The arbitrator shall have no authority to modify, and shall be conclusively bound by, any decision, finding of fact, or order of the FERC; provided, however, that, to the extent that

a decision, finding of fact or order of the FERC does not provide a final or complete remedy to the Party seeking relief, such Party may proceed to arbitration under this Article 8, subject to the FERC decision, finding of fact, or order.

8.9 Preliminary Injunctive Relief. Nothing in this Article 8 precludes, or is to be construed as precluding, either Party from resorting to a court of competent jurisdiction for the purpose of securing a temporary or preliminary injunction to preserve the status quo or avoid irreparable harm pending the resolution of a dispute pursuant to this Article 8.

ARTICLE 9.

INSURANCE

9.1 General. Each Party agrees to maintain, at its own cost and expense, in full force and effect throughout the term of this Agreement, the types of and minimum dollar amounts of insurance or self insurance coverage as would be carried by similar companies in similar circumstances.

9.2 Certificates of Insurance; Copies of Policies. Each Party agrees to provide the other Party with certificates of insurance evidencing the insurance coverage or self insurance as set forth in Article 9.1 of this Agreement. Each Party agrees to provide the other copies of all policies or evidence of self insurance upon request.

9.3 Waiver of Subrogation. Each Party waives any right to subrogation under its respective insurance policies for any liability each has agreed to assume under this Agreement. Evidence of this requirement shall be noted on all certificates of insurance.

9.4 Failure to Comply. Failure of either Party to comply with the above insurance

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 30

terms and conditions, or the complete or partial failure of an insurance carrier to fully protect and indemnify the other Party or its affiliates, or the inadequacy of the insurance shall not in any way lessen or affect the obligations or liabilities of each Party to the other.

ARTICLE 10.

NOTICES

10.1 General. Except for notices of occurrences requiring prompt attention, all notices required or permitted to be given under this Agreement must be in writing and delivered by (A) hand; (B) registered or certified first class mail, postage prepaid, return receipt requested; (C) facsimile transmission; or (D) a reputable overnight courier which provides evidence of delivery or refusal. All such notices shall be addressed as follows:

To CG&E: Vice President
Electric System Operations
Cinergy Services, Inc.
139 East Fourth Street
Cincinnati, OH 45202
Tel: 513 287 3455
Fax: 513 287 3812

To ULH&P: In the case of notices pertaining to curtailment, interruption or disconnection, notice will be provided to the manager of the respective affected Plant, as follows:

East Bend:
Plant Manager
East Bend Electric Generating Station
139 East Fourth Street, EG373
Cincinnati, OH 45202
Tel: 513 467 4811
Fax: 513 419 5676

Miami Fort 6:
Plant Manager
Miami Fort Electric Generating Station

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 31

139 East Fourth Street, EG376
Cincinnati, OH 45202
Tel: 513 467 4936
Fax: 513 467 4931

Woodsdale:

Manager, CT Fleet Portfolio
Woodsdale Electric Generating Station
139 East Fourth Street, EG379
Cincinnati, OH 45202
Tel: 513 467 5351
Fax: 513 467 5399

All other notices to ULH&P shall be provided to:

Vice President
Power Generation
139 East Fourth Street, EM402
Cincinnati, OH 45201
Tel: 513 287 3485
Fax: 513 287 2823

10.2 Changes. Either Party may change its address for notices or the person(s) to whom notices should be given by notice to the other Party in the manner provided above.

10.3 Emergencies. Notwithstanding Article 10.1 of this Agreement, any notice concerning a system Emergency or other occurrence requiring prompt attention may be made by telephone or in person, provided that such notice is confirmed in writing promptly thereafter.

10.4 Authority of Party Representatives. The representatives noted in Article 10.1 of this Agreement, or their designees (including points of contact), shall be authorized to act on behalf of the Parties, and their instructions, requests, and decisions will be binding upon the Parties as to all matters pertaining to this Agreement and the performance of the Parties hereunder. Only these representatives shall have the authority to commit funds or make binding

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 32

obligations on behalf of the Parties. The representatives shall be responsible for tracking work, costs, schedules and all other matters related to this Agreement, and for the performance of any third parties.

10.5 Points of Contact. Each Party representative noted in Article 10.1 of this Agreement shall designate a person to act as a twenty four (24) hour point of contact, which such person shall have knowledge and control of that Party's facilities. The point of contact shall be the day to day method of communicating any and all changes in operational status and operational issues and concerns relating to each Party's facilities.

ARTICLE 11.

FORCE MAJEURE

11.1 General. Neither Party shall be considered to be in default or breach of this Agreement or liable in damages or otherwise responsible to the other Party for any delay in or failure to carry out any of its obligations under this Agreement if, and only to the extent that, the Party is unable to perform or is prevented from performing by an event of force majeure. Notwithstanding the foregoing sentence, neither Party may claim force majeure for any delay or failure to perform or carry out any provision of this Agreement to the extent that such Party has been negligent or engaged in intentional misconduct and such negligence or misconduct contributed to that Party's delay or failure to perform or carry out its duties and obligations under this Agreement. A Party's exemption from liability will extend for the period of time necessitated by the event of force majeure. All performance obligations affected by the event of force majeure will be extended for a period equal to the length of the resulting delay.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

11.2 Force Majeure Defined. The term "force majeure" means those causes beyond the reasonable control of the Party claiming force majeure and which, through the exercise of Good Utility Practice and reasonable care, that Party could not have avoided, including, but not limited to, the following: flood; lightning strikes; earthquake; fire; epidemic; war; invasion; riot; civil disturbance; sabotage; explosion; insurrection; military or usurped power; strikes affecting more than one locality; labor dispute; action of any court or governmental authority, or any civil or military authority de facto or de jure; change in law; act of God or the public enemy; or any other event or cause of a similar nature beyond a Party's reasonable control. Mere economic hardship of either Party does not constitute Force Majeure.

11.3 Procedures. A Party claiming force majeure must:

- (A) give written notice to the other Party of the occurrence of a force majeure event no later than three (3) business days after learning of the occurrence of such an event;
- (B) use due diligence to resume performance or the provision of service hereunder as soon as practicable;
- (C) take all commercially reasonable actions to correct or cure the force majeure event, provided, however, that settlement of strikes or other labor disputes are completely within the sole discretion of the Party affected by such strike or labor dispute;
- (D) exercise all reasonable efforts to mitigate or limit damages to the other Party; and
- (E) provide prompt written notice to the other Party of the cessation of the adverse effect of the force majeure event on its ability to perform under this Agreement.

ARTICLE 12.

INDEMNIFICATION

12.1 Indemnification. Subject to Articles 5.1, 5.2 and 20.1 of this Agreement, each Party agrees to indemnify, release and hold the other Party and its affiliates, trustees, officers, directors, agents, and employees harmless from and against any and all damages, costs (including attorneys' fees), suits, cause of action, fines, penalties or liabilities, in tort, contract or otherwise, of any kind and nature whatsoever brought by or associated with claims involving a third party, and any other obligation to third parties (collectively, "Liabilities") resulting from, or claimed to have arisen as a result of any act or omission of the indemnifying Party and/or its officers, directors, employees, agents and subcontractors arising out of or connected with the indemnifying Party's performance or breach of this Agreement or the indemnifying Party's exercise of its rights hereunder, except to the extent that such Liabilities resulted from the negligence, intentional wrongdoing, or willful misconduct of the Party seeking indemnification. Each Party hereby waives recourse against the other Party and its affiliates, trustees, officers, directors, agents, and employees for, and releases the other Party and affiliates, trustees, officers, directors, agents, and employees from, any and all Liabilities for or arising from damage to its property or from damage or injury to person(s) due to performance under this Agreement by such other Party, except to the extent such damage or injury resulted from the other Party's negligence, intentional wrongdoing, or willful misconduct.

12.2 Conditions. Each Party's obligations with respect to claims and suits covered by this Article 12 are subject to the conditions that (A) the Party seeking indemnification must give the indemnifying Party reasonably prompt notice of any such claim or suit; (B) the Party seeking indemnification must cooperate in the defense of any such claim or suit, the costs of which are to be borne by the indemnifying Party; and (C) the indemnifying Party has sole control of the

defense of such claim or suit to the extent of the indemnifying Party's liability for any such claim or suit.

12.3 Consent. Neither Party may settle, compromise, decline to appeal or otherwise dispose of any action, proceeding, or claim with respect to which indemnification is sought without the prior written consent of the other Party. In the event that any claim is settled, each Party agrees to not publicize the settlement and to make every effort to ensure that any settlement agreement contains a non-disclosure provision; provided, however, that, if required by law, either Party may disclose the existence or content of the settlement agreement.

12.4 Survival. Each Party's indemnification obligation will survive expiration or early termination of this Agreement.

ARTICLE 13.

INTEGRATION

13.1 Entire Agreement. This Agreement sets forth the entire agreement and understanding of ULH&P and CG&E and supersedes all prior oral and written understandings and agreements, oral or written, between ULH&P and CG&E with respect to the specific subject matter addressed herein.

ARTICLE 14.

RELATIONSHIP OF PARTIES

14.1 Relationship of Parties. Nothing in this Agreement is to be construed or deemed to cause, create, constitute, give effect to, or otherwise recognize CG&E and ULH&P to be partners, joint venturers, employer and employee, principal and agent, or any other business association, with respect to any matter.

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 36

14.2 No Authority to Act for Other Party. Unless otherwise agreed to in writing signed by both Parties, neither Party shall have any authority to create or assume in the other Party's name or on its behalf any obligation, express or implied, or to act or purport to act as the other Party's agent or legally empowered representative for any purpose whatsoever.

14.3 No Liability for Acts of Other Party. Neither Party shall be liable to any third party in any way for any engagement, obligation, contract, representation, or for any negligent act or omission of the other Party, except as expressly provided for herein.

ARTICLE 15.

WAIVER

15.1 Waiver Permitted. Except as otherwise provided for in this Agreement, the failure of either Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver.

15.2 Limited Nature of Waivers. Any waiver granted by a Party may not operate as a waiver of any other failure of the Party granted a waiver to comply with any obligation, covenant, agreement, or condition herein.

ARTICLE 16.

AMENDMENT

16.1 CG&E Section 205 Rights. Notwithstanding any provision in this Agreement to the contrary, CG&E may unilaterally make application to the FERC under Section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

related to this Agreement.

16.2 ULH&P Section 206 Rights. Notwithstanding any provision in this Agreement to the contrary, ULH&P may exercise its rights under Section 206 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder with respect to any rate, term, condition, charge, classification of service, rule or regulation for any services provided under this Agreement over which the FERC has jurisdiction.

16.3 Amendments. Except as provided for in Articles 16.1 and 16.2 of this Agreement, this Agreement may only be modified, amended, changed, or supplemented in writing signed by ULH&P and CG&E.

ARTICLE 17.

SUCCESSORS, ASSIGNS,

AND THIRD PARTY BENEFICIARIES

17.1 Binding On Parties, Successors, and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns. No person or Party shall have any rights, benefits or interests, direct or indirect, arising from this Agreement except the Parties hereto, their successors and authorized assigns. The Parties expressly disclaim any intent to create any rights in any person or party as a third party beneficiary to this Agreement.

17.2 Assignment. Neither Party shall voluntarily assign this Agreement, nor assign its rights nor delegate its duties under this Agreement, or any part of such rights or duties, without the written consent of the other Party, which consent shall not be unreasonably withheld. Any such assignment or delegation made without such written consent shall be null and void;

provided, however, that such written consent shall not be required: (i) in connection with the sale, merger, or transfer of all or a substantial portion of the properties of a Party (and, in the case of CG&E, its transmission system and the CG&E Facilities), so long as the assignee in such a sale, merger, or transfer assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement; (ii) for CG&E to assign this Agreement to any wholly-owned direct or indirect subsidiary of Cinergy Corp., a Delaware corporation, so long as such subsidiary assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement; (iii) for CG&E to assign this Agreement to any purchaser of all or a substantial portion of the Transmission System, so long as the purchaser assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement; or (iv) for ULH&P to assign this Agreement to any purchaser of all or a substantial portion of the Plants, so long as the purchaser assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement.

17.3 Financing Parties. Notwithstanding the foregoing, ULH&P may assign this Agreement without CG&E's prior consent to any future owner of the Plants, as long as the future owner assumes directly all of ULH&P's rights, duties, obligations and liabilities under this Agreement. In addition and notwithstanding the foregoing, ULH&P or its assignee may assign this Agreement to the persons, entities or institutions providing financing or refinancing for the development, design, construction or operation of the Plants and, if ULH&P provides notice thereof to CG&E, CG&E shall provide notice and reasonable opportunity for such lenders to cure any default under this Agreement. CG&E shall, if requested by such lenders, execute its standard documents and certificates as may be requested with respect to the assignment and

status of this Agreement, provided such documents do not change the rights of CG&E under this Agreement except with respect to providing notice and a reasonable opportunity to cure defaults. In the event of any foreclosure by such lenders, the purchasers at such foreclosure or any subsequent purchaser shall, upon request, be entitled to the rights and benefits of (and be bound by) this Agreement so long as it is an entity entitled to interconnect with the Transmission System.

17.4 Release of Assigning Party. Any assignment authorized as provided in Article 17.2 or Article 17.3 of this Agreement will not operate to relieve the Party assigning this Agreement of any of its rights, interests, duties, obligations or liabilities hereunder or of the responsibility of full compliance with the requirements of this Agreement unless (A) the other Party consents, if such consent is required under such sections, in which case such consent shall not be unreasonably withheld, and (B) the assignee agrees in writing to be bound by all of the duties, obligations and liabilities of the assigning Party provided for in this Agreement.

ARTICLE 18.

SUBCONTRACTORS

18.1 Use of Subcontractors or Agents Permitted. Nothing in this Agreement will prevent either Party from utilizing the services of subcontractors or agents as it deems appropriate; provided, however, that all such subcontractors and agents comply with the terms and conditions of this Agreement.

18.2 Retaining Party to Remain Responsible. The creation of any subcontract or agency relationship shall not relieve the retaining Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Party for the acts or omissions of

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 40

any subcontractor or agent it hires as if no subcontract or agency relationship had been made. Any obligation imposed by this Agreement upon either Party, where applicable, shall be equally binding upon and construed as having application to any subcontractor or agent.

18.3 Liability for Subcontractors or Agents. Each Party will be liable for, indemnify, and hold harmless the other Party, its affiliates, and their officers, directors, employees, agents, and assigns from and against any and all claims, demands, or actions from its subcontractors or agents; and will be responsible for all costs, expenses, and legal fees associated therewith and all judgments, decrees, and awards rendered therein.

18.4 No Third Party Beneficiary. No subcontractor or agent is intended to be or will be deemed a third party beneficiary of this Agreement.

18.5 No Limitation by Insurance. The obligations under this Article 18 are not limited in any way by any limitation on subcontractor's or agent's insurance.

ARTICLE 19.

LABOR DISPUTES

19.1 Notice. Each Party agrees to promptly notify the other, orally and then in writing, of any labor dispute which may reasonably be expected to affect the operations of the other Party.

ARTICLE 20.

LIMITATION OF LIABILITY

20.1 No Consequential Damages. Neither Party shall be liable to the other Party or its parent, subsidiaries, affiliates, officers, directors, agents, employees, successors, or assigns for incidental, punitive, special, indirect, multiple, or consequential damages (including attorneys'

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 41

fees, litigation costs, and claims for lost profits) connected with or resulting from performance or non-performance of this Agreement.

20.2 Application; Survival. The limitation of liability provided for in this Article 20 will apply regardless of fault, and will survive expiration or early termination of this Agreement.

ARTICLE 21.

GOVERNING LAW AND INTERPRETATION

21.1 Applicable Law. This Agreement and all rights, obligations, and performances hereunder are subject to all applicable federal and state laws and to all duly promulgated orders and other duly authorized action of any governmental authority with competent jurisdiction.

21.2 Governing Law. This Agreement is to be governed by federal law where applicable, and when not in conflict with or preempted by federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to its conflict of laws principles. Except for those matters which are brought to the FERC or which are resolved through arbitration, any action arising out of or concerning this Agreement must be brought in the courts of the State of Ohio.

21.3 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

21.4 Conflicts Between Main Body of Agreement and Exhibits. In the event of a conflict between the main body of this Agreement and any exhibit hereto, the terms of the main body of this Agreement shall govern.

ARTICLE 22.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

HEADINGS AND CAPTIONS

22.1 No Effect on Interpretation. The headings and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

ARTICLE 23.

COUNTERPARTS

23.1 Counterpart Execution Permitted. This Agreement may be executed in separate or multiple counterparts, all of which shall evidence a single agreement.

ARTICLE 24.

SEVERABILITY

24.1 Severable Nature of Agreement. If any provision of this Agreement or the application thereof to any person or circumstances is, to any extent, held to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held to be invalid or unenforceable, will not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

ARTICLE 25.

OPERATING COMMITTEE

25.1 Representatives. The Parties shall establish a committee of authorized representatives to be known as the Operating Committee. Each of the Parties shall designate, in writing delivered to the other Party, the person who is to act as its representative on said committee (and the person or persons who may serve as alternate or alternates whenever such

representative is unable to act). Such representatives and alternate or alternates shall each be persons familiar with the facilities of the Party he or she represents, and each shall be fully authorized to cooperate on behalf of the Party they represent in performing the functions delegated to the Operating Committee.

25.2 Duties of Operating Committee. The Operating Committee shall perform the following:

(A) All functions pertaining to the coordination of maintenance of the Plants, the CG&E Facilities, and the Transmission System.

(B) All matters pertaining to the control of time, frequency, energy flow, kilovar exchange, power factor, voltage and other similar matters bearing on the satisfactory synchronous operations of the Plants, the CG&E Facilities, and the Transmission System.

(C) Such other functions not specifically provided for herein upon which cooperation, coordination, and agreement as to quantity, time, method, terms and conditions are necessary in order that the operation of the Plants, the CG&E Facilities, and the Transmission System may be coordinated to the fullest practicable extent as agreed upon by the Parties.

(D) Resolution of disputes and operating issues.

25.3 Right to Inspect. For the purpose of inspection, checking of records, and all other pertinent matters, said representatives and their alternates shall have the right to request any and all applicable documentation and shall have the right of entry to all property of the Parties used in connection with the performance of this Agreement.

CG&E shall have the right to enter and inspect the ULH&P facilities interconnected to

the CG&E Facilities at its discretion under non-Emergency operating conditions. ULH&P shall have the right to enter and inspect the CG&E Facilities at its discretion under non-Emergency operating conditions. Access shall be provided where the Party requesting access provides at least twenty-four (24) hours' advance notice of its desire to inspect and the facilities it desires to inspect.

25.4 Limit of Authority. The Operating Committee shall not have authority to modify any of the terms or conditions of this Agreement.

25.5 Unresolvable Disputes. If the Operating Committee is unable to take action on any matter to be acted upon by it under this Agreement because of a dispute between the representatives as to such matter, then dispute resolution shall proceed in compliance with Article 8 of this Agreement.

ARTICLE 26.

OTHER CONDITIONS

26.1 Filing of Agreement with FERC. CG&E agrees to file this Agreement with the FERC for approval under Section 205 of the Federal Power Act and with any other appropriate regulatory agency as soon as practicable after its execution by the Parties. ULH&P agrees to support such filing, to reasonably cooperate with CG&E with respect to the filing, and to provide any information, including the filing of testimony, reasonably required by CG&E to comply with applicable filing requirements.

26.2 Filing of Amendments. Promptly upon execution of any amendment to this Agreement by the Parties pursuant to Article 16.3 or Article 26.3 of this Agreement, CG&E

shall, if necessary, file such amendment with FERC and with any other appropriate regulatory agency. ULH&P agrees to support such filing, to reasonably cooperate with CG&E with respect to such filing, and to provide any information, including the filing of testimony, reasonably required by CG&E to comply with applicable filing requirements.

26.3 Good Faith Negotiations Upon Occurrence of Certain Events. If one of the following events (an "Event") takes place, the Parties agree to negotiate in good faith an amendment or amendments to this Agreement or to take other appropriate action so as to put each Party in as nearly the same position as the Parties would have been had the Event not occurred:

(A) this Agreement is not approved or accepted for filing by FERC without modification or condition; or

(B) FERC, the United States Congress, any state or state regulatory commission, any organization issuing criteria, rules, procedures or standards included in the Rules and Procedures or CG&E (upon approval of the FERC) implements any change in any law, regulation, rule, procedure, standard, criteria or practice which materially affects or is reasonably expected to materially affect either Party's ability to perform under this Agreement; or

(C) compliance with this Agreement causes CG&E or any other entity exercising control over the Transmission System, or ULH&P to be in non-compliance with any requirement of the FERC.

26.3.1 Amendments. Any amendment the Parties negotiate pursuant to this Article 26.3 must be executed by the Parties in writing in accordance with Article 16.3 of this Agreement and, if necessary, filed with the FERC or any other appropriate regulatory agency in accordance

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 46

with Article 26.2 of this Agreement.

26.3.2 Failure to Agree. If, within sixty (60) days after the occurrence of an Event, the Parties (A) are unable to reach agreement as to what, if any, amendments are necessary, and (B) fail to take other appropriate action so as to put each Party in as nearly the same position as the Parties would have been had the Event not occurred, the Parties may proceed under Article 8 of this Agreement to resolve any disputes related thereto.

26.3.3 Failure to Perform Due to Event. If either CG&E or ULH&P is unable to fully perform its obligations under this Agreement due to the occurrence of an Event, the affected Party will not be deemed to be in default of its obligations under this Agreement to the extent that (A) the Party is unable to perform as a result of the Event and (B) the affected Party acts in accordance with its obligations under this Article 26.3.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 60

Original Sheet No. 47

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers and their respective corporate seals to be hereunto affixed as of the date first above mentioned.

THE CINCINNATI GAS & ELECTRIC COMPANY

By: _____

John C. Procario
Senior Vice President

THE UNION LIGHT, HEAT AND POWER COMPANY

By: _____

Gregory C. Ficke
President

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006

Issued On: February 23, 2006

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 1

FACILITIES OPERATION AGREEMENT

Between

THE CINCINNATI GAS & ELECTRIC COMPANY

and

THE UNION LIGHT, HEAT AND POWER COMPANY

Dated September 27, 2004

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 2

FACILITIES OPERATION AGREEMENT

Between

THE CINCINNATI GAS & ELECTRIC COMPANY

and

THE UNION LIGHT, HEAT AND POWER COMPANY

Dated September 27, 2004

THIS FACILITIES OPERATION AGREEMENT is dated this 27th day of September, 2004 by and between The Cincinnati Gas & Electric Company, an Ohio corporation with offices at 139 East Fourth Street, Cincinnati, Ohio ("CG&E") and The Union Light, Heat and Power Company, a Kentucky corporation with offices at 139 East Fourth Street, Cincinnati, Ohio ("ULH&P") (each a "Party" and collectively the "Parties").

WITNESSETH:

WHEREAS, ULH&P desires to acquire CG&E's ownership interest in the East Bend Generating Station located in Rabbit Hash, Kentucky, Miami Fort Unit 6 electric generating facility located in North Bend, Ohio, and the Woodsdale Generating Station located in Butler County, Ohio (collectively, the "Plants") from CG&E; and

WHEREAS, CG&E desires to transfer its ownership interest in the Plants to ULH&P; and

WHEREAS, CG&E owns generation step-up transformers connecting the Plants (as

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 3

defined in Article 2 of this Agreement and collectively referred to hereinafter as the "CG&E Facilities") to the Transmission System; and

WHEREAS, ULH&P desires to utilize the CG&E Facilities to step up power from the Plants to the appropriate voltage level of the interconnected Transmission System; and

WHEREAS, CG&E's costs of owning, operating and maintaining the CG&E Facilities are not included in the rates assessed under the OATT.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, CG&E and ULH&P agree as follows:

ARTICLE 1

DEFINITIONS

1.1 "Agreement" means this Facility Operations Agreement, including all exhibits attached hereto and any amendments thereto.

1.2 "CG&E" has the meaning given in the recitals to this Agreement, and includes CG&E's permitted successors and assigns.

1.3 "CG&E Facilities" means those facilities described as such in Article 2 of this Agreement.

1.4 "East Bend" shall mean the East Bend Generating Station located in Rabbit Hash, Kentucky.

1.5 "ECAR" means the East Central Area Reliability Council, or any successor organization.

1.6 "Effective Date" means the date of closing of the Transaction.

1.7 "Emergency" has the meaning customarily attributed to it in the electric utility

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

industry in the United States, including, without limitation, any condition on any of the Plants, CG&E Facilities, the Transmission System or the transmission system of other utilities which is likely to result in imminent significant disruption to service to consumers or is imminently likely to endanger life or property.

1.8 "Environmental Laws" means all federal, state, and local laws (including common laws), regulations, rules, ordinances, codes, decrees, judgments, binding directives, or judicial or administrative orders relating to the protection, preservation or restoration of human health, the environment, or natural resources, including, without limitation, laws relating to the Release, or threatened Release, of Hazardous Substances into any media (including, without limitation, ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use treatment, storage, Release, transport, or handling of Hazardous Substances.

1.9 "Event" has the meaning given in Article 26.3 of this Agreement.

1.10 "FERC" means the Federal Energy Regulatory Commission or any successor agency.

1.11 "Force Majeure" has the meaning set forth in Article 11 of this Agreement.

1.12 "Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in the United States during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to

Issued By: John C. Procaro, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

the optimum practice, method, or act to the exclusion of all others, but rather includes all acceptable practices, method, or acts generally accepted in the region. Good Utility Practice shall include, but not be limited to, the Rules and Procedures.

1.13 "GSUs" means generation step-up transformers used to increase the voltage from the Plants to the compatible voltage of the interconnected Transmission System.

1.14 "Hazardous Substances" means:

(A) any petrochemical or petroleum products, oil, radioactive materials, radon gas, asbestos in any form that is or could become friable, urea formaldehyde foam insulation and transformers or other equipment that contain dielectric fluid which may contain levels of polychlorinated biphenyls;

(B) any chemicals, materials, or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," or "pollutants," or words of similar meaning and regulatory effect; or

(C) any other chemical, material, or substance, exposure to which is prohibited, limited or regulated by applicable Environmental Laws.

1.15 "Miami Fort 6" means the Miami Fort Unit 6 electric generating facility located in North Bend, Ohio.

1.16 "MISO" means the Midwest Independent Transmission System Operator, Inc. or any successor organization.

1.17 "Monthly Fee" means the monthly charge for service under this Agreement, as defined in Article 3.2 of this Agreement.

1.18 "NERC" means the North American Electric Reliability Council or any successor organization.

1.19 "OATT" means the applicable open access transmission tariff, as filed with the FERC and as it may be amended from time to time, including any successor tariff, under which the applicable open access transmission service over the Transmission System is provided.

1.20 "Parties" means collectively, CG&E and ULH&P, and their permitted successors and assigns.

1.21 "Party" means either CG&E or ULH&P, and their permitted successors and assigns.

1.22 "Plants" has the meaning given in the recitals to this Agreement.

1.23 "PSI Energy" means PSI Energy, Inc. and its permitted successors and assigns.

1.24 "RTO" means the applicable regional transmission operator as certified and approved by FERC.

1.25 "Release" means release, spill, leak, discharge, dispose of, pump, pour, emit, empty, inject, leach, dump, or allow to escape into or through the environment.

1.26 "Rules and Procedures" means the applicable rules and procedures that CG&E or ULH&P must follow and abide by and which shall govern the operational conditions of the Transmission System, including but not limited to such applicable criteria, rules, procedures and standards of MISO, the RTO, NERC, ECAR, and the National Electrical Safety Code, and any successor entity or organization, as they may be amended from time to time, including those of any entity or successor organization.

1.27 "Transaction" means ULH&P's acquisition of CG&E's ownership interest in the

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

Plants.

1.28 "Transmission System" means the transmission facilities owned, operated or controlled by PSI Energy, or CG&E, including conductors, circuit breakers, switches, transformers and other associated equipment used to control the transfer of energy from one place to another, and shall include any modifications, additions, or upgrades made to those facilities.

1.29 "ULH&P" has the meaning given in the recitals to this Agreement, and includes ULH&P's permitted successors and assigns.

1.30 "Woodsdale" means the Woodsdale Generating Station located in Butler County, Ohio.

ARTICLE 2

FACILITIES OPERATION AND MAINTENANCE

2.1 CG&E shall own, operate and maintain in conformance with Good Utility Practice, and permit ULH&P to utilize for the purpose for which they were utilized by CG&E on the date preceding the Effective Date, at ULH&P's expense as set forth in Article 3 hereof, the following described CG&E Facilities (transformer ratings specified as of Effective Date); viz.:

2.1.1 East Bend: the 700 MVA step-up transformer bank (TB) 2 located in or near Rabbit Hash, Kentucky and identified as such in Exhibit 1 of this Agreement;

2.1.2 Miami Fort 6: the 180 MVA step-up transformer bank (TB) 6 located in or

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

near North Bend Ohio as identified as such in Exhibit 2 of this Agreement;

2.1.3 Woodsdale: the three 240 MVA step-up transformer banks (TB) 39, 40, and 41 located in Butler County, Ohio, as identified in Exhibit 3 of this Agreement.

2.2 Curtailment or Interruption of Operation of CG&E Facilities and Disconnection of the Plants and CG&E Facilities.

2.2.1 (A) CG&E may not curtail or interrupt ULH&P's use of any of the CG&E Facilities, disconnect any of the Plants from the CG&E Facilities, or disconnect any of the CG&E Facilities from the Transmission System except when such curtailment, interruption or disconnection is necessary under Good Utility Practice, is required under the OATT, or is otherwise required by MISO or the RTO.

(B) With respect to any curtailment, interruption or disconnection permitted under Article 2.2.1(A) of this Agreement:

(1) CG&E agrees that:

(a) the curtailment, interruption or disconnection shall continue only for so long as reasonably necessary under Good Utility Practice, as required under the OATT, or is otherwise required by MISO or the RTO;

(b) any such curtailment, interruption or disconnection shall be made on a not unduly discriminatory basis with respect to other generators interconnected to the Transmission System;

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

(c) when the curtailment, interruption or disconnection must be made under circumstances which do not allow for advance notice, CG&E will notify ULH&P or its agent as soon as practicable of the reasons for the curtailment, interruption or disconnection and, if known, its expected duration consistent with FERC Order No. 2004 and applicable standards of conduct thereafter; and

(d) when the curtailment, interruption or disconnection can be scheduled, CG&E will consult in advance with ULH&P regarding the timing of such scheduling, and notify ULH&P in advance of the expected duration of the curtailment, interruption or disconnection consistent with FERC Order No. 2004 and any applicable standards of conduct thereafter. CG&E agrees to use commercially reasonable efforts to schedule the curtailment, interruption or disconnection to coincide with the scheduled outages of the Plants.

(2) The Parties agree to cooperate and coordinate with each other to the extent necessary in order to restore the CG&E Facilities to their normal operating state, consistent with system conditions and Good Utility Practice.

2.3 Notwithstanding any other provision of this Agreement, this Agreement shall not be interpreted to or construed to, nor shall this Agreement, confer, transfer, convey or otherwise provide ULH&P an ownership, leasehold or any other property interest in the CG&E Facilities.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

2.4 Consistent with the Rules and Procedures and applicable standards of conduct, and prior to development thereof, CG&E shall consult with ULH&P to develop a non-binding maintenance schedule in accordance with which CG&E shall perform scheduled maintenance on the CG&E Facilities. CG&E shall use commercially reasonable efforts to coordinate the scheduled maintenance of the CG&E Facilities with the scheduled outages of the Plants.

2.5 Unless otherwise agreed to by the Parties, or otherwise required by law or regulation, or Good Utility Practice, CG&E shall not be required at any time to upgrade or otherwise modify the CG&E Facilities; provided however, at ULH&P's sole expense, CG&E agrees to make any additions, modification, or replacements to the CG&E Facilities requested by ULH&P so long as such additions, modifications, or replacements are consistent with Good Utility Practice.

2.6 Inspections

2.6.1 Right to Inspect. Each Party, at its own cost and expense, has the right, but not the obligation, to inspect or observe the operation and maintenance activities, equipment tests, installation, construction, or other modifications to the other Party's equipment, systems or facilities which might reasonably be expected to affect the observing Party's operations. The Party desiring to inspect or observe must provide the other Party advance written notice of such inspection or observation.

2.6.2 Deficiencies and Defects. If the observing Party observes any deficiencies or defects which might reasonably be expected to adversely affect its operations, it may notify the other Party and said Party will be responsible

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of~~
~~Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

for making any corrections necessitated by Good Utility Practice. Notwithstanding the foregoing, the observing Party shall have no liability whatsoever for failure to give such notice, it being agreed that the Party owning such equipment, systems or facilities will be fully responsible and liable for all such activities, tests, installation, construction or modification.

2.7 Information and Recordkeeping Obligations and Audit Rights

2.7.1 Information Obligations

(A) Consistent with FERC Order No. 2004 and any applicable standards of conduct, either Party may request that the other Party, and that other Party will promptly provide, at the requesting Party's sole cost and expense, such information and data that the requesting Party may reasonably require to: (1) verify costs relating to, in CG&E's case, the Plants, and in ULH&P's case, the CG&E Facilities, including, but not limited to, costs relating to the procurement, operation, maintenance, construction, and installation of any modifications thereto; (2) carry out its responsibilities and enforce its rights under this Agreement; and (3) satisfy any required reporting obligations it may have to any organization issuing criteria, rules, procedures or standards included in the Rules and Procedures, or any agency to which it is required to report.

2.7.2 Recordkeeping Obligations

(A) Transaction Records. Each Party shall keep such records as may be needed to substantiate performance of its obligations under this Agreement.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 12

Neither Party shall make use of the records or summary of transactions of the other Party without the express written consent of the other Party, unless such use is permitted by this Agreement or required by law.

(B) Record Retention. Each Party agrees to retain all records under Article 2.7.2(A) normally kept in the course of business and consistent with Good Utility Practice for a minimum of three (3) years from the date of such record.

2.7.3 Audit Rights. Either Party has the right to audit the other Party's accounts and records pertaining to this Agreement, within three (3) years following the calendar year in which such account entry or record is made, at that other Party's offices where such accounts and records are maintained, provided proper notice is given prior to any audit and such audit occurs during normal business hours, and provided further that the audit will be limited to those portions of such accounts and records that relate to services provided under this Agreement for that calendar year. All actual and reasonable non-labor related costs incurred by either Party in connection with an audit shall be borne by the Party undertaking the audit.

2.8 Environmental Compliance and Procedures. The Parties agree to comply with: (A) all applicable Environmental Laws which affect the ability of the Parties to meet their obligations under this Agreement; and (B) all local notification and response procedures required for all applicable environmental and safety matters which affect the ability the Parties to meet their obligations under this Agreement.

ARTICLE 3.

FEES, BILLING AND PAYMENT

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 13

3.1 Cooperation. Each Party agrees to cooperate with the other Party in attempting to minimize costs under this Agreement. The Parties may agree to other billing/invoicing arrangements, in recognition of the fact that the Parties are affiliates and share an accounting system, and such arrangement shall not constitute an amendment to this Agreement.

3.2 Monthly Fee. During the Term of this Agreement, ULH&P shall pay to CG&E a monthly fee of \$161,148 ("Monthly Fee") for use of the CG&E Facilities, such Monthly Fee being intended to enable CG&E to recover its full costs of owning, operating and maintaining the CG&E Facilities.

3.3 Billing Procedures.

3.3.1 Monthly Invoices. With respect to any costs and expenses for which a Party is entitled to be reimbursed under this Agreement, the Party (the "invoicing Party") must submit an invoice to the other Party at the start of each calendar month for the costs for which it is entitled to be reimbursed for the previous period under this Agreement. Each invoice must detail the work, equipment, or services for which the costs were incurred. The invoicing Party shall provide any supporting documentation requested during the course of an audit.

3.3.2 Payment. Payment of invoiced amounts will be due and payable within thirty (30) days of receipt of the invoice or such other time as the Parties mutually agree. If the payment falls on a Saturday, Sunday or federal or state legal holiday, payment shall be made on the next business day. All payments will be made in immediately available funds payable to the invoicing Party or by wire transfer to a bank named by the invoicing Party. If any undisputed portion of any invoice remains unpaid thirty (30) days after the

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

receipt of the invoice or such other time as the Parties mutually agree upon, the invoicing Party will apply to the unpaid balance, and the other Party will pay, a finance charge at the rate of one and one half percent (1.5%) per month but in no event more than the maximum allowed by the law governing the Agreement.

3.3.3 Disputes. If a Party disputes any portion of an invoice, that Party shall make payment of all amounts not in dispute and notify the invoicing Party in writing of any such dispute and the reasons therefor. No invoice may be disputed after such time as a Party's audit rights set forth in Article 2.7.3 of this Agreement have expired. Any billing disputes must be resolved in accordance with Article 8 of this Agreement. In the event of a billing dispute, each Party agrees to continue to perform its duties and obligations under this Agreement as long as the other Party continues to make all payments not in dispute and adheres to the dispute resolution procedures set forth in Article 8 of this Agreement, pending resolution of such dispute. If a Party fails to meet the requirements set forth in the prior sentence and fails to correct or cure such failure within thirty (30) days after receiving written notice from the other Party, then the other Party may, at its option, proceed in accordance with Article 6.5 of this Agreement. Upon the resolution of any billing dispute, any amounts that must be paid to a Party as a result shall be promptly paid, with a finance charge assessed from the date the payment was due to the date payment is made at the rate of one and one half percent (1.5%) per month but in no event more than the maximum allowed by the law governing this Agreement.

3.3.4 Payment Not a Waiver. Payment of invoices by a Party will not relieve that Party from any responsibilities or obligations it has under this Agreement, nor will it

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

constitute a waiver of any claims that Party may have under this Agreement.

3.4 Limitations on ULH&P's Cost Responsibility Obligations. To the extent that the CG&E Facilities' costs for which ULH&P is responsible for under this Agreement are now or at any time in the future to be recovered by CG&E pursuant to the OATT, any other applicable tariff, or from a party other than ULH&P, ULH&P will not be responsible for such costs under this Agreement. If ULH&P has already paid CG&E for such costs, CG&E agrees to refund to ULH&P such amounts no later than thirty (30) days after CG&E rolls such costs in under the OATT, or any other applicable CG&E tariff, or is otherwise reimbursed for such costs by a party other than ULH&P. CG&E agrees to provide to ULH&P such documentation as ULH&P reasonably requires to determine the amounts of such refunds due to ULH&P.

ARTICLE 4.

CONFIDENTIALITY

4.1 General. Unless compelled to disclose by judicial or administrative process or other provisions of law or as otherwise provided for in this Agreement, any information provided by either Party to the other pursuant to this Agreement and either labeled "CONFIDENTIAL" or otherwise designed in writing as confidential will be utilized by the receiving Party solely in connection with the purposes of this Agreement and will not be disclosed by the receiving Party to any third party (or, in the case of CG&E, to any person engaged in the marketing or trading of electric power) other than as expressly contemplated herein and as necessary for the performance of such Party's obligations hereunder. Each Party will hold in confidence any and all such documents and information furnished by the other Party in connection with this Agreement. Notwithstanding the foregoing provisions of this Article 4.1, each Party may release or disclose

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

such information or documents if such disclosure is compelled by judicial or administrative process or other provisions of law, or to: (i) any organization issuing criteria, rules, procedures or standards included in the Rules and Procedures, to the extent consistent with Good Utility Practice; or (ii) the Party's employees, contractors, affiliates and agents (other than any such employees, contractors, affiliates or agents engaged in the marketing or trading of electric energy, capacity or ancillary services) on a need to know basis so long as the Party first advises them of the existence and content of such provisions.

4.2 Exempt Information and Documents. The Parties' confidentiality obligations set forth in Article 4.1 of this Agreement shall not apply to information or documents that are (A) generally available to the public other than as a result of disclosure by a Party (the "disclosing Party") to the other Party; (B) available to a Party on non-confidential basis prior to disclosure by the disclosing Party; or (C) available to a Party on a non-confidential basis from a source other than the disclosing Party, provided that the source is not known and, by reasonable effort, could not be known by the Party receiving such information or documents to be bound by a confidentiality agreement with the disclosing Party or otherwise prohibited from transmitting the information to the Party receiving such information or documents by a contractual, legal or fiduciary obligation.

4.3 Notification. Each Party will promptly notify the other Party if it receives notice or otherwise concludes that the production of any information or documentation furnished by the disclosing Party and subject to Article 4.1 of this Agreement is being sought under any provision of law, but the notifying Party shall have no obligation to oppose or object to any attempt to obtain such production. If the disclosing Party desires to object or oppose such production, it

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

must do so at its own expense.

4.4 Use of Information or Documentation. Each Party may utilize information or documentation furnished by the disclosing Party and subject to Article 4.1 of this Agreement in any proceeding under Article 8 of this Agreement or in an administrative agency or court of competent jurisdiction addressing any dispute arising under this Agreement, subject to a confidentiality agreement with all participants (including, if applicable, any arbitrator) or a protective order.

4.5 Remedies Regarding Confidentiality. The Parties agree that monetary damages by themselves will be inadequate to compensate a Party for the other Party's breach of its obligations under this Article 4. Each Party accordingly agrees that the other Party is entitled to equitable relief, by way of injunction or otherwise, if it breaches or threatens to breach its obligations under this Article 4.

ARTICLE 5.

DAMAGE TO EQUIPMENT, FACILITIES, AND PROPERTY

5.1 ULH&P's Responsibility. Except to the extent caused by CG&E's negligence, intentional misconduct or failure to act in a manner consistent with Good Utility Practice, ULH&P will be responsible for all physical damage to or destruction of property, equipment, or facilities owned by ULH&P or its affiliates other than CG&E regardless of who brings the claim and regardless of who caused the damage, and ULH&P will not seek recovery or reimbursement from CG&E for the damage.

5.2 CG&E's Responsibility. Except to the extent caused by ULH&P's negligence, intentional misconduct, or failure to act in a manner consistent with Good Utility Practice,

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of~~
~~Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 18

CG&E will be responsible for all physical damage to or destruction of property, equipment, or facilities owned by CG&E or its affiliates other than ULH&P regardless of who brings the claim and regardless of who caused the damage, and CG&E will not seek recovery or reimbursement from ULH&P for the damage.

5.3 Insurance. The obligations under this Article 5 are not limited in any way by any limitation on either Party's insurance, and each Party waives any subrogation which any of its insurers may have against the other Party.

ARTICLE 6.

TERM, TERMINATION, AND DEFAULT

6.1 Term. This Agreement shall be effective on the date first written above, subject to its approval or acceptance for filing by the FERC as provided for in Article 26 of this Agreement, and subject to the transfer of CG&E's interest in the Plants to ULH&P, and shall continue in effect for thirty (30) years, and, thereafter, for successive one year periods until either Party terminates the Agreement after providing to the other Party at least twelve months' advance written notice of its intent to terminate this Agreement. Notwithstanding the above, this Agreement may be terminated earlier if (A) the Parties mutually agree; (B) this Agreement is terminated earlier as provided for in this Agreement; or (C) ULH&P terminates the Agreement after providing CG&E at least sixty (60) days' advance written notice of intent to terminate this Agreement.

6.2 Effect of Expiration or Termination of Agreement on Liabilities and Obligations. Expiration or termination of this Agreement shall not relieve ULH&P or CG&E of any of its liabilities and obligations arising hereunder prior to the date expiration or termination becomes

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

effective.

6.3 Effectiveness of Certain Provisions After Expiration or Termination of Agreement. The applicable provisions of this Agreement will continue in effect after expiration or early termination hereof to the extent necessary to provide for final billings, billing adjustments and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect. These provisions include, without limitation, Article 9 ("Insurance"), Article 12 ("Indemnification"), and Article 20 ("Limitation of Liability") of this Agreement.

6.4 Default. A Party will be in default under this Agreement if, at any time:

(A) the Party fails to make any payment due the other Party in accordance with this Agreement, and does not make such payment to the other Party within thirty (30) days after receiving written notice from the other Party of such failure;

(B) (1)(a) the Party fails in any material respect to comply with, observe or perform any term or condition of this Agreement; (b) any representation or warranty made herein by the Party fails to be true and correct in all material respects; (c) the Party abandons its work or the facilities contemplated in this Agreement; or (d) the Party fails to provide to the other Party reasonable written assurance of its ability to perform fully and completely any of its material duties and responsibilities under this Agreement within thirty (30) days after receiving any reasonable request for such assurances from the other Party; and

(2)(a) the Party fails to correct or cure the situation within thirty (30) days after receiving written notice thereof from the other Party; or (b) excluding those events set forth in Articles 6.4(A) and 6.4(C), if the situation cannot be completely corrected or cured within such thirty day

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. ~~5860~~

Original Sheet No. 20

period, the Party fails to either (i) commence diligent efforts to correct or cure the situation within such thirty day period or (ii) completely correct or cure the situation within sixty (60) days after receiving written notice thereof from the other Party; or

(C) (1) a receiver or liquidator or trustee of the Party or of any of its property is appointed by a court of competent jurisdiction, and such receiver, liquidator or trustee is not discharged within sixty (60) days;

(2) by decree of such court, the Party is adjudicated bankrupt or insolvent or any substantial part of its property is sequestered, and such decree continues undischarged and unstayed for a period of sixty (60) days after the entry thereof;

(3) a petition to declare bankruptcy or to reorganize the Party pursuant to any provision of any federal or state bankruptcy law now in effect or as may hereafter be amended (collectively, "Bankruptcy Laws") is filed against the Party and is not dismissed within sixty (60) days after such filing;

(4) the Party files a voluntary petition in bankruptcy under any provision of any Bankruptcy Law;

(5) the Party consents to the filing of any bankruptcy or reorganization petition against it under any Bankruptcy Law;

(6) the Party makes an assignment for the benefit of its creditors; or

(7) the Party consents to the appointment of a receiver, trustee or liquidator of the Party or all or any part of its property.

6.5 Remedies of Parties Upon Default. Subject to Article 8 of this Agreement, if a Party defaults under this Agreement in accordance with Article 6.4 of this Agreement, the other

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

Party may, at its option, (A) act to terminate this Agreement by providing written notice of termination to the defaulting Party, or (B) take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreements, or covenants under this Agreement. Any termination sought under this Article 6.5 shall not take effect until FERC either authorizes any request by either Party seeking termination of this Agreement or accepts any written notice of termination.

6.6 Performance of Other Party's Obligations. If either Party (the "defaulting Party") fails to carry out its obligations under this Agreement and such failure could reasonably be expected to have a material adverse impact on the Transmission System, the CG&E Facilities, the ULH&P Facilities, the Plants, or the regional network, the other Party, following at least ten (10) days' advance written notice (except in cases of Emergencies, in which case only such notice as is reasonably practicable in the circumstances is required), may, but will not be obligated to, perform the obligations of the defaulting Party (including, without limitation, maintenance obligations), in which case the defaulting Party will, upon presentation of an invoice therefor, reimburse the other Party for all actual and reasonable costs and expenses incurred by it in performing said obligations of the defaulting Party (including, without limitation, costs associated with its employees and the costs of appraisers, engineers, environmental consultants and other experts retained by said Party in connection with performance of the defaulting Party's obligations), together with a finance charge on all such amounts of one and one half percent (1.5%) per month but in no event more than the maximum allowed by the law governing this Agreement.

6.7 Remedies Cumulative. Subject to Article 8 of this Agreement, no remedy

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 22

conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue other available remedies.

ARTICLE 7.

REPRESENTATIONS

7.1 Representations of CG&E. CG&E represents and warrants the following:

7.1.1 CG&E is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio, and it has the requisite corporate power and authority to own its properties, and to carry on its business as now being conducted.

7.1.2 CG&E has the requisite corporate power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement. The execution and delivery of this Agreement and the actions it contemplates have been duly and validly authorized by CG&E, and no other corporate proceedings on the part of CG&E are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by CG&E and constitutes a legal, valid and binding agreement of CG&E enforceable against CG&E in accordance with its terms, subject to the acceptance of this Agreement by the FERC.

7.1.3 The CG&E Facilities are owned by CG&E, and operated or controlled by CG&E. It is further acknowledged that CG&E has the authorization to grant ULH&P use of the CG&E Facilities consistent with Good Utility Practice or will obtain, with the assistance of ULH&P,

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

such authorization as necessary prior to the transfer of the Plants to ULH&P.

7.1.4 CG&E has obtained or will use its reasonable best efforts to timely obtain all approvals of, and has given or will use its reasonable best efforts to give all notices to, any public authority that are required for CG&E to execute, deliver and perform its obligations under this Agreement.

7.1.5 To CG&E's knowledge, it is not in violation of any applicable law, statute, order, rule or regulation promulgated by, or judgment, decree, writ, injunction, or award rendered by, any federal, state, or local governmental court or agency which, individually or in the aggregate, would adversely affect such entity's entering into or performance of its obligations under this Agreement. Such entity's entering into and performance of its obligations under this Agreement will not give rise to any default under any agreement to which either such entity is a party.

7.1.6 CG&E will comply with all applicable laws, rules, regulations, codes, and standards of all federal, state, and local governmental agencies having jurisdiction over either such entity or the transactions under this Agreement and with respect to which failure to comply could reasonably be expected to have a material adverse effect on either Party's performance under this Agreement.

7.1.7 CG&E shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as ULH&P may reasonably request from time to time in furtherance of the purposes of this Agreement.

7.2 Representations of ULH&P. ULH&P represents and warrants the following:

7.2.1 ULH&P is corporation duly organized, validly existing, and in good standing under the laws of the Commonwealth of Kentucky, and ULH&P has the requisite corporate

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

power and authority to own its properties, and to carry on its business as now being conducted.

7.2.2 ULH&P has the requisite corporate power and authority to execute and deliver this Agreement and to carry out the actions required of it by this Agreement. The execution and delivery of this Agreement and the actions it contemplates have been duly and validly authorized by ULH&P, and no other corporate proceedings on the part of ULH&P are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by ULH&P and constitutes a legal, valid and binding agreement of ULH&P enforceable against it in accordance with its terms, subject to the acceptance of this Agreement by the FERC.

7.2.3 ULH&P has obtained or will obtain all approvals of, and has given or will give all notices to, any public authority that are required for ULH&P to execute, deliver and perform its obligations under this Agreement.

7.2.4 To ULH&P's knowledge, it is not in violation of any applicable law, statute, order, rule, or regulation promulgated by, or judgment, decree, writ, injunction, or award rendered by, any federal, state, or local governmental court or agency which, individually or in the aggregate, would adversely affect ULH&P's entering into or performance of its obligations under this Agreement. ULH&P's entering into and performance of its obligations under this Agreement will not give rise to any default under any agreement to which it is a party.

7.2.5 ULH&P will comply with all applicable laws, rules, regulations, codes, and standards of all federal, state, and local governmental agencies having jurisdiction over ULH&P or the transactions under this Agreement and with respect to which failure to comply could reasonably be expected to have a material adverse effect on either Party's performance under this

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

Agreement.

7.2.6 ULH&P shall do such other and further acts and things, and shall execute and deliver such instruments and documents, as CG&E may reasonably request from time to time in furtherance of the purposes of this Agreement.

7.3 Representations of Both Parties. The representations in Articles 7.1 and 7.2 of this Agreement shall continue in full force and effect for the term of this Agreement.

ARTICLE 8.

DISPUTE RESOLUTION

8.1 Actions Prior to Arbitration

8.1.1 Parties to Address First. Any dispute, disagreement, or claim arising out of or concerning this Agreement must first be addressed by the Parties.

8.1.2 Notice of Dispute. When a Party believes that there is such a dispute, disagreement or claim, that Party may initiate the dispute resolution procedures by giving the other Party written notice of the dispute, disagreement or claim.

8.1.3 Good Faith Negotiations; Applicability of Arbitration. Representatives of the Parties must attempt to negotiate in good faith to resolve such dispute, disagreement or claim within ten (10) days after notice of the dispute, disagreement or claim has been given. If such representatives are unable to satisfactorily resolve such dispute, disagreement or claim, they must refer the matter to senior representatives of each Party with the authority to settle the dispute, disagreement or claim, which such senior representatives shall meet at a mutually acceptable time and place to attempt to resolve the dispute, disagreement or claim. If the senior representatives have not resolved such dispute, disagreement or claim within twenty (20) days

Issued By: John C. Procaro, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

after notice of the dispute, disagreement or claim has been given, then the Parties may, upon mutual agreement, submit such dispute, disagreement or claim (including the issue of whether such dispute, disagreement or claim is arbitrable) to binding arbitration.

8.2 Arbitration Procedures. Any arbitration shall be conducted by a single neutral arbitrator appointed by the Parties under the Commercial Arbitration Rules of the American Arbitration Association ("Arbitration Rules") in effect at the time a notice of arbitration is made. The arbitrator shall be selected pursuant to the Arbitration Rules. The arbitrator must be knowledgeable in matters that are the subject of the dispute. The arbitrator shall conduct the arbitration in accordance with the Arbitration Rules in effect at the time arbitration is initiated under this Article 8; provided, however, that, in the event of a conflict between the Arbitration Rules and the terms and provisions of this Article 8, the terms and provisions of this Article 8 shall govern.

8.3 Authority of Arbitrator

8.3.1 No Authority to Modify Agreement. The arbitrator shall have the authority only to interpret and apply the terms and conditions of this Agreement and shall have no power to modify or change any such terms or conditions.

8.3.2 Compliance with Law. The arbitrator shall be required to follow any and all applicable federal, state, or local laws and regulations.

8.3.3 Remedies

(A) The arbitrator may not award punitive damages, multiple damages, or any other damages which are not measured by the prevailing Party's actual damages.

(B) Any award of damages must be determined, limited and controlled by the

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

limitation of damages provision of this Agreement.

(C) The arbitrator may, in his or her discretion, award pre award and post award interest on any damages awarded; provided, however that the rate of interest may not exceed a rate equal to the lower of one and one half percent (1.5%) per month or the maximum rate allowed by the law governing this Agreement.

8.4 Timing and Nature of Decision

8.4.1 Timing. Unless otherwise agreed upon by the Parties, the arbitrator must render a decision as quickly as practicable under the circumstances.

8.4.2 Binding on Parties; Challenges. The decision must be in writing and contain the reasons for the decision. The decision and award of the arbitrator shall be final and binding upon the Parties, their successors, and assigns; provided, however, that such decision and award may be challenged solely on the grounds that the conduct of the arbitrator, or the decision and award itself, violated the standards set forth in the Federal Arbitration Act. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

8.4.3 Filing With FERC. The decision must also be filed with FERC if it affects FERC jurisdictional rates, terms and conditions of service or facilities.

8.5 Location of Arbitration. Any arbitration conducted hereunder must be conducted in Indianapolis, Indiana, unless the Parties mutually agree upon another location.

8.6 Costs. Each Party shall be responsible for its own costs and expenses, including attorneys' fees, incurred during the arbitration and for fifty percent (50%) of the cost of the arbitrator.

8.7 Confidentiality. The existence, contents, or results of any arbitration proceeding

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 ~~Date of~~
~~Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

conducted under this Article 8 may not be disclosed without the prior written consent of both Parties; provided, however, that either Party may (A) make such disclosures as may be necessary to (1) satisfy regulatory obligations to any regulatory authority having jurisdiction or (2) seek or obtain from a court of competent jurisdiction judgment on, confirmation or vacation of an arbitration award; (B) inform its lenders, affiliates, auditors, and insurers, as necessary, under pledge of confidentiality; and (C) consult with experts as required in connection with the arbitration proceeding under pledge of confidentiality. If either Party seeks preliminary injunctive relief from any court to preserve the status quo or avoid irreparable harm pending arbitration, the Parties agree to use commercially reasonable efforts to keep the court proceedings confidential, to the maximum extent permitted by the law.

8.8 FERC Jurisdiction Over Certain Disputes

8.8.1 Nothing in this Agreement shall preclude, or be construed as precluding, either Party from filing a petition or complaint with the FERC with respect to any arbitrable claim over which the FERC has jurisdiction; provided, however, that neither Party may file a petition or claim at FERC with respect to an issue which has been submitted to binding arbitration pursuant to Article 8.1.3 of this Agreement.

8.8.2 If the FERC determines that it has no jurisdiction or declines to resolve all or a portion of a claim, that portion of the claim may be resolved through arbitration as provided for in this Article 8. Any decision, finding of fact, or order of the FERC shall be final and binding, subject to the judicial review provided for under the Federal Power Act.

8.8.3 The arbitrator shall have no authority to modify, and shall be conclusively bound by, any decision, finding of fact, or order of the FERC; provided, however, that, to the extent that

Issued By: John C. Procaro, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27~~, 2004

a decision, finding of fact or order of the FERC does not provide a final or complete remedy to the Party seeking relief, such Party may proceed to arbitration under this Article 8, subject to the FERC decision, finding of fact, or order.

8.9 Preliminary Injunctive Relief. Nothing in this Article 8 precludes, or is to be construed as precluding, either Party from resorting to a court of competent jurisdiction for the purpose of securing a temporary or preliminary injunction to preserve the status quo or avoid irreparable harm pending the resolution of a dispute pursuant to this Article 8.

ARTICLE 9.

INSURANCE

9.1 General. Each Party agrees to maintain, at its own cost and expense, in full force and effect throughout the term of this Agreement, the types of and minimum dollar amounts of insurance or self insurance coverage as would be carried by similar companies in similar circumstances.

9.2 Certificates of Insurance; Copies of Policies. Each Party agrees to provide the other Party with certificates of insurance evidencing the insurance coverage or self insurance as set forth in Article 9.1 of this Agreement. Each Party agrees to provide the other copies of all policies or evidence of self insurance upon request.

9.3 Waiver of Subrogation. Each Party waives any right to subrogation under its respective insurance policies for any liability each has agreed to assume under this Agreement. Evidence of this requirement shall be noted on all certificates of insurance.

9.4 Failure to Comply. Failure of either Party to comply with the above insurance

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: January 25 February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 30

terms and conditions, or the complete or partial failure of an insurance carrier to fully protect and indemnify the other Party or its affiliates, or the inadequacy of the insurance shall not in any way lessen or affect the obligations or liabilities of each Party to the other.

ARTICLE 10.

NOTICES

10.1 General. Except for notices of occurrences requiring prompt attention, all notices required or permitted to be given under this Agreement must be in writing and delivered by (A) hand; (B) registered or certified first class mail, postage prepaid, return receipt requested; (C) facsimile transmission; or (D) a reputable overnight courier which provides evidence of delivery or refusal. All such notices shall be addressed as follows:

To CG&E: Vice President
Electric System Operations
Cinergy Services, Inc.
139 East Fourth Street
Cincinnati, OH 45202
Tel: 513 287 3455
Fax: 513 287 3812

To ULH&P: In the case of notices pertaining to curtailment, interruption or disconnection, notice will be provided to the manager of the respective affected Plant, as follows:

East Bend:
Plant Manager
East Bend Electric Generating Station
139 East Fourth Street, EG373
Cincinnati, OH 45202
Tel: 513 467 4811
Fax: 513 419 5676

Miami Fort 6:
Plant Manager
Miami Fort Electric Generating Station

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 31

139 East Fourth Street, EG376
Cincinnati, OH 45202
Tel: 513 467 4936
Fax: 513 467 4931

Woodsdale:

Manager, CT Fleet Portfolio
Woodsdale Electric Generating Station
139 East Fourth Street, EG379
Cincinnati, OH 45202
Tel: 513 467 5351
Fax: 513 467 5399

All other notices to ULH&P shall be provided to:

Vice President
Power Generation
139 East Fourth Street, EM402
Cincinnati, OH 45201
Tel: 513 287 3485
Fax: 513 287 2823

10.2 Changes. Either Party may change its address for notices or the person(s) to whom notices should be given by notice to the other Party in the manner provided above.

10.3 Emergencies. Notwithstanding Article 10.1 of this Agreement, any notice concerning a system Emergency or other occurrence requiring prompt attention may be made by telephone or in person, provided that such notice is confirmed in writing promptly thereafter.

10.4 Authority of Party Representatives. The representatives noted in Article 10.1 of this Agreement, or their designees (including points of contact), shall be authorized to act on behalf of the Parties, and their instructions, requests, and decisions will be binding upon the Parties as to all matters pertaining to this Agreement and the performance of the Parties hereunder. Only these representatives shall have the authority to commit funds or make binding

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 32

obligations on behalf of the Parties. The representatives shall be responsible for tracking work, costs, schedules and all other matters related to this Agreement, and for the performance of any third parties.

10.5 Points of Contact. Each Party representative noted in Article 10.1 of this Agreement shall designate a person to act as a twenty four (24) hour point of contact, which such person shall have knowledge and control of that Party's facilities. The point of contact shall be the day to day method of communicating any and all changes in operational status and operational issues and concerns relating to each Party's facilities.

ARTICLE 11.

FORCE MAJEURE

11.1 General. Neither Party shall be considered to be in default or breach of this Agreement or liable in damages or otherwise responsible to the other Party for any delay in or failure to carry out any of its obligations under this Agreement if, and only to the extent that, the Party is unable to perform or is prevented from performing by an event of force majeure. Notwithstanding the foregoing sentence, neither Party may claim force majeure for any delay or failure to perform or carry out any provision of this Agreement to the extent that such Party has been negligent or engaged in intentional misconduct and such negligence or misconduct contributed to that Party's delay or failure to perform or carry out its duties and obligations under this Agreement. A Party's exemption from liability will extend for the period of time necessitated by the event of force majeure. All performance obligations affected by the event of force majeure will be extended for a period equal to the length of the resulting delay.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

11.2 **Force Majeure Defined.** The term "force majeure" means those causes beyond the reasonable control of the Party claiming force majeure and which, through the exercise of Good Utility Practice and reasonable care, that Party could not have avoided, including, but not limited to, the following: flood; lightning strikes; earthquake; fire; epidemic; war; invasion; riot; civil disturbance; sabotage; explosion; insurrection; military or usurped power; strikes affecting more than one locality; labor dispute; action of any court or governmental authority, or any civil or military authority de facto or de jure; change in law; act of God or the public enemy; or any other event or cause of a similar nature beyond a Party's reasonable control. Mere economic hardship of either Party does not constitute Force Majeure.

11.3 **Procedures.** A Party claiming force majeure must:

- (A) give written notice to the other Party of the occurrence of a force majeure event no later than three (3) business days after learning of the occurrence of such an event;
- (B) use due diligence to resume performance or the provision of service hereunder as soon as practicable;
- (C) take all commercially reasonable actions to correct or cure the force majeure event, provided, however, that settlement of strikes or other labor disputes are completely within the sole discretion of the Party affected by such strike or labor dispute;
- (D) exercise all reasonable efforts to mitigate or limit damages to the other Party; and
- (E) provide prompt written notice to the other Party of the cessation of the adverse effect of the force majeure event on its ability to perform under this Agreement.

ARTICLE 12.

INDEMNIFICATION

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

12.1 Indemnification. Subject to Articles 5.1, 5.2 and 20.1 of this Agreement, each Party agrees to indemnify, release and hold the other Party and its affiliates, trustees, officers, directors, agents, and employees harmless from and against any and all damages, costs (including attorneys' fees), suits, cause of action, fines, penalties or liabilities, in tort, contract or otherwise, of any kind and nature whatsoever brought by or associated with claims involving a third party, and any other obligation to third parties (collectively, "Liabilities") resulting from, or claimed to have arisen as a result of any act or omission of the indemnifying Party and/or its officers, directors, employees, agents and subcontractors arising out of or connected with the indemnifying Party's performance or breach of this Agreement or the indemnifying Party's exercise of its rights hereunder, except to the extent that such Liabilities resulted from the negligence, intentional wrongdoing, or willful misconduct of the Party seeking indemnification. Each Party hereby waives recourse against the other Party and its affiliates, trustees, officers, directors, agents, and employees for, and releases the other Party and affiliates, trustees, officers, directors, agents, and employees from, any and all Liabilities for or arising from damage to its property or from damage or injury to person(s) due to performance under this Agreement by such other Party, except to the extent such damage or injury resulted from the other Party's negligence, intentional wrongdoing, or willful misconduct.

12.2 Conditions. Each Party's obligations with respect to claims and suits covered by this Article 12 are subject to the conditions that (A) the Party seeking indemnification must give the indemnifying Party reasonably prompt notice of any such claim or suit; (B) the Party seeking indemnification must cooperate in the defense of any such claim or suit, the costs of which are to be borne by the indemnifying Party; and (C) the indemnifying Party has sole control of the

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

defense of such claim or suit to the extent of the indemnifying Party's liability for any such claim or suit.

12.3 Consent. Neither Party may settle, compromise, decline to appeal or otherwise dispose of any action, proceeding, or claim with respect to which indemnification is sought without the prior written consent of the other Party. In the event that any claim is settled, each Party agrees to not publicize the settlement and to make every effort to ensure that any settlement agreement contains a non-disclosure provision; provided, however, that, if required by law, either Party may disclose the existence or content of the settlement agreement.

12.4 Survival. Each Party's indemnification obligation will survive expiration or early termination of this Agreement.

ARTICLE 13.

INTEGRATION

13.1 Entire Agreement. This Agreement sets forth the entire agreement and understanding of ULH&P and CG&E and supersedes all prior oral and written understandings and agreements, oral or written, between ULH&P and CG&E with respect to the specific subject matter addressed herein.

ARTICLE 14.

RELATIONSHIP OF PARTIES

14.1 Relationship of Parties. Nothing in this Agreement is to be construed or deemed to cause, create, constitute, give effect to, or otherwise recognize CG&E and ULH&P to be partners, joint venturers, employer and employee, principal and agent, or any other business association, with respect to any matter.

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 36

14.2 No Authority to Act for Other Party. Unless otherwise agreed to in writing signed by both Parties, neither Party shall have any authority to create or assume in the other Party's name or on its behalf any obligation, express or implied, or to act or purport to act as the other Party's agent or legally empowered representative for any purpose whatsoever.

14.3 No Liability for Acts of Other Party. Neither Party shall be liable to any third party in any way for any engagement, obligation, contract, representation, or for any negligent act or omission of the other Party, except as expressly provided for herein.

ARTICLE 15.

WAIVER

15.1 Waiver Permitted. Except as otherwise provided for in this Agreement, the failure of either Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver.

15.2 Limited Nature of Waivers. Any waiver granted by a Party may not operate as a waiver of any other failure of the Party granted a waiver to comply with any obligation, covenant, agreement, or condition herein.

ARTICLE 16.

AMENDMENT

16.1 CG&E Section 205 Rights. Notwithstanding any provision in this Agreement to the contrary, CG&E may unilaterally make application to the FERC under Section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 37

related to this Agreement.

16.2 ULH&P Section 206 Rights. Notwithstanding any provision in this Agreement to the contrary, ULH&P may exercise its rights under Section 206 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder with respect to any rate, term, condition, charge, classification of service, rule or regulation for any services provided under this Agreement over which the FERC has jurisdiction.

16.3 Amendments. Except as provided for in Articles 16.1 and 16.2 of this Agreement, this Agreement may only be modified, amended, changed, or supplemented in writing signed by ULH&P and CG&E.

ARTICLE 17.

SUCCESSORS, ASSIGNS,

AND THIRD PARTY BENEFICIARIES

17.1 Binding On Parties, Successors, and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and assigns. No person or Party shall have any rights, benefits or interests, direct or indirect, arising from this Agreement except the Parties hereto, their successors and authorized assigns. The Parties expressly disclaim any intent to create any rights in any person or party as a third party beneficiary to this Agreement.

17.2 Assignment. Neither Party shall voluntarily assign this Agreement, nor assign its rights nor delegate its duties under this Agreement, or any part of such rights or duties, without the written consent of the other Party, which consent shall not be unreasonably withheld. Any such assignment or delegation made without such written consent shall be null and void;

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Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 38

provided, however, that such written consent shall not be required: (i) in connection with the sale, merger, or transfer of all or a substantial portion of the properties of a Party (and, in the case of CG&E, its transmission system and the CG&E Facilities), so long as the assignee in such a sale, merger, or transfer assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement; (ii) for CG&E to assign this Agreement to any wholly-owned direct or indirect subsidiary of Cinergy Corp., a Delaware corporation, so long as such subsidiary assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement; (iii) for CG&E to assign this Agreement to any purchaser of all or a substantial portion of the Transmission System, so long as the purchaser assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement; or (iv) for ULH&P to assign this Agreement to any purchaser of all or a substantial portion of the Plants, so long as the purchaser assumes directly all of the assignor's rights, duties, obligations and liabilities arising under this Agreement.

17.3 Financing Parties. Notwithstanding the foregoing, ULH&P may assign this Agreement without CG&E's prior consent to any future owner of the Plants, as long as the future owner assumes directly all of ULH&P's rights, duties, obligations and liabilities under this Agreement. In addition and notwithstanding the foregoing, ULH&P or its assignee may assign this Agreement to the persons, entities or institutions providing financing or refinancing for the development, design, construction or operation of the Plants and, if ULH&P provides notice thereof to CG&E, CG&E shall provide notice and reasonable opportunity for such lenders to cure any default under this Agreement. CG&E shall, if requested by such lenders, execute its standard documents and certificates as may be requested with respect to the assignment and

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Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

status of this Agreement, provided such documents do not change the rights of CG&E under this Agreement except with respect to providing notice and a reasonable opportunity to cure defaults. In the event of any foreclosure by such lenders, the purchasers at such foreclosure or any subsequent purchaser shall, upon request, be entitled to the rights and benefits of (and be bound by) this Agreement so long as it is an entity entitled to interconnect with the Transmission System.

17.4 Release of Assigning Party. Any assignment authorized as provided in Article 17.2 or Article 17.3 of this Agreement will not operate to relieve the Party assigning this Agreement of any of its rights, interests, duties, obligations or liabilities hereunder or of the responsibility of full compliance with the requirements of this Agreement unless (A) the other Party consents, if such consent is required under such sections, in which case such consent shall not be unreasonably withheld, and (B) the assignee agrees in writing to be bound by all of the duties, obligations and liabilities of the assigning Party provided for in this Agreement.

ARTICLE 18.

SUBCONTRACTORS

18.1 Use of Subcontractors or Agents Permitted. Nothing in this Agreement will prevent either Party from utilizing the services of subcontractors or agents as it deems appropriate; provided, however, that all such subcontractors and agents comply with the terms and conditions of this Agreement.

18.2 Retaining Party to Remain Responsible. The creation of any subcontract or agency relationship shall not relieve the retaining Party of any of its obligations under this Agreement. Each Party shall be fully responsible to the other Party for the acts or omissions of

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Effective: January 1, 2006 ~~Date of Closing of Transaction~~

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. ~~5860~~

Original Sheet No. 40

any subcontractor or agent it hires as if no subcontract or agency relationship had been made. Any obligation imposed by this Agreement upon either Party, where applicable, shall be equally binding upon and construed as having application to any subcontractor or agent.

18.3 Liability for Subcontractors or Agents. Each Party will be liable for, indemnify, and hold harmless the other Party, its affiliates, and their officers, directors, employees, agents, and assigns from and against any and all claims, demands, or actions from its subcontractors or agents; and will be responsible for all costs, expenses, and legal fees associated therewith and all judgments, decrees, and awards rendered therein.

18.4 No Third Party Beneficiary. No subcontractor or agent is intended to be or will be deemed a third party beneficiary of this Agreement.

18.5 No Limitation by Insurance. The obligations under this Article 18 are not limited in any way by any limitation on subcontractor's or agent's insurance.

ARTICLE 19.

LABOR DISPUTES

19.1 Notice. Each Party agrees to promptly notify the other, orally and then in writing, of any labor dispute which may reasonably be expected to affect the operations of the other Party.

ARTICLE 20.

LIMITATION OF LIABILITY

20.1 No Consequential Damages. Neither Party shall be liable to the other Party or its parent, subsidiaries, affiliates, officers, directors, agents, employees, successors, or assigns for incidental, punitive, special, indirect, multiple, or consequential damages (including attorneys'

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Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 41

fees, litigation costs, and claims for lost profits) connected with or resulting from performance or non-performance of this Agreement.

20.2 Application; Survival. The limitation of liability provided for in this Article 20 will apply regardless of fault, and will survive expiration or early termination of this Agreement.

ARTICLE 21.

GOVERNING LAW AND INTERPRETATION

21.1 Applicable Law. This Agreement and all rights, obligations, and performances hereunder are subject to all applicable federal and state laws and to all duly promulgated orders and other duly authorized action of any governmental authority with competent jurisdiction.

21.2 Governing Law. This Agreement is to be governed by federal law where applicable, and when not in conflict with or preempted by federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Ohio without regard to its conflict of laws principles. Except for those matters which are brought to the FERC or which are resolved through arbitration, any action arising out of or concerning this Agreement must be brought in the courts of the State of Ohio.

21.3 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

21.4 Conflicts Between Main Body of Agreement and Exhibits. In the event of a conflict between the main body of this Agreement and any exhibit hereto, the terms of the main body of this Agreement shall govern.

ARTICLE 22.

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Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 42

HEADINGS AND CAPTIONS

22.1 No Effect on Interpretation. The headings and captions contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

ARTICLE 23.

COUNTERPARTS

23.1 Counterpart Execution Permitted. This Agreement may be executed in separate or multiple counterparts, all of which shall evidence a single agreement.

ARTICLE 24.

SEVERABILITY

24.1 Severable Nature of Agreement. If any provision of this Agreement or the application thereof to any person or circumstances is, to any extent, held to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held to be invalid or unenforceable, will not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

ARTICLE 25.

OPERATING COMMITTEE

25.1 Representatives. The Parties shall establish a committee of authorized representatives to be known as the Operating Committee. Each of the Parties shall designate, in writing delivered to the other Party, the person who is to act as its representative on said committee (and the person or persons who may serve as alternate or alternates whenever such

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Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

representative is unable to act). Such representatives and alternate or alternates shall each be persons familiar with the facilities of the Party he or she represents, and each shall be fully authorized to cooperate on behalf of the Party they represent in performing the functions delegated to the Operating Committee.

25.2 Duties of Operating Committee. The Operating Committee shall perform the following:

(A) All functions pertaining to the coordination of maintenance of the Plants, the CG&E Facilities, and the Transmission System.

(B) All matters pertaining to the control of time, frequency, energy flow, kilovar exchange, power factor, voltage and other similar matters bearing on the satisfactory synchronous operations of the Plants, the CG&E Facilities, and the Transmission System.

(C) Such other functions not specifically provided for herein upon which cooperation, coordination, and agreement as to quantity, time, method, terms and conditions are necessary in order that the operation of the Plants, the CG&E Facilities, and the Transmission System may be coordinated to the fullest practicable extent as agreed upon by the Parties.

(D) Resolution of disputes and operating issues.

25.3 Right to Inspect. For the purpose of inspection, checking of records, and all other pertinent matters, said representatives and their alternates shall have the right to request any and all applicable documentation and shall have the right of entry to all property of the Parties used in connection with the performance of this Agreement.

CG&E shall have the right to enter and inspect the ULH&P facilities interconnected to

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

the CG&E Facilities at its discretion under non-Emergency operating conditions. ULH&P shall have the right to enter and inspect the CG&E Facilities at its discretion under non-Emergency operating conditions. Access shall be provided where the Party requesting access provides at least twenty-four (24) hours' advance notice of its desire to inspect and the facilities it desires to inspect.

25.4 Limit of Authority. The Operating Committee shall not have authority to modify any of the terms or conditions of this Agreement.

25.5 Unresolvable Disputes. If the Operating Committee is unable to take action on any matter to be acted upon by it under this Agreement because of a dispute between the representatives as to such matter, then dispute resolution shall proceed in compliance with Article 8 of this Agreement.

ARTICLE 26.

OTHER CONDITIONS

26.1 Filing of Agreement with FERC. CG&E agrees to file this Agreement with the FERC for approval under Section 205 of the Federal Power Act and with any other appropriate regulatory agency as soon as practicable after its execution by the Parties. ULH&P agrees to support such filing, to reasonably cooperate with CG&E with respect to the filing, and to provide any information, including the filing of testimony, reasonably required by CG&E to comply with applicable filing requirements.

26.2 Filing of Amendments. Promptly upon execution of any amendment to this Agreement by the Parties pursuant to Article 16.3 or Article 26.3 of this Agreement, CG&E

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The Cincinnati Gas & Electric Company

Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

shall, if necessary, file such amendment with FERC and with any other appropriate regulatory agency. ULH&P agrees to support such filing, to reasonably cooperate with CG&E with respect to such filing, and to provide any information, including the filing of testimony, reasonably required by CG&E to comply with applicable filing requirements.

26.3 Good Faith Negotiations Upon Occurrence of Certain Events. If one of the following events (an "Event") takes place, the Parties agree to negotiate in good faith an amendment or amendments to this Agreement or to take other appropriate action so as to put each Party in as nearly the same position as the Parties would have been had the Event not occurred:

(A) this Agreement is not approved or accepted for filing by FERC without modification or condition; or

(B) FERC, the United States Congress, any state or state regulatory commission, any organization issuing criteria, rules, procedures or standards included in the Rules and Procedures or CG&E (upon approval of the FERC) implements any change in any law, regulation, rule, procedure, standard, criteria or practice which materially affects or is reasonably expected to materially affect either Party's ability to perform under this Agreement; or

(C) compliance with this Agreement causes CG&E or any other entity exercising control over the Transmission System, or ULH&P to be in non-compliance with any requirement of the FERC.

26.3.1 Amendments. Any amendment the Parties negotiate pursuant to this Article 26.3 must be executed by the Parties in writing in accordance with Article 16.3 of this Agreement and, if necessary, filed with the FERC or any other appropriate regulatory agency in accordance

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Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 5860

Original Sheet No. 46

with Article 26.2 of this Agreement.

26.3.2 Failure to Agree. If, within sixty (60) days after the occurrence of an Event, the Parties (A) are unable to reach agreement as to what, if any, amendments are necessary, and (B) fail to take other appropriate action so as to put each Party in as nearly the same position as the Parties would have been had the Event not occurred, the Parties may proceed under Article 8 of this Agreement to resolve any disputes related thereto.

26.3.3 Failure to Perform Due to Event. If either CG&E or ULH&P is unable to fully perform its obligations under this Agreement due to the occurrence of an Event, the affected Party will not be deemed to be in default of its obligations under this Agreement to the extent that (A) the Party is unable to perform as a result of the Event and (B) the affected Party acts in accordance with its obligations under this Article 26.3.

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The Cincinnati Gas & Electric Company

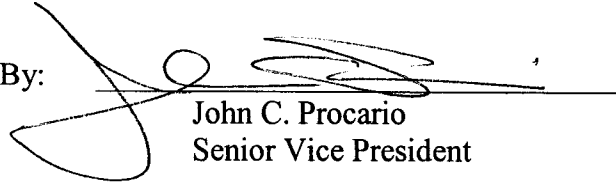
Effective: January 1, 2006 Date of
Closing of Transaction

Issued On: ~~January 25~~ February 23, 2006 ~~September 27, 2004~~

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers and their respective corporate seals to be hereunto affixed as of the date first above mentioned.

THE CINCINNATI GAS & ELECTRIC COMPANY

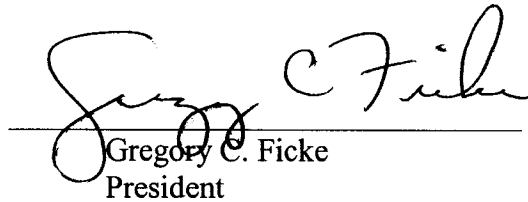
By:



John C. Procario
Senior Vice President

THE UNION LIGHT, HEAT AND POWER COMPANY

By:



Gregory C. Ficke
President

Issued By: John C. Procario, Senior Vice President
The Cincinnati Gas & Electric Company

Effective: Date of Closing of
Transaction

Issued On: September 27, 2004

CERTIFICATE OF SERVICE

I hereby certify that I have on this day caused to be served a copy of the foregoing upon all parties on the service list in this proceeding in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure.



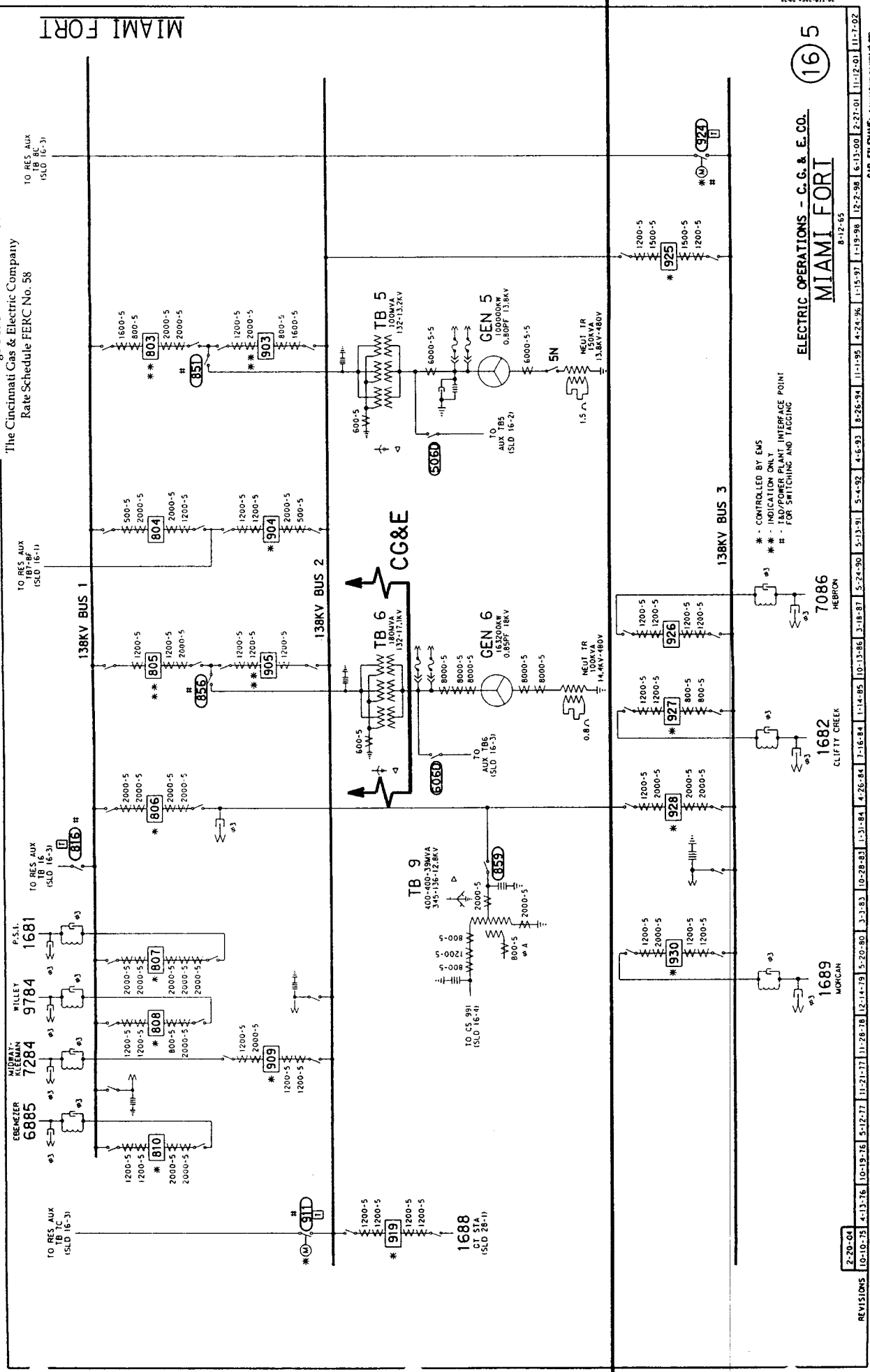
Denise M. Buffington
Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, D.C. 20005
(202) 371-7463
dbuffing@skadden.com

Dated: February 23, 2006

EXHIBIT 2
Page 1 of 1

The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 58

MIAMI FORT



* - CONTROLLED BY EMS
** - INDICATION ONLY
- I&D/POWER PLANT INTERFACE POINT FOR SWITCHING AND TAGGING

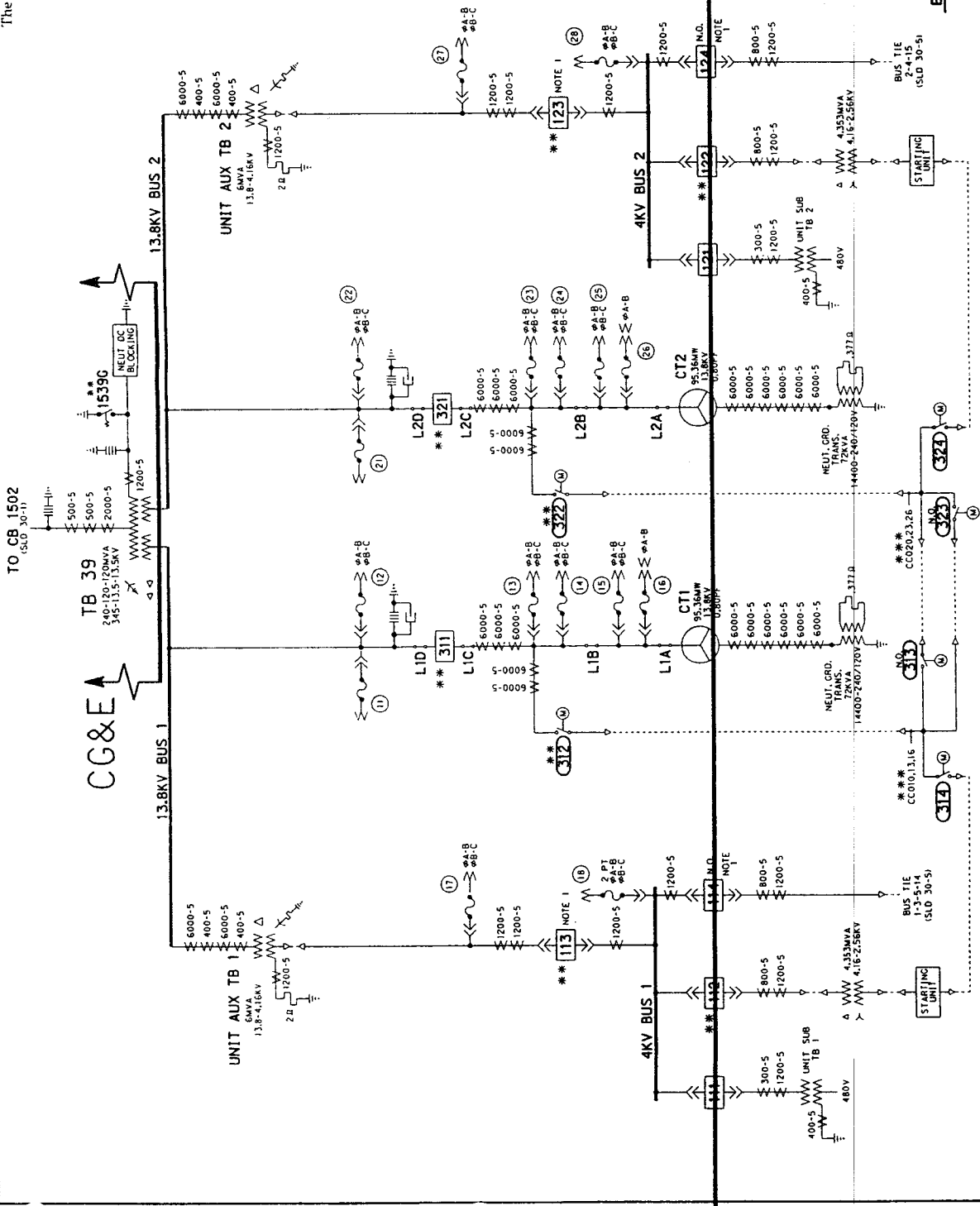
ELECTRIC OPERATIONS - C. G. & E. CO.
MIAMI FORT
8-12-65

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REVISIONS	10-10-75	4-13-76	10-19-76	5-12-77	11-21-77	11-28-78	12-14-79	5-20-80	3-3-83	10-28-83	1-31-84	4-26-84	7-16-84	1-14-85	10-13-86	3-18-87	5-24-90	5-13-91	5-4-92	4-16-94	8-26-94	11-11-95	4-24-96	6-13-98	12-2-98	1-15-97	1-19-98	6-13-00	2-27-01	11-12-01	11-7-02		
2-20-04																																	

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WOODSDALE



NOTE 1:
 THE UNIT AUX. TB LS CIR. BRK. AND
 THE BUS TIE CIR. BRK.
 ARE INTERLOCKED SUCH THAT ONLY ONE
 CIRCUIT CAN BE CLOSED AT A TIME.

NOTE 2:
 CONTROLLED BY EMS
 INDICATED ON
 *** ISOLATION POINT FOR ISOLATING
 *** I.C.T. AT A TIME.
 ○ P.T. LOCATION, SEE E.O.
 INSTR. LOCATION, SEE E.O.
 P.T. LOCATION

ELECTRIC OPERATIONS - C. G. & E. CO.
 WOODSDALE
 5-28-92

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REVISIONS

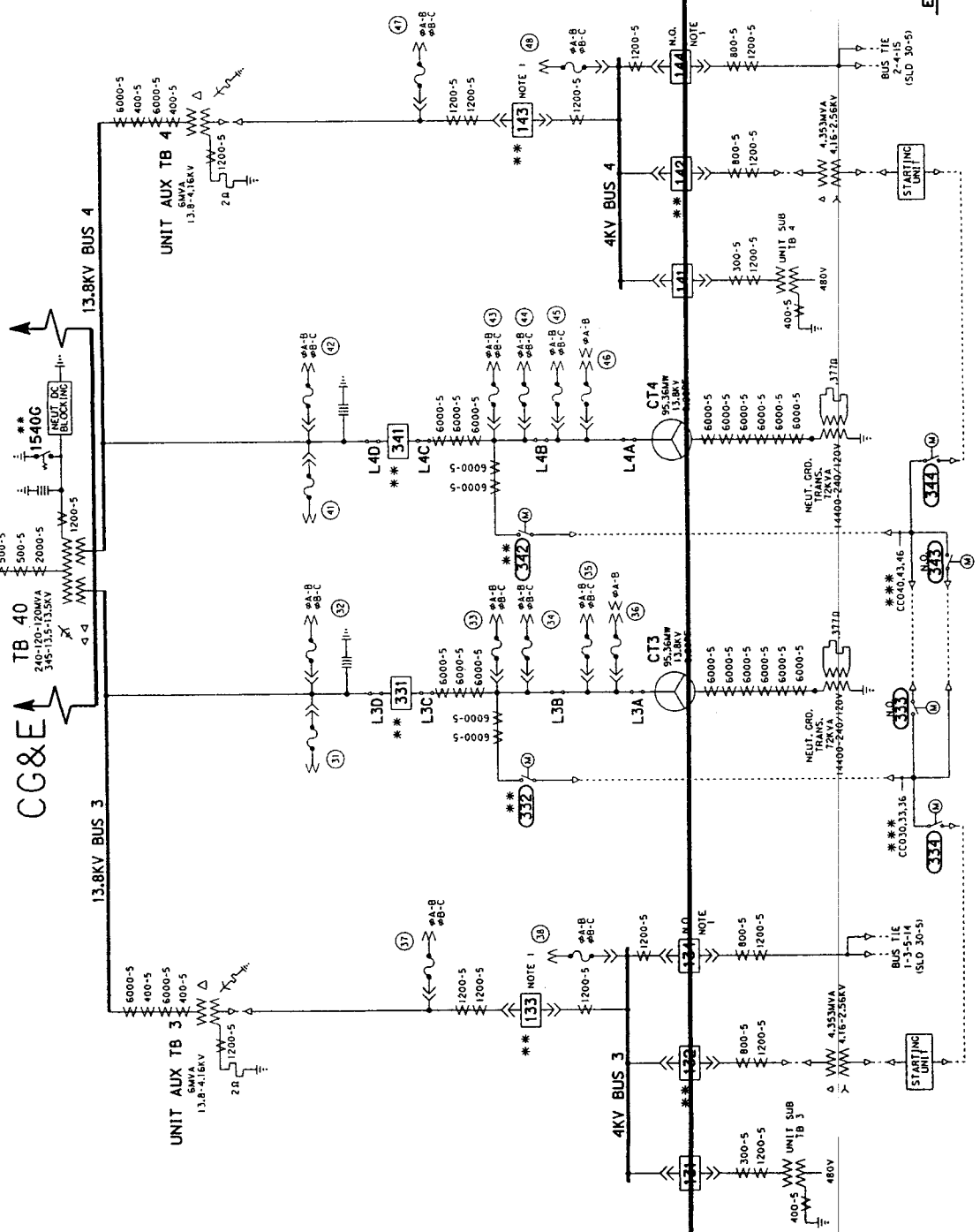
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EXHIBIT 3

Page 2 of 3
The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 58

WOODSDALE



THE UNIT AUX. TB L.S. CIR. BRK. AND THE BUS TIE CIR. BRK. ARE INTERLOCKED SUCH THAT ONLY ONE BREAKER CAN BE CLOSED AT A TIME.

* - CONTROLLED BY EMS
 ** - INDICATION ONLY
 *** - ISOLATION POINT FOR ISOLATING I.C.T. AT A TIME.

○ - P.T. LOCATION, SEE E.O. INSTR. 30-0-100.
 INGS. IN CIRCLE INDICATES P.T. LOCATION

30 3

ELECTRIC OPERATIONS - C. G. & E. CO.
WOODSDALE

1-21-92

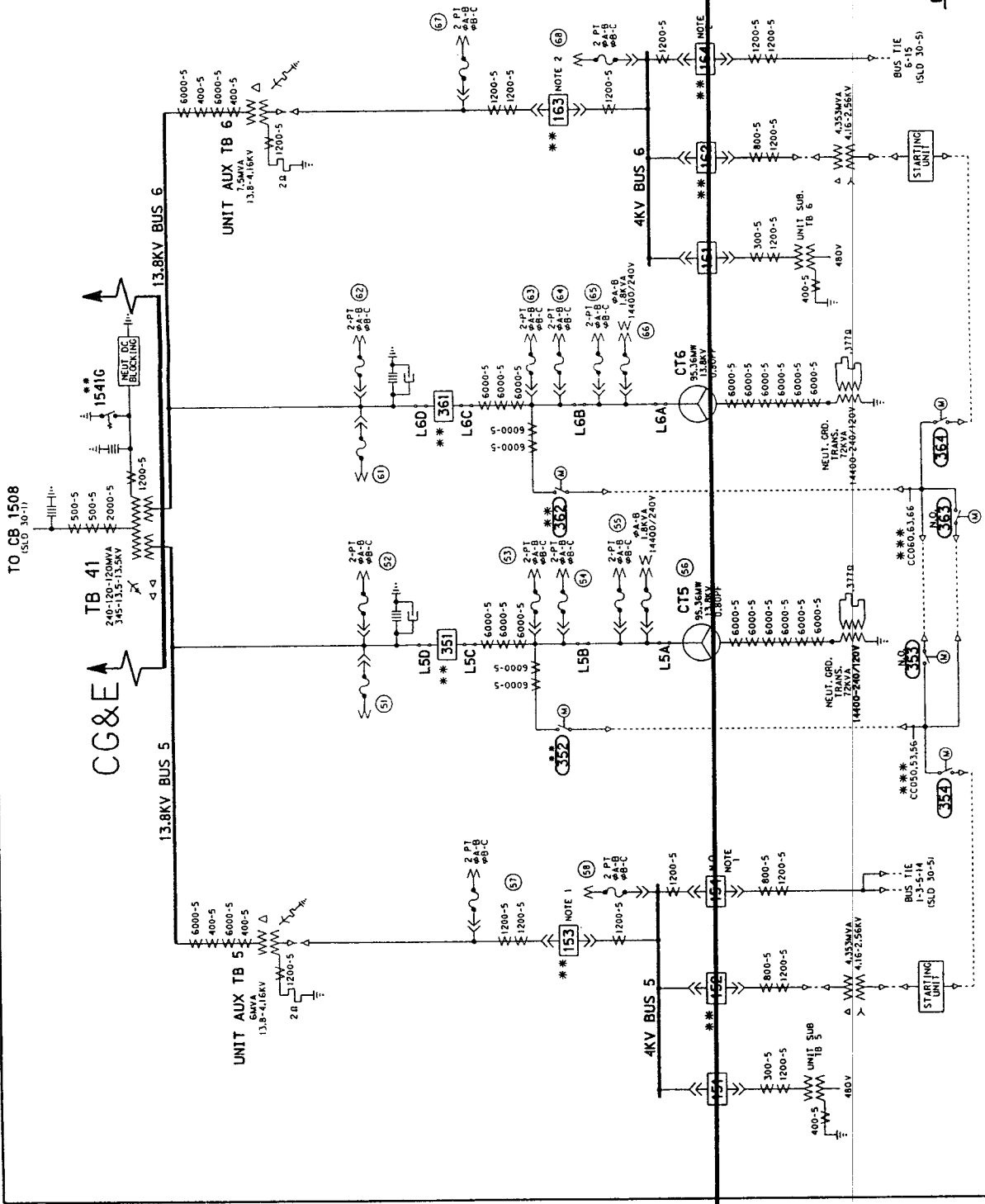
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EXHIBIT 3

Page 3 of 3
The Cincinnati Gas & Electric Company
Rate Schedule FERC No. 58

WOODSDALE



NOTE 1:
THE UNIT AUX. TB L.S., CIR. BRK. AND THE BUS TIE CIR. BRK. WHICH ONLY ONE BREAKER CAN BE CLOSED AT A TIME.

NOTE 2:
CIRCUIT BREAKERS MAY ONLY BE CLOSED TO FEED THE BALANCE OF PLANT AUXILIARY LOADS.

○ CONTROLLED BY BUS
* INDICATION ONLY
*** ISOLATION POINT FOR ISOLATING I.C.T. AT A TIME.

○ P.T. LOCATION SEE C.O. INSTR. # 30-D-100.
NOTE: IN CIRCLE INDICATES P.T. LOCATION

ELECTRIC OPERATIONS - C. G. & E. CO.
WOODSDALE
11-19-91