

**EXHIBIT A**

Section d. (7) of Schedule A  
To  
Agreement for Electric Service date July 15, 1998  
Between  
Kenergy Corp. (formerly, Henderson Union Electric Cooperative Corp.)  
and  
LG&E Energy Marketing Inc.

Tier 3 Backup Energy Rate

After December 31, 2000, in the event HU, in any hour and for any reason fails to receive sufficient volumes of Tier 3 Energy to be delivered to it to account for its purchase of Energy above 233,000 kilowatts of demand, and to the extent such Energy supplied in that hour is not supplied as Tier 3 Interruptible Energy, LEM shall supply such Energy as Tier 3 Backup Energy and shall charge HU a Tier 3 Backup Energy Rate of the greater of (i) \$0.0307 per kWh or (ii) 110% of amount paid by LEM to obtain and deliver such Energy, including any amounts paid by LEM for transmission and ancillary services on any Third-Party Transmission Systems and 100% of transmission costs on the Transmission Providers' system, provided that LEM will not charge a rate for Tier 3 Backup Energy greater than the maximum rate of energy imbalance service permitted under its rate schedule for the sale of Ancillary Services filed with FERC.

To the extent LEM charges \$0.0307 per kWh for Tier 3 Backup Energy, that rate includes a Transmission Component and Bundled Ancillary Services. To the extent LEM charges 110% of amounts paid by LEM to obtain and deliver such Energy for Tier 3 Backup Energy, the rate does not include a Transmission Component, nor any Ancillary Services.