

No. of Pages: 3	Date: 10.4.02	Audit #:
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Customer: Kenergy Corp.	Company: The Cincinnati Gas & Electric Company.	
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**CONFIRMATION LETTER POWER SALE PURSUANT TO THE MASTER POWER  
SALE AGREEMENT BETWEEN THE CINCINNATI GAS & ELECTRIC COMPANY  
AND KENERGY CORP. DATED AS OF SEPTEMBER 30, 2002**

This Confirmation Letter Agreement contains the mutual and respective understandings between Kenergy Corp. ("Kenergy" or "Customer") and The Cincinnati Gas & Electric Company ("CG&E" or "Seller") regarding the specific terms and conditions of service and the characteristics for the sale of power pursuant to the Master Power Sale Agreement between CG&E and Customer dated September 30, 2002.

The following are the Pricing Terms and Conditions of Service for the Transaction:

Product:	Firm Energy with Liquidated Damages for each hour of each day service is required to be provided during the term of the Agreement (7 x 24 schedule). Kenergy, its successors or assigns, may not resell the energy delivered hereunder except to Alcan Aluminum Corporation.
Term:	January 1, 2004 through December 31, 2004
Quantity and Scheduling:	CG&E shall deliver and Kenergy shall receive or pay for 50 MW of energy ("Contract Quantity") for each and every hour of the Term (100 percent load factor). No further scheduling is required of Kenergy
Energy Charge:	\$ 28.35/MWh for all energy pursuant to this confirmation.
Delivery Points:	CG&E shall deliver energy into any available Big Rivers Electric Corporation ("Big Rivers") transmission interface (including any busbar of any generating facility within the Big Rivers Control Area) of its choosing. Such delivery interface shall be determined by CG&E in its sole discretion and subject to change as necessary or desired in CG&E's sole discretion. Title to the energy shall pass to Kenergy at the Delivery Point. Kenergy shall obtain all necessary transmission service on the Big Rivers system.

Unwind Costs;  
additional  
representations and  
warranties:

(1) To the extent that Kenergy fails to obtain all KyPSC approvals necessary to perform its obligations under this Agreement, CG&E will be entitled to collect as damages fifty (50) percent of all costs that it incurs to "unwind" or dissolve transactions entered into by CG&E to hedge the instant agreement ("Unwind Costs"). (2) Neither Kenergy, its successors or assigns, nor Alcan, its successors or assigns, nor CG&E, its successors and assigns, will request or encourage the KyPSC (or encourage or solicit any other person to request or encourage the KyPSC) to reject or modify Kenergy's application for the acceptance and approval of the tariff and/or contracts that contemplate this Agreement ("Counterpart Retail Agreement(s)"). To the extent that Kenergy, its successors or assigns, or Alcan, its successors or assigns, breaches this provision, CG&E will be entitled to collect as damages from Kenergy one hundred (100) percent of all Unwind Costs. To the extent that CG&E, its successors or assigns breaches this provision, Kenergy shall be entitled to collect as damages from CG&E, for the benefit of Alcan, the positive difference, if any, between its replacement cost per unit of power at the Delivery Point and the Energy Charge for energy required to be delivered under the Agreement. (3) To the extent the KyPSC either approves or accepts the Counterpart Retail Agreement(s), neither Kenergy, its successors or assigns, nor Alcan, its successor or assigns, nor CG&E, its successors and assigns, will request or encourage the KyPSC (or encourage or solicit any other person to request or encourage the KyPSC) to rescind, alter or amend any order approving the Counterpart Retail Agreement(s), the affect of which may alter the terms of this Agreement ("Post Acceptance/Approval Modification(s)"). Post Acceptance/Approval Modifications caused by Kenergy will not serve to relieve Kenergy of its obligations under this Agreement. With respect to Nos. 2 and 3 above, Kenergy will use all reasonable efforts to contest and defend any motion adverse to this transaction.

Unwind Costs shall be determined exclusively by CG&E in any commercially reasonable manner. Unwind Costs shall be equal to an amount for each MW equal to the positive difference, if any, obtained by subtracting the per unit Replacement Price from the per unit Energy Charge above. Replacement Price means the price per unit at which CG&E, acting in a commercially reasonable manner, resells the Power not received by Kenergy (adjusted to reflect the difference in transmission costs, if any) or, at CG&E's sole option, the market price for such quantity of Power at the Delivery Points during the applicable period of delivery as determined by CG&E in a commercially reasonable manner.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed as of the date and year designated below.

Customer: Kenergy Corp

Seller: The Cincinnati Gas & Electric Company

By: Dean Stanley  
Name: Dean Stanley  
Title: President and CEO

By: Joseph W. Toussaint Jr  
Name: Joseph W. Toussaint  
Title: Executive Vice President

Date Signed: 10-18-02

Date Signed: 10/4/02