

**Amendment to the Agreement of March 25, 2005 (effective June 1, 2005),
for Electric Service between and among Gallatin Steel Company, Owen
Electric Cooperative and East Kentucky Power Cooperative, Inc.**

Effective: For service rendered on and after June 1, 2010.

Come now the parties to this Agreement and revise, modify and amend said Agreement as follows:

I. Paragraph 2 is deleted in its present form and hereafter shall read:

“2. Term. The initial term of this Agreement for electric service will be the five-year period beginning June 1, 2005 and ending May 31, 2010. Effective June 1, 2010, this Agreement, and all previous amendments approved by the Kentucky Public Service Commission, shall be extended for a period of three months ending August 31, 2010.”

II. Paragraph 12 is deleted in its present form and hereafter shall read:

“12. Regulation and Load Following. The changes, terms and conditions for regulation and load following are as follows:

a) EKPC is required by NERC Control Performance Standards to achieve a minimum twelve month rolling average CPS1 score in excess of 100%. EKPC will operate its system to achieve a target twelve month rolling average CPS1 score of 120%. During those periods when EKPC reasonably believes that the electric arc furnace load of Gallatin Steel requires EKPC to operate natural gas combustion turbines out of their normal economic dispatch order in order to achieve a twelve month rolling average CPS1 score of 120%, then EKPC shall charge Gallatin Steel for its net production expense CPS1 compliance costs for the month up to a maximum monthly charge of \$300,000. EKPC's net production expense CPS1 compliance costs for the month shall be calculated as the difference between 1) EKPC's total production expense of the combustion turbine generation (including fuel costs booked to Account 547, start up costs, emission allowances, and variable operation and maintenance costs) and 2) the total production expense of the next highest cost generation resource available to EKPC at the time the combustion turbine was generating. The total production expense of the next highest cost generation resource can be either a) EKPC self generation (including fuel costs booked to Account 50: *Bunt Kirtley* vances,

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and variable operation and maintenance costs) or b) purchase power, whether actually purchased or not (including the purchase cost of energy and capacity, transmission costs, ancillary services, and line losses).

b) Each month EKPC shall provide to Gallatin Steel documentation that verifies EKPC's computation of the regulation charge under Paragraph 12(a). Gallatin Steel shall have reasonable audit rights to verify EKPC's computation. In the event that Gallatin Steel incurs any regulation charges it shall pay all EKPC invoices for same by the reasonable deadline contained in the invoices and shall not withhold any such payments even if a good-faith dispute arises between the parties. In the event that such a dispute arises which ultimately results in an overpayment by Gallatin Steel for a particular month, appropriate credit shall be given on the next monthly invoice generated, or Gallatin Steel shall have the option to make a written request for timely cash reimbursement by EKPC.

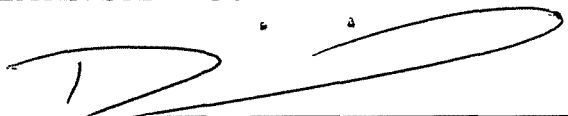
c) EKPC, Gallatin Steel and OEC agree to seek Kentucky Public Service Commission approval for EKPC to credit its fuel adjustment charge for revenues received under Paragraph 12(a).

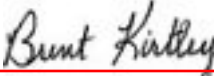
d) In order to assist EKPC in load following, Gallatin Steel agrees to provide its reasonable best estimate of its electric arc furnace load for each hour, two hours in advance.

In all other respects, the Agreement of March 25, 2005 (effective June 1, 2005), and subsequent amendments thereto previously approved by the Kentucky Public Service Commission, shall remain in full force and effect.


IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized representatives on the dates indicated.

GALLATIN STEEL COMPANY

By: 
Title: Tobin Rospice
Date signed: 4/23/10

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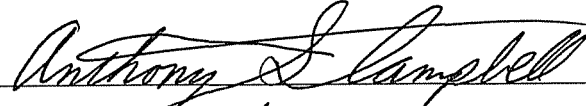
OWEN ELECTRIC COOPERATIVE

By:  _____

Title: Pres./CEO _____

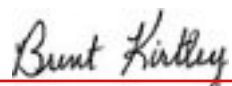
Date signed: 4/23/10 _____

EAST KENTUCKY POWER COOPERATIVE, INC.

By:  _____

Title: Pres./CEO _____

Date signed: 4/22/10 _____

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