

**THIRD AMENDMENT TO THE
INDUSTRIAL POWER AGREEMENT WITH INTERRUPTIBLE SERVICE
DATED April 30, 2013**

This Third Amendment, dated this 29th day of June, 2020, is entered into by and between East Kentucky Power Cooperative, Inc. (“EKPC”), Owen Electric Cooperative, Inc. (“OEC”), and Nucor Steel Gallatin, LLC f/k/a Gallatin Steel Company (“Nucor”) (collectively, the “Parties”), with respect to the provision of electric service to Nucor pursuant to the Industrial Power Agreement with Interruptible Service entered into by and between the Parties dated April 30, 2013, and as subsequently amended by the Parties by letter dated September 6, 2016 and July 27, 2017 (collectively, the “Agreement”).

WHEREAS, Nucor has advised EKPC and OEC that it intends to expand its plant located in or near Ghent, Kentucky (“Ghent Plant”), by adding a Single Shell Electric Arc Furnace, a Twin Shell Ladle Metallurgical Facility, a Caster with double the capacity of the existing Caster which is to be removed, two additional Stands in the Rolling Mill, Baghouse, Pumphouse, and Air Separation Facilities (“Expansion Project”) to its existing operations;

WHEREAS, Nucor has advised EKPC and OEC that as a result of its intended expansion, Nucor’s workforce at its Ghent Plant will increase by approximately seventy-five (75) positions and its electric power needs will increase by approximately 195 MWs;

WHEREAS, in light of Nucor’s intended expansion, the Parties have agreed that certain revisions to the Agreement are prudent and necessary;

NOW, THEREFORE, upon consideration of the mutual covenants and undertakings set forth herein, the Parties agree as follows:



1. The Agreement requires modification, revision and amendment to reflect the Expansion Project and the agreement of the Parties as to how the Expansion Project will be addressed under the Agreement. Specifically:


a. Plant Description. Section 1 of the Agreement shall be deleted in its entirety and replaced with the following:

1. Plant Description. The Ghent Plant has been operating since 1995 and is a thin slab steel mill owned and operated by Nucor in Gallatin County near Ghent, Kentucky. The plant is configured on the basis of a single D.C. power supply for twin shell electric arc furnaces which feed a thin slab caster to a six stand rolling mill on a continuous basis. A ~40 MW Pickle Galvanizing Line (“Galvanizing Line”) came online in 2019. The electrical load primarily consists of the direct current to the electric arc melting furnaces fed by two transformers each nominally rated at 75 MVA; ladle metallurgy stations nominally rated at 25 MVA and 3 x 5500 KW and 3 x 7000 KW rolling mill motors, along with slag and arc furnace dust processing equipment, small motor loads and other ancillary facilities. Additionally, a Single Shell Electric Arc Furnace, Twin Shell Ladle Metallurgical Facility, Caster with double the capacity of the existing Caster which is to be removed, two additional Stands in the Rolling Mill, Baghouse, Pumphouse, and Air Separation Facilities which are expected to come online in 2021, will become part of the Nucor Ghent Plant.

b. Maximum On-Peak Contractual Demand. The Parties agree that Nucor’s maximum on-peak contractual demand under the Agreement shall be increased from 220 MW to 415 MW. Therefore, references in the Agreement to “220 MW” in Section 3(b), Section 4, Exhibit A shall be deleted and replaced with “

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c. Metering. The Nucor campus load is measured by meters M1 (345kV) M6 (345 kV) and M4 (34.5kV). Embedded within the Nucor campus and behind the Nucor campus meters M1 and M6 is Air Liquide, a separate business entity from Nucor. Air Liquide is metered and billed separately from Nucor. As set forth in the Second Amendment, the Galvanizing Line receives a credit and is separately metered by meter M5. Nucor shall be billed for the summation of M1 plus M6 plus M4 less the Air Liquide load adjusted for transformer losses. Load subject to this Third Amendment is the Nucor billed load less the Galvanizing Line load measured by meter M5.

d. Interruptible Service.

i. Firm Power Demand. The Firm Power Demand as described in Sections 4 and 8 of the Agreement shall be increased to 30 MW thirty days after Nucor gives notice to EKPC and OEC, but not later than when the existing twin shell arc furnace and the new single shell arc furnace are declared in service by Nucor.

ii. Electric Arc Furnaces. Both Electric Arc Furnaces shall be subject to 10 Minute Interruptible Demand Service and will receive credits as described in Section 4, subsection a., of the Agreement. The Electric Arc Furnaces shall be metered independently by meters M2, M9, and M10. The demand for the 10 Minute Interruptible Demand Service credit shall be equal to the average of the 10 highest 15 minute billing demands from the totalized meter data from M2, M9 and M10 adjusted for transformer losses to 345kV.

iii. Balance of Plant. All remaining Ghent Plant load up to the Maximum On-Peak Contractual Demand of 415 MW, except the Firm Power Demand, shall be subject to 90 Minute Interruptible Demand Service as described in Section 4, subsection b., of the Agreement. The volume for the credit for the Balance of Plant Billing Demand as described in S

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Agreement less the volume of the monthly Electric Arc Furnaces demand credit (as described in 1.d.ii above) and the Firm Power Demand.

- e. Discount to Bill. Nucor shall receive certain temporary discounts to its monthly bill as a consequence of the Expansion Project. This discount to bill is in addition to the discount that Nucor will receive for the Galvanizing Line which is the subject of the Second Amendment dated July 27, 2017. Therefore, following Section 26, subsection a., of the Agreement, a new subsection aa. shall be inserted as follows:

(i). During the six (6) year period commencing 3 months following the month when the Expansion Project begins producing steel but not later than September 1, 2022.

(1) during the first twelve (12) months of the Bill Discount Period, Nucor shall be credited an amount equal to the total energy usage for each melting line (EAF – Electric Arc Furnaces, LMF – Ladle Metallurgical Facilities, Caster, Rolling Mill, Baghouse, Pumphouse, Air Separation, Aux Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5) adjusted for transformer losses (345kV to 34.5kV) times \$ [REDACTED]/kWh;

(2) during the second twelve (12) months of the Bill Discount Period, Nucor shall be credited an amount equal to the total energy usage for each melting line (EAF – Electric Arc Furnaces, LMF – Ladle Metallurgical Facilities, Caster, Rolling Mill, Baghouse, Pumphouse, Air Separation, Aux Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5) adjusted for transformer losses (345kV to 34.5kV) times \$ [REDACTED]/kWh;

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Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5kV) adjusted for transformer losses (345kV to 34.5kV) times \$ [REDACTED]/kWh;

(3) during the third twelve (12) months of the Bill Discount Period, Nucor shall be credited an amount equal to the total energy usage for each melting line (EAFs, LMF, Caster, Rolling Mill, Baghouse, Pumphouse, Air Separation, Aux Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5kV) adjusted for transformer losses (345kV to 34.5kV) times \$ [REDACTED]/kWh;

(4) during the fourth twelve (12) months of the Bill Discount Period, Nucor shall be credited an amount equal to the total energy usage for each melting line (EAFs, LMF, Caster, Rolling Mill, Baghouse, Pumphouse, Air Separation, Aux Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5kV) adjusted for transformer losses (345kV to 34.5kV) times [REDACTED]/kWh;

(5) during the fifth twelve (12) Period, Nucor shall be credited

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energy usage for each melting line (EAFs, LMF, Caster, Rolling Mill, Baghouse, Pumphouse, Air Separation, Aux Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5kV) adjusted for transformer losses (345kV to 34.5kV) times \$ [REDACTED]/kWh;

(6) during the sixth twelve (12) months of the Bill Discount Period, Nucor shall be credited an amount equal to the total energy usage for each melting line (EAFs, LMF, Caster, Rolling Mill, Baghouse, Pumphouse, Air Separation, Aux Loads) aggregate energy usage (as metered and measured by M1 (345 kV), M6 (345 kV), M4 (34.5 kV)) less the Air Liquide meter load adjusted for transformer losses (345kV to 34.5 kV) and less the load of the Galvanizing Line metered by M5 (34.5kV) adjusted for transformer losses (345kV to 34.5kV) times \$ [REDACTED]/kWh.

7) during years seven and the remainder of the Agreement term there will be no further bill discount.

(ii). Starting the second full year of the Bill Discount Period the discount will be suspended if the preceding 3 month average monthly energy usage for both melting and rolling operations is not equal to or greater than 1.5 times Nucor's 2017 monthly average energy usage (excludes the Galvanizing Line). The bill discount suspension will end once the monthly average equals 1.5 times Nucor's 2017 monthly average energy usage.

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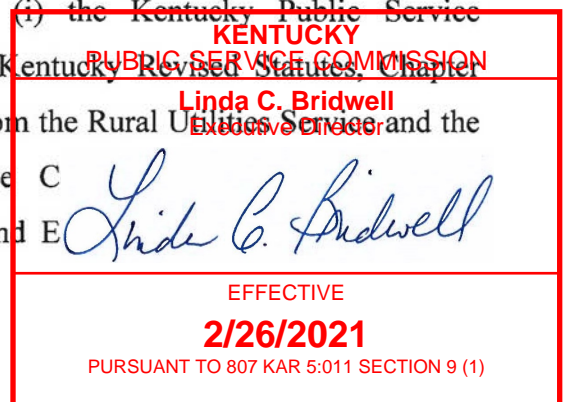
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f. Coordination of Maintenance. The Parties agree the following language shall be added to Section 16 of the Agreement, as subsection f.: “EKPC and Nucor shall coordinate Nucor maintenance days as part of the Nucor week ahead load forecast. EKPC may request Nucor to shift a maintenance day. Nucor’s approval of EKPC’s request shall not be unreasonably withheld. EKPC shall not request Nucor to shift a maintenance day and then call for an economic interruption on the day EKPC requested Nucor to operate.

g. Contract Reopener. Section 39 of the Agreement shall add the following language: “Should the structure of the EKPC/OEC rates (including interruptible rates) change at any time during the term of this Agreement such that the effect of those changes adversely impact the original intent of entering into this Third Amendment by EKPC, OEC, or Nucor, then the Parties will negotiate in good faith to restore the original intent and their respective financial positions created by this Third Amendment to the Agreement.

h. Term. Section 2 of the Agreement shall be deleted and the following shall be added: “The term of the Agreement shall be 10 years beyond the date that Nucor receives the first monthly Bill Discount under Section 26 subsection aa of this Third Amendment. After the Agreement terminates, electric power service shall be provided to Nucor by EKPC and OEC pursuant to rates approved by the Kentucky Public Service Commission either through contract or tariff.

2. The terms of this Third Amendment shall become effective if, and only if, each of the following conditions precedent is satisfied: (i) the Kentucky Public Service Commission approves said terms pursuant to Kentucky Revised Statutes, Chapter 278; (ii) all necessary approvals are obtained from the Rural Utilities Service and the National Rural Utilities Cooperative Finance C approvals are obtained from Louisville Gas and E

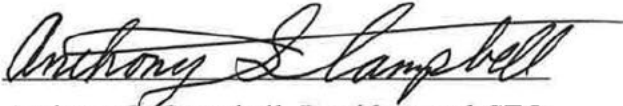


Utilities Company (“LGE/KU”) to add the ~195 MW Single Shell Electric Arc Furnace, Twin Shell Ladle Metallurgical Facility, Caster with double the capacity of the existing Caster which is to be removed, two additional Stands in the Rolling Mill, Baghouse, Pumphouse Facilities and Air Separation load to the current Network Integration Transmission Service (“NITS”) Agreement between LGE/KU and EKPC; and (iv) all necessary approvals are obtained from the Federal Energy Regulatory Commission with respect to the amendment of the LGE/KU – EKPC NITS Agreement. The parties covenant to use their best efforts to forthwith seek and support such approvals by filing such papers, presenting such testimony, and taking such other action as may be necessary or appropriate to secure the same.


3. Except as set forth herein, the terms of the Agreement and which have been previously approved by the Kentucky Public Service Commission shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be executed by their duly authorized representatives the day and year first above.

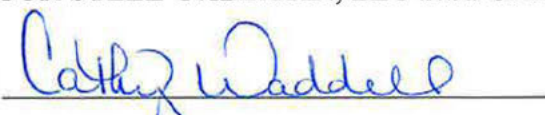
EAST KENTUCKY POWER COOPERATIVE, INC.

By: 
Anthony S. Campbell, President and CEO

OWEN ELECTRIC COOPERATIVE, INC.

By: 
Michael L. Cobb, President and CEO

NUCOR STEEL GALLATIN, LLC f/k/a GALLATIN STEEL COMPANY

By: 
Cathy Waddell, Controller

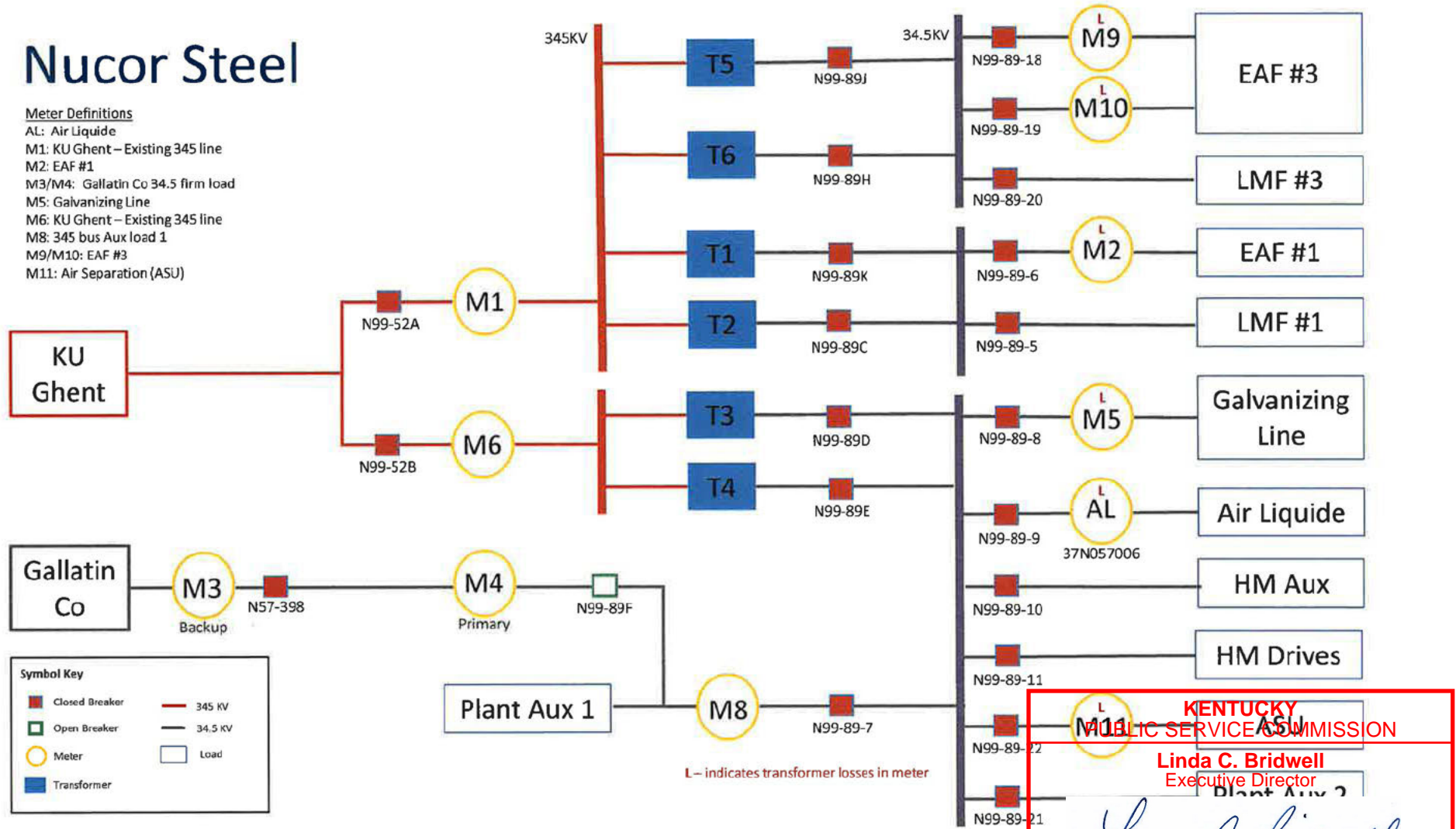
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Nucor Steel

Meter Definitions

- AL: Air Liquide
- M1: KU Ghent – Existing 345 line
- M2: EAF #1
- M3/M4: Gallatin Co 34.5 firm load
- M5: Galvanizing Line
- M6: KU Ghent – Existing 345 line
- M8: 345 bus Aux load 1
- M9/M10: EAF #3
- M11: Air Separation (ASU)



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