

A. NAME/ADDRESS: Smoky Mountain Coal Corp. / KUF02860
9725 Cogdill Road, Suite 203
Knoxville, Tennessee 42413

B. PRODUCTION FACILITY:
OPERATOR: KMMC Mining
MINES: Vision #9
LOCATION: Webster County, KY

OPERATOR: Allied Resources, Inc.
MINES: Onton Resources' Mines
LOCATION: Webster County, KY

C. CONTRACT EXECUTED DATE: February 27, 2002

D. CONTRACT DURATION: January 1, 2002 – December 31, 2010

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1,
2004. Amending term, quantity, quality and
price.

F. ANNUAL TONNAGE
REQUIREMENTS:

2002	200,000 tons
2003	200,000 tons
2004	400,000 tons
2005	400,000 tons
2006	400,000 tons
2007-2010	To be determined

G. ACTUAL TONNAGE:
RECEIVED:

2002	52,826 tons
2003	203,370 tons
2004	279,667 tons
2005	78,372 tons (through 4/30/05)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2002	26%
2003	102%
2004	70%
2005	59% (Based on 133,333 tons)

I. BASE PRICE: (FOB Barge/ Seebree Dock)	2002	115.40 cents per MMBtu- Quality A
	2003	115.40 cents per MMBtu- Quality A
	2004	119.40 cents per MMBtu- Quality A
	2004	102.00 cents per MMBtu- Quality C
	2005	106.00 cents per MMBtu- Quality C
	2006	107.70 cents per MMBtu- Quality C
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		106.00 cents per MMBtu -- Quality C

A. NAME/ADDRESS: CONSOL Energy, Inc. / KUF03904
1800 Washington Road
Pittsburgh, Pennsylvania 15241

B. PRODUCTION FACILITY:
OPERATOR: CONSOL of Kentucky
MINES: Mill Creek
LOCATION: Letcher County, KY

C. CONTRACT EXECUTED DATE: January 15, 2003

D. CONTRACT DURATION: January 1, 2003 - December 31, 2007

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1,
2005. Amending term, quantity, quality and
price.

F. ANNUAL TONNAGE REQUIREMENTS:

2003	390,000 tons
2004	360,000 tons
2005	570,000 tons
2006	375,000 tons
2007	375,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	375,821 tons
2004	291,527 tons
2005	131,844 tons (through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	96%
2004	81%
2005	70% (Based on 188,571 tons)

I. BASE PRICE: (FOB Railcar)

2003	104.00 cents per MMBtu
2004	106.00 cents per MMBtu
2005	108.00 cents per MMBtu
2005	172.00 cents per MMBtu
2006	172.21 cents per MMBtu
2007	176.21 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 108.00 cents per MMBtu

A. NAME/ADDRESS: CONSOL Energy, Inc. / KUF03904
1800 Washington Road
Pittsburgh, Pennsylvania 15241

B. PRODUCTION FACILITY:
OPERATOR: CONSOL Pennsylvania Coal Co.
MINES: Bailey/Enlow Fork
LOCATION: Greene County, PA

C. CONTRACT EXECUTED DATE: January 15, 2003

D. CONTRACT DURATION: January 1, 2003 -- December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2003	110,000 tons
2004	140,000 tons
2005	170,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	112,952 tons
2004	138,938 tons
2005	56,422 tons (through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	103 %
2004	99 %
2005	100 % (Based on 56,667 tons)

I. BASE PRICE: (FOB Plant)

2003	131.56 cents per MMBtu
2004	134.15 cents per MMBtu
2005	136.85 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 136.85 cents per MMBtu

A. NAME/ADDRESS:	Progress Fuels Corp. / KUF03915 410 South Wilmington Street Raleigh, North Carolina 27601										
B. PRODUCTION FACILITY:											
OPERATOR:	Diamond May Coal Company										
MINES:	Various mines operated by Diamond May Coal Company.										
LOCATION:	Perry & Knott Counties, KY										
C. CONTRACT EXECUTED DATE:	January 27, 2003										
D. CONTRACT DURATION:	January 1, 2003 – December 31, 2007										
E. CONTRACT AMENDMENTS:	Amendment No. 1 effective February 1, 2004. Amending Producer, and delivery point. Amendment effective January 1, 2005, amending term, tonnage and price.										
F. ANNUAL TONNAGE REQUIREMENTS:	<table border="0"> <tr><td>2003</td><td>324,000 tons</td></tr> <tr><td>2004</td><td>432,000 tons</td></tr> <tr><td>2005</td><td>432,000 tons</td></tr> <tr><td>2006</td><td>432,000 tons</td></tr> <tr><td>2007</td><td>To be determined</td></tr> </table>	2003	324,000 tons	2004	432,000 tons	2005	432,000 tons	2006	432,000 tons	2007	To be determined
2003	324,000 tons										
2004	432,000 tons										
2005	432,000 tons										
2006	432,000 tons										
2007	To be determined										
G. ACTUAL TONNAGE RECEIVED:	<table border="0"> <tr><td>2003</td><td>275,751 tons</td></tr> <tr><td>2004</td><td>384,133 tons</td></tr> <tr><td>2005</td><td>141,876 tons (Through 4/30/05)</td></tr> </table>	2003	275,751 tons	2004	384,133 tons	2005	141,876 tons (Through 4/30/05)				
2003	275,751 tons										
2004	384,133 tons										
2005	141,876 tons (Through 4/30/05)										
H. PERCENT OF ANNUAL REQUIREMENTS:	<table border="0"> <tr><td>2003</td><td>99%</td><td>(Based on 277,977 tons)</td></tr> <tr><td>2004</td><td>92%</td><td>(Based on 416,120 tons)</td></tr> <tr><td>2005</td><td>99%</td><td>(Based on 144,000 tons)</td></tr> </table>	2003	99%	(Based on 277,977 tons)	2004	92%	(Based on 416,120 tons)	2005	99%	(Based on 144,000 tons)	
2003	99%	(Based on 277,977 tons)									
2004	92%	(Based on 416,120 tons)									
2005	99%	(Based on 144,000 tons)									
I. BASE PRICE: (FOB Railcar)	<table border="0"> <tr><td>2003</td><td>109.77 cents per MMBtu</td></tr> <tr><td>2004</td><td>109.77 cents per MMBtu</td></tr> <tr><td>2005</td><td>162.00 cents per MMBtu</td></tr> <tr><td>2006</td><td>162.00 cents per MMBtu</td></tr> <tr><td>2007</td><td>To be determined</td></tr> </table>	2003	109.77 cents per MMBtu	2004	109.77 cents per MMBtu	2005	162.00 cents per MMBtu	2006	162.00 cents per MMBtu	2007	To be determined
2003	109.77 cents per MMBtu										
2004	109.77 cents per MMBtu										
2005	162.00 cents per MMBtu										
2006	162.00 cents per MMBtu										
2007	To be determined										

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 162.00 cents per MMBtu

A. NAME/ADDRESS: Solid Energy, LLC / KUF03980
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Solid Energy, LLC
PLANT: Solid Energy-Plant
LOCATION: Letcher County, KY

C. CONTRACT EXECUTED DATE: November 1, 2003

D. CONTRACT DURATION: November 1, 2003 – January 31, 2005

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF03915.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 46,023 tons
2004 15,880 tons

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 100%

I. BASE PRICE: (FOB Railcar) 2003 101.95 cents per MMBtu
2004 101.95 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 101.95 cents per MMBtu

A. NAME/ADDRESS: Perry County Coal Corp. / KUF03913
200 Allison Blvd.
Corbin, Kentucky 40701

B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
MINES: E-4 & E-3 mines
LOCATION: Perry County, KY

C. CONTRACT EXECUTED DATE: March 20, 2003

D. CONTRACT DURATION: April 1, 2003 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2003	200,000 tons
2004	400,000 tons
2005	0

G. ACTUAL TONNAGE RECEIVED:

2003	90,302 tons
2004	156,442 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	66%	(Based on 137,835 tons)
2004	71%	(Based on 221,227 tons)

I. BASE PRICE: (FOB Railcar)

2003	123.08 cents per MMBtu
2004	123.08 cents per MMBtu
2005	123.08 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 123.08 cents per MMBtu

- A. NAME/ADDRESS: Pike Letcher Synfuel, LLC / KUF03954
200 Allison Blvd.
Corbin, Kentucky 40701
- B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
PLANT: BG#4 Synthetic fuel facility
LOCATION: Perry County, KY
- C. CONTRACT EXECUTED DATE: October 15, 2003
- D. CONTRACT DURATION: June 1, 2003 – December 31, 2005
- E. CONTRACT AMENDMENTS: Contract tonnage assigned from Perry
County Coal Corp. – Contract KUF03913.
- F. ANNUAL TONNAGE
REQUIREMENTS: As Available
- G. ACTUAL TONNAGE:
RECEIVED:
- | | |
|------|--------------|
| 2003 | 62,165 tons |
| 2004 | 178,773 tons |
| 2005 | 27,498 tons |
- H. PERCENT OF ANNUAL
REQUIREMENTS:
- | | |
|------|----------------|
| 2003 | 100% |
| 2004 | 100% |
| 2005 | Carryover tons |
- I. BASE PRICE: (FOB Railcar)
- | | |
|------|------------------------|
| 2003 | 115.39 cents per MMBtu |
| 2004 | 115.39 cents per MMBtu |
| 2005 | 115.39 cents per MMBtu |
- J. ESCALATIONS TO DATE: None
- K. CURRENT CONTRACT PRICE: 115.39 cents per MMBtu

A. NAME/ADDRESS: Perry County Coal Corp. / KUF05084
200 Allison Blvd.
Corbin, Kentucky 40701

B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
MINES: E-4 & E-3 mines
LOCATION: Perry County, KY

C. CONTRACT EXECUTED DATE: March 7, 2005

D. CONTRACT DURATION: January 1, 2005 – December 31, 2005

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Perry
County Coal Corp. – Contract KUF03913

F. ANNUAL TONNAGE
REQUIREMENTS: 2005 84,000 tons

G. ACTUAL TONNAGE:
RECEIVED: 2005 27,366 tons (Through 4/30/05)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2005 66% (Based on 28,000 tons)

I. BASE PRICE: (FOB Plant) 2005 179.64 cents per MMBtu

J. ESCALATIONS TO DATE: -0.69 cents per MMBtu

K. CURRENT CONTRACT PRICE: 178.95 cents per MMBtu

A. NAME/ADDRESS: American Mining & Manufacturing Corp. /
KUF02908
P.O. Box 244
Buckner, Kentucky 40010

B. PRODUCTION FACILITY:
OPERATOR: American Mining & Manufacturing Corp.
MINES: Stone Chapel
LOCATION: Hopkins County, KY

C. CONTRACT EXECUTED DATE: December 4, 2002

D. CONTRACT DURATION: November 1, 2002 – December 31, 2008

E. CONTRACT AMENDMENTS: Amendment No.1 effective April 1, 2005,
amending term, tonnage and price.

F. ANNUAL TONNAGE
REQUIREMENTS:

2002	0,000 tons
2003	234,182 tons
2004	184,238 tons
2005	209,980 tons
2006	300,000 tons
2007	300,000 tons
2008	300,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2002	0 tons
2003	234,182 tons
2004	184,238 tons
2005	25,227 tons (Through 4/30/05)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2002	0%
2003	100%
2004	100%
2005	78% (Based on 32,202 tons)

I. BASE PRICE: (FOB Plant)	2002	132.61 cents per MMBtu – Quality B
	2003	132.61 cents per MMBtu – Quality B
	2004	132.61 cents per MMBtu – Quality B
	2004	134.78 cents per MMBtu – Quality B
	2005	134.78 cents per MMBtu – Quality B
	2005	169.22 cents per MMBtu – Quality B
	2006	171.39 cents per MMBtu – Quality B
	2007	173.57 cents per MMBtu – Quality B
	2008	175.74 cents per MMBtu – Quality B
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:		169.22 cents per MMBtu – Quality B

A. NAME/ADDRESS: American Mining & Manufacturing Corp. /
KUF02918
P.O. Box 244
Buckner, Kentucky 40010

B. PRODUCTION FACILITY:
OPERATOR: Ikerd Coal Company, LLC
PLANT: Blue Grass Synfuel Plant
LOCATION: Pulaski County, KY
MINES: Runyon Branch, Trace Branch
LOCATION: Knox & Whitley Counties, KY

C. CONTRACT EXECUTED DATE: December 10, 2002

D. CONTRACT DURATION: November 18, 2002 – December 31, 2004

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1,
2004. Amending Producer, term, price.

F. ANNUAL TONNAGE REQUIREMENTS:

2002	20,000 tons (As required by KU)
2003	120,000 tons (As required by KU)
2004	60,000 tons (As required by KU)

G. ACTUAL TONNAGE RECEIVED:

2002	0 tons
2003	58,132 tons
2004	26,133 tons

H. PERCENT OF ANNUAL REQUIREMENTS:

2002	0%	(Based on 20,000 tons)
2003	48%	(Based on 120,000 tons)
2004	44%	(Based on 60,000 tons)

I. BASE PRICE: (FOB Plant)

2002	138.75 cents per MMBtu
2003	141.25 cents per MMBtu
2004	170.83 cents per MMBtu

J. ESCALATIONS TO DATE: 2.34 cents per MMBtu

K. CURRENT CONTRACT PRICE: 173.17 cents per MMBtu

A. NAME/ADDRESS: Lafayette Coal Company / KUF03956
200 Frontage Road, Suite 310
Burr Ridge, Illinois 60527

B. PRODUCTION FACILITY:
OPERATOR: Hazelton Mining, LLC
PLANT: Hazelton Mine
LOCATION: Gibson County, IN

C. CONTRACT EXECUTED DATE: September 3, 2003

D. CONTRACT DURATION: September 3, 2003 – December 31, 2006

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 15, 2003. Amending price.

F. ANNUAL TONNAGE REQUIREMENTS:

2003	50,000 tons
2004	200,000 tons
2005	300,000 tons
2006	300,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	37,148 tons
2004	154,028 tons
2005	58,412 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	74%
2004	77%
2005	69% (Based on 85,000 tons)

I. BASE PRICE: (FOB Barge)

2003	140.91 cents per MMBtu
2004	142.05 cents per MMBtu
2005	145.68 cents per MMBtu
2006	150.23 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 145.68 cents per MMBtu

A. NAME/ADDRESS: Infinity Coal Sales, LLC / KUF04952
3315 Springbank Lane, Suite 106,
Charlotte, North Carolina 28226

B. PRODUCTION FACILITY:
OPERATOR: Panther Coal Company, LLC
MINES: Panther Mine
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: August 5, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2006

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	500,000 tons
2005	500,000 tons
2006	500,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	0 tons
2005	82,102 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	0% (Based on 65,283 tons)
2005	81% (Based on 101,523 tons)

I. BASE PRICE: (FOB Plant)

2004	138.60 cents per MMBtu
2005	141.20 cents per MMBtu
2006	143.80 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 141.20 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Imperial
Synfuel, LLC / KUF04005
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Infinity
Coal Sales, LLC. – Contract KUF04952.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 270,442 tons
2005 35,454

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%
2005 Carryover tons

I. BASE PRICE: (FOB Barge) 2004 130.60 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 130.60 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Calla
Synfuel, LLC / KUF04006
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Infinity
Coal Sales, LLC. – Contract KUF04952.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED:

2004	141,560 tons
2005	16,443 tons

H. PERCENT OF ANNUAL
REQUIREMENTS:

2004	100%
2005	Carryover tons

I. BASE PRICE: (FOB Barge) 2004 130.60 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 130.60 cents per MMBtu

A. NAME/ADDRESS: Central Coal Company / KUF04955
148 Bristol East Road
Bristol, Virginia 24202

B. PRODUCTION FACILITY:
OPERATOR: Kanawha Eagle Coal, LLC
MINES: Mine 68, Newtown Energy
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: July 28, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	240,000 tons
2005	240,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	233,708 tons
2005	87,913 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	97%
2005	110% (Based on 80,000 tons)

I. BASE PRICE: (FOB Plant)

2004	145.00 cents per MMBtu
2005	148.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 148.00 cents per MMBtu

A. NAME/ADDRESS: Progress Fuels Corp. / KUF04957
South Wilmington Street
Raleigh, North Carolina 27601

B. PRODUCTION FACILITY:
OPERATOR: Diamond May Coal Company
MINES: Big Branch, Lakeview, Trace Fork
LOCATION: Perry & Knott Counties, KY

C. CONTRACT EXECUTED DATE: September 24, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	240,000 tons
2005	240,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	229,033 tons
2005	79,492 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	95%
2005	99% (Based on 80,000 tons)

I. BASE PRICE: (FOB Plant)

2004	134.77 cents per MMBtu
2005	136.72 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 136.72 cents per MMBtu

A. NAME/ADDRESS: Progress Fuels Corp. / KUF04966
South Wilmington Street
Raleigh, North Carolina 27601

B. PRODUCTION FACILITY:
OPERATOR: Various Companies
MINES: Purchased coal
LOCATION: Kanawha, WV

C. CONTRACT EXECUTED DATE: September 24, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	240,000 tons
2005	240,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	46,564 tons
2005	19,718 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	53%	(Based on 88,567 tons)
2005	49%	(Based on 39,986 tons)

I. BASE PRICE: (FOB Plant)

2004	139.58 cents per MMBtu
2005	141.67 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 141.67 cents per MMBtu

A. NAME/ADDRESS: Black Hawk Synfuel, LLC as agent for New
River Synfuel, LLC / KUF04958
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Kanawha Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 106,614 tons
2005 14,899 tons

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%
2005 Carryover tons

I. BASE PRICE: (FOB Barge) 2004 132.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.29 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Imperial
Synfuel, LLC / KUF04959
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 33,413 tons
2005 3,292 tons

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%
2005 Carryover tons

I. BASE PRICE: (FOB Barge) 2004 132.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.29 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Calla
Synfuel, LLC / KUF04960
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 11,406 tons

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%

I. BASE PRICE: (FOB Barge) 2004 132.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.29 cents per MMBtu

A. NAME/ADDRESS: Black Hawk Synfuel, LLC as agent for New
River Synfuel, LLC / KUF05095
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Kanawha Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: February 24, 2005

D. CONTRACT DURATION: January 1, 2005 - December 31, 2005

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. - Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2005 21,823 tons

H. PERCENT OF ANNUAL
REQUIREMENTS: 2005 100%

I. BASE PRICE: (FOB Barge) 2005 134.38 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 134.38 cents per MMBtu

A. NAME/ADDRESS: Nally and Hamilton Enterprises, Inc./
KUF04014
109 South 4th Street
Bardstown, Kentucky 40004

B. PRODUCTION FACILITY:
OPERATOR: Nally & Hamilton Enterprises, Inc.
MINES: Mill Branch, Gordon, Doty Creek
LOCATION: Letcher County, KY

C. CONTRACT EXECUTED DATE: July 1, 2004

D. CONTRACT DURATION: July 1, 2004 - December 31, 2008

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	60,000 tons
2005	250,000 tons
2006	400,000 tons
2007	400,000 tons
2008	to be determined

G. ACTUAL TONNAGE RECEIVED:

2004	51,673 tons
2005	57,719 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	86%
2005	69% (Based on 83,333 tons)

I. BASE PRICE: (FOB Railcar)

2004	184.00 cents per MMBtu
2005	184.00 cents per MMBtu
2006	188.00 cents per MMBtu
2007	188.00 cents per MMBtu
2008	to be determined

J. ESCALATIONS TO DATE: 4.20 cents per MMBtu

K. CURRENT CONTRACT PRICE: 188.20 cents per MMBtu

A. NAME/ADDRESS: Massey Coal Sales Company, Inc./
KUF04022
P.O. Box 26765
Richmond, Virginia 23261

B. PRODUCTION FACILITY:
OPERATOR: Bandmill Coal Corp., Elk Run Coal Co.,
Omar Mining Co.
MINES: MacBeth, Crystal River, Chesterfield
LOCATION: Logan, Boone Counties, WV

C. CONTRACT EXECUTED DATE: October 25, 2004

D. CONTRACT DURATION: October 1, 2004 - December 31, 2006

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE
REQUIREMENTS: 2004 60,000 tons
2005 200,000 tons
2006 600,000 tons

G. ACTUAL TONNAGE:
RECEIVED: 2004 21,399 tons
2005 100,244 tons (Through 4/30/05)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 36%
2005 150% (Based on 66,667 tons)

I. BASE PRICE: (FOB Railcar) 2004 255.84 cents per MMBtu
2005 225.93 cents per MMBtu
2006 211.95 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 225.93 cents per MMBtu

A. NAME/ADDRESS: Arch Coal Sales Company, Inc./ KUF04028
CityPlace One, Suite 300
St. Louis, Missouri 63141

B. PRODUCTION FACILITY:
OPERATOR: Arch Coal, Inc.
MINES: Black Thunder
LOCATION: Campbell County, WY

C. CONTRACT EXECUTED DATE: September 7, 2004

D. CONTRACT DURATION: August 1, 2004 - December 31, 2005

E. CONTRACT AMENDMENTS: Amendment No.1, December 13, 2004.
Volume increased by 300,000 tons to
950,000 total.

F. ANNUAL TONNAGE
REQUIREMENTS: 2004 150,000 tons
2005 800,000 tons

G. ACTUAL TONNAGE:
RECEIVED: 2004 148,957 tons
2005 201,075 tons (Through 4/30/05)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 99%
2005 75% (Based on 266,667 tons)

I. BASE PRICE: (FOB Railcar) 2004 36.08 cents per MMBtu
2005 43.18 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 43.18 cents per MMBtu

A. NAME/ADDRESS: Black Beauty Coal Company / KUF05021
414 South Fares Ave.
Evansville, Indiana 47702

B. PRODUCTION FACILITY:
OPERATOR: Black Beauty Coal Company
MINES: Air Quality Mine
LOCATION: Knox County, IN

C. CONTRACT EXECUTED DATE: December 13, 2004

D. CONTRACT DURATION: January 1, 2005 – December 31, 2007

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2005	200,000 tons
2006	200,000 tons
2007	200,000 tons

G. ACTUAL TONNAGE RECEIVED:

2005	49,092 tons (Through 4/30/05)
------	-------------------------------

H. PERCENT OF ANNUAL REQUIREMENTS:

2005	74% (Based on 66,667 tons)
------	----------------------------

I. BASE PRICE: (FOB Barge)

2005	189.81 cents per MMBtu
2006	193.52 cents per MMBtu
2007	197.45 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 189.81 cents per MMBtu

A. NAME/ADDRESS: Arch Coal Sales Company, Inc. / KUF05029
CityPlace One, Suite 30
St. Louis, MO 63141

B. PRODUCTION FACILITY:
OPERATOR: Arch Coal, Inc.
MINES: Mingo-Logan, Ruffner, Wylo, Campbell's
Creek
LOCATION: Mingo, Logan, Boone & Kanawha Counties,
WV

C. CONTRACT EXECUTED DATE: November 22, 2004

D. CONTRACT DURATION: January 1, 2005 - December 31, 2006

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS: 2005 100,000 tons
2006 200,000 tons

G. ACTUAL TONNAGE RECEIVED: 2005 0 tons (Through 4/30/05)

H. PERCENT OF ANNUAL REQUIREMENTS: 2005 0%

I. BASE PRICE: (FOB Barge Huntington Docks) 2005 243.70 cents per MMBtu
2006 226.89 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 243.70 cents per MMBtu

A. NAME/ADDRESS: Ceredo Synfuel, LLC / KUF05091
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: KRT-Ceredo Plant
LOCATION: Cabell County, WV

C. CONTRACT EXECUTED DATE: February 24, 2005

D. CONTRACT DURATION: January 1, 2005 - December 31, 2005

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Arch Coal
Sales Company, Inc. – Contract KUF05029.
Contract amended effective January 1, 2005.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2005 49,658 tons (Through 4/30/05)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2005 100%

I. BASE PRICE: (FOB Barge) 2005 235.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 235.29 cents per MMBtu

A. NAME/ADDRESS: Consol Energy / KUF05039
1800 Washington Road
Pittsburgh, PA 15241

B. PRODUCTION FACILITY:
OPERATOR: Consolidation Coal Company
MINES: Shoemaker
LOCATION: Marshall County, WV

C. CONTRACT EXECUTED DATE: December 21, 2004

D. CONTRACT DURATION: January 1, 2005 - December 31, 2008

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS

2005	841,500 tons (Includes Force Majeure tons of 33,500)
2006	875,000 tons
2007	1,000,000 tons
2008	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

2005	245,082 tons (Through 4/30/05)
------	--------------------------------

H. PERCENT OF ANNUAL REQUIREMENTS:

2005	95% (Based on 258,167 tons)
------	-----------------------------

I. BASE PRICE: (FOB Barge)

2005	121.93 cents per MMBtu-Quality A
2006	124.39 cents per MMBtu-Quality A
2007	126.84 cents per MMBtu-Quality A
2008	129.39 cents per MMBtu-Quality A

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 121.93 cents per MMBtu

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 7

Witness: Mike Dotson

- Q-7. a. Does KU regularly compare the price of its coal purchases with those paid by other electric utilities?
- b. If yes, state:
- (1) How KU's prices compare with those of other utilities for the review period.
 - (2) The utilities that are included in this comparison and their location.

- A-7. a. Yes
- b. Please see the attached sheet.

**RESPONSE TO PSC ORDER
DATED: JULY 7, 2005
PSC CASE NO. 2005-00242**

UTILITY	APR 04 - MAR 05 ¢/MMBTU	PLANT LOCATIONS
Ameren Energy Resources	131.19	Illinois
AmerenEnergy Generating Co.	123.94	Illinois
Appalachian Power Co.	152.90	Virginia, West Virginia
Cardinal Operating Co.	146.49	Ohio
Cincinnati Gas & Electric Co.	137.84	Kentucky, Ohio
Columbus Southern Power Co.	138.01	Ohio
Dayton Power & Light Co.	160.13	Ohio
East Kentucky Power Coop, Inc.	182.12	Kentucky
Electric Energy, Inc.	96.01	Illinois
Hoosier Energy Rural Electric Coop, Inc.	108.90	Indiana
Indiana Michigan Power Co.	136.57	Indiana
Indiana-Kentucky Electric Corp.	132.05	Indiana
Indianapolis Power & Light Co.	104.29	Indiana
Kentucky Power Co.	175.20	Kentucky
Kentucky Utilities Co.	164.02	Kentucky
Louisville Gas & Electric Co.	119.81	Kentucky
Monongahela Power Co.	127.84	West Virginia
Northern Indiana Public Service Co.	133.50	Indiana
Ohio Power Co.	122.78	Ohio, West Virginia
Ohio Valley Electric Corp.	150.91	Ohio
Owensboro Municipal Utilities	95.98	Kentucky
PSI Energy, Inc.	124.68	Indiana
Southern Indiana Gas & Electric Co.	123.08	Indiana
Tennessee Valley Authority	133.79	Alabama, Kentucky, Tennessee

Kentucky Utilities ranked 22nd for the 12-month period. KU's ranking is among the highest of the companies in the comparison group primarily due to the cost of the compliance coal KU purchases.

Several of the utilities in the comparison are able to utilize greater amounts of lower cost compliance coal from the Powder River Basin (PRB) than KU.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 8

Witness: Mike Dotson

Q-8. What percentage of KU's coal, as of the date of this Order, is delivered by:

- a. rail?
- b. truck?
- c. barge?

- A-8. a. Rail 14%
- b. Truck 12%
- c. Barge 74%

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 9

Witness: Mike Dotson

- Q-9. a. State KU's coal inventory level in tons and in number of days' supply as of April 30, 2005.
- b. Describe the criteria used to determine number of days' supply.
- c. Compare KU's coal inventory as of April 30, 2005 to its inventory target for that date.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.
- e. (1) Does KU expect any significant changes in its current coal inventory target within the next 12 months?
- (2) If yes, state the expected change and the reasons for this change.

A-9. a. As of May 1, 2005; 1,168,489 tons; 57 days supply

b. PSC Formula

$$\text{Days Burn} = \frac{\text{Current inventory tons}}{\text{Proceeding 12 months burn (tons)}} \times 365 \text{ Days}$$

c. Target 50 Days

d. Not Applicable

e. (1) No

(2) Not Applicable

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 10

Witness: Mike Dotson

Q-10. a. Has KU audited any of its coal contracts during the period from November 1, 2004 through April 30, 2005?

b. If yes, for each audited contract:

(1) Identify the contract.

(2) Identify the auditor.

(3) State the results of the audit.

(4) Describe the actions that KU took as a result of the audit.

A-10. a. No. KU has not conducted any financial audits of coal companies. KU's current contracts are fixed price contracts and are not subject to price escalations that would require recurring audits. KU's Mining Engineer does conduct scheduled on-site reviews and inspections of the mining operations and sampling systems of each vendor up to twice a year and may conduct unscheduled visits. Additionally, KU employees may visit a vendor as needed to address problems and issues at any time.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 11

Witness: Robert M. Conroy

- Q-11. a. Has KU received any customer complaints regarding its fuel adjustment clause during the period from November 1, 2004 through April 30, 2005?
- b. If yes, for each complaint, state:
- (1) The nature of the complaint.
 - (2) KU's response.

A-11. a. No.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 12

Witness: Mike Dotson

- Q-12. a. Is KU currently involved in any litigation with its current or former coal suppliers?
- b. If yes, for each litigation:
- (1) Identify the coal supplier.
 - (2) Identify the coal contract involved.
 - (3) State the potential liability or recovery to KU.

- (4) KU claims that (i) AEI breached the contract by failing to deliver the required quantity of coal without contractual justification; (ii) AEI's failure to provide assurance of delivery when requested constitutes an anticipatory repudiation of the contract; and (iii) AEI committed fraud against KU by misleading KU into relying on false representations, while AEI diverted KU's coal to KU competitors.
 - (5) A copy of the complaint was filed with the Commission as part of the hearing to Case No. 2002-00224 and a copy of the proof of claim was filed with the Commission as part of the hearing to Case No. 2003-00213 and Case No. 2003-00455.
- c. In the action styled "Kentucky Utilities Company v. AEI Coal Sales Company, Inc., and AEI Holding Company, Inc., the complaint has been filed. The current action is under stay due to Horizon Natural Resources successor of AEI Coal Sales Company, Inc., and AEI Holding Company, Inc., Chapter 11 filing in U. S. Bankruptcy Court. To preserve its claims, KU filed proofs of claim in those bankruptcies on June 11, 2003 with respect to Case No. 02-14290 and Case No. 02-014268 in the United States Bankruptcy Court of the Eastern District of Kentucky. A liquidating plan was approved by the Bankruptcy Court and the claims process is ongoing.

Due to lack of funds, it is anticipated that at some point in time, KU will receive a distribution, but only with respect to a portion of the amount allowed as an administrative expense.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 13

Witness: Mike Dotson

- Q-13. a. During the period from November 1, 2004 through April 30, 2005, have there been any changes to KU's written policies and procedures regarding its fuel procurement?
- b. If yes,
- (1) What were these changes?
 - (2) Provide these written policies and procedures as changed.
 - (3) When were these changes made?

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 14

Witness: Mike Dotson

Q-14. a. Is KU aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from November 1, 2004 through April 30, 2005?

b. If yes, for each violation:

(1) Describe the violation.

(2) Describe the action(s) that KU took upon discovering the violation.

(3) Identify the person(s) who committed the violation.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 15

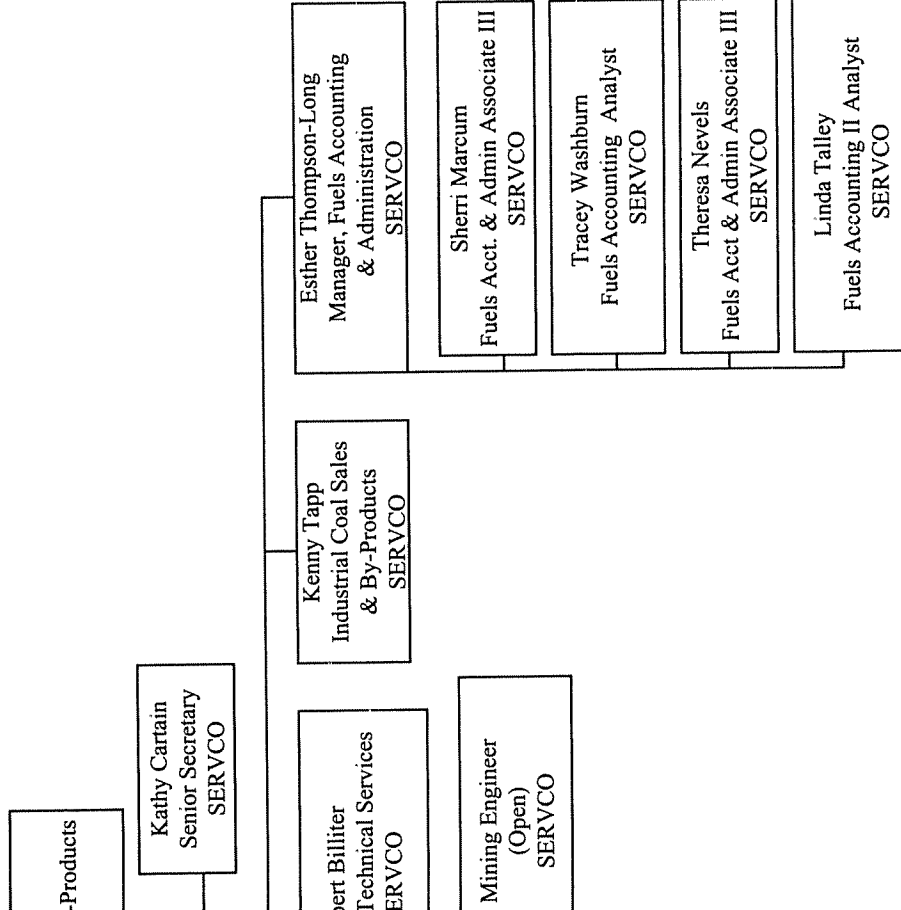
Witness: Mike Dotson

Q-15. Identify all changes that occurred during the period from November 1, 2004 through April 30, 2005 in the organizational structure and personnel of the departments or divisions that are responsible for KU's fuel procurement activities.

A-15. The following changes have occurred in the Fuels Department during the period under review.

November 11, 2004 - Jim Hatton left LG&E Energy LLC as Manager, Fuels Field Operations.

nd By-Products 4, 2005



KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 16

Witness: Keith Yocum

- Q-16. a. Identify all changes that KU has made during the period under review to its maintenance and operation practices that also affect fuel usage at KU's generation facilities.
- b. Describe the impact of these changes on KU's fuel usage.
- A-16. a. None
- b. Not applicable

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 17

Witness: Mike Dotson

Q-17. List each written coal supply solicitation issued during the period from November 1, 2004 to April 30, 2005.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the

SOLICITATION #2

- a. Date: March 16, 2005
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's E.W. Brown station, Ghent station compliance units 2,3,4 and Tyrone station.
Period: Up to 5 years
Generating Units: KU's E. W. Brown station, Ghent station units 2,3,4 and Tyrone station.
- c. March 16, 2005 Solicitation:
Number of vendors receiving bids: 167

Number of vendors responded: 21

Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the bid opening is complete and the vendors are chosen.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 18

Witness: Mike Dotson

- Q-18. List each oral coal supply solicitation issued during the period from November 1, 2004 to April 30, 2005.
- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
 - b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 19

Witness: Keith Yocum

- Q-19. a. List all intersystem sales during the period under review in which KU used a third party's transmission system.
- b. For each sale listed above,
- (1) Describe how KU addressed for fuel adjustment clause reporting purposes the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system.

Subsequent to the start of the MISO Day 2 market on April 1, 2005, all off-system sales are made at the generator, and there are no separately identifiable physical losses to include as part of off-system sales. Therefore, April 2005 shows zero losses. For purposes of compliance with FAC regulations, the Companies continue to use the AFB process to allocate fuel cost between native load and off-system sales.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated July 7, 2005**

Case No. 2005-00242

Question No. 20

Witness: Robert M. Conroy

Q-20. Describe each change that KU made during the period under review to its methodology for calculating intersystem sales line losses.

A-20. None.