

DORSEY, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

318 SECOND STREET

HENDERSON, KENTUCKY 42420

JOHN DORSEY (1920-1986)
STEPHEN D. GRAY
WILLIAM B. NORMENT, JR.
J. CHRISTOPHER HOPGOOD
S. MADISON GRAY
DAVIS L. HUNTER

TELEPHONE
(270) 826-3965
TELEFAX
(270) 826-6672
www.dkgnlaw.com

October 12, 2017

FEDEX

Ms. Gwen R. Pinson
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED
OCT 13 2017
PUBLIC SERVICE
COMMISSION

Re: Kenergy
Armstrong Coal Co

Dear Ms. Pinson:


Enclosed for filing are the original and 10 copies of Verified Petition for Declaratory Order and Emergency Relief.

Thank you for your attention to this matter.

Very truly yours,

DORSEY, GRAY, NORMENT & HOPGOOD

By


Christopher Hopgood
Counsel for Kenergy Corp.

JCH/cds
Encls.

PUBLIC SERVICE
COMMISSION

VERIFIED PETITION FOR DECLARATORY ORDER
& EMERGENCY RELIEF

through arrangements with Big Rivers Electric Corporation (“Big Rivers”), Kenergy’s wholesale power supplier. Kenergy serves Armstrong under four (4) special contracts filed with the Commission pursuant to 807 KAR 5:011, Section 13. The first is dated December 6, 2007, and is attached as “Exhibit A.” This contract has a service address at Midway Mine and Prep Plant, 1720 M2 Road, Centertown, Kentucky 42328. The second contract is dated December 9, 2008, and is attached as Exhibit B. This is referred to as the “Armstrong Dock” and has a service address at 660 A12 Road, Centertown, Kentucky 42328. The third contract is dated May 11, 2009, and is attached as “Exhibit C.” This contract has a service address at Equality Surface Mine, 482 Bluff Lane, Centertown, KY 42328. The fourth contract is dated September 27, 2010, and is attached as Exhibit D. It is referenced as the “Lewis Creek Surface Mine”.

Kenergy has four (4) meters for Armstrong under these two (2) contracts.

The balances¹ owed as of September 25, 2017, and deposits are as follows:

<u>NAME</u>	<u>9/25/17 BALANCE</u>	<u>10/10/17 BILLING</u>	<u>CASH DEPOSIT</u>
Midway Mine	\$ 74,893.84	\$ 65,843.82	\$328,208.78
Armstrong Dock	\$376,276.62	\$331,496.12	\$685,008.60
Equality Mine	\$ 85,471.38	\$ 73,317.95	\$209,359.78
Lewis Creek	\$ 25,731.91	\$ 23,758.50	\$ 70,000.00

¹Shown on “Exhibit E”

In addition, the Lewis Creek account has a deposit of \$477,000 as security charges incurred by Big Rivers to obtain service to the site.

The 60 day average daily usage is \$2,345.62 for the Midway Mine, \$11,796.21 for the Armstrong Dock, \$2,646.48 for the Equality Mine and \$824.84 for the Lewis Creek Mine. Armstrong will be one-half through monthly usage by October 15, 2017, exposing Kenergy to risk that greatly exceeds the deposit on the Armstrong Dock

The accounts are billed on or before the 10th day of the month. Payment is due on these invoices on or before the 25th of the month. No payment was made by Armstrong on any of these accounts by September 25, 2017, and no payment has been received by Kenergy as of the time of this filing. On September 29, 2017, Kenergy sent the attached letter² notifying Armstrong that it would terminate service if payment was not received within 15 days. The termination provisions on the accounts are in paragraph 2(C) of Exhibit A and paragraph 2(F) of “Exhibits B, C & D”, and the notice provisions are in contract addendum 5.30.³ The letter was sent via electronic mail and next day courier to the address for Armstrong identified in the contracts for notice to Armstrong. The hard copy of the letter was delivered to Armstrong by Federal Express on October 2, 2017.

²“Exhibit F”

³“Any such notice, demand or request shall be deemed properly given to or served on Consumer if mailed to: Armstrong Coal Company, Inc., c/o David R. Cobb, 407 Brown Road, Madisonville, Kentucky 42431.” Contract Addendum 5.30

Out of an abundance of caution, Kenergy re-sent the termination notice on October 3, 2017,⁴ to include language in 807 KAR 5:006, §14(5). The hard copy of the letter was delivered to Armstrong by Federal Express on October 4, 2017. Kenergy believes that §14(5) is applicable to residential members and not sophisticated commercial members served under special contracts. 807 KAR 5:006 Section 15(1)(f)(30 states that, “[t]he termination notice requirements of this subsection shall not apply if termination notice requirements to a particular customer or customers are otherwise dictated by the terms of a special contract between the utility and the customer, which has been approved by the Commission.” Therefore, Kenergy’s position is that proper notice of termination is effective when sent and was sent on September 29, 2017, and termination shall take place on Sunday, October 15, 2017, at 12:01 A.M.

807 KAR 5:001, §19(2)(c) - APPLICANT’S INTEREST. The applicant’s interest is that of retail supplier of electric energy to a member who is past due on \$562,373.75, for its August usage with usage continuing in September and October. As noted above, unpaid usage for one of the accounts has now exceeded the deposit for that account and continues to accrue.

807 KAR 5:001, §19(2)(d) - APPLICABLE REGULATIONS. The regulations to which this application relates are 807 KAR 5:006, §14 and §15.

⁴“Exhibit G”

807 KAR 5:001, §19(2)(e) - PROPOSED RESOLUTION. The proposed resolution is to authorize termination of service to the Armstrong meters as of Sunday, October 15, 2017, at 12:01 A.M. This matter merits emergency relief because the energy used at Armstrong Dock already exceeds the deposit on hand, the other accounts are in danger of exceeding the deposit, termination date occurs on a weekend, the member is engaged in an industry where the safety of its workers depends upon the supply of electric energy, and the member continues using electric energy.

Kenergy seeks an Order from the Commission finding that Kenergy is authorized by its retail contracts with Armstrong and the public utility law of Kentucky to terminate retail electric service to the Armstrong meters for non-payment as of Sunday, October 15, 2017, at 12:01 a.m. This relief is appropriate because notice required by each of the contracts has been given, and Kenergy is not required to provide and should not provide service without being compensated in accordance with its filed retail contracts.

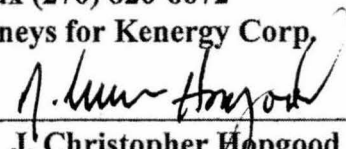
Due to the magnitude of the dollar amounts involved, the implications of terminating service to operating coal mining facilities, and the impending disconnect date make it appropriate for Armstrong to have an opportunity to state any reasons why it believes service should not be terminated. Attempts by Kenergy to communicate with Armstrong by e-mail and phone conferences have been unsuccessful. A ruling by the Commission would also provide Kenergy and its members appropriate assurance that the termination, when executed, will be lawful.

807 KAR 5:001, §19(3) - SERVICE ON ARMSTRONG. A copy of this

Petition is served by hand delivery to its corporate address at 407 Brown Road,
Madisonville, KY 42431, with a fax to the CFO of Armstrong, Jeffrey F. Winnick, (317)
721-8211.

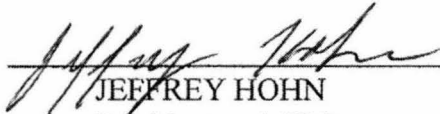
DORSEY, GRAY, NORMENT & HOPGOOD
318 Second Street
Henderson, KY 42420
Telephone (270) 826-3965
Telefax (270) 826-6672
Attorneys for Kenergy Corp.

By


J. Christopher Hopgood
chopgood@dkgnlaw.com

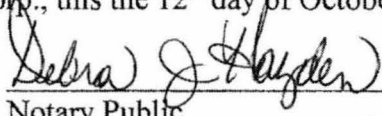
VERIFICATION

I, **JEFFREY HOHN**, swear and affirm that the foregoing statements are
true and correct to the best of my knowledge and belief.


JEFFREY HOHN
President and CEO
Kenergy Corp.

State of Kentucky
County of Daviess

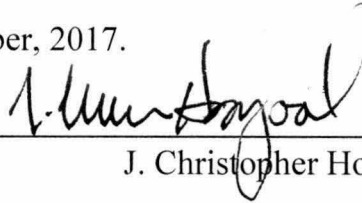
The foregoing was subscribed and sworn to before me by Jeffrey Hohn,
President and CEO of Kenergy Corp., this the 12th day of October, 2017.


Notary Public

My Commission expires: 5-24-19

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served up;on Armstrong Coal by delivering a true and correct copy of same to Armstrong Coal 405 Brown Road, Madisonville, KY 42431, and via FAX to Jeffrey F. Winnick, CFO, Armstrong Energy, Inc., 7733 Forsyth Boulevard, Suite 1625, St. Louis, MO 63105, FAX NO. (314) 721-8211, this the 12th day of October, 2017.

A handwritten signature in black ink, appearing to read "J. Christopher Hopgood", is written over a horizontal line.

J. Christopher Hopgood

AGREEMENT FOR ELECTRIC SERVICE

AGREEMENT made December 6, 2007, between KENERGY CORP, 6402 Old Corydon Road, Henderson, Kentucky 42420 (hereinafter called the "Seller"), and Armstrong Coal Company, Inc. with a service address at Midway Mine and Prep Plant., 1720 M2 Road, Centertown, Kentucky 42328 and corporate address at 407 Brown Road, Madisonville, Kentucky 42431, (hereinafter called the consumer"), a corporation.

The Seller shall sell and deliver to the Consumer, and the Consumer shall purchase all of the electric power and energy, which the Consumer may need at the aforementioned location, up to 5,000 kilowatts, upon the following terms:

1. SERVICE CHARACTERISTICS

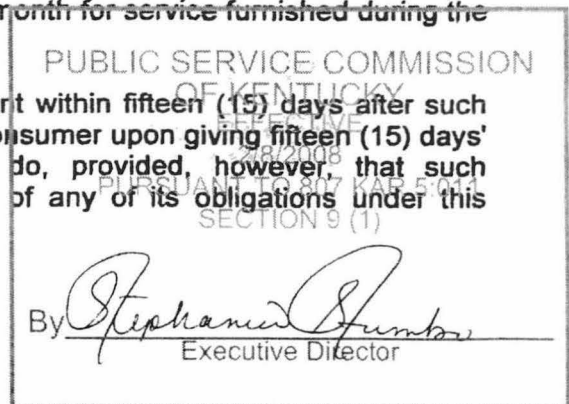
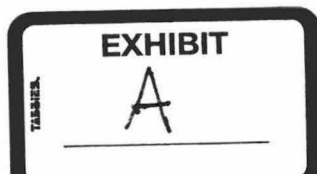
- A. Service hereunder shall be alternating current, 3 phase, sixty cycles, 69,000 volts.
- B. The Consumer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of power and shall not sell electric power and energy purchased hereunder.

2. PAYMENT

- A. The Consumer shall pay the Seller for service hereunder at the rates and upon the terms and conditions set forth in Schedule 31, as it may be amended from time to time. A copy of Seller's current Schedule 31 is attached to and made a part of this Agreement as Exhibit "A." Notwithstanding any provision of the Schedule 31 and irrespective of Consumer's requirements for or use of electric power and energy, the demand for billing purposes hereunder shall be not less than 200 kilowatts per billing period (per month) through June, 2008, and 3,000 kilowatts for any billing period (per month) thereafter. In any event, based upon Seller's current rates the Consumer shall pay the Seller not less than \$2,130 per month through June, 2008 and not less than \$30,550 per month for service or for having service available hereunder during the remainder of the term hereof.
- B. The initial billing period shall start when Consumer begins using electric power and energy, or 30 days after the Seller notifies the Consumer in writing that service is available hereunder, whichever shall occur first; subject, however, to conditions of section 8.B., below.
- C. Bills for service hereunder shall be paid at the office of the Seller at Kenergy Corp, 6402 Old Corydon Rd., Henderson, KY 42420.

Such payments shall be due on the 25th day of each month for service furnished during the preceding monthly billing period.

If the Consumer shall fail to make any such payment within fifteen (15) days after such payment is due, the Seller may discontinue service to the Consumer upon giving fifteen (15) days' written notice to the Consumer of its intention so to do, provided, however, that such discontinuance of service shall not relieve the Consumer of any of its obligations under this Agreement.



- D. The Consumer agrees that if, at any time, the rate under which the Seller purchases electric service at wholesale is modified, the Seller may make an equivalent modification in the rate for service hereunder.

3. **MEMBERSHIP**

The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by such rules and regulations as may from time to time be adopted by the Seller.

4. **CONTINUITY OF SERVICE**

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder. If the supply of electric power and energy shall fail or be interrupted, or become defective through act of God, Governmental authority, action of the elements, public enemy, accident, strikes, labor trouble, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of Seller, the Seller shall not be liable therefore or for damages caused thereby.

5. **RIGHT OF ACCESS**

Duly authorized representatives of the Seller shall be permitted to enter the Consumer's premises at all reasonable times in order to carry out the provisions hereof.

6. **TERM**

This Agreement shall become effective upon the approval or acceptance referred to below in section 8.B. and shall remain in effect until ten (10) years following the start of the initial billing period and thereafter until terminated by either party giving to the other three (3) months notice in writing.

7. **CONSUMER DEPOSIT**

As security for payment of its monthly billing obligations and termination charges, Consumer shall be required to provide Seller a cash deposit or other sufficient guaranty in a sum representing two (2) months' estimated billing and projected termination charges, initially being the total amount of \$390,000 and Seller hereby acknowledges receipt of same. The portion of the deposit or guaranty representing termination charges estimated to be \$300,000, but actual costs shall be applied and shall be reduced by \$.90 per kw of demand the Consumer is billed and pays for each month beginning with the initial billing period (see attached Addendum 2), and annually the parties shall adjust the deposit or guaranty accordingly.

8. **SUCCESSION AND APPROVAL**

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto. This contract shall not be effective unless approved or accepted in writing by the Kentucky Public Service Commission.

9. **ADDENDA**

The addenda to this agreement are attached hereto and incorporated herein as a part of this agreement for electric service.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/8/2006
PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

By 
Executive Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement all as of the day and year first above written.

KENERGY CORP

Seller

By

Printed Name Sanford Novick

Title President and CEO

ARMSTRONG COAL COMPANY, INC.

Consumer

By

Printed Name Martin D. Wilson

Title President

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

2/8/2008

PURSUANT TO 807 KAR 5-011

SECTION 9 (1)

By

Stephanie Dumb
Executive Director

ADDENDA TO AGREEMENT FOR ELECTRIC SERVICE

ADDENDUM 1


1.10 Facilities to be Provided by Consumer.

1.11 Consumer will provide or cause to be provided (without cost to the Seller) permanent easements upon Consumer's property which in the opinion of the Seller are necessary for the construction of facilities which the Seller or its wholesale power supplier must furnish to provide electric service under this Agreement.

1.12 Except as provided in Section 1.20 of this Addendum, Consumer shall furnish and install, or cause to be furnished or installed, such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the point of delivery, including such protective devices as may be reasonably necessary in the opinion of the Seller to protect the system of the Seller from disturbances caused by Consumer. Plans for equipment to be installed for such protection shall be submitted to Seller for prior approval.

1.20 **Facilities to be Provided by Seller.** Seller shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of electric power and energy to the point of delivery, including the following facilities:

1.21 Approximately 2.3 miles of 69,000 volt electric transmission line extending from Big Rivers Electric Corporation's existing transmission line

OFFICE OF THE COMMISSION
OF KENTUCKY
EFFECTIVE
2/8/2008
PURSUANT TO 807 KAR 5:011
SECTION 4(1)
By 
Executive Director

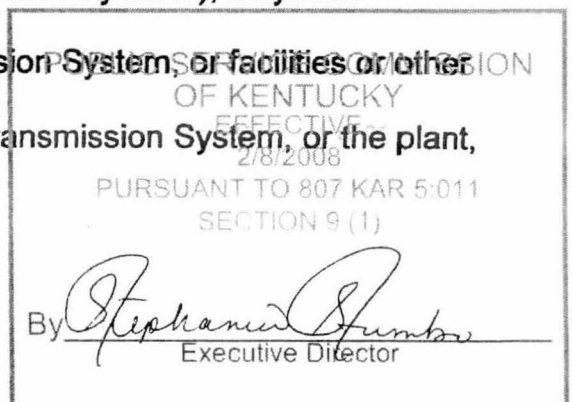
system to Consumer's dead-end structure near Consumer's substation yard.

1.22 Metering, communications, relaying, and control circuits [as mutually agreed upon] and as necessary for proper measurement, control and coordination between Seller's and Consumer's facilities.

1.30 **Construction Standards.** Consumer shall construct and maintain any facilities it builds under an obligation created by this Agreement in accordance with applicable provisions of the National Electric Safety Code of the American National Standards Institute (ANSI C2), and other applicable laws, codes and regulations, provided however Seller shall have no duty to inspect those facilities for conformance with such standards or have any responsibility for the means, methods or techniques employed by Consumer or its contractor in the construction of these facilities. Each party shall own, maintain and operate the facilities it purchases and installs.

1.40 **Electric Disturbances and Phase Balancing.**

- (a) Consumer shall not use the power and energy delivered under this Agreement in such manner as to cause a "System Disturbance." A System Disturbance is a use of electric power and energy which directly or indirectly results in a risk of harm to human beings or material damage to or interference with the transmission system of Seller's wholesale power supplier (the "Wholesale Transmission System"), a system connected with the Wholesale Transmission System, or facilities or other property in proximity to the Wholesale Transmission System, or the plant,

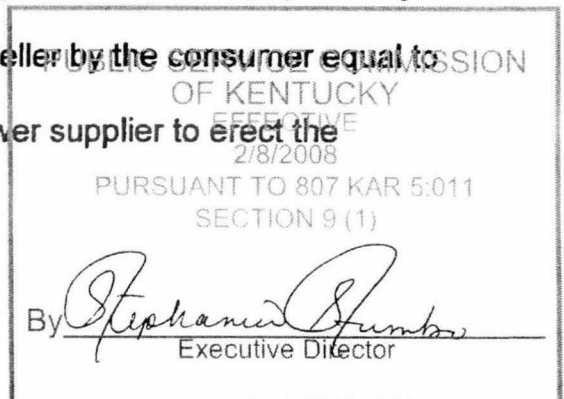


facility, equipment or operations of any other customer served directly or indirectly from the Wholesale Transmission System. A System Disturbance includes, but is not limited to: (a) Harmonic Distortion: a level of current harmonic total demand distortion (TDD) measured at a consumer's point of delivery that exceeds the limits on TDD described in IEEE Standard 519, Section 10; and, (b) Phase Imbalance: a use of capacity and energy in such a manner that causes a current imbalance between phases greater than 5% at a retail customer's point of delivery.

- (b) Seller may require Customer, at Customer's expense, to make such changes in its system as may be reasonably necessary to eliminate System Disturbances. If Customer's use of power and energy creates an imbalance between phases that causes a System Disturbance, and fails to make changes in its system requested by Seller to correct such condition, in addition to any other remedies it has Seller make, in its determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.

ADDENDUM 2

Termination. If termination of this Agreement is requested by the Consumer, and granted by the Seller, or if Seller terminates the Agreement for nonpayment by Consumer, a termination charge shall be paid to the Seller by the consumer equal to the actual investment made by Seller's wholesale power supplier to erect the



transmission line facilities described in paragraphs 1.21 and 1.22 of this Addenda, reduced by \$.90 per kw of demand the Consumer is billed and pays for each month beginning with the initial billing period. Consumer's obligation under the terms of this Agreement shall cease upon such Termination and after reimbursement of termination charges.

ADDENDUM 3

Force Majeure. In the event performance of this Agreement is limited or prevented in whole or in part by Acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of the Government (whether federal, state, or local, civil or military), civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, or inability of either party hereto to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities (whether federal, state, or local, civil or military), upon such party's giving notice and reasonably full particulars of such force majeure or uncontrollable force, in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the party whose performance is so limited or prevented shall be excused, discharged and released from the performance to the extent such performance is limited or prevented, but only for the period when the performance is limited or prevented and thereafter all of the terms of this Agreement shall remain in effect except that the term of the agreement shall be extended for a period equal to the duration of the aforesaid force majeure. A minimum



bill due during a billing period when a force majeure event occurs shall be prorated based upon the duration of the period of force majeure, but nothing contained herein shall excuse Consumer from the obligations of paying at the time provided herein, for any power consumed by it. In no event shall this Agreement subject either party to liability for consequential or incidental damages, or damages for loss of anticipated profits.

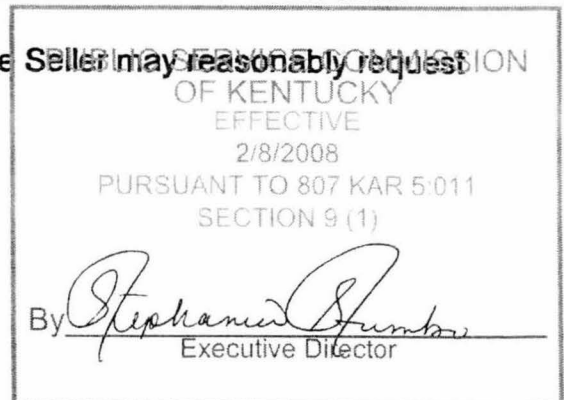
ADDENDUM 4

Successors in Interest. Consumer may with written approval of the Seller assign or transfer this Agreement and such approval shall not be unreasonably withheld. In such event such assignee or transferee shall assume all obligations or responsibilities of Consumer under this Agreement, and the consumer shall then become only secondarily liable for such obligations and responsibilities.

ADDENDUM 5

5.10 **Remedies of the Parties.** Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter. Except as specifically provided herein, this Agreement shall not be construed to abridge, limit, or deprive either party of any remedy for breach of the provisions herein which would otherwise be available at law or equity.

5.20 **Reports and Information.** Consumer shall furnish to the Seller such reports and information concerning its operations as the Seller may reasonably request from time to time.



5.30 **Notices.** Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on Seller if mailed to:

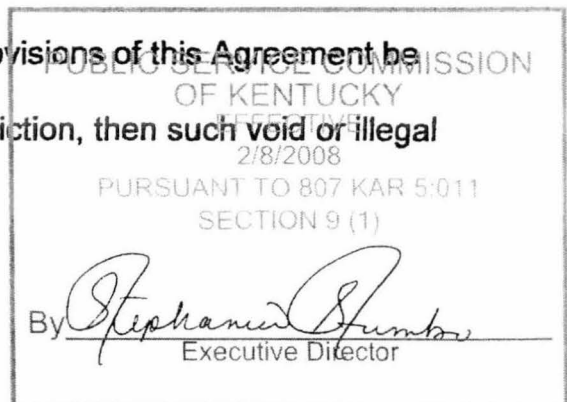
Kenergy Corp.,
Attention: President & CEO
Post Office Box 18
Henderson, Kentucky 42419-0018

Any such notice, demand or request shall be deemed properly given to or served on Consumer if mailed to:

Armstrong Coal Company, Inc.
c/o David R. Cobb
407 Brown Road
Madisonville, KY 42431

5.40 **Jurisdiction and Venue.** The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, provided, however, that service to the Consumer is subject to the provisions of the Articles of Consolidation and Bylaws of Seller and is subject to the lawful orders of the Kentucky Public Service Commission. All respective rights and obligations of the parties shall be governed by the laws of the State of Kentucky. Venue of any action, legal or equitable, having as its basis the enforcement or interpretation of this contract, shall be Henderson County, Kentucky.

5.50 **Severability.** Should any provision or provisions of this Agreement be declared void or illegal by any court of competent jurisdiction, then such void or illegal



provision or provisions shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect.

KENERGY CORP.

Seller

By

Sanford Novick
Printed Name: Sanford Novick

Title: President & CEO

ARMSTRONG COAL COMPANY, INC.

Consumer

By

Mart D. Wilson
Printed Name: Martin D. Wilson

Title: President

**If other than president, vice president, partner or owner, a power of attorney must accompany contract.*

(7/14/00)

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/8/2008
PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

By

Stephanie Dumb
Executive Director

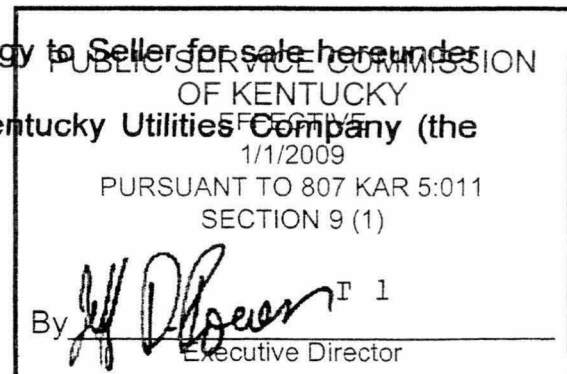
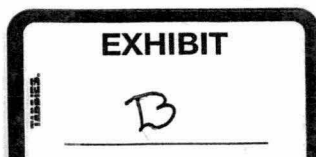
AGREEMENT FOR ELECTRIC SERVICE

AGREEMENT made December 9, 2008, between KENERGY CORP, 6402 Old Corydon Road, Henderson, Kentucky 42420 (hereinafter called the "Seller"), and Armstrong Coal Company, Inc. with a service address at Armstrong Dock., 660 A12 Road, Centertown, Kentucky 42328 (the "Armstrong Dock") and corporate address at 407 Brown Road, Madisonville, Kentucky 42431, (hereinafter called the "Consumer"), a corporation.

The Seller shall sell and deliver to the Consumer, and the Consumer shall purchase all of the electric power and energy, which the Consumer may need at the aforementioned location, up to 2,000 kilowatts (the "Maximum Demand"), except as otherwise provided herein, upon the following terms:

1. **SERVICE CHARACTERISTICS**


- A. Service hereunder shall be alternating current, 3 phase, sixty cycles, nominal 69,000 volts.
- B. The Consumer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of power and shall not sell electric power and energy purchased hereunder.
- C. The Consumer acknowledges that Seller's wholesale power supplier is transmitting electric power and energy to Seller for sale hereunder across the transmission system of Kentucky Utilities Company (the "KU System").



2. **PAYMENT**

A. The Consumer shall pay the Seller for service hereunder at the rates and upon the terms and conditions set forth in Seller's Schedule 31, as it may be amended from time to time. A copy of Seller's current Schedule 31 is attached to and made a part of this Agreement as Exhibit "A." Notwithstanding any provision of the Schedule 31 and irrespective of Consumer's requirements for or use of electric power and energy, the demand for billing purposes hereunder shall be not less than 400 kilowatts per billing period (per month) through the calendar month of February, 2009; and 1,200 kilowatts for any billing period (per month) thereafter. In any event, based upon Seller's current rates the Consumer shall pay the Seller not less than \$4,160 per month through the calendar month of February, 2009, and not less than \$12,280 per month for service or for having service available hereunder during the remainder of the Term hereof.

B. Consumer's Maximum Demand under this Agreement may be unilaterally increased by Consumer, from time to time, up to a Maximum Demand of 4,000 kW by Consumer giving written notice to Seller at least 45 days prior to the effective date of the increase. The effective date of any unilateral increase by Consumer in its Maximum Demand shall be the first day of a calendar month, and on and after that date Consumer's minimum billing demand per month shall be the new Maximum Demand multiplied by the

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
1/1/2009
NOTED BY THE
SECTION 9 (1)
By 
Executive Director


demand rate applicable to Consumer under Seller's applicable tariff, multiplied by 60%.

- C. The initial billing period shall start when Consumer begins using electric power and energy, or 30 days after the Seller notifies the Consumer in writing that service is available hereunder, whichever shall occur first; subject, however, to conditions of Section 8, below.
- D. Bills for service hereunder shall be paid at the office of the Seller at Kenergy Corp, 6402 Old Corydon Rd., Henderson, KY 42420.
- E. Such payments shall be due on the 25th day of each month for service furnished during the preceding monthly billing period.

-
- F. If the Consumer shall fail to make any such payment within fifteen (15) days after such payment is due, the Seller may discontinue service to the Consumer upon giving fifteen (15) days' written notice to the Consumer of its intention so to do, provided, however, that such discontinuance of service shall not relieve the Consumer of any of its obligations under this Agreement.

- G. The Consumer agrees that if, at any time, the rate under which the Seller purchases electric service at wholesale is modified, the Seller may make an equivalent modification in the rate for service hereunder.

- H. Consumer acknowledges that it has requested Seller to deliver service under this Agreement across the KU System. Accordingly, Consumer further agrees to pay, on the terms stated in this Section

<p>PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE 1/1/2009 SUBSTITUTED IN THIS SECTION SECTION 9 (1)</p> <p>By  Executive Director</p>
--

2, any charges payable by Seller's wholesale power supplier under the Kentucky Utilities Company ("KU") open access transmission tariff arising out of, related to or connected with providing service to Consumer under this Agreement that are billed to Seller by its wholesale power supplier, and to Consumer by Seller. Consumer further acknowledges that transmission capacity across the KU System is reserved and paid for on an annual basis. Seller agrees that if this Agreement is terminated, Seller will use reasonable commercial efforts to mitigate Consumer's exposure to costs for transmission capacity on the KU System that has been reserved for purposes of performing this Agreement, but which will be unutilized for those purposes following the termination of this Agreement.

- I. Consumer's payment obligations under this Section 2 shall survive termination of this Agreement.

3. **MEMBERSHIP**

The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by such generally applicable rules and regulations as may from time to time be adopted by the Seller.

4. **CONTINUITY OF SERVICE**

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder. If the supply of electric power and energy shall fail or be interrupted or become defective through act of God, governmental authority, action of the elements, public enemy,

PUBLIC SERVICE COMMISSION
OF KENTUCKY
1/1/2009
PURSUANT TO KAP 5-011
SECTION 9 (1)

By



Executive Director

accident, strikes, labor trouble, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of Seller, then Seller shall not be liable therefor or for damages caused thereby.

5. **RIGHT OF ACCESS**

Duly authorized representatives of the Seller shall be permitted to enter the Consumer's premises at all reasonable times in order to carry out the provisions hereof.


6. **TERM**

This Agreement shall become effective upon the approval or acceptance referred to below in Section 8, and shall remain in effect until ten (10) years following the start of the initial billing period and thereafter until and unless terminated by either party giving to the other three (3) months notice in writing (the "Term").

7. **CONSUMER CONTRIBUTION, TERMINATION CHARGE AND DEPOSIT**

A. Extension of service to Consumer's delivery point requires construction of certain facilities (the "Facilities") by Seller's wholesale power supplier (the "Big Rivers Facilities") and the transmission provider (the "KU Facilities," and, together with the Big Rivers Facilities, the "Facilities"). A description of the Facilities is contained in Addendum 1.20, and is shown, in part, on the attached Exhibit B.

B. Seller currently estimates the cost of providing the Big Rivers Facilities will be \$150,000. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the Big Rivers

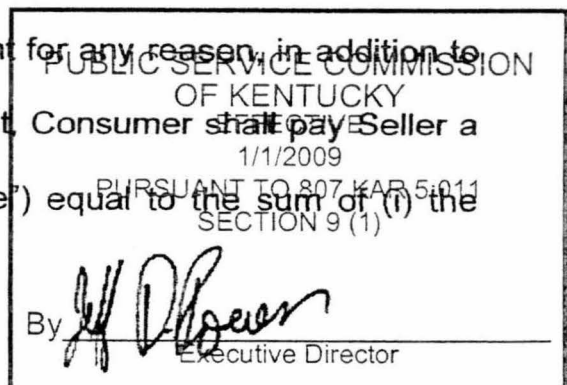
<p>PUBLIC SERVICE COMMISSION OF KENTUCKY 1/1/2009 PURSUANT TO 807 KAR 5-014 SECTION 9(1)</p> <p>By  Executive Director</p>

Facilities (the "Big Rivers Facilities Cost") on the terms stated in this Section 7.

C. Seller currently estimates the cost of providing the KU Facilities will be \$370,000, plus the cost of KU related communications facilities. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the KU Facilities (the "KU Facilities Cost") on the terms stated in this Section 7, and shall have the benefit of any terms for payment of those costs that may be available to Seller (or Seller's wholesale power supplier) from KU. If alternate terms for payment of the KU Facilities Cost are available from KU, Consumer may select the

payment terms it prefers, with the consent of Seller, provided that Seller's selection shall be made on a timely basis as is required to meet KU's schedule for that selection. Seller will bill Consumer for the actual cost to Seller of the KU Facilities Cost on Consumer's monthly invoice for electric service, and the amount billed for the KU Facilities Cost will be due and payable on the same terms applicable to other charges for electric service in that invoice. The portion of the total KU Facilities Cost that appears on any monthly invoice to Consumer shall reasonably reflect the terms for payment of the total KU Facilities Cost available to Seller (or Seller's wholesale power supplier) from KU.

D. Upon the termination of this Agreement for any reason, in addition to any other amounts due under this Agreement, Consumer shall pay Seller a termination charge (the "Termination Charge") equal to the sum of (i) the



portion of the KU Facilities Cost which remains unpaid by Consumer on the termination date, and (ii) the Big Rivers Facilities Cost, provided, however, that the Termination Charge, when due, shall be credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement up to and including the date of such termination, with the maximum credit not to exceed the actual cost of the Big Rivers Facilities. As security for payment of the Termination Charge, Consumer has provided Seller with the delivery of this Agreement an irrevocable bank letter of credit in the amount of \$150,000, and Seller hereby acknowledges receipt of same. Consumer agrees that within 30 days after Seller notifies

Consumer of the KU Facilities Cost, the amount of this irrevocable bank letter of credit shall be adjusted to equal the sum of (x) Seller's obligation for the KU Facilities Cost, reduced by the portion of Consumer's first payment attributable to the KU Facilities Cost, and (y) the Big Rivers Facilities Cost, credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement.

E. As security for payment of its monthly billing obligations, Consumer shall further be required to provide Seller a cash deposit or provide an irrevocable bank letter of credit representing two (2) months' estimated billing, being the total amount of \$150,000.00 on the date of this Agreement, and Seller hereby acknowledges receipt of same.

F. Any cash deposit will earn interest in accordance with law, and interest earned will be paid annually to Consumer. Letters of credit for the foregoing

PUBLIC SERVICE COMMISSION
OF KENTUCKY

1/1/2009

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By



Executive Director

securities may be combined, and must be approved in advance by Seller as to form and issuer. Annually the Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(E) reasonably to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter(s) of credit. The Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(D) to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter of credit whenever requested by Consumer, but not more frequently than twelve times in any calendar year.

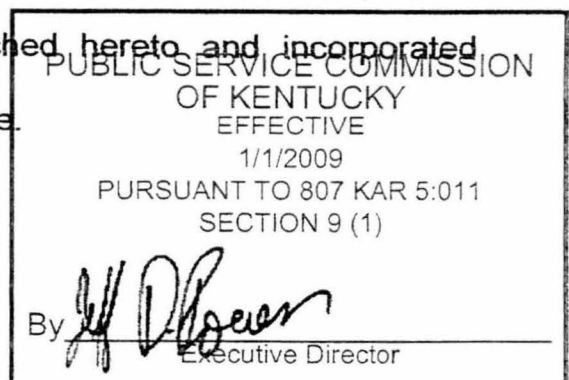
G. Consumer's obligations under this Section 7 shall survive termination of this Agreement.

8. **SUCCESSION AND APPROVAL**

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto and may be assigned by Consumer with the consent of Seller, which consent shall not be unreasonably withheld. Any assignment of this Agreement by Consumer shall not relieve Consumer of its obligations to Kenergy hereunder unless Consumer has been expressly relieved of those obligations by Kenergy, in writing. This contract shall not be effective unless approved or accepted in writing by the Kentucky Public Service Commission.

9. **ADDENDA**

The addenda to this agreement are attached hereto and incorporated herein as a part of this agreement for electric service.



10. **INDEMNIFICATION**

Consumer agrees to indemnify and hold Seller harmless from and against any and all claims, demands, damages, judgments, losses or expenses asserted against Seller by or on behalf of KU arising out of, related to or concerning damage to the KU System, or any system or electric consuming facilities connected to the KU System resulting from Consumer's operations, activities or usage of electric power and energy hereunder.

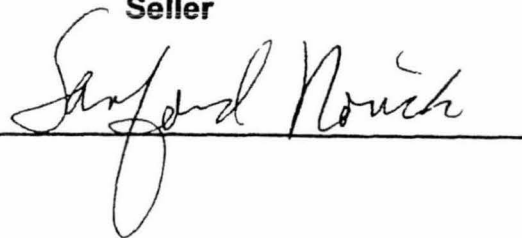
11. **NOTICE TO BIG RIVERS ELECTRIC CORPORATION**

Any notice from Consumer to Seller required by the terms of this Agreement shall be given concurrently to Big Rivers Electric Corporation, 201 Third Street, Henderson, KY 42420, Attn: President and CEO, using the same methodology required by this Agreement for notice to Kenergy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement all as of the day and year first above written.

KENERGY CORP.
Seller

By



Printed Name Sanford Novick

Title President and CEO

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

1/1/2009

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By



Executive Director

ARMSTRONG COAL COMPANY, INC.
Consumer

By Mart D. Wilson

Printed Name Martin D. Wilson

Title President

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
1/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By H. D. Brown
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 1

First Revised SHEET NO. 31

CANCELLING PSC NO. _____

Original SHEET NO. 31

(T)	CLASSIFICATION OF SERVICE
	Schedule 31 – Dedicated Delivery Point Class C

AVAILABLE

- (T) This rate shall apply to large customers where service is provided through a dedicated substation connected to the 69 kv. transmission system of Big Rivers or other accessible system.

CONDITIONS OF SERVICE

An "Agreement for Purchase of Power" shall be signed by any new customer prior to service under this rate.

CHARACTER OF SERVICE

Service shall be the 60 Hz, 3-phase, at voltage as mutually agreed by the Seller.

DETERMINATION OF BILLING DEMAND

- (T) For all delivery points, the Billing Demand in kilowatts shall be the highest of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. The company will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At the Company's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, the Company may adjust the maximum measured demand for billing purposes in accordance with the following formula:

$$\frac{\text{Max. Measured KW} \times 90\%}{\text{Power Factor (\%)}}$$

The power factor shall be measured at time of maximum load.

DATE OF ISSUE June 27, 2005 DATE EFFECTIVE _____
ISSUED BY Mark A. Bailey TITLE _____
SIGNATURE OF OFFICER _____
ISSUED BY AUTHORITY OF PSC ORDER NO. 2004-00446.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/14/2005

PURSUANT TO 807 KAR 5:011

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
1/1/2009

PURSUANT TO 807 KAR 5:01
SECTION 9 (1)

EXHIBIT J. D. Brown
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 1

Second Revised SHEET NO. 31A

CANCELLING PSC NO. _____

First Revised SHEET NO. 31A

(T)	CLASSIFICATION OF SERVICE
	Schedule 31 – Dedicated Delivery Point – Class C

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.% adder to the metered KWH to account for transformer losses, as determined by Seller.

MONTHLY RATE

Customer Charge per delivery point.....\$100.00
Demand Charge per KW of Billing Demand\$ 10.15

Energy Charges:

(R) Per KWH 0.016715

Monthly Facilities Charge per Assigned Dollar 1.35%
of Investment by Kenergy in substation,
transformer, feeder, etc.

TAXES AND FEES

School Taxes added to bill if applicable.
Kentucky Sales Taxes added to bill if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth in the rules and regulations of this tariff.

MINIMUM DEMAND CHARGE

The minimum demand charge shall be no less than the amount as specified in the "Agreement for Purchase of Power."

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date of the bill, the gross rate will apply.

DATE OF ISSUE June 27, 2005

DATE EFFECTIVE June 14, 2005

ISSUED BY

Mark A. Barbey
SIGNATURE OF OFFICER

TITLE

President and CEO

ISSUED BY AUTHORITY OF PSC ORDER NO'S. 2004-00446.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/14/2005

PURSUANT TO 807 KAR 5:011
PUBLIC SERVICE COMMISSION
OF KENTUCKY

EFFECTIVE
6/14/2005

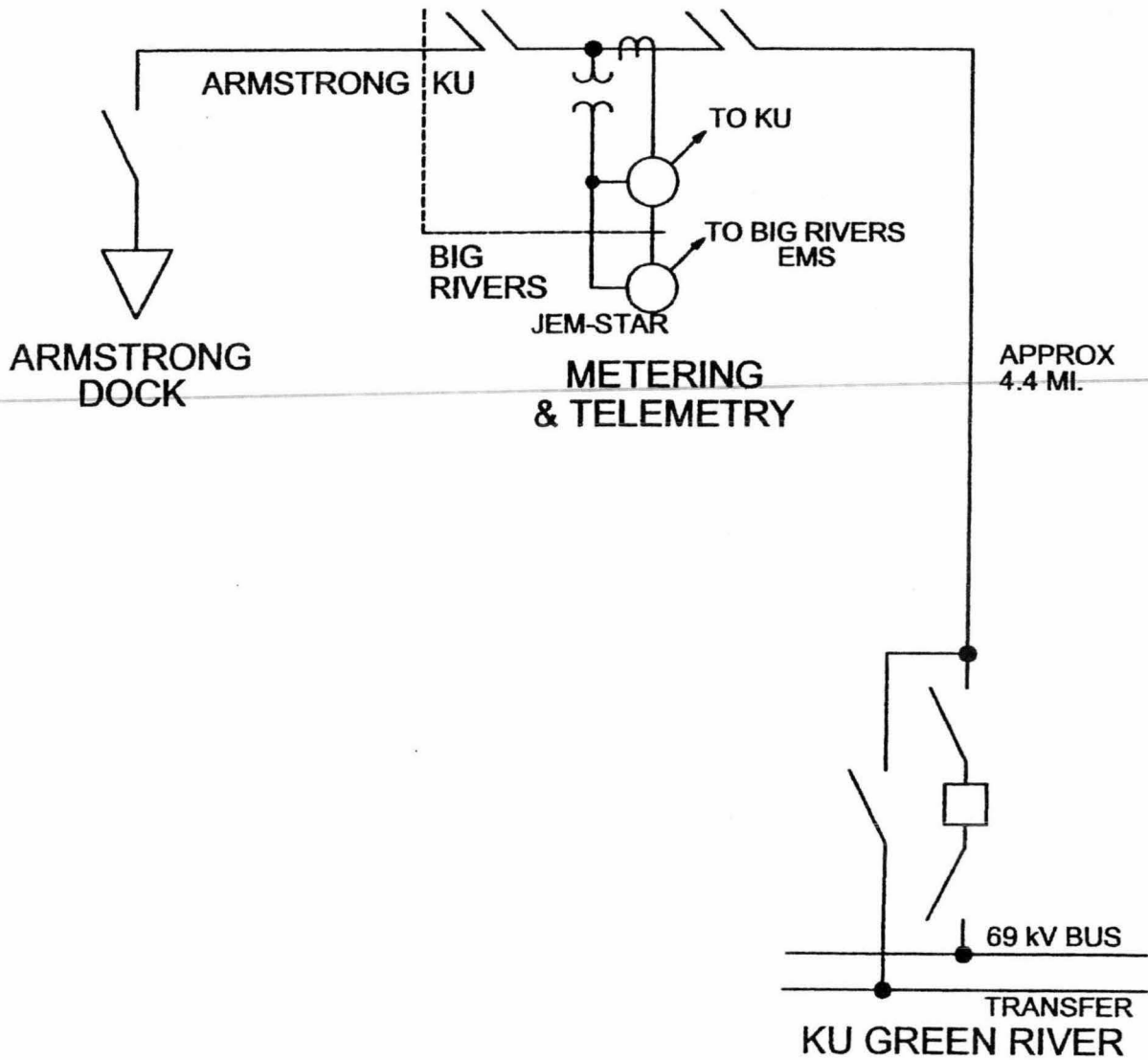
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By

W. D. Brown

EXHIBIT

Executive Director



REV	BY	ENG	DATE	DESCRIPTION
0		RW	6-08	



Big Rivers
Electric Corporation

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
1/1/2009
HENDERSON, KENTUCKY

BIG RIVERS - KU
ARMSTRONG DOCK
69 kV SERVICE

PURSUANT TO 807 KAR 5:011
SECTION 210.0751

By

[Signature]

Executive Director

EXHIBIT "B"


ADDENDA TO AGREEMENT FOR ELECTRIC SERVICE

ADDENDUM 1

1.10 Facilities to be Provided by Consumer.

1.11 Consumer will provide or cause to be provided (without cost to the Seller) permanent easements upon Consumer's property which in the opinion of the Seller are necessary for the construction of facilities which the Seller or its wholesale power supplier must furnish to provide electric service under this Agreement.

1.12 Except as provided in Section 1.20 of this Addendum, Consumer shall furnish and install, or cause to be furnished or installed, such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the delivery point, including but not limited to (i) such protective devices as may be reasonably necessary in the opinion of the Seller to protect the system of the Seller or the KU System from disturbances caused by Consumer, (ii) voltage regulation capability in the Consumer-provided electrical facilities sufficient to meet the operating requirements of all Consumer's production equipment over the full range of acceptable transmission delivery voltage, and (iii) protection devices as needed to prevent damage to that production equipment during voltage excursions outside of the full range of acceptable transmission delivery voltage. Plans for equipment to be

PUBLIC SERVICE COMMISSION
OF KENTUCKY
1/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By  Executive Director

installed for such protection shall be submitted to Seller for prior approval.

1.20 **Facilities to be Provided by Seller.** Seller shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of electric power and energy to the delivery point, including the following facilities.


1.21 Approximately 4.4 miles of 69,000 volt electric transmission line extending from the KU System to Big Rivers' metering installation near Consumer's substation yard, as shown on the drawing attached as Exhibit B.

1.22 Metering, communications, relaying, and control circuits (as mutually agreed upon) and as necessary for proper measurement, control and coordination between Seller's and Consumer's facilities, as shown in part on the drawing attached as Exhibit B.

1.30 **Construction Standards.** Consumer shall construct and maintain any facilities it builds under an obligation created by this Agreement in accordance with applicable provisions of the National Electrical Safety Code of the American National Standards Institute (ANSI C2), and other applicable laws, codes and regulations, provided however Seller shall have no duty to inspect those facilities for conformance with such standards or have any responsibility for the means, methods or techniques employed by Consumer or its contractor in the construction of these facilities. Each party shall own, maintain and operate the facilities it purchases and installs.

1.40 **Electric Disturbances and Phase Balancing.**

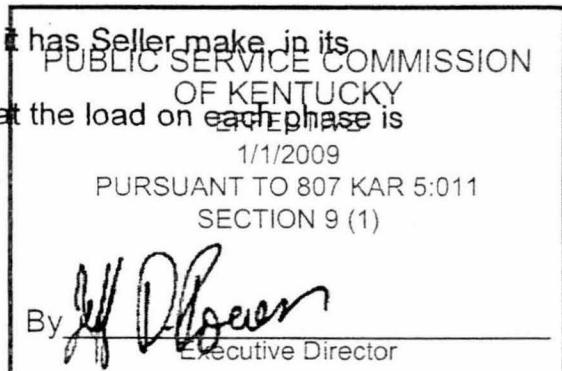
(a) Consumer shall not use the power and energy delivered under this Agreement in such manner as to cause a "System

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
1/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By 
Executive Director

System Disturbance is a use of electric power and energy which directly or indirectly results in a risk of harm to human beings or material damage to or interference with the transmission system of Seller's wholesale power supplier (the "Wholesale Transmission System"), the KU System, a system connected with the Wholesale Transmission System or the KU System, or facilities or other property in proximity to the Wholesale Transmission System or the KU System, or the plant, facility, equipment or operations of any other customer served directly or indirectly from the Wholesale Transmission System or the KU System. A System

Disturbance includes, but is not limited to: (a) Harmonic Distortion: a level of current harmonic total demand distortion (TDD) measured at the Consumer's delivery point that exceeds the limits on TDD described in IEEE Standard 519, Section 10; and, (b) Phase Imbalance: a use of capacity and energy in such a manner that causes a current imbalance between phases greater than 5% at a retail customer's delivery point.

- (b) Seller may require Consumer, at Consumer's expense, to make such changes in its system as may be reasonably necessary to eliminate System Disturbances. If Consumer's use of power and energy creates an imbalance between phases that causes a System Disturbance, and fails to make changes in its system requested by Seller to correct such condition, in addition to any other remedies it has, Seller make, in its determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.



- (c) Consumer shall maintain a power factor at the delivery point as nearly as practicable to unity. Power factor during normal operation may range from unity to ninety percent (90%). If Consumer's power factor is less than 90% at time of maximum load, Seller reserves the right to require Consumer to choose either (a) installation at Consumer's expense of equipment which will maintain a power factor of 90% or higher; or (b) adjustment of the maximum monthly metered demand for billing purposes in accordance with the following formula:

$$\frac{\text{Maximum Actual Measured Kilowatts} \times 90\%}{\text{Power Factor (\%)}}$$

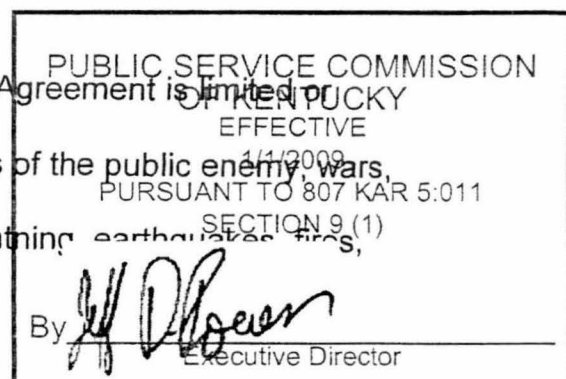
- (d) Consumer acknowledges and agrees that Seller shall have no responsibility for damage to any property, or to any equipment or devices connected to Consumer's electrical system on Consumer's side of the delivery point that results solely from acts or omissions of Consumer, its employees, agents, contractors or invitees, or malfunction of any equipment or devices connected to Consumer's electrical system on Consumer's side of the delivery point.

ADDENDUM 2

[Reserved]

ADDENDUM 3

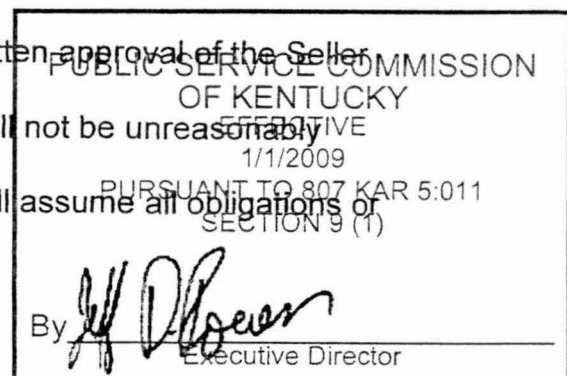
Force Majeure. In the event performance of this Agreement is limited or prevented in whole or in part by Acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires,



storms, floods, washouts, arrests and restraints of the Government (whether federal, state, or local, civil or military), civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, or inability of either party hereto to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities (whether federal, state, or local, civil or military), upon such party's giving notice and reasonably full particulars of such force majeure or uncontrollable force, in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the party whose performance is so limited or prevented shall be excused, discharged and released from the performance to the extent such performance is limited or prevented, but only for the period when the performance is limited or prevented and thereafter all of the terms of this Agreement shall remain in effect except that the term of the agreement shall be extended for a period equal to the duration of the aforesaid force majeure. A minimum bill due during a billing period when a force majeure event occurs shall be prorated based upon the duration of the period of force majeure, but nothing contained herein shall excuse Consumer from the obligations of paying at the time provided herein, for any power consumed by it. In no event shall this Agreement subject either party to liability for consequential or incidental damages, or damages for loss of anticipated profits.

ADDENDUM 4

Successors in Interest. Consumer may with written approval of the Seller assign or transfer this Agreement and such approval shall not be unreasonably withheld. In such event such assignee or transferee shall assume all obligations or



responsibilities of Consumer under this Agreement, and the Consumer shall then become only secondarily liable for such obligations and responsibilities.

ADDENDUM 5

5.10 **Remedies of the Parties.** Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter. Except as specifically provided herein, this Agreement shall not be construed to abridge, limit, or deprive either party of any remedy for breach of the provisions herein which would otherwise be available at law or equity.

5.20 **Reports and Information.** Consumer shall furnish to the Seller such reports and information concerning its operations as the Seller may reasonably request from time to time.

5.30 **Notices.** Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on Seller if mailed to:

Kenergy Corp.,
Attention: President & CEO
Post Office Box 18
Henderson, Kentucky 42419-0018

Any such notice, demand or request shall be deemed properly given to or served on Consumer if mailed to:

Armstrong Coal Company, Inc.
c/o David R. Cobb
407 Brown Road
Madisonville, KY 42431

5.40 **Jurisdiction and Venue.** The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, in

<p>PUBLIC SERVICE COMMISSION OF KENTUCKY 1/1/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</p> <p>By  Executive Director</p>
--

between the parties hereto with respect to the subject matter hereof, provided, however, that service to the Consumer is subject to the provisions of the Articles of Consolidation and Bylaws of Seller and is subject to the lawful orders of the Kentucky Public Service Commission. All respective rights and obligations of the parties shall be governed by the laws of the State of Kentucky. Venue of any action, legal or equitable, having as its basis the enforcement or interpretation of this contract, shall be Henderson County, Kentucky.

5.50 **Severability.** Should any provision or provisions of this Agreement be declared void or illegal by any court of competent jurisdiction, then such void or illegal provision or provisions shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
1/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By 
Executive Director

RECEIVED

MAY 13 2009

PUBLIC SERVICE
COMMISSION

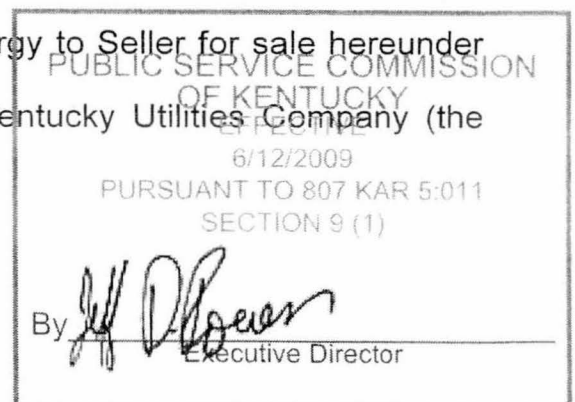
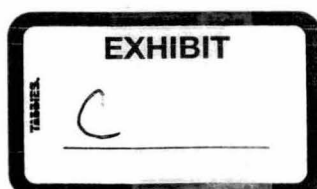
AGREEMENT FOR ELECTRIC SERVICE

AGREEMENT made May 11, 2009, between KENERGY CORP, 6402 Old Corydon Road, Henderson, Kentucky 42420 (hereinafter called the "Seller"), and Armstrong Coal Company, Inc. with a service address at Equality Surface Mine, 482 Bluff Lane, Centertown, Kentucky 42328 and corporate address at 407 Brown Road, Madisonville, Kentucky 42431, (hereinafter called the "Consumer"), a corporation.

The Seller shall sell and deliver to the Consumer, and the Consumer shall purchase all of the electric power and energy, which the Consumer may need at the aforementioned service address, up to 4,600 kilowatts (the "Maximum Demand"), except as otherwise provided herein, upon the following terms:

1. **SERVICE CHARACTERISTICS**

- A. Service hereunder shall be alternating current, 3 phase, sixty cycles, nominal 69,000 volts.
- B. The Consumer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of power and shall not sell electric power and energy purchased hereunder.
- C. The Consumer acknowledges that Seller's wholesale power supplier is transmitting electric power and energy to Seller for sale hereunder across the transmission system of Kentucky Utilities Company (the "KU System").



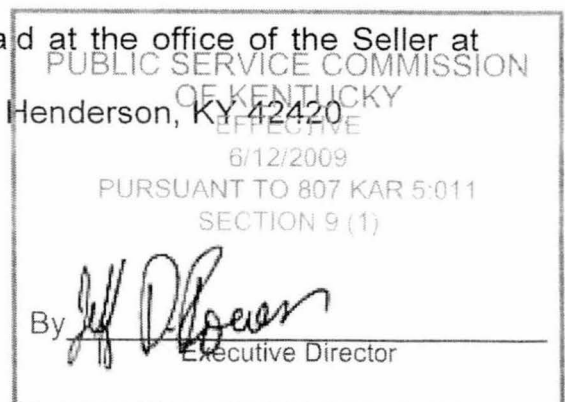
2. **PAYMENT**

A. The Consumer shall pay the Seller for service hereunder on and after the "Service Commencement Date" (as defined in Section 6 of this agreement) at the rates and upon the terms and conditions set forth in Seller's Schedule 33, as it may be amended from time to time. A copy of Seller's current Schedule 33 is attached to and made a part of this Agreement as Exhibit "A." Notwithstanding any provision of the Schedule 33 and irrespective of Consumer's requirements for or use of electric power and energy, the demand for billing purposes hereunder shall be not less than 300 kilowatts per billing period (per month) through the calendar month of September, 2009; and 2,760 kilowatts for any billing period (per month) thereafter. In any event, based upon Seller's current rates the Consumer shall pay the Seller not less than \$3,761.00 per month through the calendar month of September, 2009, and not less than \$33,708.00 per month for service or for having service available hereunder during the remainder of the Term hereof.

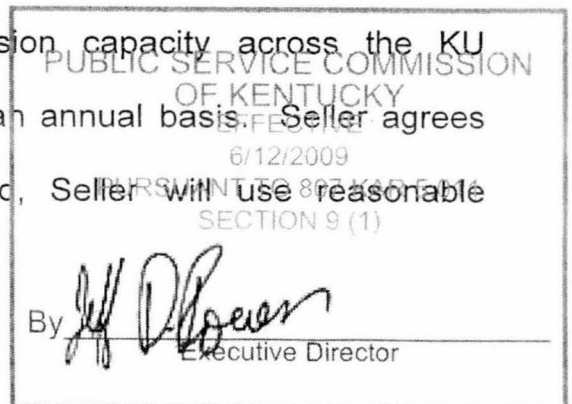
B. **[RESERVED]**

C. **[RESERVED]**

D. Bills for service hereunder shall be paid at the office of the Seller at Kenergy Corp, 6402 Old Corydon Rd., Henderson, KY 42420



- E. Such payments shall be due on the 25th day of each month for service furnished during the preceding monthly billing period.
- F. If the Consumer shall fail to make any such payment within fifteen (15) days after such payment is due, the Seller may discontinue service to the Consumer upon giving fifteen (15) days' written notice to the Consumer of its intention so to do, provided, however, that such discontinuance of service shall not relieve the Consumer of any of its obligations under this Agreement.
- G. The Consumer agrees that if, at any time, the rate under which the Seller purchases electric service at wholesale is modified, the Seller may make an equivalent modification in the rate for service hereunder.
- H. Consumer acknowledges that it has requested Seller to deliver service under this Agreement across the KU System. Accordingly, Consumer further agrees to pay, on the terms stated in this Section 2, any charges payable by Seller's wholesale power supplier under the Kentucky Utilities Company ("KU") open access transmission tariff arising out of, related to or connected with providing service to Consumer under this Agreement that are billed to Seller by its wholesale power supplier, and to Consumer by Seller. Consumer further acknowledges that transmission capacity across the KU System is reserved and paid for on an annual basis. Seller agrees that if this Agreement is terminated, Seller will use reasonable



commercial efforts to mitigate Consumer's exposure to costs for transmission capacity on the KU System that has been reserved for purposes of performing this Agreement, but which will be unutilized for those purposes following the termination of this Agreement.

- I. Consumer's payment obligations under this Section 2 shall survive termination of this Agreement.

3. **MEMBERSHIP**

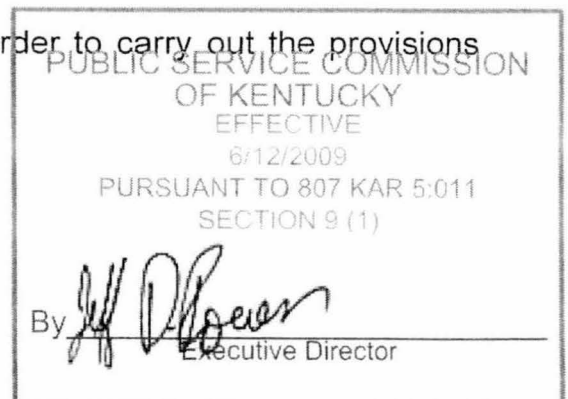
The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by such generally applicable rules and regulations as may from time to time be adopted by the Seller.

4. **CONTINUITY OF SERVICE**

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder. If the supply of electric power and energy shall fail or be interrupted, or become defective through act of God, governmental authority, action of the elements, public enemy, accident, strikes, labor trouble, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of Seller, then Seller shall not be liable therefor or for damages caused thereby.

5. **RIGHT OF ACCESS**

Duly authorized representatives of the Seller shall be permitted to enter the Consumer's premises at all reasonable times in order to carry out the provisions hereof.



6. **TERM AND SERVICE COMMENCEMENT DATE**

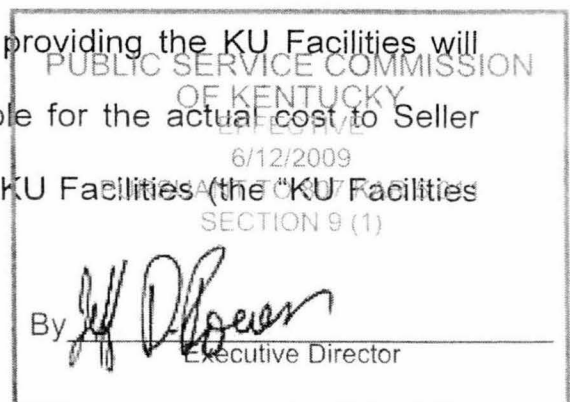
This Agreement shall become effective upon the approval or acceptance referred to below in Section 8, and shall remain in effect until ten (10) years following the start of the initial billing period and thereafter until and unless terminated by either party giving to the other three (3) months notice in writing (the "Term"). Delivery of electric service under this agreement shall commence on the date specified in a written notice from Consumer to Seller, but in any event shall commence no later than July 1, 2009 (the "Service Commencement Date").

7. **CONSUMER CONTRIBUTION, TERMINATION CHARGE AND DEPOSIT**

A. Extension of service to Consumer's delivery point requires construction of certain facilities (the "Facilities") by Seller's wholesale power supplier (the "Big Rivers Facilities") and the transmission provider (the "KU Facilities," and, together with the Big Rivers Facilities, the "Facilities"). A description of the Facilities is contained in Addendum 1.20, and is shown, in part, on the attached Exhibit B.

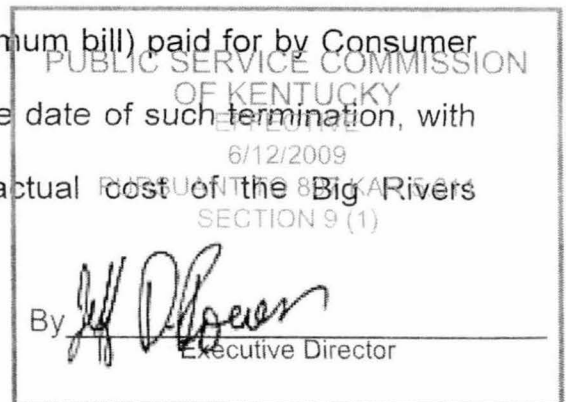
B. Seller currently estimates the cost of providing the Big Rivers Facilities will be \$210,000. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the Big Rivers Facilities (the "Big Rivers Facilities Cost") on the terms stated in this Section 7.

C. Seller currently estimates the cost of providing the KU Facilities will be \$277,000. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the KU Facilities (the "KU Facilities



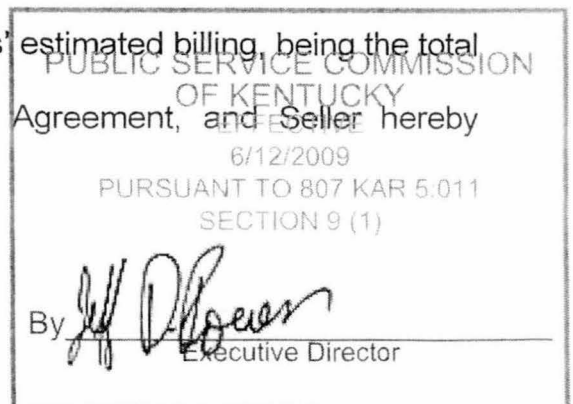
Cost") on the terms stated in this Section 7, and shall have the benefit of any terms for payment of those costs that may be available to Seller (or Seller's wholesale power supplier) from KU. If alternate terms for payment of the KU Facilities Cost are available from KU, Consumer may select the payment terms it prefers, with the consent of Seller, provided that Seller's selection shall be made on a timely basis as is required to meet KU's schedule for that selection. Seller will bill Consumer for the actual cost to Seller of the KU Facilities Cost on Consumer's monthly invoice for electric service, and the amount billed for the KU Facilities Cost will be due and payable on the same terms applicable to other charges for electric service in that invoice. The portion of the total KU Facilities Cost that appears on any monthly invoice to Consumer shall reasonably reflect the terms available to Seller (or Seller's wholesale power supplier) from KU for payment of the total KU Facilities Cost.

D. Upon the termination of this Agreement for any reason, in addition to any other amounts due under this Agreement, Consumer shall pay Seller a termination charge (the "Termination Charge") equal to the sum of (i) the portion of the KU Facilities Cost which remains unpaid by Consumer on the termination date, and (ii) the Big Rivers Facilities Cost, provided, however, that the Termination Charge, when due, shall be credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement up to and including the date of such termination, with the maximum credit not to exceed the actual cost of the Big Rivers



Facilities. As security for payment of the Termination Charge, Consumer has provided Seller with the delivery of this Agreement a cash deposit or an irrevocable bank letter of credit in the amount of \$210,000, and Seller hereby acknowledges receipt of same. Consumer agrees that within 30 days after Seller notifies Consumer of the final amounts of the Big Rivers Facilities Cost and the KU Facilities Cost, the amount of this cash deposit or irrevocable bank letter of credit shall be adjusted to equal the sum of (x) Seller's obligation for the KU Facilities Cost, reduced by the portion of Consumer's first payment or payments attributable to the KU Facilities Cost, and (y) the Big Rivers Facilities Cost, credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement. Consumer agrees that if this agreement is terminated before completion of the construction of the Big Rivers Facilities and the KU Facilities, Consumer will pay to Seller the portion of the Big Rivers Facilities Cost and the KU Facilities Cost incurred or irrevocably committed prior to receipt by Seller of notice of termination of this agreement, and those costs may be offset against the amounts held by Seller as security for payment of said costs.

E. As security for payment of its monthly billing obligations, Consumer shall further be required to provide Seller a cash deposit or provide an irrevocable bank letter of credit representing two (2) months' estimated billing, being the total amount of \$184,745.00 on the date of this Agreement, and Seller hereby acknowledges receipt of same.



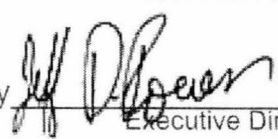
F. Any cash deposit will earn interest in accordance with law, and interest earned will be paid annually to Consumer. Letters of credit for the foregoing securities may be combined, and must be approved in advance by Seller as to form and issuer. Annually the Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(E) reasonably to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter(s) of credit. The Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(D) to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter of credit whenever requested by Consumer, but not more frequently than twelve times in any calendar year.

~~G. Consumer's obligations under this Section 7 shall survive termination of this Agreement.~~

8. **SUCCESSION AND APPROVAL**

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto and may be assigned by Consumer with the consent of Seller, which consent shall not be unreasonably withheld. Any assignment of this Agreement by Consumer shall not relieve Consumer of its obligations to Kenergy hereunder unless Consumer has been expressly relieved of those obligations by Kenergy, in writing. This contract shall not be effective unless approved or accepted in writing by the Kentucky Public Service Commission.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/12/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By  Executive Director

9. **ADDENDA**

The addenda to this agreement are attached hereto and incorporated herein as a part of this agreement for electric service.

10. **INDEMNIFICATION**

Consumer agrees to indemnify and hold Seller harmless from and against any and all claims, demands, damages, judgments, losses or expenses asserted against Seller by or on behalf of KU arising out of, related to or concerning damage to the KU System, or any system or electric consuming facilities connected to the KU System resulting from Consumer's operations, activities or usage of electric power and energy hereunder.

11. **NOTICE TO BIG RIVERS ELECTRIC CORPORATION**

Any notice from Consumer to Seller required by the terms of this Agreement shall be given concurrently to Big Rivers Electric Corporation, 201 Third Street, Henderson, KY 42420, Attn: President and CEO, using the same methodology required by this Agreement for notice to Kenergy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement all as of the day and year first above written.

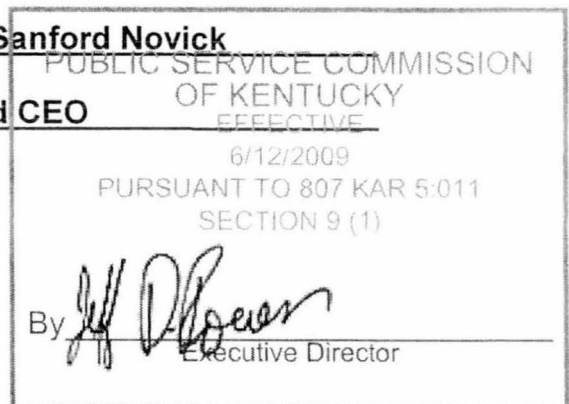
KENERGY CORP.
Seller

By

Printed Name

Sanford Novick

Title President and CEO



ARMSTRONG COAL COMPANY, INC.
Consumer

By Martin D. Wilson

Printed Name Martin D. Wilson

Title President

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/12/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By J. H. Deane
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2Original SHEET NO. 33CANCELLING PSC NO. 1

SHEET NO. _____

CLASSIFICATION OF SERVICE

T

Schedule 33 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

N

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

T

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

T

Customer Charge per Delivery Point \$100.00 per Month

Plus:

Demand Charge per KW of Billing Demand in Month \$ 10.15

Plus:

Energy Charges:

Per KWH \$0.016715

R

Facilities Charge

1.30%

(times assigned dollars of Kenergy investment for facilities per month-see Sheet No.33B)

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

T

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

DATE OF ISSUE January 29, 2009
Month / Date / YearDATE EFFECTIVE February 1, 2009
Month / Date / YearISSUED BY _____
(Signature of Officer)TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00323 DATED January 29, 2009PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/12/2009
PURSUANT TO 807 KAR 5-011
SECTION 9 (1)By 
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2Original SHEET NO. 33ACANCELLING PSC NO. 1

SHEET NO. _____

CLASSIFICATION OF SERVICE

Schedule 33 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90%

Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.1% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider
Price Curtailable Service Rider

Sheets No. 23 - 23D
Sheets No. 42 - 42C

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41-41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.

Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

DATE OF ISSUE January 29, 2009

Month / Date / Year

DATE EFFECTIVE February 1, 2009

Month / Date / Year

ISSUED BY _____

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
6/12/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By 
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 33B
CANCELLING PSC NO. 1
SHEET NO. _____

CLASSIFICATION OF SERVICE

Schedule 33 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

DETERMINATION OF FACILITIES CHARGE RATE

<u>Line No.</u>	<u>Item</u>	<u>Total</u>
1	Distribution O&M Expense (Sub. Primary, Transf. & Sec.)	\$ 10,454,420
2	Distribution Plant @ Year End (Sub. Primary, Transf. & Sec) ÷	\$197,881.862
3	Dist. Exp Cost Factor (Line1/Line2)	5.28%
4		
5	Test Year A&G Acct. Expense	\$ 2,675,680
6	Test Year O&M Expense Excluding A&G ÷	\$ 15,494,284
7	Line 5/Line 6	17.27%
8	Dist. Expense Carrying Cost Factor (Line 3) x	\$ 0.0528
9	A&G Cost Factor (Line 7 x Line 8)	0.91%
10		
11	Distribution Plant Depreciation Rate	3.55%
12	Cost of Capital	6.36%
13	Amortization Factor	7.72%
14	General Plant Factor:	
15	General Plant @ Year End	\$ 20,846,828
16		
17	General Plant Depreciation Rate	10.70%
18	Not Used	0.00%
19	Amortization Factor	7.72%
20	General Plant Fixed Charge Rate (Line 17 + 19)	18.42%
21		
22	General Plant Fixed Charges	\$ 3,839,986
23	Total Utility Plant	\$223,696,522
24	Percent of TUP - General Plant Factor (Line 22/23)	1.72%
25	SUMMARY:	
26	O&M Factor (Line 3)	5.28%
27	A&G Factor (Line 9)	0.91%
28	Depreciation Expense (Line 11)	3.55%
29	Levelized Rate of Return	4.17%
30	General Plant Factor (Line 24)	1.72%
31		
32	Total Annual Carrying Cost (Line 26 - 30)	15.63%
33	PSC Assessment ÷	0.998294
34		
35	Adjustment Annual Carrying Cost (Line 32 x Line 35)	15.66%
36	÷	12
38	Monthly Facilities Rate Charge	1.30%

DATE OF ISSUE January 29, 2009

Month / Date / Year

DATE EFFECTIVE February 1, 2009

Month / Date / Year

ISSUED BY _____

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

6/12/2009

PURSUANT TO 807 KAR 5:011
SECTION 9 (1)


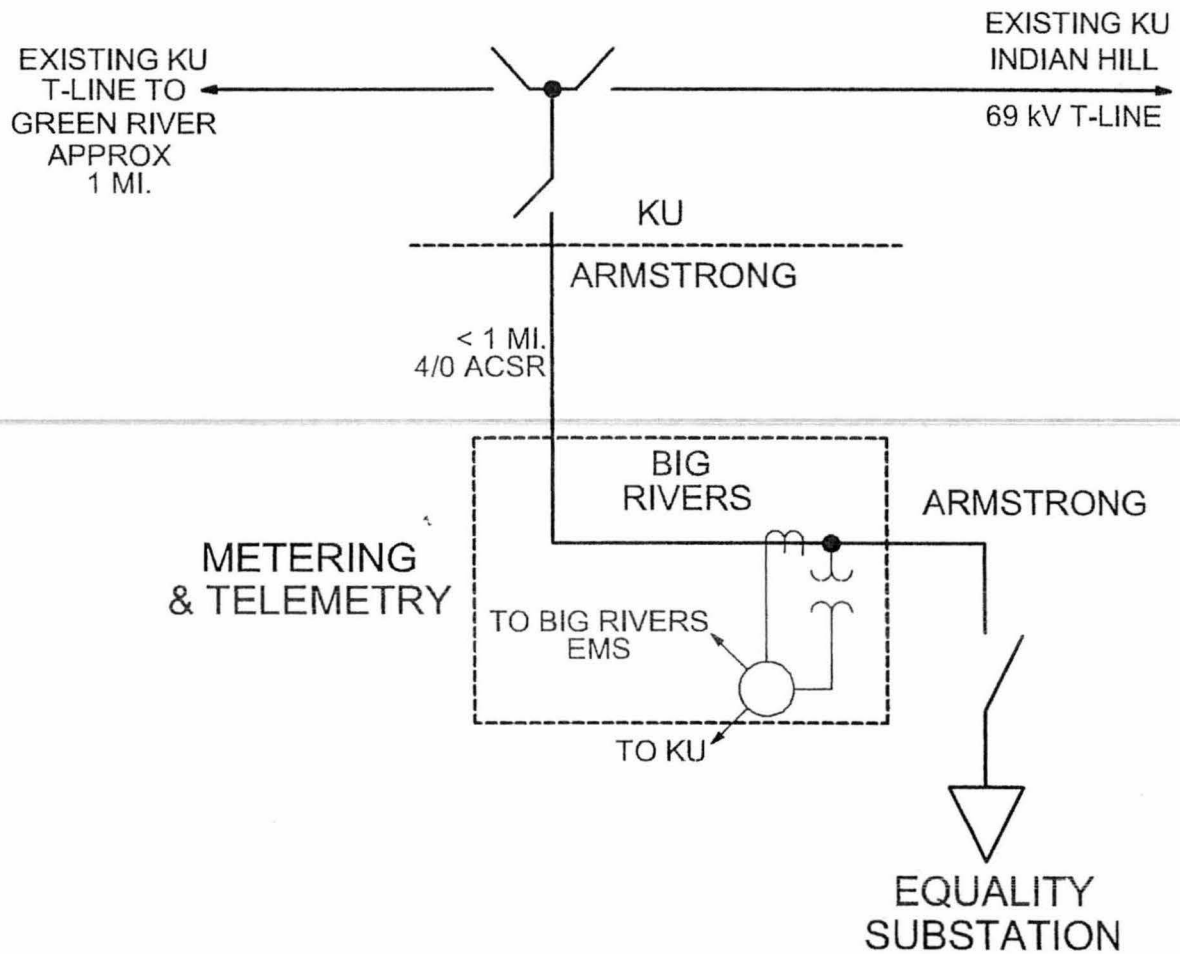
By 
Executive Director

EXHIBIT B



REV	BY	ENG	DATE	DESCRIPTION
0		RW	1-09	
A		RW	4-09	

BIG RIVERS - KU
EQUALITY MINE
 69 kV

Big Rivers
 PUBLIC SERVICE COMMISSION
 KENTUCKY
 Electric Corporation
 HENDERSON, KENTUCKY

6/12/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1) W.O. 942
 By *[Signature]*
 Executive Director

ADDENDA TO AGREEMENT FOR ELECTRIC SERVICE

RECEIVED

AUG 12 2010

PUBLIC SERVICE
COMMISSION

ADDENDUM 1

1.10 Facilities to be Provided by Consumer.

1.11 Consumer will provide or cause to be provided reasonable (without cost to the Seller) easements upon Consumer's property which are necessary for the construction of facilities which the Seller or its wholesale power supplier must furnish to provide electric service under this Agreement.

1.12 Except as provided in Section 1.20 of this Addendum, Consumer shall furnish and install, or cause to be furnished or installed, such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the delivery point, including but not limited to (i) such protective devices as may be reasonably necessary in the opinion of the Seller to protect the system of the Seller or the KU System from disturbances caused by Consumer, (ii) voltage regulation capability in the Consumer-provided electrical facilities sufficient to meet the operating requirements of all Consumer's production equipment over the full range of acceptable transmission delivery voltage, and (iii) protection devices as needed to prevent damage to that production equipment during voltage excursions outside of the full range of acceptable transmission delivery voltage. Plans *Bunt Kirtley* to be

KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR TARIFF BRANCH
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

installed for such protection shall be submitted to Seller for prior approval, which shall not be unreasonably withheld.

1.20 **Facilities to be Provided by Seller.** Seller shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of electric power and energy to the delivery point, including the following facilities.

1.21 Certain switches and a tap structure on the 69,000 volt electric transmission line extending from the KU System to Big Rivers' metering installation near Consumer's delivery point, all as shown on the drawing attached as Exhibit B.

1.22 Metering, communications, relaying, and control circuits (as mutually agreed upon) and as necessary for proper measurement, control and coordination between Seller's and Consumer's facilities as shown in part on the drawing attached as Exhibit B.

1.30 **Construction Standards.** Consumer shall construct and maintain any facilities it builds under an obligation created by this Agreement in accordance with applicable provisions of the National Electrical Safety Code of the American National Standards Institute (ANSI C2), and other applicable laws, codes and regulations, provided however Seller shall have no duty to inspect those facilities for conformance with such standards or have any responsibility for the means, methods or techniques employed by Consumer or its contractor in the construction of these facilities. Each party shall own, maintain and operate the facilities it purchases and installs.

1.40 **Electric Disturbances and Phase Balancing.**

KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirkley</i>
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

- (a) Consumer shall not use the power and energy delivered under this Agreement in such manner as to cause a "System Disturbance." A System Disturbance is a use of electric power and energy which directly or indirectly results in a risk of harm to human beings or material damage to or interference with the transmission system of Seller's wholesale power supplier (the "Wholesale Transmission System"), the KU System, a system connected with the Wholesale Transmission System or the KU System, or facilities or other property in proximity to the Wholesale Transmission System or the KU System, or the plant, facility, equipment or operations of any other customer served directly or indirectly from the Wholesale Transmission System or the KU System. A System Disturbance includes, but is not limited to: (a) Harmonic Distortion: a level of current harmonic total demand distortion (TDD) measured at the Consumer's delivery point that exceeds the limits on TDD described in IEEE Standard 519, Section 10; and, (b) Phase Imbalance: a use of capacity and energy in such a manner that causes a current imbalance between phases greater than 5% at a retail customer's delivery point.
- (b) Seller may require Consumer, at Consumer's expense, to make such changes in its system as may be reasonably necessary to eliminate System Disturbances. If Consumer's use of power and energy creates an imbalance between phases that causes a System Disturbance, and fails to make changes in its system requested by Seller to correct such condition, in addition to any other remedies it has Se

KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR
<i>Brent Kintley</i>
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.

- (c) Consumer shall maintain a power factor at the delivery point as nearly as practicable to unity. Power factor during normal operation may range from unity to ninety percent (90%). If Consumer's power factor is less than 90% at time of maximum load, Seller reserves the right to require Consumer to choose either (a) installation at Consumer's expense of equipment which will maintain a power factor of 90% or higher; or (b) adjustment of the maximum monthly metered demand for billing purposes in accordance with the following formula:

$$\frac{\text{Maximum Actual Measured Kilowatts} \times 90\%}{\text{Power Factor (\%)}}$$

- (d) Consumer acknowledges and agrees that Seller shall have no responsibility for damage to any property, or to any equipment or devices connected to Consumer's electrical system on Consumer's side of the delivery point that results solely from acts or omissions of Consumer, its employees, agents, contractors or invitees, or malfunction of any equipment or devices connected to Consumer's electrical system on Consumer's side of the delivery point.

ADDENDUM 2

[Reserved]

ADDENDUM 3

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

Force Majeure. In the event performance of this Agreement is limited or prevented in whole or in part by Acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of the Government (whether federal, state, or local, civil or military), civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, or inability of either party hereto to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities (whether federal, state, or local, civil or military), upon such party's giving notice and reasonably full particulars of such force majeure or uncontrollable force, in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the party whose performance is so limited or prevented shall be excused, discharged and released from the performance to the extent such performance is limited or prevented, but only for the period when the performance is limited or prevented and thereafter all of the terms of this Agreement shall remain in effect except that the term of the agreement shall be extended for a period equal to the duration of the aforesaid force majeure. A minimum bill due during a billing period when a force majeure event occurs shall be prorated based upon the duration of the period of force majeure, but nothing contained herein shall excuse Consumer from the obligations of paying at the time provided herein, for any power consumed by it. In no event shall this Agreement subject either party to liability for consequential or incidental damages, or damages for loss of anticipated profits.

ADDENDUM 4

KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Successors in Interest. Consumer may with written approval of the Seller assign or transfer this Agreement and such approval shall not be unreasonably withheld. In such event such assignee or transferee shall assume all obligations or responsibilities of Consumer under this Agreement.

ADDENDUM 5

5.10 **Remedies of the Parties.** Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter. Except as specifically provided herein, this Agreement shall not be construed to abridge, limit, or deprive either party of any remedy for breach of the provisions herein which would otherwise be available at law or equity.

5.20 **Reports and Information.** Consumer shall furnish to the Seller such reports and information concerning its operations as the Seller may reasonably request from time to time.

5.30 **Notices.** Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on Seller if mailed to:

Kenergy Corp.,
Attention: President & CEO
Post Office Box 18
Henderson, Kentucky 42419-0018

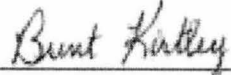
Any such notice, demand or request shall be deemed properly given to or served on Consumer if mailed to:

Armstrong Coal Company, Inc.
c/o David R. Cobb
407 Brown Road
Madisonville, KY 42431

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

5.40 **Jurisdiction and Venue.** The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, provided, however, that service to the Consumer is subject to the provisions of the Articles of Consolidation and Bylaws of Seller and is subject to the lawful orders of the Kentucky Public Service Commission. All respective rights and obligations of the parties shall be governed by the laws of the State of Kentucky. Venue of any action, legal or equitable, having as its basis the enforcement or interpretation of this contract, shall be Henderson County, Kentucky.

5.50 **Severability.** Should any provision or provisions of this Agreement be declared void or illegal by any court of competent jurisdiction, then such void or illegal provision or provisions shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH 
EFFECTIVE 6/12/2009 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

AGREEMENT FOR ELECTRIC SERVICE

This agreement for electric service ("Agreement") is made September 27, 2010, between Kenergy Corp., 6402 Old Corydon Road, Henderson, Kentucky 42420 (hereinafter called the "Seller"), and Armstrong Coal Company, Inc. at Lewis Creek Surface Mine with a corporate address at 407 Brown Road, Madisonville, Kentucky 42431, (hereinafter called the "Consumer");

The Seller shall sell and deliver to the Consumer, and the Consumer shall purchase all of the electric power and energy, which the Consumer may need at the aforementioned service address, up to 3,500 kilowatts (the "Maximum Demand"), except as otherwise provided herein, upon the following terms:

1. **SERVICE CHARACTERISTICS**

- A. Service hereunder shall be alternating current, 3 phase, sixty cycles, nominal 69,000 volts.
- B. The Consumer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of power and shall not sell electric power and energy purchased hereunder.
- C. The Consumer acknowledges that Seller's wholesale power supplier is transmitting electric power and energy to Seller for sale hereunder across the transmission system of Kentucky Utilities Company (the "KU System").



KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

2. **PAYMENT**

- A. The Consumer shall pay the Seller for service hereunder on and after the "Service Commencement Date" (as defined in Section 6 of this Agreement) at the rates and upon the terms and conditions set forth in Seller's Schedule 33, as it may be amended from time to time. A copy of Seller's current Schedule 33 is attached to and made a part of this Agreement as Exhibit "A." If any terms in this Agreement conflict with any terms in Seller's tariff, the terms in this Agreement shall be observed to the extent of the conflict. Notwithstanding any provision of the Schedule 33 and irrespective of Consumer's requirements for or use of electric power and energy, the minimum Contract Demand (as used in Schedule 33) for billing purposes hereunder shall be not less than 1,000 kilowatts per billing period (per month) through the calendar month of April 2013, ; and 3,500 kilowatts for any billing period (per month) thereafter. In any event, based upon Seller's current rates the Consumer shall pay the Seller not less than \$10,250.00 per month through the calendar month of April, 2013, and not less than \$35,625.00 per month for service or for having service available hereunder during the remainder of the Term hereof. In any event, on and after [date when minimum Contract Demand goes to 3,500 kW, the minimum Contract Demand shall never be less than 60% of the Maximum Demand.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN COMMISSIONER
TARIFF BRANCH
<i>Brent Kirtley</i>
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

B. [RESERVED]

C. [RESERVED]

D. Bills for service hereunder shall be paid at the office of the Seller at Kenergy Corp, 6402 Old Corydon Rd., Henderson, KY 42420.

E. Such payments shall be due on the 25th day of each month for service furnished during the preceding monthly billing period.

F. If the Consumer shall fail to make any such payment within fifteen (15) days after such payment is due, the Seller may discontinue service to the Consumer upon giving fifteen (15) days' written notice to the Consumer of its intention so to do, provided, however, that such discontinuance of service shall not relieve the Consumer of any of its obligations under this Agreement.

G. The Consumer agrees that if, at any time, the rate under which the Seller purchases electric service at wholesale is modified, the Seller may make an equivalent modification in the rate for service hereunder.

H. Consumer acknowledges that it has requested Seller to deliver service under this Agreement across the KU System. Accordingly, Consumer further agrees to pay, on the terms stated in this Section 2, any charges payable by Seller's wholesale power supplier under the Kentucky Utilities Company ("KU") open access transmission tariff arising out of, related to or connected with providing service to Consumer under this Agreement that are billed by its

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN TARIFF BRANCH
<i>Burt Kintley</i> EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

wholesale power supplier, and to Consumer by Seller. Consumer further acknowledges that transmission capacity across the KU System is reserved and paid for in accordance with the KU Open Access Transmission Tariff. Seller agrees that it will provide Consumer a reasonable opportunity to select the term of a transmission reservation request proposed by Seller or its wholesale power supplier for purposes of delivery of electric service to Consumer under this Agreement prior to making the transmission reservation request. Seller further agrees that if this Agreement is terminated, Seller will use reasonable commercial efforts to mitigate Consumer's exposure to costs for transmission capacity on the KU System that has been reserved for purposes of performing this Agreement, but which will be unutilized for those purposes following the termination of this Agreement.

- I. Consumer's payment obligations under this Section 2 shall survive termination of this Agreement.

3. **MEMBERSHIP**

The Consumer shall become a member of the Seller, shall pay the membership fee and be bound by such generally applicable rules and regulations as may from time to time be adopted by the Seller.

4. **CONTINUITY OF SERVICE**

The Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE SECRETARY
TARIFF BRANCH
<i>Brent Kirtley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

electric power and energy shall fail or be interrupted, or become defective through act of God, governmental authority, action of the elements, public enemy, accident, strikes, labor trouble, required maintenance work, inability to secure right-of-way, or any other cause beyond the reasonable control of Seller, then Seller shall not be liable therefor or for damages caused thereby.

5. **RIGHT OF ACCESS**

Duly authorized representatives of the Seller shall be permitted to enter the Consumer's premises at all reasonable times in order to carry out the provisions hereof.

6. **TERM AND SERVICE COMMENCEMENT DATE**

This Agreement shall become effective upon the approval or acceptance referred to below in Section 8, and shall remain in effect until ten (10) years following the start of the initial billing period and thereafter until and unless terminated by either party giving to the other three (3) months notice in writing (the "Term"). Delivery of electric service under this Agreement shall commence on the date specified in a written notice from Consumer to Seller, but in any event shall commence no later than November 1, 2010, (the "Service Commencement Date"), provided, however, that the Service Commencement Date is subject to and may be postponed by (i) the procedures, requirements and limitations of Section 2.H and Section 8 of this Agreement, (ii) the schedule determined by Seller's wholesale power supplier for acquisition of the transmission capacity and rights required for delivery of the Maximum Demand to Consumer at the delivery point on the

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kintley</i> in this
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Agreement, and (iii) performance by Consumer of any other obligations under this Agreement that are required as a condition of commencement of service.

7. **CONSUMER CONTRIBUTION, TERMINATION CHARGE AND DEPOSIT**

A. Extension of service to Consumer's delivery point requires construction of certain facilities (the "Facilities") by Seller's wholesale power supplier (the "Big Rivers Facilities") and the transmission provider (the "KU Facilities," and, together with the Big Rivers Facilities, the "Facilities"). A description of the Facilities is contained in Addendum 1.20, and is shown on the attached Exhibit B.

B. Seller currently estimates the cost of providing the Big Rivers Facilities will be approximately \$210,000. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the Big Rivers Facilities (the "Big Rivers Facilities Cost") on the terms stated in this Section 7. Big Rivers Facilities Cost shall include any costs incurred or unavoidably committed to by Big Rivers Electric Corporation ("Big Rivers") under the terms of a letter agreement between Big Rivers and Consumer dated as of August 18, 2010.

C. Seller currently estimates the cost of providing the KU Facilities will be approximately \$277,000. Consumer shall be responsible for the actual cost to Seller (or Seller's wholesale power supplier) of the KU Facilities (the "KU Facilities Cost") on the terms stated in this Section 7 and shall have the benefit of any terms for payment of those costs that may be available to Seller (or Seller's wholesale power supplier) from KU.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN TARIFF BRANCH
<i>Brent Kirkley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

payment of the KU Facilities Cost are available from KU, Consumer may select the payment terms it prefers, with the consent of Seller, provided that Seller's selection shall be made on a timely basis as is required to meet KU's schedule for that selection. Seller will bill Consumer for the actual cost to Seller of the KU Facilities Cost on Consumer's monthly invoice for electric service, and the amount billed for the KU Facilities Cost will be due and payable on the same terms applicable to other charges for electric service in that invoice. The portion of the total KU Facilities Cost that appears on any monthly invoice to Consumer shall reasonably reflect the terms available to Seller (or Seller's wholesale power supplier) from KU for payment of the total KU Facilities Cost. ~~KU Facilities Costs shall include any costs incurred or unavoidably committed to by Big Rivers under the terms of a letter agreement between Big Rivers and Consumer dated as of August 18, 2010.~~

D. Upon the termination of this Agreement for any reason, in addition to any other amounts due under this Agreement, Consumer shall pay Seller a termination charge (the "Termination Charge") equal to the sum of (i) the portion of the KU Facilities Cost which remains unpaid by Consumer on the termination date, and (ii) the Big Rivers Facilities Cost, provided, however, that the Termination Charge, when due, shall be credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement up to and including the date of such termination with the maximum credit not to exceed the actual cost

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN DIRECTOR
TARIFF BRANCH <i>Brent Kirkley</i> Big Rivers
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Facilities. As security for payment of the Termination Charge, Consumer has provided Seller with the delivery of this Agreement a cash deposit or an irrevocable bank letter of credit in the amount of \$477,000, and Seller hereby acknowledges receipt of same. Consumer agrees that within 30 days after Seller notifies Consumer of the final amounts of the Big Rivers Facilities Cost and the KU Facilities Cost, the amount of this cash deposit or irrevocable bank letter of credit shall be adjusted to equal the sum of (x) Seller's obligation for the KU Facilities Cost, reduced by the portion of Consumer's first payment or payments attributable to the KU Facilities Cost, and (y) the Big Rivers Facilities Cost, credited by \$0.90 per kilowatt (including kilowatts implicit in a minimum bill) paid for by Consumer under this Agreement. Consumer agrees that if this Agreement is terminated before the latter of the Service Commencement Date and the completion of the construction of the Big Rivers Facilities and the KU Facilities, Consumer will pay to Seller the portion of the Big Rivers Facilities Cost and the KU Facilities Cost incurred or irrevocably committed to prior to receipt by Seller of notice of termination of this Agreement, and those costs may be offset by Seller against the amounts held by Seller as security for payment of any of Consumer's obligations under any section this Agreement.

E. As security for payment of its monthly billing obligations, Consumer shall further be required to provide Seller a cash deposit or provide an irrevocable bank letter of credit representing two (2) months' estimated billing, being the total amount of \$35,600.00 on the date of this Agreement hereby

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Burt Kirtley</i>
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

acknowledges receipt of same. The amount of this security for payment shall increase to \$131,080.00 when the minimum Contract Demand for billing purposes increases under Section 2.A. above and Consumer shall provide Seller with same without demand or notification from Seller.

F. Any cash deposit will earn interest in accordance with law, and interest earned will be paid annually to Consumer. Letters of credit for the foregoing securities may be combined, and must be approved in advance by Seller as to form and issuer. Annually the Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(E) reasonably to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter(s) of credit.

The Parties shall adjust the deposit or bank letter of credit required by Paragraph 7(D) to reflect changes in the amounts of the obligations of Consumer secured by the deposit or bank letter of credit whenever requested by Consumer, but not more frequently than twelve times in any calendar year.

G. Consumer's obligations under this Section 7 shall survive termination of this Agreement.

8. **SUCCESSION AND APPROVAL**

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto and may be assigned by Consumer with the consent of Seller, which consent shall not be unreasonably withheld. Any assignment of this Agreement by Consumer shall not relieve Consumer of its obligations to Kenergy hereunder unless Consumer has been expressly relieved of those obligations by Kenergy. This

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Agreement shall not be effective unless (i) it is approved or accepted in writing by the Kentucky Public Service Commission and (ii) Seller's wholesale agreement with Big Rivers regarding service to Consumer has received all approvals from the Rural Utilities Service required by its credit agreements.

9. **ADDENDA**

The addenda to this agreement are attached hereto and incorporated herein as a part of this agreement for electric service.

10. **INDEMNIFICATION**

Consumer agrees to indemnify and hold Seller harmless from and against any and all claims, demands, damages, judgments, losses or expenses asserted against Seller by or on behalf of KU arising out of, related to or concerning damage to the KU System, or any system or electric consuming facilities connected to the KU System resulting from Consumer's operations, activities or usage of electric power and energy hereunder.

11. **NOTICE TO BIG RIVERS**

Any notice from Consumer to Seller required by the terms of this Agreement shall be given concurrently to Big Rivers Electric Corporation, 201 Third Street, Henderson, KY 42420, Attn: President and CEO, using the same methodology required by this Agreement for notice to Kenergy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

KENERGY CORP.
Seller

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

By Sanford Novick
Printed Name Sanford Novick
Title President and CEO

ARMSTRONG COAL COMPANY, INC.
Consumer

By Martin D. Wilson
Printed Name MARTIN D. WILSON
Title President

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <u>Brent Kirtley</u>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

ADDENDA TO AGREEMENT FOR ELECTRIC SERVICE

ADDENDUM 1

1.10 Facilities to be Provided by Consumer.

1.11 Consumer will provide or cause to be provided reasonable (without cost to the Seller) easements upon Consumer's property which are necessary for the construction of facilities which the Seller or its wholesale power supplier must furnish to provide electric service under this Agreement.

1.12 Except as provided in Section 1.20 of this Addendum, Consumer shall furnish and install, or cause to be furnished or installed, such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the delivery point, including but not limited to (i) such protective devices as may be reasonably necessary in the opinion of the Seller to protect the system of the Seller or the KU System from disturbances caused by Consumer, (ii) voltage regulation capability in the Consumer-provided electrical facilities sufficient to meet the operating requirements of all Consumer's production equipment over the full range of acceptable transmission delivery voltage, and (iii) protection devices as needed to prevent damage to that production equipment during voltage excursions outside of the full range of acceptable transmission delivery voltage. Plans

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN DIRECTOR
TARIFF BRANCH <i>Brent Kirkley</i> o be
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

installed for such protection shall be submitted to Seller for prior approval, which shall not be unreasonably withheld.

1.20 **Facilities to be Provided by Seller.** Seller shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of electric power and energy to the delivery point, including the following facilities.

1.21 Certain switches and a tap structure on the 69,000 volt electric transmission line extending from the KU System to Big Rivers' metering installation near Consumer's delivery point, all as shown on the drawing attached as Exhibit B.

1.22 Metering, communications, relaying, and control circuits (as mutually agreed upon) and as necessary for proper measurement, control and coordination between Seller's and Consumer's facilities as shown in part on the drawing attached as Exhibit B.

1.30 **Construction Standards.** Consumer shall construct and maintain any facilities it builds under an obligation created by this Agreement in accordance with applicable provisions of the National Electrical Safety Code of the American National Standards Institute (ANSI C2), and other applicable laws, codes and regulations, provided however Seller shall have no duty to inspect those facilities for conformance with such standards or have any responsibility for the means, methods or techniques employed by Consumer or its contractor in the construction of these facilities. Each party shall own, maintain and operate the facilities it purchases and installs.

1.40 **Electric Disturbances and Phase Balancing.**

(a) Consumer shall not use the power and energy delivered

Agreement in such manner as to cause a "System Disturbance."

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kirtley</i>
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

System Disturbance is a use of electric power and energy which directly or indirectly results in a risk of harm to human beings or material damage to or interference with the transmission system of Seller's wholesale power supplier (the "Wholesale Transmission System"), the KU System, a system connected with the Wholesale Transmission System or the KU System, or facilities or other property in proximity to the Wholesale Transmission System or the KU System, or the plant, facility, equipment or operations of any other customer served directly or indirectly from the Wholesale Transmission System or the KU System. A System Disturbance includes, but is not limited to: (a) Harmonic Distortion: a level of current harmonic total demand distortion (TDD) measured at the Consumer's delivery point that exceeds the limits on TDD described in IEEE Standard 519, Section 10; and, (b) Phase Imbalance: a use of capacity and energy in such a manner that causes a current imbalance between phases greater than 5% at a retail customer's delivery point.

(b) Seller may require Consumer, at Consumer's expense, to make such changes in its system as may be reasonably necessary to eliminate System Disturbances. If Consumer's use of power and energy creates an imbalance between phases that causes a System Disturbance, and fails to make changes in its system requested by Seller to correct such condition, in addition to any other remedies it has Seller make in its determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kirtley</i>
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

- (c) Consumer shall maintain a power factor at the delivery point as nearly as practicable to unity. Power factor during normal operation may range from unity to ninety percent (90%). If Consumer's power factor is less than 90% at time of maximum load, Seller reserves the right to require Consumer to choose either (a) installation at Consumer's expense of equipment which will maintain a power factor of 90% or higher; or (b) adjustment of the maximum monthly metered demand for billing purposes in accordance with the following formula:

$$\frac{\text{Maximum Actual Measured Kilowatts} \times 90\%}{\text{Power Factor (\%)}}$$

- (d) Consumer acknowledges and agrees that Seller shall have no responsibility for damage to any property, or to any equipment or devices connected to Consumer's electrical system on Consumer's side of the delivery point that results solely from acts or omissions of Consumer, its employees, agents, contractors or invitees, or malfunction of any equipment or devices connected to Consumer's electrical system on Consumer's side of the delivery point.

ADDENDUM 2

[Reserved]

ADDENDUM 3

Force Majeure. In the event performance of this Agreement is limited or prevented in whole or in part by Acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, ear

KENTUCKY PUBLIC SERVICE COMMISSION
JEFFREY D. QUINN EXECUTIVE DIRECTOR
TAMMIE BRANCH <i>Brent Kirby</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

storms, floods, washouts, arrests and restraints of the Government (whether federal, state, or local, civil or military), civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, or inability of either party hereto to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities (whether federal, state, or local, civil or military), upon such party's giving notice and reasonably full particulars of such force majeure or uncontrollable force, in writing or by telegraph to the other party within a reasonable time after the occurrence of the cause relied on, the party whose performance is so limited or prevented shall be excused, discharged and released from the performance to the extent such performance is limited or prevented, but only for the period when the performance is limited or prevented and thereafter all of the terms of this Agreement shall remain in effect except that the term of the Agreement shall be extended for a period equal to the duration of the aforesaid force majeure. A minimum bill due during a billing period when a force majeure event occurs shall be prorated based upon the duration of the period of force majeure, but nothing contained herein shall excuse Consumer from the obligations of paying at the time provided herein, for any power consumed by it. In no event shall this Agreement subject either party to liability for consequential or incidental damages, or damages for loss of anticipated profits.

ADDENDUM 4

Successors in Interest. Consumer may with written approval of the Seller assign or transfer this Agreement and such approval shall not be unreasonably withheld. In such event such assignee or transferee shall assume responsibilities of Consumer under this Agreement.

KENTUCKY APPROPRIATE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<i>Brent Kirkley</i>
EFFECTIVE 11/1/2010
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

ADDENDUM 5

5.10 **Remedies of the Parties.** Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter. Except as specifically provided herein, this Agreement shall not be construed to abridge, limit, or deprive either party of any remedy for breach of the provisions herein which would otherwise be available at law or equity.

5.20 **Reports and Information.** Consumer shall furnish to the Seller such reports and information concerning its operations as the Seller may reasonably request from time to time.

5.30 **Notices.** Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on Seller if mailed to:

Kenergy Corp.,
Attention: President & CEO
Post Office Box 18
Henderson, Kentucky 42419-0018

And concurrently to:

Big Rivers Electric Corporation
201 Third Street
Henderson, KY 42420
Attn: President and CEO

Any such notice, demand or request shall be deemed properly given to or served on Consumer if mailed to:

Armstrong Coal Company, Inc.
c/o David R. Cobb
407 Brown Road
Madisonville, KY 42431

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

5.40 **Jurisdiction and Venue.** The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, provided, however, that service to the Consumer is subject to the provisions of the Articles of Consolidation and Bylaws of Seller and is subject to the lawful orders of the Kentucky Public Service Commission. All respective rights and obligations of the parties shall be governed by the laws of the State of Kentucky. Venue of any action, legal or equitable, having as its basis the enforcement or interpretation of this contract, shall be Henderson County, Kentucky.

5.50 **Severability.** Should any provision or provisions of this Agreement be declared void or illegal by any court of competent jurisdiction, then such void or illegal provision or provisions shall be severed from this Agreement, and all other provisions hereof shall remain in full force and effect.

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 11/1/2010 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 33

CANCELLING PSC NO. 1

SHEET NO. _____

CLASSIFICATION OF SERVICE

Schedule 33 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

Customer Charge per Delivery Point \$100.00 per Month

Plus:

Demand Charge per KW of Billing Demand in Month \$ 10.15

Plus:

Energy Charges:

Per KWH \$0.016715

Facilities Charge 1.30%

(times assigned dollars of Kenergy investment for facilities per month-see Sheet No.33B)

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

DATE OF ISSUE January 29, 2009
Month / Date / Year

DATE EFFECTIVE February 1, 2009
Month / Date / Year

ISSUED BY Sanford Nouch
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
PUBLIC SERVICE COMMISSION

JEFFREY H. QUEN
EXECUTIVE DIRECTOR

PURSUANT TO 807 KAR 5:011
NARROW BRANCH
SECTION 9 (1)

By Jeffrey H. Quen
Executive Director

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 33A
CANCELLING PSC NO. 2
Original SHEET NO. 33A

CLASSIFICATION OF SERVICE
Schedule 33 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider	Sheets No. 23 - 23D
Fuel Adjustment Rider	Sheets No. 24 - 24A
Environmental Surcharge Rider	Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider	Sheets No. 26 - 26A
Rebate Adjustment Rider	Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider	Sheets No. 28 - 28A
Price Curtailable Service Rider	Sheets No. 42 - 42C

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41-41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.

Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Sanford Nowak
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION PUBLIC SERVICE COMMISSION JEFFREY DEQUEEN EXECUTIVE DIRECTOR EFFECTIVE 7/17/2009 PURSUANT TO 807 KAR 5:011 SECTION 6 (4) By <u>Jeff Dequeen</u> EXECUTIVE DIRECTOR 7/17/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 33B
CANCELLING PSC NO. 1
SHEET NO. _____

CLASSIFICATION OF SERVICE

Schedule 33 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

DETERMINATION OF FACILITIES CHARGE RATE

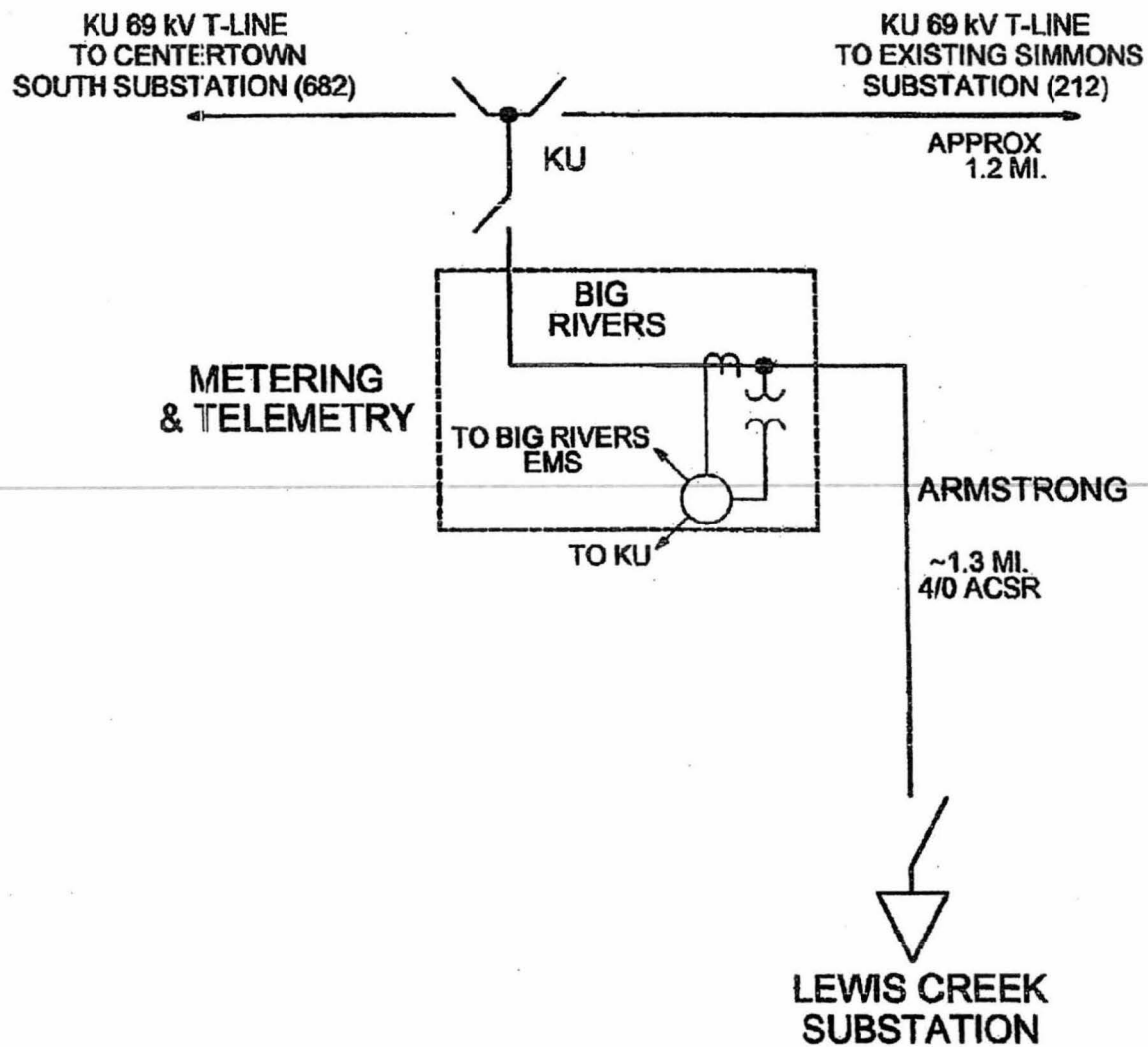
Line No.	Item	Total
1	Distribution O&M Expense (Sub, Primary, Transf. & Sec.)	\$ 10,454,420
2	Distribution Plant @ Year End (Sub, Primary, Transf. & Sec.) ÷	\$197,881,862
3	Dist. Exp. Cost Factor (Line1/Line2)	5.28%
4		
5	Test Year A&G Acct. Expense	\$ 2,675,680
6	Test Year O&M Expense Excluding A&G ÷	\$ 15,494,284
7	Line 5/Line 6	17.27%
8	Dist. Expense Carrying Cost Factor (Line 3) x	\$ 0.0528
9	A&G Cost Factor (Line 7 x Line 8)	0.91%
10		
11	Distribution Plant Depreciation Rate	3.55%
12	Cost of Capital	6.36%
13	Amortization Factor	7.72%
14	General Plant Factor:	
15	General Plant @ Year End	\$ 20,846,828
16		
17	General Plant Depreciation Rate	10.70%
18	Not Used	0.00%
19	Amortization Factor	7.72%
20	General Plant Fixed Charge Rate (Line 17 + 19)	18.42%
21		
22	General Plant Fixed Charges	\$ 3,839,986
23	Total Utility Plant	\$223,696,522
24	Percent of TUP - General Plant Factor (Line 22/23)	1.72%
25	SUMMARY:	
26	O&M Factor (Line 3)	5.28%
27	A&G Factor (Line 9)	0.91%
28	Depreciation Expense (Line 11)	3.55%
29	Levelized Rate of Return	4.17%
30	General Plant Factor (Line 24)	1.72%
31		
32	Total Annual Carrying Cost (Line 26 - 30)	15.63%
33	PSC Assessment ÷	0.998294
34		
35	Adjustment Annual Carrying Cost (Line 32 x Line 35)	15.66%
36		12
37		30%
38	Monthly Facilities Rate Charge	

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Sanford Truck
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

KENTUCKY
PUBLIC SERVICE COMMISSION
JEFFREY B. QUEN
EXECUTIVE DIRECTOR
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By Burt Kirby
EXECUTIVE DIRECTOR
1/29/2009
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

EXHIBIT B



REV	BY	ENG	DATE	DESCRIPTION
0		RW	8-10	

KENTUCKY 62 A Transmission Energy Partner

Big Rivers
Electric Corporation

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN
EXECUTIVE DIRECTOR
W.C. 971

BIG RIVERS - KU
LEWIS CREEK MINE
69 kV SERVICE

TARIFF BRANCH

Brent Kirkley

EFFECTIVE

11/1/2010

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

I N V O I C E

KENERGY CORP P.O. BOX 18 HENDERSON, KY 42419-0018
MONTH ENDING 9/30/17

TO ARMSTRONG - MIDWAY ACCOUNT 26
407 BROWN ROAD
MADISONVILLE, KENTUCKY 42431

SUBSTATION ARMSTRONG - MIDWAY SERVICE FROM 9/01/17 THRU 9/30/17

USAGE	DEMAND	TIME	DAY	METER	MULT	KW DEMAND
		8:30A	9/29	3.50300	1000	3,503

POWER FACTOR	BASE	PEAK	AVERAGE	BILLED	
	90.00%	86.00%		PEAK	

ENERGY	PREVIOUS	PRESENT	DIFFERENCE	MULT.	KWH USED
	84554.142	85067.059	512.917	1000	512,917

ACTUAL DEMAND	3,503 KW TIMES	\$10.7150000	EQUALS\$	37,534.65
P/F PENALTY	163 KW TIMES	\$10.7150000	EQUALS\$	1,746.55
FACILITIES CHARGE				100.00

SUB-TOTAL \$ 39,381.20

ENERGY	512,917 KWH	AT	\$.0410500	EQUALS\$	21,055.24
--------	-------------	----	-------------	----------	-----------

SUB-TOTAL \$ 21,055.24

DEMAND AND ENERGY \$ 60,436.44

FUEL ADJUSTMENT CLAUSE	512,917 KWH	AT	\$.0017710	EQUALS\$	908.38
------------------------	-------------	----	-------------	----------	--------

NON-SMELTER NON-FAC PPA	512,917 KWH	AT	\$.0013500	EQUALS\$	692.44
-------------------------	-------------	----	-------------	----------	--------

ENVIRONMENTAL SURCHARGE	\$58,651.96	TAR	AT	4.5882630 %	EQUALS\$	2,691.11
-------------------------	-------------	-----	----	-------------	----------	----------

MRSM ADJUSTMENT						.00
-----------------	--	--	--	--	--	-----

MRSM - BASE RATE CREDIT						.00
-------------------------	--	--	--	--	--	-----

MRSM - TRANSMISSION LARGE INDUSTRIAL ADJUSTMENT						802.33-
---	--	--	--	--	--	---------

MRSM - TRANSMISSION LARGE INDUSTRIAL BASE RATE CREDIT						.00
---	--	--	--	--	--	-----

RER - BUSINESS ADJUSTMENT						.00
---------------------------	--	--	--	--	--	-----

RER - BUSINESS BASE RATE CREDIT						.00
---------------------------------	--	--	--	--	--	-----

UTILITY TAX	\$63,926.04	AT	3.000%			1,917.78
-------------	-------------	----	--------	--	--	----------

PAY THIS AMOUNT BY 10/25/17 65,843.82

PAY THIS AMOUNT AFTER 10/25/17 68,865.64

AUGUST PAST DUE AMOUNT		DUE 9/25/17	74,893.84
------------------------	--	-------------	-----------

KW DEMAND FOR PAST 12 MONTHS

10/16	3,490	11/16	3,739	12/16	3,909	1/17	3,856
2/17	3,815	3/17	3,821	4/17	3,544	5/17	3,434
6/17	3,361	7/17	3,512	8/17	3,474	9/17	3,503

---LOAD FACTOR---
ACTUAL BILLED
20.34% 20.34%

MILLS PER KWH
124.63

DUE IN
IMMEDIATELY AVAILABLE FUNDS
ON THIS DATE
10/25/17

NOTE: If paying by check, it must be mailed in sufficient time (at least 7 days prior to date above) for funds to become collected on the date above. Interest charges will be assessed based on the date the funds become collected to Kenergy Corporation.

REMIT PAYMENT TO: Kenergy Corporation
P.O. Box 18
Henderson, KY 42419-0018



INVOICE

KENERGY CORP

P.O. BOX 18

HENDERSON, KY 42419-0018

MONTH ENDING 9/30/17

TO ARMSTRONG - DOCK
407 BROWN ROAD
MADISONVILLE, KY 42431

ACCOUNT 27

SUBSTATION ARMSTRONG - DOCK

SERVICE FROM 9/01/17 THRU 9/30/17

USAGE	DEMAND	TIME	DAY	METER	MULT	KW DEMAND
		3:00P	9/21	10.89300	1000	10,893

POWER FACTOR	BASE	PEAK	AVERAGE	BILLED
90.00%		91.00%		PEAK

ENERGY	PREVIOUS	PRESENT	DIFFERENCE	MULT.	KWH USED
	16298.042	20300.929	4002.887	1000	4,002,887

ACTUAL DEMAND	10,893 KW TIMES	\$10.7150000	EQUALS\$	116,718.50
TRANSMISSION - KU - Sept 2017			EQUALS\$	13,235.85
TRANSMISSION - LG&E - Sept 2017			EQUALS\$	6,782.86
FACILITIES CHARGE				100.00

SUB-TOTAL \$ 136,837.21

ENERGY	4,002,887 KWH AT	\$.0410500	EQUALS\$	164,318.51

SUB-TOTAL \$ 164,318.51

DEMAND AND ENERGY \$ 301,155.72

FUEL ADJUSTMENT CLAUSE	4,002,887 KWH AT	\$.0017710	EQUALS\$	7,089.11

NON-SMELTER NON-FAC PPA	4,002,887 KWH AT	\$.0013500	EQUALS\$	5,403.90

ENVIRONMENTAL SURCHARGE	\$281,521.36 TAR AT	4.5882630 %	EQUALS\$	12,916.94

MRSB ADJUSTMENT				.00
MRSB - BASE RATE CREDIT				.00

MRSB - TRANSMISSION LARGE INDUSTRIAL ADJUSTMENT				4,724.78-
MRSB - TRANSMISSION LARGE INDUSTRIAL BASE RATE CREDIT				.00

RER - BUSINESS ADJUSTMENT				.00
RER - BUSINESS BASE RATE CREDIT				.00

UTILITY TAX	\$321,840.89 AT	3.000%		9,655.23

PAY THIS AMOUNT BY 10/25/17 331,496.12

PAY THIS AMOUNT AFTER 10/25/17 345,552.97

AUGUST PAST DUE AMOUNT DUE 9/25/17 376,276.62

KW DEMAND FOR PAST 12 MONTHS

10/16	10,464	11/16	10,679	12/16	11,447	1/17	11,428
2/17	11,384	3/17	11,246	4/17	10,653	5/17	11,233
6/17	11,000	7/17	10,773	8/17	10,496	9/17	10,893

---LOAD FACTOR---
ACTUAL BILLED
51.04% 51.04%

MILLS PER KWH
80.40

DUE IN
IMMEDIATELY AVAILABLE FUNDS
ON THIS DATE
10/25/17

NOTE: If paying by check, it must be mailed in sufficient time (at least 7 days prior to date above) for funds to become collected on the date above. Interest charges will be assessed based on the date the funds become collected to Kenergy Corporation.

REMIT PAYMENT TO: Kenergy Corporation
P.O. Box 18
Henderson, KY 42419-0018

E
P. 2

I N V O I C E

KENERGY CORP

P.O. BOX 18

HENDERSON, KY 42419-0018

MONTH ENDING 9/30/17

TO ARMSTRONG - EQUALITY
407 BROWN ROAD
MADISONVILLE, KY 42431

ACCOUNT 29

SUBSTATION ARMSTRONG - EQUALITY

SERVICE FROM 9/01/17 THRU 9/30/17

USAGE	DEMAND	TIME	DAY	METER	MULT	KW DEMAND
		11:30A	9/14	2.82900	1000	2,829

POWER FACTOR	BASE	PEAK	AVERAGE	BILLED
	90.00%	92.00%		PEAK

ENERGY	PREVIOUS	PRESENT	DIFFERENCE	MULT.	KWH USED
	42151.355	42941.065	789.710	1000	789,710

ACTUAL DEMAND	2,829 KW TIMES	\$10.7150000	EQUALS\$	30,312.74
TRANSMISSION - KU - Sept 2017			EQUALS\$	2,645.01
TRANSMISSION - LG&E - Sept 2017			EQUALS\$	1,355.48
FACILITIES CHARGE				100.00

SUB-TOTAL \$ 34,413.23

ENERGY	789,710 KWH AT	\$.0410500	EQUALS\$	32,417.60
--------	----------------	-------------	----------	-----------

SUB-TOTAL \$ 32,417.60

DEMAND AND ENERGY \$ 66,830.83

FUEL ADJUSTMENT CLAUSE	789,710 KWH AT	\$.0017710	EQUALS\$	1,398.58
------------------------	----------------	-------------	----------	----------

NON-SMELTER NON-FAC PPA	789,710 KWH AT	\$.0013500	EQUALS\$	1,066.11
-------------------------	----------------	-------------	----------	----------

ENVIRONMENTAL SURCHARGE	\$62,825.90 TAR AT	4.5882630 %	EQUALS\$	2,882.62
-------------------------	--------------------	-------------	----------	----------

MRSB ADJUSTMENT				.00
-----------------	--	--	--	-----

MRSB - BASE RATE CREDIT				.00
-------------------------	--	--	--	-----

MRSB - TRANSMISSION LARGE INDUSTRIAL ADJUSTMENT				995.66-
---	--	--	--	---------

MRSB - TRANSMISSION LARGE INDUSTRIAL BASE RATE CREDIT				.00
---	--	--	--	-----

RER - BUSINESS ADJUSTMENT				.00
---------------------------	--	--	--	-----

RER - BUSINESS BASE RATE CREDIT				.00
---------------------------------	--	--	--	-----

UTILITY TAX	\$71,182.48 AT	3.000%		2,135.47
-------------	----------------	--------	--	----------

PAY THIS AMOUNT BY 10/25/17 73,317.95

PAY THIS AMOUNT AFTER 10/25/17 76,459.47

AUGUST PAST DUE AMOUNT	DUE 9/25/17	85,471.38
------------------------	-------------	-----------

KW DEMAND FOR PAST 12 MONTHS

10/16	2,760	11/16	2,760	12/16	2,760	1/17	2,760
2/17	2,760	3/17	2,760	4/17	2,760	5/17	2,766
6/17	2,760	7/17	2,810	8/17	2,898	9/17	2,829

---LOAD FACTOR---
ACTUAL BILLED
38.77% 38.77%

MILLS PER KWH
90.14

DUE IN
IMMEDIATELY AVAILABLE FUNDS
ON THIS DATE
10/25/17

NOTE: If paying by check, it must be mailed in sufficient time (at least 7 days prior to date above) for funds to become collected on the date above. Interest charges will be assessed based on the date the funds become collected to Kenergy Corporation.

REMIT PAYMENT TO: Kenergy Corporation
P.O. Box 18
Henderson, KY 42419-0018

E
P 3

I N V O I C E

KENERGY CORP

P.O. BOX 18

HENDERSON, KY 42419-0018

MONTH ENDING 9/30/17

TO ARMSTRONG - LEWIS CREEK
407 BROWN ROAD
MADISONVILLE, KY 42431

ACCOUNT 28

SUBSTATION ARMSTRONG - LEWIS CREEK

SERVICE FROM 9/01/17 THRU 9/30/17

USAGE	DEMAND	TIME	DAY	METER	MULT	KW DEMAND
		10:00A	9/03	.63000	1000	630

POWER FACTOR	BASE	PEAK	AVERAGE	BILLED
	90.00%	100.00%		PEAK

ENERGY	PREVIOUS	PRESENT	DIFFERENCE	MULT.	KWH USED
	3249.486	3532.590	283.104	1000	283,104

CONTRACT DEMAND	800 KW TIMES	\$10.7150000	EQUALS\$	8,572.00
TRANSMISSION - KU - Sept 2017			EQUALS\$	858.41
TRANSMISSION - LG&E - Sept 2017			EQUALS\$	439.92
FACILITIES CHARGE				100.00

SUB-TOTAL \$ 9,970.33

ENERGY	283,104 KWH AT	\$.0410500	EQUALS\$	11,621.42
--------	----------------	-------------	----------	-----------

SUB-TOTAL \$ 11,621.42

DEMAND AND ENERGY \$ 21,591.75

FUEL ADJUSTMENT CLAUSE	283,104 KWH AT	\$.0017710	EQUALS\$	501.38
------------------------	----------------	-------------	----------	--------

NON-SMELTER NON-FAC PPA	283,104 KWH AT	\$.0013500	EQUALS\$	382.19
-------------------------	----------------	-------------	----------	--------

ENVIRONMENTAL SURCHARGE	\$20,227.68 TAR AT	4.5882630 %	EQUALS\$	928.10
-------------------------	--------------------	-------------	----------	--------

MRSB ADJUSTMENT				.00
-----------------	--	--	--	-----

MRSB - BASE RATE CREDIT				.00
-------------------------	--	--	--	-----

MRSB - TRANSMISSION LARGE INDUSTRIAL ADJUSTMENT				336.92
---	--	--	--	--------

MRSB - TRANSMISSION LARGE INDUSTRIAL BASE RATE CREDIT				.00
---	--	--	--	-----

RER - BUSINESS ADJUSTMENT				.00
---------------------------	--	--	--	-----

RER - BUSINESS BASE RATE CREDIT				.00
---------------------------------	--	--	--	-----

UTILITY TAX	\$23,066.50 AT	3.000%		692.00
-------------	----------------	--------	--	--------

PAY THIS AMOUNT BY 10/25/17 23,758.50

PAY THIS AMOUNT AFTER 10/25/17 24,773.17

AUGUST PAST DUE AMOUNT DUE 9/25/17 25,731.91

KW DEMAND FOR PAST 12 MONTHS

10/16	1,000	11/16	1,000	12/16	1,000	1/17	800
2/17	800	3/17	800	4/17	800	5/17	800
6/17	800	7/17	800	8/17	800	9/17	800

---LOAD FACTOR---
ACTUAL BILLED
62.41% 49.15%

MILLS PER KWH
81.48

DUE IN
IMMEDIATELY AVAILABLE FUNDS
ON THIS DATE
10/25/17

NOTE: If paying by check, it must be mailed in sufficient time (at least 7 days prior to date above) for funds to become collected on the date above. Interest charges will be assessed based on the date the funds become collected to Kenergy Corporation.

REMIT PAYMENT TO: Kenergy Corporation
P.O. Box 18
Henderson, KY 42419-0018

E
P.4



P.O. Box 18 • 6402 Old Corydon Road
Henderson, Kentucky 42419-0018
1.800.844.4832

September 29, 2017

Armstrong Coal Company, Inc.
C/O David R. Cobb
407 Brown Road
Madisonville, KY 42431

VIA ELECTRONIC MAIL WITH COPY BY NEXT DAY COURIER

Re: Payment Default under Electric Service Agreement

Dear Mr. Cobb:

Kenergy Corp. ("Kenergy") hereby notifies Armstrong Coal Company, Inc. (Armstrong) of its failure to make a scheduled payment of \$562,373.75 due September 25, 2017, in accordance with the Electric Service Agreements for Armstrong Lewis Creek, Armstrong Equality, Armstrong Dock, and Armstrong Midway by and between Kenergy and Armstrong (the "Agreements"). Such failure constitutes an "Event of Default" by Armstrong under and as defined in the Agreements.

Pursuant to the Agreements, Kenergy further notifies Armstrong that Kenergy will discontinue delivery of "Electric Services" under and as defined in the Agreements unless Armstrong has cured such Event of Default within 15 days of this notice.

Please let us know if you have any questions.

Sincerely,

KENERGY CORP.

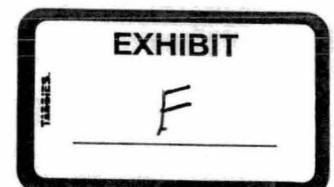
By:


Name: Jeff Hohn

Title: President and Chief Executive Officer

CC: Big Rivers Electric Corporation – bob.berry@bigrivers.com

Armstrong Coal Company – rjarvis@armstrongcoal.com
jwinnick@armstrongcoal.com





October 12, 2017

Dear Customer:

The following is the proof-of-delivery for tracking number **810036094247**.

Delivery Information:

Status:	Delivered	Delivered to:	Receptionist/Front Desk
Signed for by:	D.MYERS	Delivery location:	47 BROWN BADGETT LOOP KY 42431
Service type:	FedEx Priority Overnight	Delivery date:	Oct 2, 2017 09:56
Special Handling:	Deliver Weekday		
	Direct Signature Required		

Shipping Information:

Tracking number:	810036094247	Ship date:	Sep 29, 2017
		Weight:	0.5 lbs/0.2 kg

Recipient:
DAVID R COBB
ERMSTRONG COAL CO INC
47 BROWN RD
KY 42431 US

Shipper:
STEVE THOMPSON
KENERGY CORP
3111 FAIRVIEW DR
OWENSBORO, KY 423032176 US

Thank you for choosing FedEx.



P.O. Box 1389 • 3111 Fairview Drive
Owensboro, Kentucky 42302-1389
1.800.844.4832

Kenergy is an equal opportunity provider and employer.

October 3, 2017

Armstrong Coal Company, Inc.
C/O David R. Cobb
407 Brown Road
Madisonville, KY 42431

VIA ELECTRONIC MAIL WITH COPY BY NEXT DAY COURIER

Re: Payment Default under Electric Service Agreement

Dear Mr. Cobb:

Kenergy Corp. ("Kenergy") hereby notifies Armstrong Coal Company, Inc. (Armstrong) of its failure to make a scheduled payment of \$562,373.75 due September 25, 2017, in accordance with the Electric Service Agreements for Armstrong Lewis Creek, Armstrong Equality, Armstrong Dock, and Armstrong Midway by and between Kenergy and Armstrong (the "Agreements"). Such failure constitutes an "Event of Default" by Armstrong under and as defined in the Agreements.

Pursuant to the Agreements, Kenergy further notifies Armstrong that Kenergy will discontinue delivery of "Electric Services" under and as defined in the Agreements unless Armstrong has cured such Event of Default within 15 days of this notice.

This termination notice shall not be affected your company's receipt of a subsequent bill from Kenergy. Your company has the right to dispute the bill giving rise to the termination

Please let us know if you have any questions.

Sincerely,

KENERGY CORP.

By:

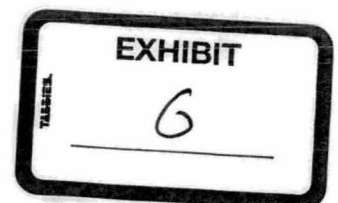
Name: Jeff Hohn

Title: President and Chief Executive Officer

CC: Big Rivers Electric Corporation – bob.berry@bigrivers.com

Armstrong Coal Company – rjarvis@armstrongcoal.com
jwinnick@armstrongcoal.com

Your Touchstone Energy[®] Cooperative





October 12, 2017

Dear Customer:

The following is the proof-of-delivery for tracking number **810036094258**.

Delivery Information:

Status:	Delivered	Delivered to:	Receptionist/Front Desk
Signed for by:	B.BRANSON	Delivery location:	407 BROWN RD KY 42431
Service type:	FedEx Priority Overnight	Delivery date:	Oct 4, 2017 09:57
Special Handling:	Deliver Weekday		

Shipping Information:

Tracking number:	810036094258	Ship date:	Oct 3, 2017
		Weight:	0.5 lbs/0.2 kg

Recipient:
DAVID R COBB
ARMSTRONG COAL COMPANY INC
407 BROWN RD
KY 42431 US

Shipper:
STEVE THOMPSON
KENERGY CORP
3111 FAIRVIEW DR
OWENSBORO, KY 423032176 US

Thank you for choosing FedEx.