



COAL PURCHASE CONFIRMATION

Buyer:

Duke Energy Kentucky, Inc.
525 S. Tryon Street, DEP-20A2
Charlotte, NC 28202
Attn: Adam Pritchard, Originator
Tel. [REDACTED]
Email: [REDACTED]
Ref#: 35746

Seller:

ACNR Coal Sales, Inc.
46226 National Road
St. Clairsville, OH 43950
Attention: Chris Fasy
Tel: [REDACTED]
Email: [REDACTED]
Ref#: C24057

This confirms the agreement entered into to be effective as of the date that Buyer executes this Confirmation (as defined below), by and between Duke Energy Kentucky, Inc. (“Buyer”) and ACNR Coal Sales, Inc. (“Seller”), regarding the sale and purchase of Coal (the “Transaction”) under the terms specified herein. Buyer and Seller shall be referred to individually as a “Party” and collectively as the “Parties”.

This Coal Purchase Confirmation (the “Confirmation”) constitutes an agreement for the sale and purchase of Coal and constitutes a “Confirmation” under the Master Agreement (as defined below). This Confirmation supplements, forms a part of, and is subject to, the Master Agreement for the Sale and Purchase of Coal dated as of March 19, 2018, as it has been or may be amended and supplemented from time to time between Seller, assignee from Consolidation Coal Company, and Duke Energy Business Services LLC as agent for each of Duke Energy Carolinas, LLC, Duke Energy Kentucky, Inc., Duke Energy Florida, LLC, Duke Energy Indiana, LLC, and Duke Energy Progress, LLC (the “Master Agreement”). For the avoidance of doubt, however, none of Duke Energy Business Services, LLC, as agent to Buyer, or Duke Energy Carolinas, LLC, Duke Energy Florida, LLC, Duke Energy Indiana, LLC, or Duke Energy Progress, LLC, as separate and not joint parties to the Master Agreement, will have any rights, duties or obligations pursuant to this Confirmation, and Seller waives any rights it may have against such other Master Agreement agents and parties. All provisions contained in the Master Agreement govern this Confirmation to the extent not in conflict with the terms hereof. The terms of this Confirmation shall prevail in the event of an inconsistency between the terms of this Confirmation and the Master Agreement. The Confirmation shall be considered as a separate agreement between the Parties effective on the date of execution of this Confirmation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement. Except with respect to the Master Agreement, this Confirmation shall be the full and final expression of the agreement between the Parties on the matters contained herein. Except as provided in this Confirmation, all written and oral representations, understandings, offers, or other communications of every kind between the Parties in relation to this Confirmation, including the quotation submitted on the Quote Date, between the Parties are hereby abrogated and withdrawn.

Quote Date: July 31, 2024

Product Description: Crushed Coal, containing no synthetic fuels, and substantially free from any extraneous materials or impurities (such as earth, clay, bone, slate, sandstone, rock, pyrite, metal, or wood), with no intermediate sizes added or removed and otherwise meeting the Quality Specifications set forth in this Confirmation.

Seller: ACNR Coal Sales, Inc.

Buyer: Duke Energy Kentucky, Inc.

Term: August 5, 2024 through September 15, 2024, inclusive (the “Term”).

Contract Quantity: Approximately five (5) barge loads.

Scheduling: Pursuant to the Master Agreement.

Contract Price: \$48.00 per Ton delivered at the Delivery Point.

Delivery Point: F.O.B. (per the most recent version of the Uniform Commercial Code in effect at the date of this Confirmation) Buyer's barge at the Source's barge loading point located at mile post 110 on the Ohio River.

Source(s): Marshall County Mine located in Marshall County, West Virginia. ("Mine" or "Source")

Weighing, Sampling And Analysis: Pursuant to the Master Agreement.

Billing and Payment: Pursuant to the Master Agreement.

Insurance: Buyer and its contractors who enter upon Seller's property shall maintain, at Buyer's expense, insurance with coverage that is at least the insurance requirements below.

MINIMUM INSURANCE REQUIREMENTS FOR BUYER AND BUYER'S CONTRACTORS

In addition to any indemnity obligations, and not in lieu thereof, Buyer or Buyer's contractor shall, where relevant or applicable, carry insurance coverage with minimum limits and as follows:

- 1) Workers Compensation and Employers' Liability Insurance, and if any of Buyer's workers are engaged in maritime employment, U.S. Longshore & Harbor Workers Insurance with employers' liability limits of not less than \$1,000,000 per occurrence, Occupational Disease Coverage, Other States Insurance, and Voluntary Compensation.
- 2) Auto Insurance on ISO Form CA 00 01 or equivalent with Liability, Bodily Injury and Property Damage, covering all owned, non-owned, hired, and used vehicles, with limits of not less than \$1,000,000 per occurrence combined single limits.
- 3) Commercial General Liability Insurance, or equivalent, and if applicable, commercial umbrella insurance with following form coverage, to achieve Bodily Injury and Property Damage limits of not less than \$5,000,000 per occurrence
- 4) For barge deliveries, Buyer's contractor will carry and maintain at its own cost:
 - a) Protection and Indemnity Insurance, including Tower's Liability, Collision Liability, and Wharfinger's Liability, in the amount of at least \$5,000,000 per occurrence.
 - b) Workers' Compensation and Employer's Liability coverage in the amount of applicable statutory limits, including U.S. Longshore and Harbor Workers coverage and Jones Act coverage.
 - c) Pollution Insurance in the amount of at least \$5,000,000.
- 5) For barge deliveries, Certificates of Insurance satisfactory in form to Buyer and signed by contractor's broker or insurer shall be supplied by contractor to Buyer evidencing that the above insurance is in force.
- 6) Additional requirements by Buyer under this section.

Before commencement of performance of any deliveries under this Agreement, Buyer shall furnish to Seller certificates of insurance (i) showing that Buyer's above-specified

insurances and limits are in place, (ii) showing coverage inception and expiration dates and times.

Buyer reserves the right to self-insure any and all coverages under this Agreement to the extent permitted by applicable laws. As such, Buyer assumes responsibility for its contractual and legal obligations that are normally insured.

Government Impositions: The provisions of Section 4.3 of the Master Agreement shall not apply to this Confirmation.

Quality Specifications: All Coal delivered hereunder shall meet the Quality Specifications specified in the following table for each of the listed criteria. The Rejection Limits shall be as specified in the following table for each of the listed criteria. All amounts are as measured on an “as-received” basis, except HGI which shall be on a dry basis, in accordance with ASTM standards.

| | Quality Specification (Monthly Weighted Average) | Rejection Limit (Per Shipment) |
|--------------------------------------------------------------|------------------------------------------------------------|------------------------------------------|
| Heating Value | 12,925 typical Btu/lb. | <12,700 Btu/lb. |
| Moisture (%) | 7.0% typical | >8.6% |
| *Pounds of SO₂/MMBtu | 3.25 lb./MMBtu typical | >3.6 lb./MMBtu |
| Ash (%) | 7.5% typical | >9.0% |
| Chlorine (PPM) | 750 ppm | >900 ppm |
| Volatile Matter (%) | 37% minimum | <30% |
| HGI | 55 minimum | >60 |
| Fusion Temp (Initial Deformation °F, Reducing Atmos.) | 2,100 | <2,000 |
| Sizing | 2” maximum | >2” |
| Fines (% by weight passing ¼” screen) | 55 maximum | >60 |

*The pounds SO₂ per MMBTU shall be determined by the following formula:
 (“As-Received” Percent Sulfur × 20,000) / “As-Received” BTU/lb. = Pounds SO₂ per MMBTU.

Quality Price

Adjustments: The BTU adjustment of Section 8.1.1 of the Master Agreement shall apply to this Confirmation.

The Ash adjustment of Section 8.1.2 of the Master Agreement shall not apply to this Confirmation.

The SO₂ adjustment of Section 8.1.3 of the Master Agreement shall not apply to this Confirmation.

Buyer’s Actual Cost to Scrub One Ton of SO₂:

N/A for this Transaction.

Other Terms and Conditions.

Seller represents and warrants that, as of the Quote Date and as of the date of this Confirmation, and, to the extent

applicable, covenants for the Term that:

- (a) Seller presently owns or otherwise controls, and shall continue to own and control, whether directly or through an affiliate, Coal reserves in an amount sufficient to fulfill the terms of this Confirmation, the Coal contained in such reserves is mineable and of the quality called for by this Confirmation and Seller presently has approved governmental mining permits to fulfill the terms of this Confirmation,
- (b) There are no existing contractual commitments with respect to Coal reserves that would prevent delivery of the quantities of Coal specified in this Confirmation and Seller will not enter into contractual commitments during the Term that will prevent such delivery,
- (c) Seller owns and has in operation, and shall continue to own and operate, whether directly or through an affiliate, mining facilities and equipment sufficient to produce the quantities of Coal to be delivered under this Confirmation and has obtained all necessary governmental and other third party permits (excluding unforeseen events as set forth in Section 12 of the Master Agreement), approvals and licenses, and shall continue to retain or take all prudent and timely steps necessary for submission and application for renewal of governmental or third party permits, approvals and licenses, required in connection with the execution, delivery and performance of this Confirmation, and
- (d) Seller, directly or through an affiliate, will at all times conduct its mining operations in a prudent manner consistent with good and acceptable practice in the coal mining industry, and Buyer shall have the right, upon reasonable notice, at its own expense and risk, to have its representatives and/or qualified consultants observe and inspect Seller's facilities and operations, provided that such representatives and/or consultants shall comply with all applicable safety requirements, processes, and procedures including, but not limited to, those related to safety training and hazard prevention, and shall not interfere with such operations.

No Precedent: The terms and conditions set forth in this Confirmation are for the purpose of the Transaction contemplated herein only and will not set or be construed or deemed to set a precedent for any future Transaction, if any, that may be entered into between Buyer and Seller.

Electronic Signatures. Each Party agrees that the Electronic Signatures, whether digital or encrypted, of the Parties to this Confirmation are intended to authenticate this writing and to have the same force and effect as manual signatures. "Electronic Signature" means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a Party with the intent to sign such record.

IN WITNESS WHEREOF, the Parties have caused this Confirmation to be executed by their respective duly authorized representatives as of the first date mentioned herein.

Duke Energy Kentucky, Inc.

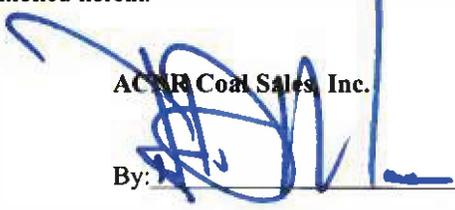
By: 
Kim Hughes (Aug 13, 2024 08:23 EDT)

Name: Kim Hughes

Title: Director, Coal Origination

Date: 08/13/2024

ACNR Coal Sales, Inc.

By: 

Name: Robert D. Moore

Title: President

Date: 8/12/24