East Kentucky Power Cooperative

Spurlock Power Station - Gilbert Unit 3 & 4

Quarterly Coal Contract Escalation Schedule

for

B & N Coal, Inc. - 832

Escalation of delivered price per million BTU to be used for coal received by E.K.P. FEB 01 - FEB 28, 2018

Base Price: 1.4604 (11,100 BTU)

Escalatable Fuel Base 0.3651

No. 2 diesel fuel WPU 0573-03 (not seasonally adjusted)

June-17 171.5 Jan-18 231.0

Difference 59.5

Percent Change in Price Index: $59.5 \div 171.5 = 34.7\%$

Fuel Adjustment to Base 34.7% x = 0.3651 = \$0.1267

Base Price - \$1.4604 Fuel Escalation + \$0.1267

Escalated Price Effective FEB 01 - FEB 28, 2018

1.5871 /MMBtu

Truck surcharge <u>0.25</u> /Ton