

Contract #J21004 – Amendment No. 2

AMENDMENT NO. 2 TO COAL SUPPLY AGREEMENT

THIS AMENDMENT NO. 2 TO COAL SUPPLY AGREEMENT (“Amendment No. 2”) is entered into as of July 1, 2021 (“Amendment Date”), by and between LOUISVILLE GAS AND ELECTRIC COMPANY (“LG&E”) and KENTUCKY UTILITIES COMPANY (“KU”), each a Kentucky corporation, with an address at 220 West Main Street, Louisville, Kentucky 40202 (LG&E and KU are each individually sometimes herein called a “Buyer”), and ALLIANCE COAL, LLC, a Delaware limited liability company (“Seller”), whose address is 1717 South Boulder Avenue, Tulsa, Oklahoma 74119-4886.

In consideration of the agreements herein contained, the parties hereto agree as follows.

A. AMENDMENT

The Coal Supply Agreement heretofore entered into by the parties, dated as of March 13, 2020, identified by Contract Number J21004, as amended by that certain Amendment No. 1 to Coal Supply Agreement, dated December 1, 2020 (“Amendment No. 1”), is hereby amended as set forth below (the March 13, 2020 Coal Supply Agreement, as amended by Amendment No. 1, and as amended by this Amendment No. 2 are hereafter collectively referred to as the “Agreement”).

B. B.1 Section 3.3 Quarterly Nominations and Delivery Schedule. The following provision is added to Section 3.3

“Along with the Quarterly Nominations, Buyer and Seller will cooperate in the development of a quarterly delivery schedule showing coal sources and tonnage volumes. Subject to the Parties’ other rights or obligations pursuant to other terms and conditions herein, including but not limited to applicable Base Quantity annual and quarterly ranges, Make-Up Tons, Substitute Coal, Force Majeure, and applicable suspension and termination rights, monthly shipments from Tunnel Ridge during calendar 2022 shall be 50,000 tons per month, subject to Buyer’s option, in its discretion, to increase to up to 125,000 tons per month, all subject to Section 4.3, upon thirty (30) days prior notice to Seller.”

C. SOURCE**C.1 Section 4.1 Source.** The following provisions are added to Section 4.1.

“From January 1, 2022 to December 31, 2022, Seller shall also have the right to ship coal from the following source:

<u>Mine Name</u>	<u>MSHA ID#</u>	<u>County/State</u>	<u>Seam</u>	<u>Producer</u>
Tunnel Ridge Mine	46-08864	Ohio/West Virginia	Pittsburgh #8	Tunnel Ridge, LLC

All authorized and accepted tonnage shipped from Tunnel Ridge Mine shall count as “coal” tonnage shipped under this Agreement, such site shall be deemed “Coal Properties” and such entity shall be deemed a “Producer” hereunder.”

C.2 Section 4.3(b) Substitute Coal in Event of River View Mine Force Majeure or Inventory Event. The following provision is added to the end of the first paragraph of Section 4.3(b).

Contract # J21004 - Amendment No. 2

“Notwithstanding references to it as an Alternate Source, Tunnel Ridge’s pricing for 2022 are governed by this Amendment. For avoidance of doubt, the volume limitations in Section 3.3 above shall not apply to Tunnel Ridge volumes requested or shipped as its capacity as an Alternative Source mine.”

D. PRICE

D.1 Section 8.1 Base Price. As of the Amendment Date, solely with respect to periods following such date, in Section 8.1 Base Price, the VOLUME RANGE (CUMULATIVE) and BASE PRICE (\$ PER TON) table is deleted in its entirety and is replaced with the following provision:

For the avoidance of doubt, the concluding textual paragraph of Section 8.1 is not amended hereby and shall remain in full force.

<u>“VOLUME RANGE (CUMULATIVE)”</u>	<u>BASE PRICE (\$ PER TON)</u>	
	<u>RIVERVIEW DOCK</u>	<u>TUNNEL RIDGE DOCK</u>
0 - 2,500,000 tons	\$38.45	\$40.95
2,500,001 - 5,500,000 tons	\$39.30	\$41.85
5,500,001 - 8,500,000 tons	\$40.15	\$42.80
8,500,001 - 11,000,000 tons	\$41.25	N/A”

E. STATUS OF AGREEMENT

As amended hereby, the Agreement is hereby ratified and confirmed and shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 2, intending it to be binding as of the date(s) indicated below and to be performed as set out herein.

BUYER

LOUISVILLE GAS AND ELECTRIC COMPANY and KENTUCKY UTILITIES COMPANY

By:



btb JAF

Name:

David Sinclair

Title:

V.P. – Energy Supply & Analysis

Date:

7-21-21

SELLER

ALLIANCE COAL, LLC

By:



Name:

Timothy J. Whelan

Title:

Senior V.P. – Sales & Marketing

Date:

6/25/21