

**COMMITMENT EXTENSION AGREEMENT AND AMENDMENT NO. 2 TO CREDIT AGREEMENT
(Commitment Extension Pursuant to Section 2.08(d) of Credit Agreement and Amendment Pursuant to
Section 9.05 of Existing Credit Agreement)**

This **COMMITMENT EXTENSION AGREEMENT AND AMENDMENT NO. 2 TO CREDIT AGREEMENT** (this “*Agreement*”) dated as of January 4, 2017, is entered into by and among **LOUISVILLE GAS AND ELECTRIC COMPANY**, a Kentucky corporation (“*Borrower*”), the undersigned Lenders (as defined in the Credit Agreement) extending their Commitments (as defined in the Credit Agreement) (collectively, the “*Extending Lenders*”), the other Lenders party hereto and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, as Administrative Agent (in such capacity, the “*Administrative Agent*”), Swingline Lender and Issuing Lender. Capitalized terms used herein and not otherwise defined herein shall have the meanings attributed to them in the Credit Agreement (as hereinafter defined).

RECITALS

A. Borrower, the Extending Lenders, the Lenders (as defined in the Existing Credit Agreement) and the Administrative Agent are parties to that certain Amended and Restated Revolving Credit Agreement dated as of July 28, 2014 (as amended, restated, or otherwise modified from time to time prior to the date hereof, the “*Existing Credit Agreement*” and as amended hereby, the “*Credit Agreement*”).

B. The Borrower desires to amend the Existing Credit Agreement to change the existing Termination Date, effective as of the date hereof, from December 31, 2020 to January 27, 2021, and to make certain additional changes to Section 2.08(d) of the Existing Credit Agreement, and the Lenders party hereto agree to such amendment (the “*Termination Date Amendment*”). Pursuant to Section 2.08(d) of the Credit Agreement, after giving effect to the Termination Date Amendment, Borrower has requested a further extension of the Termination Date (the “*Commitment Extension*”) of the Commitments by one year, from January 27, 2021 to January 27, 2022, effective on January 27, 2017 (the “*Extension Date*”).

C. Each of the undersigned Extending Lenders has agreed to extend its Commitment in accordance with Schedule I hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Extension of Commitments. Effective as of the Extension Date, the Termination Date of the Commitment of each Extending Lender identified on Schedule I shall be extended to January 27, 2022, which, for purposes of Section 2.08(d)(ii) of the Credit Agreement, shall be the “*Current Termination Date*.”

2. Conditions Precedent to Effectiveness of Commitment Extension. Subject to the satisfaction of the following conditions, the Commitment Extension shall be effective as of the Extension Date:

- 1) Administrative Agent shall have received:
 - a) counterparts of this Agreement, executed by Borrower and each Extending Lender;
 - b) an Extension Letter;
 - c) a certificate (in the form of Exhibit A hereto) of the Borrower dated the Extension Date signed by a Responsible Officer of the Borrower, certifying that:
 - i) on such date, no Default under the Credit Agreement has occurred and is continuing;
 - ii) the representations and warranties of the Borrower contained in the Credit Agreement are true and correct as of the Extension Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date

and except for the representations and warranties in Section 5.04(c), Section 5.05 and Section 5.13 of the Credit Agreement; and

- iii) any governmental, regulatory and third party approvals of any Governmental Authority, including, without limitation, the KPSC and/or FERC, required to authorize the Commitment Extension are attached thereto and remain in full force and effect.
 - d) Opinions of counsel (in the form of Exhibit B) for the Borrower, addressed to the Administrative Agent and each Lender, dated the Extension Date, in form and substance satisfactory to the Administrative Agent.
- 2) No action shall have been taken by any competent authority in connection with the approvals referred to in Section 2(1)(c)(iii) which could restrain or prevent the Commitment Extension or impose, in the reasonable judgment of the Administrative Agent, materially adverse conditions upon the consummation of the Commitment Extension.
 - 3) Borrower shall have paid all fees and expenses that are required to be paid as of the date set forth in that certain fee letter dated October 31, 2016, between the Borrower and Wells Fargo Securities, LLC;
 - 4) Lenders holding Commitments that aggregate at least 51% of the aggregate Revolving Commitments of the Lenders on or prior to the Election Date shall have agreed to extend the Current Termination Date.

3. Termination Date Amendment. Upon execution of this Agreement by the requisite Lenders under Section 9.05 of the Existing Credit Agreement, with effect from and including the date hereof, (a) Section 1.01 of the Existing Credit Agreement is amended by amending the definition of "Termination Date" by replacing "December 31, 2020" in clause (i) thereof with "January 27, 2021," and (b) Section 2.08(d)(ii) of the Existing Credit Agreement is amended by adding the words "up to" immediately prior to "one year after the Current Termination Date."

4. Miscellaneous.

- (a) (i) Headings and captions may not be construed in interpreting provisions; (ii) this Agreement shall be governed by, and construed in accordance with, the law of the State of New York; and (iii) this Agreement may be executed in any number of counterparts with the same effect as if all signatories had signed the same document, and all of those counterparts must be construed together to constitute the same document. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other parties hereto.
- (b) Upon and after the execution of this Agreement by each of the parties hereto, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement as modified hereby. This Amendment shall constitute a Loan Document.

5. FULL FORCE AND EFFECT; RATIFICATION; ENTIRE AGREEMENT. EXCEPT AS EXPRESSLY MODIFIED HEREIN, ALL OF THE TERMS AND CONDITIONS OF THE EXISTING CREDIT AGREEMENT ARE UNCHANGED AND REMAINS IN FULL FORCE AND EFFECT, AND, AS MODIFIED HEREBY, THE BORROWER CONFIRMS AND RATIFIES ALL OF THE TERMS, COVENANTS AND CONDITIONS OF THE EXISTING CREDIT AGREEMENT. THIS AGREEMENT SHALL CONSTITUTE A LOAN DOCUMENT FOR ALL PURPOSES OF THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS. THE EXECUTION, DELIVERY AND EFFECTIVENESS OF THIS AGREEMENT SHALL NOT, EXCEPT AS EXPRESSLY PROVIDED HEREIN, OPERATE AS A WAIVER OF ANY RIGHT, POWER OR REMEDY OF ANY LENDER OR THE ADMINISTRATIVE AGENT UNDER ANY OF THE LOAN DOCUMENTS, NOR, EXCEPT AS EXPRESSLY PROVIDED HEREIN, CONSTITUTE A WAIVER OR AMENDMENT OF ANY PROVISION OF ANY OF THE LOAN

DOCUMENTS. THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS, TOGETHER WITH THIS AGREEMENT, REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

**LOUISVILLE GAS AND ELECTRIC
COMPANY**

a Kentucky corporation

By: _____

Name: Daniel K. Arbough

Title: Treasurer

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Administrative Agent, Swingline Lender and
Issuing Lender

By: _____



Name: Frederick W. Price

Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION
as an Extending Lender

By:



Name:

Title:

Frederick W. Price
Managing Director

BANK OF AMERICA, N.A.
as an Extending Lender

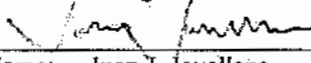
By: 

Name: Maggie Halleland
Title: Vice President

JPMORGAN CHASE BANK, N.A.

as an Extending Lender

By:



Name: Juan J. Lavellana

Title: Executive Director

BARCLAYS BANK PLC

as an Extending Lender

By: Vanessa A. Kurbatskiy
Name: Vanessa Kurbatskiy
Title: Vice President

CITIBANK, N.A.,

as an Extending Lender

By: 

Name: Richard Rivera

Title: Vice President

MIZUHO BANK, LTD.

as an Extending Lender

By:

Name: David Lim

Title: Authorized Signatory

THE BANK OF NOVA SCOTIA

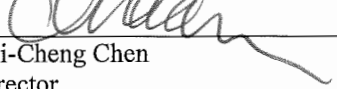
as an Extending Lender

By: 

Name: David Dewar

Title: Director

**THE BANK OF TOKYO-MITSUBISHI UFJ,
LTD., as an Extending Lender**

By: 
Name: Chi-Cheng Chen
Title: Director

BNP PARIBAS

as an Extending Lender

By: 

Name: Francis DeLaney

Title: Managing Director

BNP PARIBAS

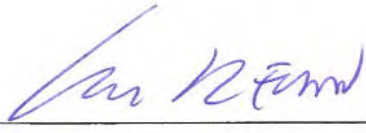
as an Extending Lender


By: 

Name: Karima Omar

Title: Vice President

**CANADIAN IMPERIAL BANK OF
COMMERCE, NEW YORK BRANCH**
as an Extending Lender

By: 
Name: _____
Title: **Gordon R. Eadon**
Authorized Signatory

By: 
Name: _____
Title: **Anju Abraham**
Authorized Signatory

**CREDIT SUISSE AG, CAYMAN ISLANDS
BRANCH**

as an Extending Lender

By: 

Name: Mikhail Faybusovich

Title: Authorized Signatory

By: 

Name: Lorenz Meier

Title: Authorized Signatory

GOLDMAN SACHS BANK USA
as an Extending Lender

By: 

Name: Josh Rosenthal

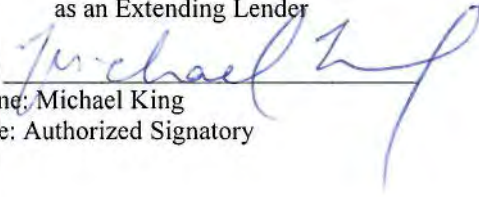
Title: Authorized Signatory

MORGAN STANLEY BANK, N.A. ✓
as an Extending Lender

By: _____

Name: Michael King

Title: Authorized Signatory

A handwritten signature in blue ink, appearing to read "Michael King", is written over a horizontal line. The signature is stylized with a large, looping "M" and a long, sweeping "K".

ROYAL BANK OF CANADA

as an Extending Lender

By: _____

Name: Frank Lambrinos

Title: Authorized Signatory

SUN TRUST BANK

as an Extending Lender


By:


Name: Shannon Juhan

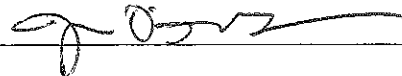
Title: Director

UBS AG, STAMFORD BRANCH
as an Extending Lender

By: 
Name: Craig Pearson
Title: Associate Director

By: 
Name: Darlene Arias
Title: Director

U.S. BANK NATIONAL ASSOCIATION
as an Extending Lender

By: 

Name: James O'Shaughnessy
Title: Vice President

THE BANK OF NEW YORK MELLON

as an Extending Lender


By: _____



Name: Mark W. Rogers

Title: Vice President

PNC BANK, NATIONAL ASSOCIATION
as an Extending Lender

By: 
Name: Thomas E. Redmond
Title: Managing Director

SCHEDULE I

COMMITMENTS AND APPLICABLE PERCENTAGES OF EXTENDING LENDERS

LENDERS	COMMITMENT	PERCENTAGE
Wells Fargo Bank, National Association	\$ 32,500,000	6.5%
Bank of America, N.A.	32,500,000	6.5%
JPMorgan Chase Bank, N.A.	32,500,000	6.5%
Barclays Bank PLC	32,500,000	6.5%
Citibank, N.A.	32,500,000	6.5%
Mizuho Bank, Ltd.	32,500,000	6.5%
The Bank of Nova Scotia	25,000,000	5.0%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	25,000,000	5.0%
BNP Paribas	25,000,000	5.0%
Canadian Imperial Bank of Commerce	25,000,000	5.0%
Credit Suisse AG, Cayman Islands Branch	25,000,000	5.0%
Goldman Sachs Bank USA	25,000,000	5.0%
Morgan Stanley Bank, N.A.	25,000,000	5.0%
Royal Bank of Canada	25,000,000	5.0%
Suntrust Bank	25,000,000	5.0%
UBS AG, Stamford Branch	25,000,000	5.0%
U.S. Bank National Association	25,000,000	5.0%
The Bank of New York Mellon	15,000,000	3.0%
PNC Bank, National Association	15,000,000	3.0%
 Total	 \$ 500,000,000	 100%

Exhibit A – Form of Officer’s Certificate to be dated the Extension Date

EXHIBIT A

LOUISVILLE GAS AND ELECTRIC COMPANY Officer's Certificate

I, the undersigned, DANIEL K. ARBOUGH, Treasurer of Louisville Gas and Electric Company, a Kentucky corporation (the "Borrower"), do hereby certify that:

1. This Certificate is furnished pursuant to Section 2(1)(c) of the Commitment Extension Agreement and Amendment No. 2 to Credit Agreement, dated as of January 4, 2017 (the "Amendment"), which amends the Amended and Restated Revolving Credit Agreement, dated as of July 28, 2014, among the BORROWER, the LENDERS from time to time party thereto and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, as amended by Amendment No. 1 thereto dated as of January 29, 2016 (such Agreement as so amended by such Amendment No. 1 and the Amendment, the "Amended Credit Agreement"). Capitalized terms not defined herein shall have the meaning provided them in the Amended Credit Agreement.
2. On the date hereof, no Default under the Amended Credit Agreement has occurred and is continuing.
3. The representations and warranties of the Borrower contained in the Amended Credit Agreement are true and correct as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they were true and correct as of such earlier date and except for the representations and warranties in Sections 5.04(c), 5.05 and 5.13 of the Amended Credit Agreement.
4. The Orders of the Kentucky Public Service Commission dated July 2, 2015 (Case No. 2015-00138) and December 9, 2016 (Case No. 2016-00361, as amended by the Order of the Kentucky Public Service Commission dated December 14, 2016) attached hereto as Exhibit 1 remain in full force and effect and no other governmental, regulatory and third party approval of any Governmental Authority is required to authorize the Commitment Extension (as defined in the Amendment).

2017.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____,

LOUISVILLE GAS AND ELECTRIC COMPANY

Name: Daniel K. Arbough

Title: Treasurer

EXHIBIT 1

Governmental Approvals

Exhibit B – Form of Counsel’s Opinion to be dated the Extension Date

To the Administrative Agent and
each of the Lenders party as of the
date hereof to the Credit Agreement
referred to below

Re: \$500,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

I am General Counsel, Chief Compliance Officer and Corporate Secretary of Louisville Gas and Electric Company (the "Borrower"), and have acted as counsel to the Borrower in connection with the Commitment Extension Agreement and Amendment No. 2 to Credit Agreement, dated as of January 4, 2017 (the "Amendment"), which amends the Amended and Restated Revolving Credit Agreement, dated as of July 28, 2014, among the Borrower, Wells Fargo Bank, National Association, as Administrative Agent, Issuing Lender and Swingline Lender and the Lenders party thereto, as amended by Amendment No. 1 thereto dated as of January 29, 2016 (such Amended and Restated Revolving Credit Agreement, as so amended by such Amendment No. 1 and the Amendment, the "Credit Agreement"). Capitalized terms used but not defined herein have the meanings assigned to such terms in the Credit Agreement or the Amendment, as applicable.

I am familiar with the Credit Agreement, the Amendment and other documents executed and delivered by the Borrower in connection therewith. I also have examined such other documents and satisfied myself as to such other matters as I have deemed necessary in order to render this opinion.

In rendering this opinion, I have assumed: (a) the genuineness of the signatures on all documents and instruments (other than the signatures of officers of the Borrower), the authenticity of all documents submitted as originals, the conformity to originals of all documents submitted as photostatic or certified copies, and the accuracy and completeness of all corporate records made available to me by the Borrower; (b) the due execution and delivery of the Credit Agreement and the Amendment by the Lenders party thereto; and (c) that each of the Credit Agreement and the Amendment constitutes the legal, valid and binding obligation of the Lenders party thereto.

Based on the foregoing, I am of the opinion that:

1. The Borrower is duly incorporated, validly existing and in good standing under the laws of the Commonwealth of Kentucky, and has the corporate power to make and perform its obligations under the Credit Agreement and the Amendment.

2. The execution and delivery of the Credit Agreement and the Amendment and performance by the Borrower of its obligations under the Credit Agreement and the Amendment have been duly authorized by the Borrower and do not violate any provision of law or regulation, or any decree, order, writ or judgment applicable to the Borrower, or any provision of the Borrower's certificate of incorporation, by-laws or board or shareholder resolutions, or result in the breach of or constitute a default under any indenture or other agreement or instrument known to me to which the Borrower is a party.

3. Each of the Credit Agreement and the Amendment has been duly executed and delivered by the Borrower.

4. Except as disclosed in or contemplated by the Credit Agreement, the Amendment or the Borrower's Annual Report on Form 10-K for the year ended December 31, 2015, or in any subsequent report of the Borrower filed prior to the date hereof with the Securities and Exchange Commission on Form 10-Q or 8-K, or otherwise furnished in writing to the Administrative Agent and the Lenders, no litigation, arbitration or administrative proceeding or inquiry is pending, or to my knowledge, threatened, which would reasonably be expected to materially adversely affect the ability of the Borrower to perform any of its obligations under the Credit Agreement or the Amendment. To my knowledge, there is no litigation, arbitration or administrative proceeding pending or threatened that questions the validity of the Credit Agreement or the Amendment.

5. There have not been any "reportable events," as that term is defined in Section 4043 of the Employee Retirement Income Security Act of 1974, as amended, which would result in a material liability of the Borrower.

6. Each of the July 2, 2015, December 9, 2016 and December 14, 2016 Orders of the Kentucky Public Service Commission (the "KPSC") relating to the Credit Agreement is in full force and effect, and no further authorization, consent or approval from any Governmental Authority is required for the execution and delivery of the Credit Agreement or the Amendment and performance of the Credit Agreement or the Amendment by the Borrower or for the borrowings by the Borrower thereunder, except such authorizations, consents and approvals as have been obtained prior to the date hereof, which authorizations, consents and approvals are in full force and effect.

In rendering the opinions set forth above, I note that any exercise by the Company of the option to increase the Commitments as contemplated in Section 2.19 of the Credit Agreement will require additional authorization by the Company's Board of Directors and/or the KPSC, and any exercise by the Company of the option to further extend the term of the Credit Agreement as contemplated in Section 2.08(d) of the Credit Agreement, other than as contemplated by the Amendment, will require additional

authorization by the Company's Board of Directors and may require additional authorization by the KPSC.

In rendering its opinion to the addressee hereof, Pillsbury Winthrop Shaw Pittman LLP may rely as to matters of Kentucky law addressed herein upon this letter as if it were addressed directly to them. At the request of the Administrative Agent and the Lenders, I hereby consent to reliance hereon by any future assignee of any interest in the Loans that becomes a Lender under the Credit Agreement pursuant to an assignment that is made and consented to in accordance with the express provisions of Section 9.06 of the Credit Agreement, on the condition and the understanding that (i) any such reliance by a future Lender must be actual and reasonable under the circumstances, (ii) I have no responsibility or obligation to consider the applicability or correctness of this letter to any person or entity other than its named addressee or addressees or at any time other than as of the date hereof, and (iii) any such future Lender may rely on this letter to no greater extent than Lenders may as of the date hereof but any such future Lender also is subject to any changes or developments up to the time it acquires its interest that may adversely affect the opinions and matters referred to in this letter. Except as aforesaid, without my prior written consent, this opinion may not be furnished or quoted to, or relied upon by, any other person or entity for any purpose.

Very truly yours,

To the Administrative Agent and
each of the Lenders party as of the
date hereof to the Revolving Credit
Agreement referred to below

Re: Louisville Gas and Electric Company
 \$500,000,000 Revolving Credit Agreement

Ladies and Gentlemen:

We have acted as special counsel to Louisville Gas and Electric Company, a Kentucky corporation (the “Company”), in connection with the negotiation, execution and delivery of the Commitment Extension Agreement and Amendment No. 2 to Credit Agreement, dated as of January 4, 2017 (the “Amendment”), which amends the Amended and Restated Revolving Credit Agreement, dated as of July 28, 2014, among the Company, Wells Fargo Bank, National Association, as Administrative Agent, Issuing Lender and Swingline Lender, and the other Lenders party thereto, as amended by Amendment No. 1 thereto dated as of January 29, 2016 (such Amended and Restated Revolving Credit Agreement as so amended by such Amendment No. 1 and the Amendment, the “Credit Agreement”). This letter is being delivered to you at the request of the Company pursuant to Section 2(1)(d) of the Amendment.

In preparing this letter, we have reviewed the Credit Agreement, the Amendment and the other documents executed and delivered by the Company in connection therewith. We have also reviewed the Orders of the Kentucky Public Service Commission (“KPSC”) dated July 2, 2015 (Case No. 2015-00138) and December 9, 2016 (Case No. 2016-00361, as amended by the Order of the KPSC dated December 14, 2016), in connection with the Credit Agreement (the “KPSC Orders”).

Subject to the assumptions, qualifications and other limitations set forth below, it is our opinion that:

1. Each of the Credit Agreement and the Amendment constitutes the valid and legally binding agreement of the Company, enforceable against the Company in accordance with its terms.
2. The Company is not an “investment company” within the meaning of the Investment Company Act of 1940, as amended.
3. The borrowings under the Credit Agreement and the use of proceeds thereof as contemplated by the Credit Agreement do not violate Regulation U or X of the Board of Governors of the Federal Reserve System.

In rendering our opinions, we have (a) without independent verification, relied, with respect to factual matters, statements and conclusions, on certificates, notifications and

statements, whether written or oral, of governmental officials and individuals identified to us as officers and representatives of the Company and on the representations made by the Company in the Credit Agreement, the Amendment and other documents delivered to you in connection therewith and (b) reviewed originals, or copies of such agreements, documents and records as we have considered relevant and necessary as a basis for our opinions. In rendering the opinions set forth above, we note that any exercise by the Company of the option to increase the Commitments as contemplated in Section 2.19 of the Credit Agreement will require additional authorization by the Company's Board of Directors, the KPSC and/or the Federal Energy Regulatory Commission, and any exercise by the Company of the option to further extend the term of the Credit Agreement as contemplated in Section 2.08(d) of the Credit Agreement, other than as contemplated by the Amendment, will require additional authorization by the Company's Board of Directors and may require additional authorization by the KPSC and/or the Federal Energy Regulatory Commission. We note that, as counsel to the Company, we do not represent it generally and there may be facts relating to the Company of which we have no knowledge.

We have assumed (a) the accuracy and completeness of all certificates, agreements, documents, records and other materials submitted to us; (b) the authenticity of original certificates, agreements, documents, records and other materials submitted to us; (c) the conformity with the originals of any copies submitted to us; (d) the genuineness of all signatures; (e) the legal capacity of all natural persons; (f) that each of the Credit Agreement and the Amendment constitutes the valid, legally binding and enforceable agreement of the parties thereto under all applicable law (other than, in the case of the Company, the law of the State of New York); (g) that the Company (i) is duly organized, validly existing and in good standing under the law of its jurisdiction of organization, (ii) has the power to execute and deliver, and to perform its obligations under, the Credit Agreement and the Amendment, (iii) has duly taken or caused to be taken all necessary action to authorize the execution, delivery and performance by it of the Credit Agreement and the Amendment and (iv) has duly executed and delivered the Credit Agreement and the Amendment; (h) that the execution and delivery by the Company of, and the performance by the Company of its obligations under, the Credit Agreement and the Amendment does not and will not (i) breach or violate (A) its Amended and Restated Articles of Incorporation or Bylaws, (B) any agreement or instrument to which the Company or any of its affiliates is a party or by which the Company or any of its affiliates or any of their respective properties may be bound, (C) any authorization, consent, approval or license (or the like) of, or exemption (or the like) from, or any registration or filing (or the like) with, or report or notice (or the like) to, any governmental unit, agency, commission, department or other authority granted to or otherwise applicable to the Company or any of its affiliates or any of their respective properties (each a "Governmental Approval"), (D) any order, decision, judgment or decree that may be applicable to the Company or any of its affiliates or any of their respective properties, or (E) any law (other than the law of the State of New York and the federal law of the United States), or (ii) require any Governmental Approval (other than the KPSC Orders, which we assume to have been duly granted and to remain in full force and effect); (h) that the Company is engaged only in the businesses described in its Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission; (i) that there are no agreements, understandings or negotiations between the parties not set forth in the Credit Agreement or the Amendment that would modify the terms thereof or the rights and obligations

of the parties thereunder; and (j) for purposes of our opinion in paragraph 1 as it relates to the choice-of-law provisions in the Credit Agreement and the Amendment, that the choice of law of the State of New York as the governing law of the Credit Agreement and the Amendment would not result in a violation of an important public policy of another state or country having greater contacts with the transactions contemplated by the agreement than the State of New York.

Our opinions are subject to and limited by the effect of (a) applicable bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, receivership, conservatorship, arrangement, moratorium and other similar laws affecting and relating to the rights of creditors generally; (b) general equitable principles; (c) requirements of reasonableness, good faith, fair dealing and materiality; (d) Article 9 of the Uniform Commercial Code regarding restrictions on assignment or transfer of rights; and (e) additionally in the case of (i) indemnities, a requirement that facts, known to the indemnitee but not the indemnitor, in existence at the time the indemnity becomes effective that would entitle the indemnitee to indemnification be disclosed to the indemnitor, and a requirement that an indemnity provision will not be read to impose obligations upon indemnitors which are neither disclosed at the time of its execution nor reasonably within the scope of its terms and overall intention of the parties at the time of its making, (ii) waivers, Sections 9-602 and 9-603 of the Uniform Commercial Code, and (iii) indemnities, waivers and exculpatory provisions, public policy.

We express no opinion with respect to the following sections of the Credit Agreement: (i) Section 9.02 (cumulative remedies), (ii) provisions relating to rules of evidence or quantum of proof, (iii) Section 9.07 (submission to jurisdiction and waiver of inconvenient forum), insofar as such sections relate to federal courts (except as to the personal jurisdiction thereof), and (choice of venue, i.e., requiring actions to be commenced in a particular court in a particular jurisdiction), and (iv) Section 9.11 (waiver of jury trial), insofar as such section is sought to be enforced in a federal court.

We express no opinion as to the law of any jurisdiction other than the law of the State of New York and the federal law of the United States of America, and in each case, only such law that in our experience is normally applicable to transactions of the type contemplated by the Credit Agreement and the Amendment and excluding (i) any law that is part of a regulatory regime applicable to specific assets or businesses of any party other than the Company and (ii) the statutes and ordinances, the administrative decisions, and the rules and regulations of counties, towns, municipalities and special political subdivisions.

This letter speaks only as of the date hereof. We have no responsibility or obligation to update this letter or to take into account changes in law or facts or any other development of which we may later become aware.

This letter is delivered by us as special counsel for the Company solely for your benefit in connection with the transaction referred to herein and may not be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person or entity without our prior written consent. At your request, we hereby consent to reliance hereon by any future assignee of your interest in the Loans that becomes a Lender under the Credit Agreement pursuant to an assignment that is made and consented to in accordance with the express

provisions of Section 9.06 of the Credit Agreement, on the condition and the understanding that (i) any such reliance by a future Lender must be actual and reasonable under the circumstances, (ii) we have no responsibility or obligation to consider the applicability or correctness of this letter to any person or entity other than its named addressee or addressees or at any time other than as of the date hereof, and (iii) any such future Lender may rely on this letter to no greater extent than you may as of the date hereof but any such future Lender also is subject to any changes or developments up to the time it acquires its interest that may adversely affect the opinions and matters referred to in this letter.

Very truly yours,