

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_1** With regard to the statement the following statement in paragraph number 38 of the Application, “Doing so will permit the Company to mitigate, and perhaps reverse, the upward pressure on rates caused by the need to spread fixed costs over a declining number of customers and usage,” please provide any analysis that the Company has performed that would support this statement. If no such analysis exists, please explain the basis for the Company’s statement.

**RESPONSE**

No such analysis exists. When load (demand) and energy usage increase (the denominator), fixed costs (the numerator) are then able to be allocated or spread over a greater number of kW or kWh. Increasing the size of the denominator reduces the amount of fixed costs per kW or kWh. This would be reflected in the cost of service submitted as part of a base rate case filing.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_2** Please provide a narrative explaining the statement in paragraph number 42 of the Application. Does the Company contend that additional load will not increase the amount of capacity that the Company will need to alleviate its short position?

**RESPONSE**

No. Paragraph 42 of application provides that with the expiration of the Rockport UPA on December 7, 2022 the Company will be capacity short, and will be required to obtain additional capacity, even if no additional load is added as a result of the identified Tariff E.D.R. agreements.

Witness: Brian K. West

Kentucky Power Company  
Kpsc Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_3** With regard to the response to AG 1-1 (b) [“Second, many EDR customers, particularly cryptocurrency mining operations, have designated 10 percent, on average, of their Total Capacity Reservation as Firm Capacity beginning in year one of the contract, while the remaining 90 percent of their load remains interruptible under Rider D.R.S. Thus, for a cryptocurrency mining EDR customer with a Total Capacity Reservation of 20 MW, only 2 MW of the customer’s load will be counted toward the Company’s PJM capacity requirements; little additional capacity would need to be purchased to serve the customer.”], please provide the following:

- a. a copy of the analysis performed by the Company supporting the statement.
- b. a copy of all email, memos, meeting notes, telephone call notes or other writings to or from KPCo to a prospective cryptocurrency mining operation that states or confirms the interruptible portion of such customer’s load. If no such writings exist, please the basis for the statement.

**RESPONSE**

- a. There are no documents responsive to the request.
- b. Kentucky Power objects to this request on the grounds it is overbroad, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. The request also seeks information that is the subject of ongoing negotiations with prospective E.D.R. customers and thus is preliminary in nature.

The statement is based on the Company’s filed contracts with two cryptocurrency mining customers: Discover AI LLC and Cyber Innovation Group LLC. Discover AI LLC designated 14,900 kW of its 15,000 kW of its Total Contract Capacity Reservation, or 99.33 percent, as interruptible. Cyber Innovation Group LLC designated 1,000 kW of its 20,000 kW of its Total Contract Capacity Reservation, or 95 percent, as interruptible. Please see KPCO\_R\_AG\_2\_3\_Attachment1 for the contracts on file with the PSC for Discover AI LLC and Cyber Innovation Group LLC.

Witness: Brian K. West

**CONTRACT FOR ELECTRIC SERVICE  
BETWEEN KENTUCKY POWER COMPANY  
AND DISCOVER AI LLC**

This Contract for Electric Service ("Contract") is entered into by and between Kentucky Power Company, 1645 Winchester Avenue, Ashland, Kentucky (the "Company") and Discover AI LLC, 1655 Long Fork Road, Kimper, Kentucky (the "Customer") on the date this Contract is last signed.

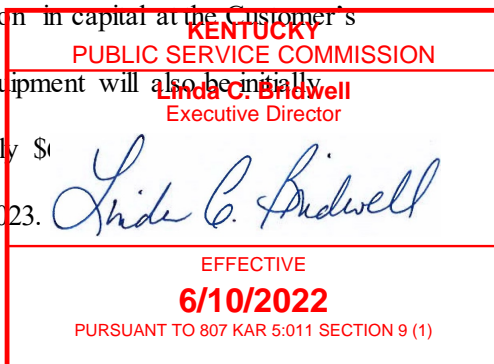
**RECITALS**

1. The Company is a corporation organized and existing under the laws of the Commonwealth of Kentucky that owns and operates facilities for the generation, transmission and distribution of electric power and energy in the Commonwealth of Kentucky and is a member of the integrated American Electric Power ("AEP") system.

2. Customer is a limited liability company organized and existing under the laws of the State of Kentucky.

3. Customer currently is constructing an asset and data center facility located at 1655 Long Fork Road, Kimper, Kentucky, in Pike County ("Kimper Facility"). The anticipated load of the Kimper Facility is approximately 15,000 kW. The anticipated operation date of the Kimper Facility is February 2022 (ramping up through June 2022).

4. Customer plans to invest a total of \$2.5 million in capital at the Customer's Kimper Facility. Approximately \$42.5 million of client equipment will also be initially installed at the Kimper Facility, with a total of approximately \$10 million of equipment being installed at the Kimper Facility by June 2023.



create approximately 6 full time employees by June 2022 when Customer's Kimper Facility is placed in operation. Customer projects it will create approximately 4 additional jobs by June 2023.

5. Customer anticipates that its monthly maximum billing demand will equal or exceed 15,000 kW by June 2022 when the Kimper Facility is placed in operation.

6. The Customer demonstrated to the Company that absent the availability of Tariff E.D.R., the Customer would locate its proposed facility in West Virginia or Ohio due to lower electricity costs in those locations. Customer also represented to the Company that it currently is building another similar project in Ohio with electricity costs at about 3.4 cents/kWh. Without the availability of Tariff E.D.R. Customer's new electrical demand would not be placed in service.

7. The Company's service territory and the entire eastern Kentucky region are struggling economically and in need of jobs for Kentucky's citizens.

8. To facilitate economic development in the Company's service territory through the location of the Customer's facility in eastern Kentucky, including the benefits flowing to all customers through spreading fixed costs over a larger demand, the Company is agreeable to providing energy to Customer under the terms and conditions contained in this Contract, subject to approval by the Public Service Commission of Kentucky.

9. The service the Company will provide to the Customer pursuant to this Contract will provide benefits to the Customer, the Company, the Company's other customers, and the Commonwealth of Kentucky.



10. The Parties recognize that the Company may be required during the term of this Contract to acquire additional capacity on the Customer's behalf.

**NOW THEREFORE**, in consideration of the promises and the mutual covenants herein contained, and subject to the terms and conditions herein contained, the Company and the Customer agree as set forth below.

**AGREEMENT**

**ARTICLE 1  
Definitions**

1.1 Whenever used in this Contract, the following terms shall have the meanings set forth below, unless a different meaning is plainly required by the context:

1.1.1 "Commission" shall mean the Public Service Commission of Kentucky, the regulatory agency having jurisdiction over the retail electric service of the Company in Kentucky, including the electric service covered by this Contract, or any successor thereto.

1.1.2 "Contract" shall mean this Contract for electric service between the Company and the Customer, as the same may, from time to time, be amended.

1.1.3 "Kentucky Power System" shall mean the integrated, interconnected electric system operated and owned by Kentucky Power Company.

1.1.4 "Parties" shall mean the Company and the Customer.

1.1.5 "Party" shall mean either the Company or the Customer, individually.

1.1.6 "Tariff I.G.S." shall mean the Company's Industrial General Service Tariff, or any successor or amendment thereto, approved by the Commission.



1.1.7 "Tariff E.D.R." shall mean the Company's Economic Development Rider, or any successor or amendment thereto, approved by the Commission.

1.1.8 "I.B.D.D." shall mean the Incremental Billing Demand Discount and shall have the same meaning as set forth in Tariff E.D.R.

1.1.9 "S.B.D.D." shall mean the Supplemental Billing Demand Discount and shall have the same meaning as set forth in Tariff E.D.R.

1.1.10 "Qualifying Incremental Billing Demand" shall have the same meaning as that set forth in Tariff E.D.R.

1.2 Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number (and vice versa); terms such as "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Contract rather than any particular part of the same. Certain other definitions, as required appear in subsequent parts of this Contract.

## ARTICLE 2

### Delivery of Electric Power and Energy

2.1 Subject to the terms and conditions specified herein, the Company agrees to furnish to the Customer, during the term of this Contract, and the Customer agrees to take and pay for, all of the electric power and energy that shall be required by the Customer for consumption at the Kimper Facility.

2.2 The Delivery Point for electric power and energy delivered hereunder to the Customer's Kimper Facility shall be the Company 69 kV McCoy Elkhorn Meter Point



2.3 The Customer will provide any substation and transformation equipment and any other facilities including real property required to take delivery of the electric service to be provided by the Company under this Contract at the voltage and at the Delivery Points designated herein.

2.4 The electric energy delivered by the Company to the Delivery Points shall be three-wire, three-phase alternating current at approximately 69,000 volts. The said electric energy shall be delivered at reasonably close maintenance to constant potential and frequency. The electric energy delivered to the Kimper Facility shall be measured by a meter or meters owned and installed by the Company and located at the Company's metering station served by Company structure # K363-3. No Adjustment Factor shall apply.

### ARTICLE 3

#### Capacity Reservation

3.1 The Total Capacity Reservation for the Kimper Facility contracted for by the Customer is hereby initially fixed at 15,000 kW. The Customer may request a change to the Total Capacity Reservation for the Kimper Facility by providing written notice to the Company six months in advance of the date the requested change is proposed to be effective. The Parties may reduce the six-month written notice requirement by mutual written agreement. Any change to the Total Capacity Reservation for the Kimper Facility is subject to conditions as determined by the Company, such as the availability and cost of incremental Capacity from the Company, and to the receipt of any necessary regulatory approvals.

3.2 The Customer's Metered Demand for the Kimper Facility shall not exceed, and the Company shall not be required to supply capacity in excess of 15,000 kW.





Reservation for the Kimper Facility as specified in paragraph 3.1 except by mutual written agreement of the Parties.

3.3 The Customer's Metered Demand for the Kimper Facility shall be separately determined each month as the highest of either the On-Peak Demand or the Off-Peak Demand. The On-Peak Demand during each month is the single highest 15-minute integrated peak in kW as registered by a demand meter during the On-Peak Period. The Off-Peak Demand during each month is the single highest 15-minute integrated peak in kW as registered by a demand meter during the Off-Peak Period.

#### ARTICLE 4

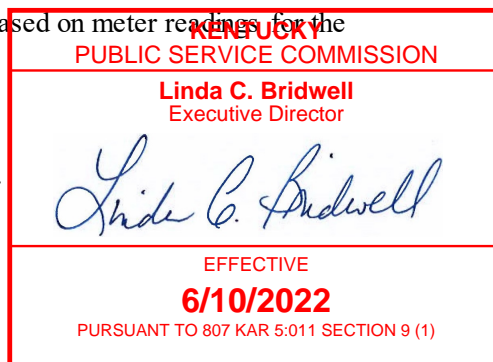
##### Billing

4.1 The Customer and the Company agree that the Customer has chosen to receive service under the provisions of the Company's Tariff I.G.S. at the rate of Subtransmission, Code 359.

4.2 The Customer agrees to pay the Company monthly for electric energy delivered hereunder at the rates and under the provisions of the Company's Tariff I.G.S., as modified by the Customer's participation in Tariff E.D.R. and described herein.

4.3 The Customer's new qualifying incremental demand will reside in the Customer's Kimper Facility, at the Customer's premises. The Customer's new qualifying incremental demand will be metered according to Tariff I.G.S. on a separate meter. The Customer's Qualifying Incremental Billing Demand will be calculated based on meter readings for the Kimper Facility on the Company's meter.

4.4 The Customer's estimated load factor is 90%.



4.5 Over the term of this Contract, the Customer's Qualifying Incremental Billing Demand charge shall be reduced by the following percentages set forth in Table 1:

**Table 1**

<i>Year</i>	<i>% Reduction</i>	<i>Year</i>	<i>% Reduction</i>
1	50 %	6	0 %
2	40 %	7	0 %
3	30 %	8	0 %
4	20 %	9	0 %
5	10 %	10	0 %

4.6 The Customer's Minimum Demand Charge, as set forth in Tariff I.G.S., shall be waived for the first 36 months of this Contract. However, if during the term of this Contract the Customer's monthly demand falls below the minimum billing demand level under Tariff I.G.S. for 4 consecutive months or 6 months total in a Contract year, then the Customer's minimum demand charge shall not be waived and the appropriate minimum billing demand charge otherwise applicable under Tariff I.G.S. will apply until the Customer achieves the minimum billing demand level.

4.7 This Contract is subject to the "Tariff D.R.S. Tariff Addendum," which is attached hereto and made a part of this Contract, regarding service to Customer under the Company's Optional Rider D.R.S.

4.8 The Parties agree that the charges that the Company collects from the Customer during the term of this Contract will recover all of the Company's fixed costs associated with upgrading its distribution facilities to serve the Customer.

4.9 Customer has been provided a copy of the Company's Tariff E.D.P. Customer recognizes that during the term of this Contract that Kentucky Pc

**KENTUCKY  
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**Linda C. Bridwell**  
Executive Director



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additional capacity on behalf of Customer. In the event the Company is required to acquire additional capacity on behalf of Customer, Customer recognizes and agrees that customer's IBDD may be reduced in accordance with paragraph (1) of the Terms and Conditions of Tariff E.D.R. (Tariff Sheet 37-1).

## ARTICLE 5

### Effective Date and Term of Contract

5.1 The Effective Date of this Contract shall be the first day of the first billing month following the later of: (a) approval of this Contract by the Commission, or (b) the date on which the Customer's Kimper Facility begins full operations. In no event shall this Contract become effective without the approval of this Contract by the Commission as required by Article 7.2.

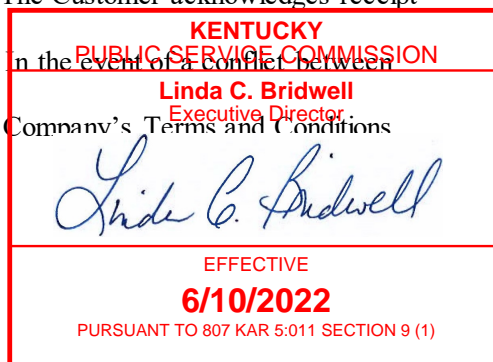
5.2 The term of this Contract shall be 10 years. The term shall commence on the Effective Date of this Contract as established under Article 5.1.

## ARTICLE 6

### Service Conditions

6.1 Each Party shall exercise reasonable care to maintain and operate, or to cause to be maintained and operated, their respective facilities in accordance with good engineering practices.

6.2 To the extent not expressly modified by this Contract, the Company's Terms and Conditions of Service, as filed with the Commission, including any amendments thereto, are incorporated by reference and made a part of this Contract. The Customer acknowledges receipt of the currently approved Terms and Conditions of Service. In the event of a conflict between explicit provisions of this Contract and the provisions of the Company's Terms and Conditions of Service, the provisions of this Contract shall control.




6.3 Any service being provided to the Customer under this Contract may be interrupted or reduced (a) by operation of equipment installed for power system protection; (b) after notice to and consultation with the Customer for routine installation, maintenance, inspection, repairs, or replacement of equipment; (c) when, in the Company's sole judgment, such action is necessary to (i) preserve the integrity of, or to prevent or limit any instability or material disturbance on, or to avoid a burden on, the Kentucky Power system or an interconnected system, (ii) preserve personal or public safety, (iii) or to protect property; or (d) upon occurrence of an event of Force Majeure as defined by the Company's Terms and Conditions of Service.

6.4 The Company reserves the right to disconnect the Customer's conductors or apparatus without notice from the Kentucky Power System when, in the exercise of reasonable care, the Company determines that it is necessary in the interest of preserving or protecting life and/or property.

6.5 During the term hereof, the Customer shall not receive electric service, as the term "service" is defined in Chapter 278 of the Kentucky Revised Statutes, from any source other than from the Company. This provision does not apply to emergency generation that is not designed to operate in parallel with the Kentucky Power System.

6.6 The Customer shall notify the Company as soon as possible after discovery of any impairment of or defect in the Company's service that significantly disrupts the Customer's operations, and the Customer shall confirm such notice in writing by the close of the next business day. The Company shall not be liable for any loss, injury, or damage that could have been prevented by timely notice of a defect or impairment of service.

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>Linda C. Bridwell</b> Executive Director

EFFECTIVE <b>6/10/2022</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

6.7 The Customer shall notify the Company in advance of any changes to be made to the Customer's Facility that has the potential of materially affecting the Kentucky Power System or other facilities interconnected to the Kentucky Power System.

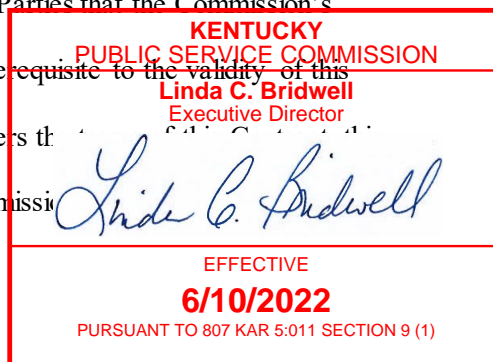
6.8 The Customer shall adhere to the addendum to this contract regarding voltage flicker criteria and harmonic distortion criteria ("Flicker/Harmonics Addendum"). The Flicker/Harmonics Addendum is incorporated by reference and made a part of this Contract.

## ARTICLE 7

### Regulatory Authorities

7.1 The Parties recognize that this Contract is subject to the jurisdiction of the Commission, and is also subject to such lawful action, as any regulatory authority having jurisdiction shall take with respect to the provision of services under the Contract. The performance of any obligation of either Party shall be subject to the receipt from time to time as required of such authorizations, approvals, or actions of regulatory authorities having jurisdiction as shall be required by law.

7.2 The Company and the Customer agree that this Contract reflects the steps required to ensure adequate service to the Customer and that the Company will file this Contract with the Commission. This Contract is expressly conditioned upon the Commission's approval of the Contract without change or condition. In the event that the Commission does not approve this Contract without change or condition, then this Contract shall not become effective, unless the Parties agree otherwise in writing. It is the intent of the Parties that the Commission's approval of the Contract without change or condition is a prerequisite to the validity of this Contract. To the extent a subsequent Commission Order alters the terms of this Contract, this Contract shall terminate unless within thirty day of the Commission's



writing otherwise. In the event of a termination of the Contract due to subsequent Commission order, the Customer shall take service under the appropriate Company tariff.

## ARTICLE 8

### Assignment

8.1 This Contract shall inure to the benefit of and be binding upon the successors and assigns of the Parties.

8.2 This Contract shall not be assigned by either Party without the written consent of the other Party. Either Party's consent to one or more assignments shall not relieve the other party or its assignees, as the case may be, from the necessity of obtaining the written consent to other and/or additional assignments.

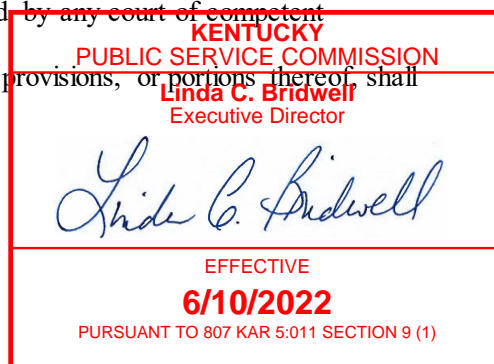
8.3 Any assignment by one Party to this Contract shall not relieve that Party of its financial obligation under this Contract unless the other Party so consents in writing.

## ARTICLE 9

### General

9.1 Any waiver at any time of any rights as to any default or other matter arising under this Contract shall not be deemed a waiver as to any other proceeding or subsequent default or matter. Any delay, excepting the applicable statutory period of limitation, in asserting or enforcing any right hereunder shall not be deemed a waiver of such right.

9.2 Except as set forth in Article 7, in the event that any of the provisions, or portions thereof, of this Contract is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.



9.3 All terms and stipulations made or agreed to regarding the subject matter of this Contract are completely expressed and merged in this Contract, and no previous promises, representations or agreements made by the Company's or the Customer's officers or agents shall be binding on either Party unless contained herein.

9.4 All notices permitted or required to be given hereunder shall be in writing and shall be delivered by first-class mail to the Company and to the Customer at their respective addresses set forth below. When a notice is mailed pursuant to this paragraph, the postmark shall be deemed to establish the date on which the notice is given:

If to Company:

Stevi Cobern  
Kentucky Power Company  
1645 Winchester Avenue  
Ashland, Kentucky 41101

If to Customer:

Dongliang (Doug) Jiang  
Discover AI, LLC  
1655 Long Fork Road  
Kimper, KY 41539  
Email: dougjiang@cloud-er.com

9.5 The rights and remedies granted under this Contract shall not be exclusive rights and remedies but shall be in addition to all other rights and remedies available at law or in equity.

9.6 The validity and meaning of this Contract shall be governed by the laws of the Commonwealth of Kentucky without regard to conflict of law rules.

9.7 This Contract may be executed in counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same Contract.

**ARTICLE 10**  
**Liability and Force Majeure**

**AEP CONFIDENTIAL**  
Page 12 of 18



10.1 Neither the Company nor the Customer shall be liable to the other for damages caused by the interruption, suspension, reduction or curtailment of the delivery of electric energy hereunder due to, occasioned by or in consequence of, any of the following causes or contingencies, (hereinafter “events of Force Majeure”) including: acts of God, the elements, storms, hurricanes, tornadoes, cyclones, sleet, floods, backwaters caused by floods, lightning, earthquakes, landslides, washouts or other revulsions of nature, epidemics, accidents, fires, failures of facilities, collisions, explosions, strikes, lockouts, differences with workers and other labor disturbances, vandalism, sabotage, riots, inability to secure cars, coal, fuel, or other materials, supplies or equipment from usual sources, breakage or failure of machinery, generating equipment, electrical lines or equipment, wars, insurrections, blockades, terrorism, war, insurrection, cybersecurity attacks, acts of the public enemy, arrests and restraints of rulers and people, civil disturbances, acts or restraints of federal, state or other governmental authorities, and any other causes or contingencies not within the control of the Party whose performance is interfered with, whether of the kind herein enumerated or otherwise. It is expressly understood and agreed that economic conditions, such as a downturn in the market for the product or products produced at any of the Customer’s facilities, do not constitute an event of Force Majeure. Settlement of strikes and lockouts shall be wholly within the discretion of the Party having the difficulty. An event or events of Force Majeure shall not relieve the Company or the Customer of liability in the event of its concurring negligence or in the event of failure of either to use reasonable means to remedy the situation and remove the cause in an adequate manner and with reasonable dispatch. An event or events of Force Majeure shall not relieve either the Company or the Customer from its obligation to pay amounts due hereunder.

**KENTUCKY**  
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**Linda C. Bridwell**  
Executive Director  
*Linda C. Bridwell*  
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PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



10.2 The Company assumes no responsibility of any kind with respect to construction, maintenance, or operation of the electric facilities or other property owned or used by the Customer and shall not be liable for any loss, injury (including death), damage to or destruction of property (including loss of use thereof) arising out of such installation, maintenance or operation or out of any use by the Customer or others, of said energy and/or capacity provided by the Company except to the extent such damage or injury shall be caused by the negligence or willful misconduct of the Company, its agents, or employees. The Customer assumes no responsibility of any kind with respect to construction, maintenance or operation of the electric facilities or other property owned or used by the Company and shall not be liable for any loss, injury (including death), damage to or destruction of property (including loss of use thereof) arising out of such installation, maintenance or operation except to the extent such damage or injury shall be caused by the negligence or willful misconduct of the Customer, its agents, or employees.

10.3 To the extent permitted by law, the Customer shall protect, defend, indemnify, and hold harmless the Company from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations and proceedings whatsoever, including, without limitation, all judgments rendered against and all fines and penalties imposed upon the Company, arising out of injuries to persons, including death, or damage to third-party property, to the extent caused by, or occurring in connection with any willful or negligent act or omission of the Customer, its employees, agents or contractors, or which are due to or arise out of defective electrical equipment belonging to the Customer. Neither the Company nor the Customer shall be liable for any indirect, special, incidental or consequential damages, including loss of profits due to business interruptions or otherwise, in connection with the



Contract. To the extent permitted by law, the Company shall protect, defend, indemnify, and hold harmless the Customer from and against any losses, liabilities, costs, expense, suits, actions, claims, and all other obligations whatsoever, including, without limitation, all judgments rendered against and all fines and penalties imposed upon the Customer, arising out of injuries to persons, including death, or damages to third-party property, to the extent caused by or occurring in connection with any willful or negligent act or omission of the Company, its employees, agents or contractors.

10.4 Any indemnification of the Parties or any limitation of the Parties' liability which is made or granted under this Special Contract shall to the same extent apply to the Party's directors, officers, partners, employees and agents, and to the Party's affiliated companies, including any directors, officers, partners, employees and agents thereof.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Contract to be duly executed the day and year last written below.

KENTUCKY POWER COMPANY

DISCOVER AI LLC

By Kenneth L. Borders

By [Signature]

Name: Kenneth L. Borders

Name: DONGLIANG JIANG

Title Mgr., Customer and Dist. Svces

Title President

Date 5/3/2022

Date 5/2/2022

Account Number: 031-780-575-5

**KENTUCKY**  
**PUBLIC SERVICE COMMISSION**  
**Linda C. Bridwell**  
Executive Director  
[Signature]  
**EFFECTIVE**  
**6/10/2022**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**This Contract**, entered into this day of **April 1, 2022** by and between **KENTUCKY POWER COMPANY**, hereafter called the Company, and **Discover AI, LLC, Long Fork Road, Kimper, KY, 41539**, or his or its heirs, successors or assigns, hereafter called the Customer,

**Witnesseth:**

For and in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree with each other as follows:

The Company agrees to furnish to the Customer, during the term of this Contract, and the Customer agrees to take from the Company, subject to Company's standard Terms and Conditions of Service as regularly filed with the **Kentucky Public Service Commission**, all the electric energy of the character specified herein that shall be purchased by the Customer in the premises located at **Customer cryptocurrency facility located at Long Fork Road, Kimper, Pike County, KY**.

The Company is to furnish and the Customer is to take electric energy under the terms of this Contract for an initial period of **24 month(s)** from the time such service is commenced, and continuing thereafter until terminated upon **12 months'** written notice given by either party of its intention to terminate the Contract. The date that service shall be deemed to have commenced under this Contract shall be **April 1, 2022**.

The electric energy delivered hereunder shall be alternating current at approximately **69000** volts, **3-wire, 3-phase**, and it shall be delivered to **Customer's station from Company 69 kV McCoy Elkhorn metering structure K363-3**, which shall constitute the point of delivery under this Contract. The said electric energy shall be delivered at reasonably close maintenance to constant potential and frequency, and it shall be measured by a meter or meters owned and installed by the Company and located on **Company McCoy Elkhorn metering structure K363-3**.

The Customer acknowledges that the Customer may be eligible to receive service under more than one of the Company's schedules and that such options have been explained to the Customer. The Customer and Company agree that the Customer has chosen to receive service under the provisions of the Company's **359 INDUSTRIAL GNL SVC SUBTRANSMISSION**. The Customer agrees to pay the Company monthly for electric energy delivered hereunder at the rates and under the provisions of the Company's Schedule as regularly filed with the **Kentucky Public Service Commission**, as long as that schedule is in effect. In the event that the Schedule chosen by the Customer is replaced by a new or revised Schedule incorporating different rates or provisions, or both, the Company and Customer understand and agree that the Company will continue to provide service, and the Customer will continue to take service, under this Contract, subject to such changed provisions, and that the Customer will pay for such service at the new rates on and after the date such rates become effective. **The minimum monthly charge hereunder shall be as provided in said tariff but not less than \$794.00.**

The Customer's contract capacity under the Schedule named herein is hereby fixed at **15,000 kW**. If a time-of-day demand is available under the Schedule and is selected by the Customer, the reservation of capacity aforementioned shall be the peak period reservation of capacity and shall determine the minimum monthly billing demand of the Schedule. The minimum billing demand for this agreement shall be **9000 kW**. The amount of capacity requested during the off-peak period is **15,000 kW**.

There are no unwritten understandings or agreements relating to the service hereinabove provided. This Contract cancels and supersedes all previous agreements, relating to the purchase by Customer and sale by Company of electric energy at Customer's premises as referred to above, on the date that service under this Contract commences. This Contract shall be in full force and effect when signed by the authorized representatives of the parties hereto.

**An addendum for Flicker Harmonics Addendum is attached hereto and is part of this Contract.**

KENTUCKY POWER COMPANY

By: Kenneth Borders  
Kenneth L. Borders

Title: **Customer and Dist Svcs Mgr**

Date: February 9, 2022

Account Number: **0317805755**

Discover AI, LLC

By: Dongliang Jiang  
DONGLIANG JIANG

Title: **President**  
**KENTUCKY PUBLIC SERVICE COMMISSION**

Date: 2/5/2022  
**Linda C. Bridwell**  
Executive Director

Linda C. Bridwell

EFFECTIVE  
**6/10/2022**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**ADDENDUM TO CONTRACT FOR ELECTRICAL DISTRIBUTION SERVICE-Flicker/Harmonics**

This Addendum is entered into this **April 1, 2022**, by and between **KENTUCKY POWER COMPANY**, hereafter called the Company, and **Discover AI, LLC**, or his or its heirs, successors or assigns, hereafter called the Customer.

**WHEREAS**, the Company's terms and conditions of service contained in the applicable tariffs indicate that the Customer shall not use the electrical service provided for under the terms of the Contract for Electric Service dated **April 1, 2022** in a manner detrimental to other customers or in such a way as to impose unacceptable voltage fluctuations or harmonic distortions, and

**WHEREAS**, the Customer anticipates utilizing certain equipment at the service location covered by the Contract that could impose an unacceptable level of voltage flicker or harmonic distortion,

**NOW THEREFORE**, the parties hereby agree as follows:

**I. POINT OF COMPLIANCE** – The point where the Customer's electric system connects to the Company's electric system will be the point where compliance with the voltage flicker and harmonic distortion requirements are evaluated.

**II. VOLTAGE FLICKER CRITERIA** – The Company's standards require that the voltage flicker occurring at the Point of Compliance shall remain below the Border Line of Visibility curve on the Flicker Limits Curve contained herein.

Notwithstanding these criteria, the Customer has certain equipment that it anticipates utilizing at the service location covered by the Contract that could impose a level of voltage flicker above the Border Line of Visibility curve. The Company agrees to permit the Customer to operate above the Border Line of Visibility curve unless and until the Company receives complaints from other customers or other operating problems arise for the Company, provided that the voltage flicker does not exceed the Border Line of Irritation curve shown on the Flicker Limits Curve, whether or not complaints or operating problems occur. By so agreeing, the Company does not waive any rights it may have to strictly enforce its established voltage flicker criteria as measured/calculated in the future. All measurements shall be determined at the Point of Compliance and compliance with these criteria shall be determined solely by the Company.

If the Customer is operating above the Border Line of Visibility curve and complaints are received by the Company or other operating problems arise, or should the Customer's flicker exceed the Border Line of Irritation curve, the Customer agrees to take action, at the Customer's expense, to comply with the Voltage Flicker Criteria. Corrective measures could include, but are not limited to, modifying production methods/materials or installing voltage flicker mitigation equipment necessary to bring the Customer's operations into compliance with the Voltage Flicker Criteria.

If the Customer fails to take corrective action within a reasonable time, not to exceed 90 days, after notice by the Company, the Company shall have such rights as currently provided for under its tariffs, which may include discontinuing service, until such time as the problem is corrected.

**III. HARMONIC DISTORTION CRITERIA** – The Customer shall design and operate its facility in compliance with the harmonic distortion criteria contained in IEEE Standard 519-1992.

The Customer agrees that if the operation of motors, appliances, devices or apparatus results in harmonic distortions in excess of the Company's Harmonic Distortion Criteria, it will be the Customer's responsibility to take action, at the Customer's expense, to comply with such Criteria. If the Customer fails to take corrective action within a reasonable time, not to exceed 90 days, after notice by the Company, the Company shall have such rights as currently provided for under its tariffs, which may include discontinuing service, until such time as the problem is corrected.

**KENTUCKY POWER COMPANY**

**Discover AI, LLC**

By: Kenneth Borders  
Kenneth L. Borders

By: Way Doyle  
Title: President

Title: **Customer and Dist Svcs Mgr**

Title: **Linda C. Bridwell**  
Executive Director

Date: February 9, 2022

Date: 2/9/22  
Linda C. Bridwell

Account Number: 0317805755

KENTUCKY PUBLIC SERVICE COMMISSION  
**Linda C. Bridwell**  
Executive Director

EFFECTIVE  
**6/10/2022**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**ADDENDUM TO CONTRACT FOR ELECTRICAL SERVICE - Build-up clause**

This Addendum is a part of the Agreement entered into this 1<sup>st</sup> day of April 2022, by and between Kentucky Power Company (the Company) and **Discover AI, LLC** (the Customer) for electric service to the **Customer cryptocurrency facility located at Long Fork Road, Kimper, Pike County, KY**

It is mutually agreed that the reservation of capacity contracted for by the Customer under this Agreement is **15,000 kW**. However, the Company recognizes that the Customer is completing the project on a schedule that will require some period of time for the operation to transform to its full operating capacity. Therefore, the Company agrees that the contract capacity as it relates to determination of minimum monthly charges shall be in accordance with the following schedule:

1. Effective with the service commencement date of this Agreement to the end of the 2<sup>nd</sup> billing period, the contract capacity shall be the greater of **7,000 kW** or the highest 15-minute integrated demand, adjusted to the nearest 100 kW, actually recorded since the service commencement date. Billing will be under the provisions of the Company's **359 INDUSTRIAL GENERAL SERVICE SUBTRANSMISSION** tariff.
2. Effective with the 3<sup>rd</sup> billing period, the reservation of capacity shall be **15,000 kW**. Billing will be under the provisions of the Company's **359 INDUSTRIAL GENERAL SERVICE SUBTRANSMISSION** tariff.

**Kentucky Power Company**

By: Kenneth Borders

**Kenneth L. Borders**

Title: **Customer and Dist Svcs Mgr**

Date: April 8, 2022

Account Number: **031-780-575-5**

**Discover AI, LLC**

By: [Signature]

Title: **Dongliang Jiang**  
**President**

Date: 4/1/2022

**KENTUCKY  
PUBLIC SERVICE COMMISSION**

**Linda C. Bridwell**  
Executive Director

[Signature]  
**Linda C. Bridwell**

EFFECTIVE

**6/10/2022**

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

**ADDENDUM TO THE ELECTRIC SERVICE CONTRACT  
BETWEEN KENTUCKY POWER COMPANY  
AND DISCOVER AI LLC**

This Addendum supplements and amends the Electric Service Contract (the “Contract”), entered into on April 1 2022, between Kentucky Power Company, a Kentucky corporation (the “Company”), and Discovery AI LLC, a Kentucky limited liability company (the “Customer”). The Company and Customer are collectively referred to herein as the “Parties.”

WHEREAS, the Company owns and operates facilities for the generation, transmission and distribution of electric power and energy; and

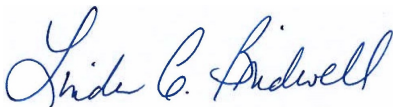
WHEREAS, the Customer is developing asset and data center facilities to be located 1655 Long Fork Road, Kimper, Kentucky, in Pike County (“Kimper Facility”) within the Company’s Kentucky service territory; and

WHEREAS, when operational the Customer will take service under the Company’s Tariff I.G.S. at its Kimper Facility;

WHEREAS, the Customer will have the ability upon the Kimper Facility becoming operational to curtail load under the provisions of the Company’s Optional Rider D.R.S. (“Rider D.R.S.”);

WHEREAS, Customer wishes to take service at its Kimper Facility under Rider D.R.S. when each facility has 12 months of operational history.

NOW THEREFORE, in consideration of the mutual covenants and agreements, and subject to the terms and conditions contained in this Addendum, the Company and the Customer agree as follows:

**KENTUCKY  
PUBLIC SERVICE COMMISSION**  
**Linda C. Bridwell**  
Executive Director  
  
EFFECTIVE  
**6/10/2022**  
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I. The Effective Date for the Kimper Facility shall be the first day of the billing month 30 days after twelve months of operating history is established for the Kimper Facility.

II. The Customer's Total Contract Capacity Reservation under this Addendum shall be 15,000 kW for the Kimper Facility.

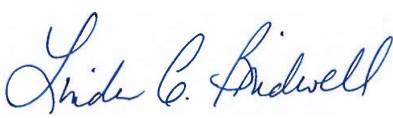
III. The Customer's maximum Metered Demand shall not individually exceed the Total Contract Capacity Reservation for the Kimper Facility except by mutual agreement of the Parties. The Metered Demand for the Kimper Facility during each month is the single highest 15-minute integrated peak in kW as recorded during the month by the demand meter at the Company's 69 kV McCoy Elkhorn Meter Point.

IV. Except as modified herein, the Customer's Total Contract Capacity Reservation shall be served under the terms and conditions of the Company's Tariff I.G.S.

V. The Customer has designated 100 kW as its Firm Capacity Reservation for the Kimper Facility. The 100 kW of Firm Capacity for the Kimper Facility is not subject to interruption.

VI. The Customer has designated 14,900 kW as its Interruptible Capacity Reservation for the Kimper Facility.

VII. The Company, in its sole discretion, reserves the right to call for curtailments of Customer's Interruptible Capacity Reservation at any time. Such curtailments shall be designated as Discretionary Interruptions and shall not exceed an aggregate of 60 hours of interruption for each facility during any Interruption Year. The Interruption Year shall be defined as the consecutive twelve (12) month period commencing on June 1 and ending on May 31.

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**PUBLIC SERVICE COMMISSION**  
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**Executive Director**  
  
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VIII. In any Initial Partial Interruption Year, Discretionary Interruptions for each facility shall not exceed a number of hours equal to the product of the number of full calendar months during the Initial Partial Interruption Year and the annual interruption hours divided by 12 multiplied by 60.

IX. The Company will endeavor to provide the Customer with as much advance notice as possible of a Discretionary Interruption. The Company shall provide notice at least 90 minutes prior to the commencement of a Discretionary Interruption.

X. The Company will inform the Customer regarding the communication process for notices to curtail. The Customer is ultimately responsible for receiving and acting upon a curtailment notification from the Company.

XI. Discretionary Interruption events shall be at least three (3) consecutive hours and there shall not be more than six (6) hours of Discretionary Interruption per day.

XII. Discretionary Interruptions shall begin and end on the clock hour.

XIII. For any Discretionary Interruption, the Customer can choose not to interrupt their Interruptible Capacity Reservation; if the Customer chooses not to or fails to curtail their interruptible load during a Discretionary Interruption, the Customer shall pay the applicable DRS Event Failure Charge set forth in Rider D.R.S. as may be amended from time-to-time by the Company.

XIV. The net amount of the monthly Interruptible Demand Credit and any DRS Event Failure Charge shall be included in the Customer's bill for service provided under Tariff I.G.S. The net amount of the monthly Interruptible Demand Credit and any DRS Event Failure Charge shall be calculated separately for each facility





XV. The monthly Interruptible Demand Credit for each facility shall be equal to the product of the Demand Credit per kW month established in Rider D.R.S., as may be amended from time-to-time by the Company, and the Interruptible Capacity Reservation set forth in Section VI.

XV(i). Customer expressly recognizes and agrees that during the first 12 months of operations of Customer's Kimper Facility, Customer shall not be entitled to, and shall not be paid or credited a monthly Interruptible Demand Credit.

XVI. The Term of this Addendum shall be for an initial period of one (1) year. After the initial one (1) year period, the Addendum shall continue for each subsequent Interruption Year until either party provides written notice no later than April 2 of its intention to discontinue service effective June 1 under the terms of this Schedule.

XVII. Except as otherwise specifically provided herein, all rates, terms and conditions, and the obligations and responsibilities of the Parties as set forth in the Contract shall remain in full force and effect.

XVIII. All terms and stipulations made or agreed to regarding the subject matter of this Addendum are completely expressed and merged in this Addendum, and no previous promises, representations, or agreements made by the Company's or the Customer's officers or agents shall be binding on either Party unless contained herein.

XIX. To the extent not specifically modified by this Addendum, the Company's Terms and Conditions of Service, on file with the Commission are incorporated herein by reference and made a part hereof. The Customer acknowledges receipt of the currently approved Terms and Conditions of Service. In the event of a conflict between the

**KENTUCKY**  
**PUBLIC SERVICE COMMISSION**  
**Linda C. Bridwell**  
Executive Director  
*Linda C. Bridwell*  
EFFECTIVE  
**6/10/2022**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

provisions of this Addendum and the provisions of the Company's Terms and Conditions of Service, the provisions of this Addendum shall control.

XX. This Addendum shall not be assigned by either Party without the written consent of the other Party. Such consent shall not be unreasonably withheld.

XXI. The rights and remedies granted under this Addendum shall not be exclusive rights and remedies but shall be in addition to all other rights and remedies available at law or in equity.

XXII. The validity and meaning of this Addendum shall be governed by the laws of the Commonwealth of Kentucky.

XXIII. In the event that any of the provisions, or portions thereof, of this Addendum are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.

**XXIV. NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE COMPANY FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF RIDER D.R.S. OR THIS ADDENDUM.**


**IN WITNESS WHEREOF**, the Parties hereto have caused this Addendum to be duly executed the day and year last written below.



KENTUCKY POWER COMPANY

DISCOVER AI LLC

By Kenneth L. Borders  
Title Mgr., Customer and Dist. Svces  
Date May 3, 2022

By   
Title President  
Date 5/2/2022

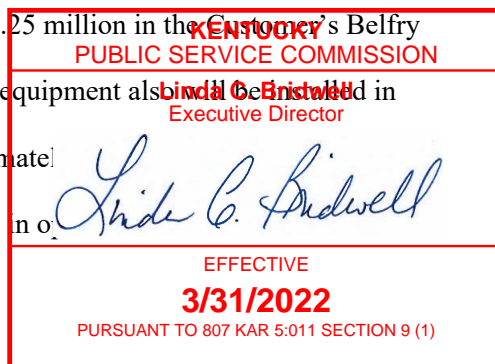


**CONTRACT FOR ELECTRIC SERVICE  
BETWEEN KENTUCKY POWER COMPANY  
AND CYBER INNOVATION GROUP LLC**

This Contract for Electric Service ("Contract") is entered into by and between Kentucky Power Company, 1645 Winchester Avenue, Ashland, Kentucky (the "Company") and Cyber Innovation Group LLC, 8 The Green, Suite A, Dover, Delaware (the "Customer") on the date this Contract is last signed.

**RECITALS**

1. The Company is a corporation organized and existing under the laws of the Commonwealth of Kentucky that owns and operates facilities for the generation, transmission and distribution of electric power and energy in the Commonwealth of Kentucky and is a member of the integrated American Electric Power ("AEP") system.
2. Customer is a limited liability company organized and existing under the laws of the State of Delaware.
3. Customer currently is constructing an asset and data center facility located at 7354 Long Branch Road, Belfry, Kentucky, in Pike County, Kentucky ("Belfry Facility") on the site of a former coal treatment plant. The anticipated load of the Belfry Facility is approximately 23 MW. The anticipated operation date of the Belfry Facility is June 2022.
4. Customer plans to invest at approximately \$5.25 million in the Customer's Belfry Facility by June 2022. Approximately \$67 million of client equipment also will be installed in the Belfry Facility. Customer projects it will create approximately 100 jobs by June 2022 when Customer's Belfry Facility is placed in operation.



5. Customer anticipates that its monthly maximum billing demand will equal or exceed 20,000 kW by June 2022 when the Belfry Facility is placed in operation.

6. The Customer demonstrated to the Company that absent the availability of Tariff E.D.R., the Customer would locate its proposed facility in Oklahoma; Customer has an outstanding offer from an Oklahoma utility for reduced energy rates. Without the availability of Tariff E.D.R. Customer's new electrical demand would not be placed in service

7. The Company's service territory and the entire eastern Kentucky region are struggling economically and in need of jobs for Kentucky's citizens.

8. To facilitate economic development in the Company's service territory through the location of the Customer's facility in eastern Kentucky, including the benefits flowing to all customers through spreading fixed costs over a larger demand, the Company is agreeable to providing energy to Customer under the terms and conditions contained in this Contract, subject to approval by the Public Service Commission of Kentucky.

9. The service the Company will provide to the Customer pursuant to this Contract will provide benefits to the Customer, the Company, the Company's other customers, and the Commonwealth of Kentucky.

**NOW THEREFORE**, in consideration of the promises and the mutual covenants herein contained, and subject to the terms and conditions herein contained, the Company and the Customer agree as set forth below.



**AGREEMENT**

**ARTICLE 1  
Definitions**

1.1 Whenever used in this Contract, the following terms shall have the meanings set forth below, unless a different meaning is plainly required by the context:

1.1.1 "Commission" shall mean the Public Service Commission of Kentucky, the regulatory agency having jurisdiction over the retail electric service of the Company in Kentucky, including the electric service covered by this Contract, or any successor thereto.

1.1.2 "Contract" shall mean this Contract for electric service between the Company and the Customer, as the same may, from time to time, be amended.

1.1.3 "Kentucky Power System" shall mean the integrated, interconnected electric system operated and owned by Kentucky Power Company.

1.1.4 "Parties" shall mean the Company and the Customer.

1.1.5 "Party" shall mean either the Company or the Customer, individually.

1.1.6 "Tariff I.G.S." shall mean the Company's Industrial General Service Tariff, or any successor or amendment thereto, approved by the Commission.

1.1.7 "Tariff E.D.R." shall mean the Company's Economic Development Rider, or any successor or amendment thereto, approved by the Commission.

1.1.8 "I.B.D.D." shall mean the Incremental Billing Demand Discount and shall have the same meaning as set forth in Tariff B.D.R.

1.1.9 "S.B.D.D." shall mean the Supplemental Billing D the same meaning as set forth in Tariff E.D.R.



1.1.10 “Qualifying Incremental Billing Demand” shall have the same meaning as that set forth in Tariff E.D.R.

1.2 Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number (and vice versa); terms such as “hereof,” “herein,” “hereunder” and other similar compounds of the word “here” shall mean and refer to the entire Contract rather than any particular part of the same. Certain other definitions, as required appear in subsequent parts of this Contract.

## ARTICLE 2

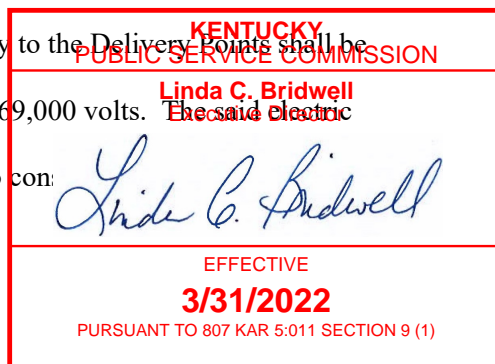
### Delivery of Electric Power and Energy

2.1 Subject to the terms and conditions specified herein, the Company agrees to furnish to the Customer, during the term of this Contract, and the Customer agrees to take and pay for, all of the electric power and energy that shall be required by the Customer for consumption at the Belfry Facility.

2.2 The Delivery Point for electric power and energy delivered hereunder to the Customer’s Belfry Facility shall be the 69 kV Gund Meter Point.

2.3 The Customer will provide any substation and transformation equipment and any other facilities including real property required to take delivery of the electric service to be provided by the Company under this Contract at the voltage and at the Delivery Points designated herein

2.4 The electric energy delivered by the Company to the Delivery Points shall be three-wire, three-phase alternating current at approximately 69,000 volts. The said electric energy shall be delivered at reasonably close maintenance to con:



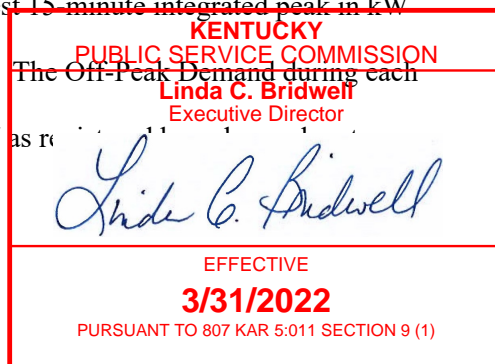
The electric energy delivered to the Belfry Facility shall be measured by a meter or meters owned and installed by the Company and located at the Company's metering station served by Company structure # K357-20. No Adjustment Factor shall apply.

**ARTICLE 3**  
**Capacity Reservation**

3.1 The Total Capacity Reservation for the Belfry Facility contracted for by the Customer is hereby initially fixed at 20,000 kW. The Customer may request a change to the Total Capacity Reservation for the Belfry Facility by providing written notice to the Company six months in advance of the date the requested change is proposed to be effective. The Parties may reduce the six-month written notice requirement by mutual written agreement. Any change to the Total Capacity Reservation for the Belfry Facility is subject to conditions as determined by the Company, such as the availability and cost of incremental Capacity from the Company, and to the receipt of any necessary regulatory approvals.

3.2 The Customer's Metered Demand for the Belfry Facility shall not exceed, and the Company shall not be required to supply capacity in excess of, the Total Capacity Reservation for the Belfry Facility as specified in paragraph 3.1 except by mutual written agreement of the Parties.

3.3 The Customer's Metered Demand for the Belfry Facility shall be separately determined each month as the highest of either the On-Peak Demand or the Off-Peak Demand. The On-Peak Demand during each month is the single highest 15-minute integrated peak in kW as registered by a demand meter during the On-Peak Period. The Off-Peak Demand during each month is the single highest 15-minute integrated peak in kW as registered by a demand meter during the Off-Peak Period.





**ARTICLE 4**

**Billing**

4.1 The Customer and the Company agree that the Customer has chosen to receive service under the provisions of the Company's Tariff I.G.S. at the rate of Transmission, Code 359.

4.2 The Customer agrees to pay the Company monthly for electric energy delivered hereunder at the rates and under the provisions of the Company's Tariff I.G.S., as modified by the Customer's participation in Tariff E.D.R. and described herein.

4.3 The Customer's new qualifying incremental demand will reside in the Customer's Belfry F, at the Customer's premises. The Customer's new qualifying incremental demand will be metered according to Tariff I.G.S. on a separate meter. The Customer's Qualifying Incremental Billing Demand will be calculated based on meter readings for the Belfry Facility on the Company's meter.

4.4 The Customer's estimated load factor is 90%.

4.5 Over the term of this Contract, the Customer's Qualifying Incremental Billing Demand charge shall be reduced by the following percentages set forth in Table 1:

**Table 1**

<i>Year</i>	<i>% Reduction</i>
Year 1	50 %
Year 2	40 %
Year 3	30 %
Year 4	20 %
Year 5	10 %

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 Executive Director



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Year 6	0%
Year 7	0%
Year 8	0%
Year 9	0%
Year 10	0%

4.6 The Customer's Minimum Demand Charge, as set forth in Tariff I.G.S., shall be waived for the first 36 months of this Contract. However, if during the term of this Contract the Customer's monthly demand falls below the minimum billing demand level under Tariff I.G.S. for 4 consecutive months or 6 months total in a Contract year, then the Customer's minimum demand charge shall not be waived and the appropriate minimum billing demand charge otherwise applicable under Tariff I.G.S. will apply until the Customer achieves the minimum billing demand level

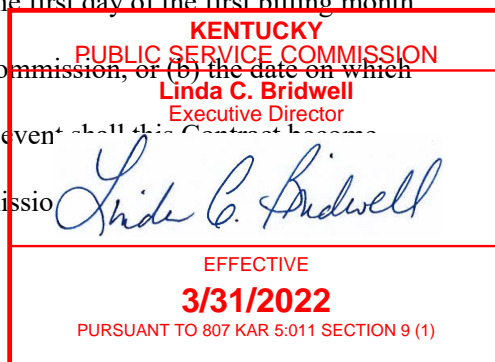
4.7 This Contract is subject to the "Tariff D.R.S. Tariff Addendum," which is attached hereto and made a part of this Contract, regarding service to Customer under the Company's Optional Rider D.R.S.

4.8 The Parties agree that the charges that the Company collects from the Customer during the term of this Contract will recover all of the Company's fixed costs associated with upgrading its distribution facilities to serve the Customer.

## ARTICLE 5

### Effective Date and Term of Contract

5.1 The Effective Date of this Contract shall be the first day of the first billing month following the later of: (a) approval of this Contract by the Commission, or (b) the date on which the Customer's Belfry Facility begins full operations. In no event shall this Contract become effective without the approval of this Contract by the Commission



5.2 The term of this Contract shall be 10 years. The term shall commence on the Effective Date of this Contract as established under Article 5.1.

**ARTICLE 6**  
**Service Conditions**

6.1 Each Party shall exercise reasonable care to maintain and operate, or to cause to be maintained and operated, their respective facilities in accordance with good engineering practices.

6.2 To the extent not expressly modified by this Contract, the Company's Terms and Conditions of Service, as filed with the Commission, including any amendments thereto, are incorporated by reference and made a part of this Contract. The Customer acknowledges receipt of the currently approved Terms and Conditions of Service. In the event of a conflict between explicit provisions of this Contract and the provisions of the Company's Terms and Conditions of Service, the provisions of this Contract shall control.

6.3 Any service being provided to the Customer under this Contract may be interrupted or reduced (a) by operation of equipment installed for power system protection; (b) after notice to and consultation with the Customer for routine installation, maintenance, inspection, repairs, or replacement of equipment; (c) when, in the Company's sole judgment, such action is necessary to (i) preserve the integrity of, or to prevent or limit any instability or material disturbance on, or to avoid a burden on, the Kentucky Power system or an interconnected system, (ii) preserve personal or public safety (iii) or to protect property; or (d) upon occurrence of an event of Force Majeure as defined by the Company's Terms and Conditions of Service.

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**Linda C. Bridwell**  
Executive Director  
  
EFFECTIVE  
**3/31/2022**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

6.4 The Company reserves the right to disconnect the Customer's conductors or apparatus without notice from the Kentucky Power System when, in the exercise of reasonable care, the Company determines that it is necessary in the interest of preserving or protecting life and/or property.

6.5 During the term hereof, the Customer shall not receive electric service, as the term "service" is defined in Chapter 278 of the Kentucky Revised Statutes, from any source other than from the Company. This provision does not apply to emergency generation that is not designed to operate in parallel with the Kentucky Power System.

6.6 The Customer shall notify the Company as soon as possible after discovery of any impairment of or defect in the Company's service that significantly disrupts the Customer's operations, and the Customer shall confirm such notice in writing by the close of the next business day. The Company shall not be liable for any loss, injury, or damage that could have been prevented by timely notice of a defect or impairment of service.

6.7 The Customer shall notify the Company in advance of any changes to be made to the Customer's Facility that has the potential of materially affecting the Kentucky Power System or other facilities interconnected to the Kentucky Power System.

6.8 The Customer shall adhere to the addendum to this contract regarding voltage flicker criteria and harmonic distortion criteria ("Flicker/Harmonics Addendum"). The Flicker/Harmonics Addendum is incorporated by reference and made a part of this Contract.



## ARTICLE 7

### Regulatory Authorities

7.1 The Parties recognize that this Contract is subject to the jurisdiction of the Commission, and is also subject to such lawful action, as any regulatory authority having jurisdiction shall take with respect to the provision of services under the Contract. The performance of any obligation of either Party shall be subject to the receipt from time to time as required of such authorizations, approvals, or actions of regulatory authorities having jurisdiction as shall be required by law.

7.2 The Company and the Customer agree that this Contract reflects the steps required to ensure adequate service to the Customer and that the Company will file this Contract with the Commission. This Contract is expressly conditioned upon the Commission's approval of the Contract without change or condition. In the event that the Commission does not approve this Contract without change or condition, then this Contract shall not become effective, unless the Parties agree otherwise in writing. It is the intent of the Parties that the Commission's approval of the Contract without change or condition is a prerequisite to the validity of this Contract. To the extent a subsequent Commission Order alters the terms of this Contract, this Contract shall terminate unless within thirty day of the Commission Order the Parties agree in writing otherwise. In the event of a termination of the Contract due to subsequent Commission order, the Customer shall take service under the appropriate Company tariff.



## ARTICLE 8

### Assignment

8.1 This Contract shall inure to the benefit of and be binding upon the successors and assigns of the Parties.

8.2 This Contract shall not be assigned by either Party without the written consent of the other Party. Either Party's consent to one or more assignments shall not relieve the other party or its assignees, as the case may be, from the necessity of obtaining the written consent to other and/or additional assignments.

8.3 Any assignment by one Party to this Contract shall not relieve that Party of its financial obligation under this Contract unless the other Party so consents in writing.

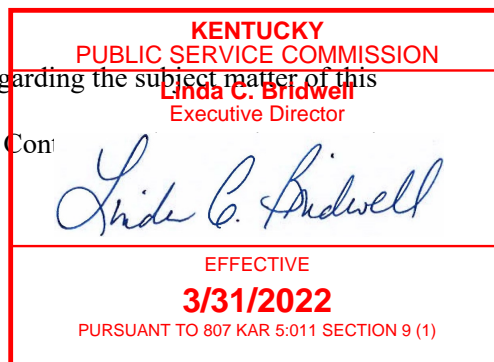
## ARTICLE 9

### General

9.1 Any waiver at any time of any rights as to any default or other matter arising under this Contract shall not be deemed a waiver as to any other proceeding or subsequent default or matter. Any delay, excepting the applicable statutory period of limitation, in asserting or enforcing any right hereunder shall not be deemed a waiver of such right.

9.2 Except as set forth in Article 7, in the event that any of the provisions, or portions thereof, of this Contract is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.

9.3 All terms and stipulations made or agreed to regarding the subject matter of this Contract are completely expressed and merged in this Contract.



representations or agreements made by the Company's or the Customer's officers or agents shall be binding on either Party unless contained herein.

9.4 All notices permitted or required to be given hereunder shall be in writing and shall be delivered by first-class mail to the Company and to the Customer at their respective addresses set forth below. When a notice is mailed pursuant to this paragraph, the postmark shall be deemed to establish the date on which the notice is given:

If to Company:

Stevi Cobern  
Kentucky Power Company  
1645 Winchester Avenue  
Ashland, Kentucky 41101

If to Customer:

Warren Rogers  
Chief Strategy Officer  
Cyber Innovation Group LLC  
8 The Green Suite 8  
Dover, Delaware 19901

9.5 The rights and remedies granted under this Contract shall not be exclusive rights and remedies but shall be in addition to all other rights and remedies available at law or in equity.

9.6 The validity and meaning of this Contract shall be governed by the laws of the Commonwealth of Kentucky without regard to conflict of law rules.

9.7 This Contract may be executed in counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same Contract.

**ARTICLE 10**  
**Liability and Force Majeure**

10.1 Neither the Company nor the Customer shall be liable to the other for damages caused by the interruption, suspension, reduction or curtailment of



hereunder due to, occasioned by or in consequence of, any of the following causes or contingencies, (hereinafter “events of Force Majeure”) including: acts of God, the elements, storms, hurricanes, tornadoes, cyclones, sleet, floods, backwaters caused by floods, lightning, earthquakes, landslides, washouts or other revulsions of nature, epidemics, accidents, fires, failures of facilities, collisions, explosions, strikes, lockouts, differences with workers and other labor disturbances, vandalism, sabotage, riots, inability to secure cars, coal, fuel, or other materials, supplies or equipment from usual sources, breakage or failure of machinery, generating equipment, electrical lines or equipment, wars, insurrections, blockades, terrorism, war, insurrection, cybersecurity attacks, acts of the public enemy, arrests and restraints of rulers and people, civil disturbances, acts or restraints of federal, state or other governmental authorities, and any other causes or contingencies not within the control of the Party whose performance is interfered with, whether of the kind herein enumerated or otherwise. It is expressly understood and agreed that economic conditions, such as a downturn in the market for the product or products produced at any of the Customer’s facilities, do not constitute an event of Force Majeure. Settlement of strikes and lockouts shall be wholly within the discretion of the Party having the difficulty. An event or events of Force Majeure shall not relieve the Company or the Customer of liability in the event of its concurring negligence or in the event of failure of either to use reasonable means to remedy the situation and remove the cause in an adequate manner and with reasonable dispatch. An event or events of Force Majeure shall not relieve either the Company or the Customer from its obligation to pay amounts due hereunder.

10.2 The Company assumes no responsibility of any kind with respect to construction, maintenance, or operation of the electric facilities or other property owned by the Customer and shall not be liable for any loss, injury (including d

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of property (including loss of use thereof) arising out of such installation, maintenance or operation or out of any use by the Customer or others, of said energy and/or capacity provided by the Company except to the extent such damage or injury shall be caused by the negligence or willful misconduct of the Company, its agents, or employees. The Customer assumes no responsibility of any kind with respect to construction, maintenance or operation of the electric facilities or other property owned or used by the Company and shall not be liable for any loss, injury (including death), damage to or destruction of property (including loss of use thereof) arising out of such installation, maintenance or operation except to the extent such damage or injury shall be caused by the negligence or willful misconduct of the Customer, its agents, or employees.

10.3 To the extent permitted by law, the Customer shall protect, defend, indemnify, and hold harmless the Company from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations and proceedings whatsoever, including, without limitation, all judgments rendered against and all fines and penalties imposed upon the Company, arising out of injuries to persons, including death, or damage to third-party property, to the extent caused by, or occurring in connection with any willful or negligent act or omission of the Customer, its employees, agents or contractors, or which are due to or arise out of defective electrical equipment belonging to the Customer. Neither the Company nor the Customer shall be liable for any indirect, special, incidental or consequential damages, including loss of profits due to business interruptions or otherwise, in connection with this Special Contract. To the extent permitted by law, the Company shall protect, defend, indemnify, and hold harmless the Customer from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations whatsoever, including, without l

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rendered against and all fines and penalties imposed upon the Customer, arising out of injuries to persons, including death, or damages to third-party property, to the extent caused by or occurring in connection with any willful or negligent act or omission of the Company, its employees, agents or contractors.

10.4 Any indemnification of the Parties or any limitation of the Parties' liability which is made or granted under this Special Contract shall to the same extent apply to the Party's directors, officers, partners, employees and agents, and to the Party's affiliated companies, including any directors, officers, partners, employees and agents thereof.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Contract to be duly executed the day and year last written below.

KENTUCKY POWER COMPANY

CYBER INNOVATION GROUP LLC.

By *Kenneth Borders*

By *Warren Rogers*

Name: Kenneth Borders

Name: Warren Rogers

Title Mgr., Customer and Dist. Svces

Title Chief Strategy Officer

Date January 4, 2022

Date 12/21/2021



## ADDENDUM TO CONTRACT FOR ELECTRICAL DISTRIBUTION SERVICE- Flicker/Harmonics

This Addendum is entered into this 21 day of December, by and between **Kentucky Power Company**, hereafter called the Company, and **Cyber Innovation Group LLC.**, or its heirs, successors or assigns, hereafter called the Customer.

**WHEREAS**, the Company's terms and conditions of service contained in the applicable tariffs indicate that the Customer shall not use the electrical service provided for under the terms of the Contract for Electric Service dated \_\_\_\_\_ in a manner detrimental to other customers or in such a way as to impose unacceptable voltage fluctuations or harmonic distortions, and

**WHEREAS**, the Customer anticipates utilizing certain equipment at the service location covered by the Contract that could impose an unacceptable level of voltage flicker or harmonic distortion,

**NOW THEREFORE**, the parties hereby agree as follows:

**I. POINT OF COMPLIANCE** – The point where the Customer's electric system connects to Kentucky Power's system will be the point where compliance with the voltage flicker and harmonic distortion requirements are evaluated.

**II. VOLTAGE FLICKER CRITERIA** – The Company's standards require that the voltage flicker occurring at the Point of Compliance shall remain below the Border Line of Visibility curve on the Flicker Limits Curve contained herein.

The Customer shall design and operate its facility in compliance with the voltage flicker criteria contained in IEEE Standard 1453, "IEEE Recommended Practice for Measurement and Limits of Voltage Fluctuations and Associated Light Flicker on AC Power Systems."

Notwithstanding these criteria, the Customer has certain equipment that it anticipates utilizing at the service location covered by the Contract that could impose a level of voltage flicker above the Border Line of Visibility curve. The Company agrees to permit the Customer to operate above the Border Line of Visibility curve unless and until the Company receives complaints from other customers or other operating problems arise for the Company, provided that the voltage flicker does not exceed the Border Line of Irritation curve shown on the Flicker Limits Curve, whether or not complaints or operating problems occur. By so agreeing, the Company does not waive any rights it may have to strictly enforce its established voltage flicker criteria as measured/calculated in the future. All measurements shall be determined at the Point of Compliance and compliance with these criteria shall be determined solely by the Company.

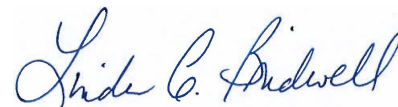
If the Customer is operating above the Border Line of Visibility curve and complaints are received by the Company or other operating problems arise, or should the Customer's flicker exceed the Border Line of Irritation curve, the Customer agrees to take action, at the Customer's expense, to comply with the Voltage Flicker Criteria. Corrective measures could include, but are not limited to, modifying production methods/materials or installing voltage flicker mitigation equipment necessary to bring the Customer's operations into compliance with the Voltage Flicker Criteria.

If the Customer fails to take corrective action within a reasonable time, not to exceed 90 days, after notice by the Company, the Company shall have such rights as currently provided for under its tariffs, which may include discontinuing service, until such time as the problem is corrected.

**III. HARMONIC DISTORTION CRITERIA** – The Customer shall design and operate its facility in compliance with the harmonic distortion criteria contained in IEEE Standard 519-1992.

The Customer agrees that if the operation of motors, appliances, devices or apparatus results in harmonic distortions in excess of the Company's Harmonic Distortion Criteria, it will be the Customer's responsibility to take action, at the Customer's expense, to comply with such Criteria. If the Customer fails to take corrective action within a reasonable time, not to exceed 90 days, after notice by the Company, the Company shall have such rights as currently provided for under its tariffs, which may include discontinuing service, until such time as the problem is corrected.

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**IV. OTHER REQUIREMENTS**

Compliance Assessment — To achieve compliance, at least 95% of all recordings within each harmonic measure and 99% within each flicker measure must fall below the applicable limit, i.e., Customer will be in material non-compliance with the Company's Power Quality Requirements if more than 5% of the harmonic voltage and harmonic current recordings and 1% of the flicker recordings exceed the specified limits.

Electrical Interactions — If power quality compliance monitoring recordings or analytical studies conducted by the Company indicate likely adverse electrical interactions between the Customer and the Kentucky Power's System, joint efforts will be undertaken by the Parties to determine the nature and extent of the electrical interaction and to resolve, at no expense to the Company, any likely adverse impacts on the performance of Company facilities.

**Kentucky Power Company**

**Cyber Innovation Group LLC.**

Date: January 4, 2022

By: *Kenneth Borders*

Printed Name:

Title: **Mgr., Customer and Dist. Svces**

Date: January 4, 2022

Account Number: 032-590-575-2

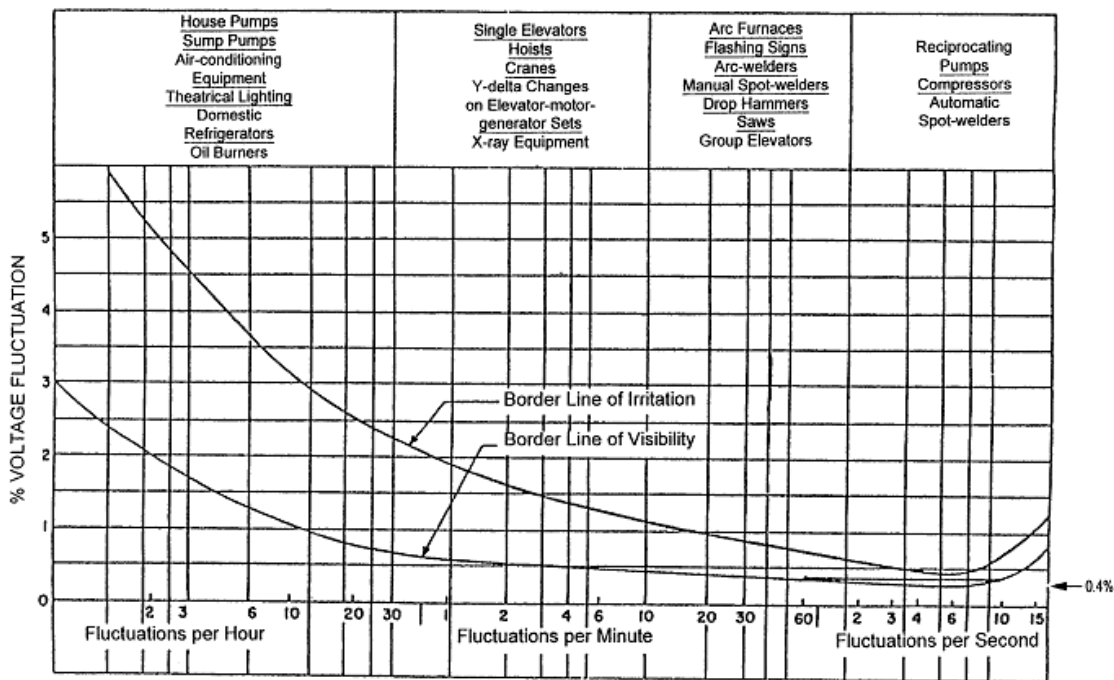
By: *Warren Rogers*

Printed Name: Warren Rogers

Title: Chief Strategy Officer

Date: December 21, 2021





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**Linda C. Bridwell**  
Executive Director

*Linda C. Bridwell*

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**TARIFF D.R.S. ADDENDUM TO THE ELECTRIC SERVICE CONTRACT  
BETWEEN KENTUCKY POWER COMPANY  
AND CYBER INNOVATION GROUP LLC**

This Addendum supplements and amends the Electric Service Contract (the “Contract”), entered into on December 21, 2021, between Kentucky Power Company, a Kentucky corporation (the “Company”), and Cyber Innovation Group LLC, a Delaware limited liability company (the “Customer”). The Company and Customer are collectively referred to herein as the “Parties.”

WHEREAS, the Company owns and operates facilities for the generation, transmission and distribution of electric power and energy; and

WHEREAS, the Customer is developing an asset and data center facility to be located at 7354 Long Branch Road, Belfry in Pike County, Kentucky (“Belfry Facility”) in the Company’s Kentucky service territory; and

WHEREAS, when operational the Customer will take service under the Company’s Tariff I.G.S. at its Belfry Facility;

WHEREAS, the Customer will have the ability upon the Belfry Facility becoming operational to curtail load under the provisions of the Company’s Optional Rider D.R.S. (“Rider D.R.S.”);

WHEREAS, Customer wishes to take service at its Belfry Facility under Rider D.R.S. when the Belfry Facility has 12 months of operational history.

NOW THEREFORE, in consideration of the mutual covenants and agreements, and subject to the terms and conditions contained in this Addendum, the Company and the Customer agree as follows:

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I. The Effective Date for the Belfry Facility shall be the first day of the billing month 30 days after twelve months of operating history is established for the Belfry Facility.

II. The Customer's Total Contract Capacity Reservation under this Addendum shall be 20,000 kW for the Belfry Facility.

III. The Customer's maximum Metered Demand shall not individually exceed the Total Contract Capacity Reservation for the Belfry Facility except by mutual agreement of the Parties. The Metered Demand for the Belfry Facility during each month is the single highest 15-minute integrated peak in kW as recorded during the month by the demand meters at the Company's 69 kV Gund Meter Point for the Belfry Facility.

IV. Except as modified herein, the Customer's Total Contract Capacity Reservation shall be served under the terms and conditions of the Company's Tariff I.G.S.

V. The Customer has designated 1,000 kW as its Firm Capacity Reservation for the Belfry Facility. The 1,000 kW of Firm Capacity for the Belfry Facility is not subject to interruption.

VI. The Customer has designated 19,000 kW as its Interruptible Capacity Reservation for the Belfry Facility.

VII. The Company, in its sole discretion, reserves the right to call for curtailments of Customer's Interruptible Capacity Reservation at any time. Such curtailments shall be designated as Discretionary Interruptions and shall not exceed an aggregate of 60 hours of interruption for the Belfry Facility during any Interruption Year. The Interruption Year shall be defined as the consecutive twelve (12) month period commencing on June 1 and ending on May 31.

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**(Executive Director)**  
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VIII. In any Initial Partial Interruption Year, Discretionary Interruptions for the Belfry Facility shall not exceed a number of hours equal to the product of the number of full calendar months during the Initial Partial Interruption Year and the annual interruption hours divided by 12 multiplied by 60.

IX. The Company will endeavor to provide the Customer with as much advance notice as possible of a Discretionary Interruption. The Company shall provide notice at least 90 minutes prior to the commencement of a Discretionary Interruption.

X. The Company will inform the Customer regarding the communication process for notices to curtail. The Customer is ultimately responsible for receiving and acting upon a curtailment notification from the Company.

XI. Discretionary Interruption events shall be at least three (3) consecutive hours and there shall not be more than six (6) hours of Discretionary Interruption per day.

XII. Discretionary Interruptions shall begin and end on the clock hour.

XIII. For any Discretionary Interruption, the Customer can choose not to interrupt their Interruptible Capacity Reservation; if the Customer chooses not to or fails to curtail their interruptible load during a Discretionary Interruption, the Customer shall pay the applicable DRS Event Failure Charge set forth in Rider D.R.S. as may be amended from time-to-time by the Company.

XIV. The net amount of the monthly Interruptible Demand Credit and any DRS Event Failure Charge shall be included in the Customer's bill for service provided under Tariff I.G.S.

XV. The monthly Interruptible Demand Credit for the Belfry Facility shall be equal to the product of the Demand Credit per kW monthes

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may be amended from time-to-time by the Company, and the Interruptible Capacity Reservation set forth in Section VI.

XVI. The Term of this Addendum shall be for an initial period of one (1) year. After the initial one (1) year period, the Addendum shall continue for each subsequent Interruption Year until either party provides written notice no later than April 2 of its intention to discontinue service effective June 1 under the terms of this Schedule.

XVII. Except as otherwise specifically provided herein, all rates, terms and conditions, and the obligations and responsibilities of the Parties as set forth in the Contract shall remain in full force and effect.

XVIII. All terms and stipulations made or agreed to regarding the subject matter of this Addendum are completely expressed and merged in this Addendum, and no previous promises, representations, or agreements made by the Company's or the Customer's officers or agents shall be binding on either Party unless contained herein.

XIX. To the extent not specifically modified by this Addendum, the Company's Terms and Conditions of Service, on file with the Commission are incorporated herein by reference and made a part hereof. The Customer acknowledges receipt of the currently approved Terms and Conditions of Service. In the event of a conflict between the provisions of this Addendum and the provisions of the Company's Terms and Conditions of Service, the provisions of this Addendum shall control.

XX. This Addendum shall not be assigned by either Party without the written consent of the other Party. Such consent shall not be unreasonably withheld.

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XXI. The rights and remedies granted under this Addendum shall not be exclusive rights and remedies but shall be in addition to all other rights and remedies available at law or in equity.

XXII. The validity and meaning of this Addendum shall be governed by the laws of the Commonwealth of Kentucky.

XXIII. In the event that any of the provisions, or portions thereof, of this Addendum are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.

**XXIV. NO RESPONSIBILITY OR LIABILITY OF ANY KIND SHALL ATTACH TO OR BE INCURRED BY THE COMPANY FOR, OR ON ACCOUNT OF, ANY LOSS, COST, EXPENSE, OR DAMAGE CAUSED BY OR RESULTING FROM, EITHER DIRECTLY OR INDIRECTLY, ANY CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF RIDER D.R.S. OR THIS ADDENDUM.**

**IN WITNESS WHEREOF**, the Parties hereto have caused this Addendum to be duly executed the day and year last written below.

KENTUCKY POWER COMPANY

CYBER INNOVATION GROUP LLC

By *Kenneth Borders*

By *Warren Rogers*

Title Mgr., Customer and Dist. Svces

Title Chief Strategy Officer

Date January 4, 2022

Date

~~December 21, 2021~~  
**KENTUCKY  
PUBLIC SERVICE COMMISSION**  
**Linda C. Bridwell**  
Executive Director  
*Linda C. Bridwell*  
EFFECTIVE  
**3/31/2022**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**ADDENDUM TO CONTRACT FOR ELECTRICAL SERVICE - Build-up clause**

This Addendum is a part of the Agreement entered into this 15th day of January 2022, by and between Kentucky Power Company (the Company) and **Cyber Innovation Group, LLC** (the Customer) for electric service to the **Customer cryptocurrency facility located at Long Branch Road, Belfry, Pike County, KY.**

It is mutually agreed that the reservation of capacity contracted for by the Customer under this Agreement is **20,000 kW**. However, the Company recognizes that the Customer is completing the project on a schedule that will require some period of time for the operation to transform to its full operating capacity. Therefore, the Company agrees that the contract capacity as it relates to determination of minimum monthly charges shall be in accordance with the following schedule:

1. Effective with the service commencement date of this Agreement to the end of the 1<sup>st</sup> billing period, the contract capacity shall be the greater of **1,500 kW** or the highest 15-minute integrated demand, adjusted to the nearest 100 kW, actually recorded since the service commencement date. Billing will be under the provisions of the Company's **359 INDUSTRIAL GENERAL SERVICE SUBTRANSMISSION** tariff.
2. Effective with the 2<sup>nd</sup> billing period, the reservation of capacity shall be **20,000 kW**. Billing will be under the provisions of the Company's **359 INDUSTRIAL GENERAL SERVICE SUBTRANSMISSION** tariff.

Kentucky Power Company

By: *Kenneth Borders*

**Kenneth L. Borders**

Title: **Customer and Dist Svcs Mgr**

Date: January, 25, 2022

Cyber Innovation Group LLC

By: *Warren Rogers*

**Warren Rogers**

Title: **Chief Strategy Officer**

Date: 1/25/2022

Account Number: 032-590-575-2



**Third Addendum To Contract For Electrical Service**

This addendum amends and supplements the January 15, 2022 Contract for Electrical Service and the January 15, 2022 Tariff D.R.S. Addendum between Kentucky Power Company (“Company”) and Cyber Innovation Group, LLC (“Customer”) (Company and Customer collectively are known as the “Parties”), as further amended by the January 25, 2022 Addendum between the Company and the Customer for electric service to Customer’s cryptocurrency facility located at Long Branch Road, Belfry, Pike County, Kentucky.

WHEREAS, the Parties believe it is in the common best interest of the Company and Customer for the contract documents to reflect the full agreement between the Parties as reflected in the provisions set forth below;

WHEREAS, the Parties wish to resolve any conflict between the January 15, 2022 and January 25, 2022 contract and addenda on the one hand, and the Company’s Tariff E.D.R. and Tariff D.R.S. on the other;

WHEREAS, the Parties recognize that the Company may be required during the term of this Contract to acquire additional capacity on the Customer’s behalf; and

WHEREAS, the Parties wish to clarify the amount of Customer’s Firm Capacity Reservation and Interruptible Capacity Reservation for the Belfry Facility during Year One of this agreement,

Now therefore, and in consideration of the above premises, and other good and sufficient consideration, the Parties agree as follows:

1. Paragraphs V and VI to the Tariff D.R.S. Addendum are amended and supplemented to provide that during the first 12 months of operations of Customer’s Belfry Facility, 95 percent of Customer’s Total Contract Reservation shall

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Customer's Director  
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Capacity Reservation, and during the same 12 month period, five percent of Customer's Total Contract Reservation shall be designated as Firm Capacity Reservation.

2. Customer expressly recognizes and agrees that during the first 12 months of operations of Customer's Belfry Facility, Customer shall not be entitled to, and shall not be paid or credited a monthly Interruptible Demand Credit.

3. Customer has been provided a copy of the Company's Tariff E.D.R. Customer recognizes that during the term of the Contract and Addenda that Kentucky Power may be required to acquire additional capacity on behalf of Customer. In the event the Company is required to acquire additional capacity on behalf of Customer, Customer recognizes and agrees that customer's IBDD may be reduced in accordance with paragraph (1) of the Terms and Conditions of Tariff E.D.R. (Tariff Sheet 37-1).

**IN WITNESS WHEREOF**, the Parties hereto have caused this Contract to be duly executed the day and year last written below.

KENTUCKY POWER COMPANY

CYBER INNOVATION GROUP LLC.

By *Kenneth Borders*

By *WD Rogers*

Name: Kenneth Borders

Name: Warren Rogers

Title Mgr., Customer and Dist. Svces

Title Authorized Signatory

Date 2/18/2022

Date 2/18/2022



Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_4** With regard to the response to Staff 1-1 [“The Company estimates over 1,000 full-time positions will be realized from the 12 proposed EDR customers over the next several years.”], please provide the supporting analysis used by the Company to develop this 1,000 full-time position estimated. Include a table that shows the number of jobs associated with each of the MW contract amounts (i.e., X positions associated with the 250 MW customer, Y positions associated with the 75 MW customer, etc.).

**RESPONSE**

The number of estimated full-time positions is based on information provided to the Company by each customer. Please see KPCO\_R\_AG\_2\_4\_Attachment1 for the jobs associated with each contract.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_5** Please provide a list of each marginal cost that the Company proposes to include in its analysis of each of the proposed EDR contracts (for example, marginal energy cost). For each such cost, please explain how the Company would calculate the marginal cost.

**RESPONSE**

Please see the Company's response to KPSC 1\_4 and KPCO\_R\_KPSC\_1\_4\_Attachment1 for the requested information.

For each proposed EDR contract the Company will file a marginal cost study:

- Upon initially filing the contract with the Commission for approval;
- Annually in accordance with the Commission's March 4, 2014 Order in Case No. 2014-00336; and
- With any base rate case filing in accordance with Finding 8 of the Commission's Administrative Order 327.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_6** With regard to the response to AG 1-8, please provide the current MW calculation of the expected capacity deficit at June 1, 2023. Provide, at minimum, the following information in your response:

- a. KPCo's FRR capacity obligation for the 2023/24 delivery year, excluding any EDR load whose contract has not been approved by the Commission.
- b. KPCo's FRR capacity obligation for the 2023/24 delivery year, including the EDR load identified in this case.
- c. KPCo's UCAP MW, by resource.

**RESPONSE**

a.-c. The Company is currently in the process of preparing the request and will supplement this response with the requested information as soon as reasonable.

Witness: Brian K. West



Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_7** Please provide the response to the previous question for delivery years 2024/25 and 2025/26.

**RESPONSE**

Please see the Company's response to AG 2\_6 for the requested information.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_8** Please provide the 2022 PJM transmission rate per MW of 12 CP demand that is being charged to KPCo pursuant to the AEP East Transmission Agreement. Include a breakdown of the total rate charged to KPCo between the AEP East Operating Company rate and the AEP Transmission Company rate. Also provide the 2022 KPCo 12 CP demand that is used to allocate transmission costs pursuant to the AEP East Transmission Agreement.

**RESPONSE**

The AEP Transmission Agreement does not bill operating companies based on a 12CP rate. It allocates the total cost allocated to the AEP Operating Companies based on each company's 12CP load ratio share. The costs allocated to the AEP Operating Companies are billed by PJM using the AEP Zone NITS Rate, which is based on a 1CP. The 2022 contribution to the AEP NITS Rate is as follows:

AEP Operating Companies - \$50,754.21/MW-Year  
AEP Transmission Companies - \$60,046.55/MW-Year.

Please see KPCO\_R\_AG\_2\_8\_Attachment1 for the Company's most recent 12CP allocation analysis. The Company files this analysis annually in accordance with ordering paragraph 20 of the Commission's January 18, 2018 Order in Case No. 2017-00179.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_9** In response to Staff 1-3, the Company states that 126 MW out of the total load of 482.5 MW would be firm, pursuant to Rider DRS. This equates to 26% firm, 74% interruptible. With regard to this response, please provide the following:

- a. The basis for the estimated amount of firm and interruptible load
- b. A reconciliation of this 26% firm/74% interruptible estimate with the response to AG 1-1(b) that assumes an estimate of 10% firm/90% interruptible for this load.

**RESPONSE**

- a. All cryptocurrency mining projects were calculated with a 10 percent firm capacity amount. The four non-cryptocurrency mining projects are not interested in Tariff D.R.S.; therefore, their firm capacity amount is equal to their estimated capacity amount.
- b. Please see KPCO\_R\_AG\_2\_4\_Attachment1 for the requested information.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_10** Refer to the response to Staff 1-4. Please provide a narrative explaining whether the marginal cost analysis is performed once, at the time of a requested EDR contract approval, or is performed periodically over the term in which EDR discounts are provided. To the extent that the analysis is only performed at the time the Company files for contract approval, please explain how changes in marginal cost over the five year period in which discounts are provided, particularly marginal energy costs, are incorporated in the Company's anticipated marginal cost analysis.

**RESPONSE**

Marginal cost studies are performed periodically over the term in which EDR discounts are provided. Please see the Company's response to AG 2\_5 for the frequency at which marginal cost studies are performed.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_11** Please provide the Company's current estimate of the annual load factor that the 12 EDR customers. For each of the 3 largest customers, provide the estimated load factor by customer.

**RESPONSE**

Please see KPCO\_R\_AG\_2\_4\_Attachment1 for the requested information.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_12** For each of the AEP East and AEP West operating companies, please provide, by Company, the following:

- a. The current number of crypto mining customers.
- b. The current MW load of all of the crypto mining customers.
- c. The current MW load of all of the crypto mining customers that are receiving some type of economic development, or other, discount.
- d. The MW load of prospective crypto mining customers that are not year on the system. Provide this estimate based on likely additions of load during the next three years.

**RESPONSE**

Kentucky Power objects to this request on the grounds that the request is overbroad, unduly burdensome, and that the requested information is not reasonably calculated to lead to admissible information. The activity of each cryptocurrency mining entity is dependent on each entity's business plan, as well as the applicable operating company rates, state and local cryptocurrency mining incentives, or other business incentive available in the jurisdiction, as well as the load and capacity position of the operating company.

Kentucky Power further objects to this request on the grounds Kentucky Power is the sole AEP East or AEP West operating company subject to the jurisdiction of the Public Service Commission of Kentucky. The approval of the proposed tariff changes and any required deviations turns on whether the resulting rates and terms and conditions of service are fair just and reasonable for Kentucky Power customers.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_13** For each of the AEP Operating Companies identified in the previous question that have any crypto load, please provide the most recent peak load and the average load in MW of the Company.

**RESPONSE**

Kentucky Power objects to this request on the grounds that the request is overbroad, unduly burdensome, and that the requested information is not reasonably calculated to lead to admissible information. The activity of each cryptocurrency mining entity is dependent on each entity's business plan, as well as the applicable operating company rates, state and local cryptocurrency mining incentives, or other business incentive available in the jurisdiction, as well as the load and capacity position of the operating company.

Kentucky Power further objects to this request on the grounds Kentucky Power is the sole AEP East or AEP West operating company subject to the jurisdiction of the Public Service Commission of Kentucky. The approval of the proposed tariff changes and any required deviations turns on whether the resulting rates and terms and conditions of service are fair just and reasonable for Kentucky Power customers.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_14** With regard to the following approved and/or pending Tariff EDR contracts, please provide: 1) the Commission case numbers in which the contracts were/are being addressed; and 2) any marginal cost analysis performed by the Company with respect to the contracts:

- a. Big Run Power Producers
- b. Dajcor
- c. Cyber Innovations
- d. Discover AI

**RESPONSE**

a.-d.:

<b>Company</b>	<b>Case (C) or Tariff Filing (T)</b>	<b>Docket</b>
Big Run Power Producers	C	2018-00378
Dajcor	T	TFS2020-00231
Cyber Innovations	T	TFS2022-00073
Discover AI	T	TFS2022-00249

The initial marginal cost analysis for each of the above can be found within their respective dockets. The annual marginal cost analyses are within the post-correspondence for Case No. 2014-00336.

Witness: Brian K. West



Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_15** Please confirm that KPCo's energy costs are comprised of:

- a. charges by PJM for 100% of the load each hour of the Company, priced at LMP.
- b. Generation revenues (as a credit) received by KPCo for sales of its entire generation output into the PJM energy market, priced at LMP.
- c. Fuel costs and related expenses (e.g., lime) required to generate the MWh sold into the PJM market.
- d. To the extent that the Company cannot confirm that these are the principal components of its energy costs that are recovered from customers, please provide an explanation. Also confirm that these costs and revenue credits are included in the Company's FAC.

**RESPONSE**

a.-d. Energy costs are comprised of each of the items listed in a, b, and c, as well as, purchased power expense.

Witness: Brian K. West

Kentucky Power Company  
KPSC Case No. 2022-00181  
Attorney General's Second Set of Data Requests  
Dated July 18, 2022

**DATA REQUEST**

**AG 2\_16** Please provide a copy of the most recent AEP Fundamental Forecast in Excel.

**RESPONSE**

Please see KPCO\_R\_AG\_2\_16\_Attachment1 for the Company's most recent Fundamental Forecast.

Witness: Brian K. West

VERIFICATION

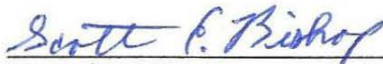
The undersigned, Brian K. West, being duly sworn, deposes and says he is the Vice President, Regulatory & Finance for Kentucky Power Company, that he has personal knowledge of the matters set forth in the foregoing responses and the information contained therein is true and correct to the best of his information, knowledge, and belief.



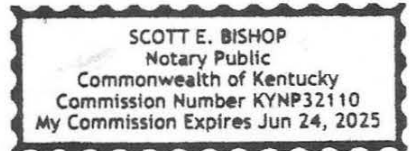
\_\_\_\_\_  
Brian K. West

Commonwealth of Kentucky )  
  )  
County of Boyd                                 )     Case No. 2022-00181

Subscribed and sworn before me, a Notary Public, by Brian K. West this 25<sup>th</sup> day of July, 2022.



\_\_\_\_\_  
Notary Public



My Commission Expires June 24, 2025

Notary ID Number: KYNP 32110