

**Amended and Restated
Backup Delivery Point Capacity Agreement**

This Amended and Restated Backup Delivery Point Capacity Agreement ("Agreement") is made and entered into as of the 23rd day of December, 2014 ("Effective Date") by and between Duke Energy Kentucky, Inc. ("Company"), a corporation organized and existing under the laws of the Commonwealth of Kentucky, and ZF Steering Systems, LLC, a limited liability company with facilities at 15 Spiral Drive, Florence, KY ("Customer") (each a "Party" and collectively the "Parties").

WHEREAS, Customer is currently being provided electric service by Company through an electric service connection(s) ("Principal Service(s)") to the Customer's location at 15 Spiral Drive, Florence, KY ("Service(s) Location") pursuant to Company's KY.P.S.C Electric No. 2 on file with the Kentucky Public Service Commission ("Commission") and as amended from time to time ("Electric Tariff"); and

WHEREAS, Customer desires that Company provide Customer with an additional electric service connection of [REDACTED] volts with Company operated remote switching capability ("CORSC"); and

WHEREAS, the Customer desires that Company construct and/or maintain redundant service to Customer and reserve capacity on its distribution facilities with CORSC that will provide backup electric service in the event of an outage and/or disruption of the Principal Service(s) ("Reserve Capacity Service(s)"); and

WHEREAS, the purpose of this Reserve Capacity Service is to provide an alternate source of electric service, other than Principal Service to Customer's transformer(s) in the event of the failure of the Principal Service(s); and

WHEREAS, Company is willing to provide such limited Reserve Capacity Service to Customer, subject to the terms and conditions of this Agreement; and

WHEREAS, Customer and Company have entered into a Backup Delivery Point Capacity Agreement effective as of the Effective Date ("Original Agreement"); and

WHEREAS, Customer and Company wish to amend the Original Agreement and replace it in its entirety with this Agreement;

NOW THEREFORE, the Parties agree as follows:

1. Reserve Capacity.

- a. Company shall reserve on Customer's behalf 1,000 kW of capacity as Reserve Capacity Service on the Company's distribution facilities that are interconnected to the Customer's Service(s) Location in accordance with the terms, conditions and limitations set forth herein ("Reserve Capacity Amount") and pursuant to the

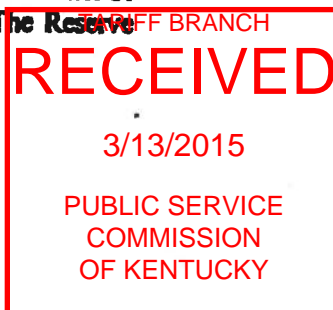


Customer Information and Service Guidelines ("Service Guidelines") as set forth in Exhibit A. Such Service Guidelines shall be part of this Agreement as if fully set forth herein, except that changes to such Service Guidelines shall not be deemed to be amendments to this Agreement. The Parties may agree from time to time to change the Service Guidelines; such changes shall be set forth in writing and shall thereafter be deemed to be part of this Agreement as if fully set forth herein.

- b. Company may, at its discretion, install electric monitoring equipment ("Monitoring Equipment") at Customer's facility necessary to allow Company to perform real time monitoring of current, voltage, real and reactive power on each of Customer's service connections. Installation, operation, and maintenance of the Monitoring Equipment will be at Company sole cost and responsibility. Customer shall provide reasonable accommodations necessary to permit Company to install, operate and maintain Monitoring Equipment.
- c. Customer shall be solely responsible for operation of their equipment as set forth in the Switching Procedure.

2. Fees.

- a. Customer shall pay to Company the actual cost of construction of dedicated facilities shown on Company's drawing no. 6573310, attached hereto as Exhibit B, required to supply Reserve Capacity Service (hereinafter referred to as "Actual Dedicated Construction Costs").
- b. Within 30 days of the execution of this Agreement, Customer shall tender payment to the Company \$43,124.65 ("Down Payment") towards the Customer Contribution.
- c. After completion of construction, Company shall provide a statement to Customer of the actual construction costs. Customer shall pay to Company, or Company shall refund to Customer, the difference between the Down Payment and Customer Contribution, as the case may be.
- d. In accordance with Company's Electric Tariff, Rider BDP, Backup Delivery Point Capacity Rider, Customer shall pay a monthly fee ("Reserve Capacity Fee") equivalent to the Backup Delivery Point Capacity Amount times the unbundled distribution and or transmission demand charges set forth in Company's Electric Tariff, rate schedule DS for the Term of this Agreement or until such time, if any, that Customer or Company determines that additional Reserve Capacity is required. This Reserve Capacity Fee shall initially be \$3,540.00 per month, and shall be subject to change if and when a change in Company's retail electric rates is approved by the Commission. In such event, Company will notify Customer of the new monthly fee thirty (30) days prior to imposing the new fee. The Reserve



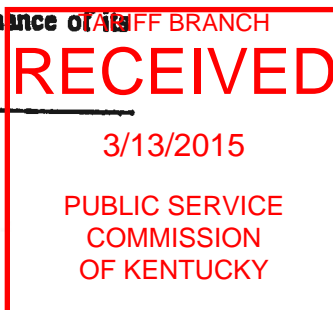
Capacity Fee shall become effective on the date Reserve Capacity Service(s) becomes available to the Customer.

- e. Pursuant to Rider BDP, the Company reserves the right to charge a connection fee to Customer if an additional metering point is required.

3. Additional Reserve Capacity.

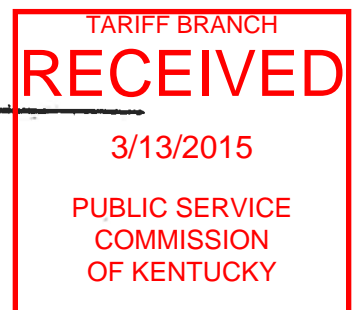
- a. If Company reasonably determines that Customer requires additional Reserve Capacity above the Reserve Capacity Amount ("Additional Reserve Capacity"), the Company shall notify Customer and after discussion with Customer, may, in its reasonable judgment, increase the Reserve Capacity Amount by the Additional Reserve Capacity. In such event, Company shall provide written notice to Customer that it is increasing the Reserve Capacity Amount by the Additional Reserve Capacity, and this Agreement shall be deemed to be thereby amended to give effect thereto. If Company determines that it cannot reasonably provide Additional Reserve Capacity to Customer without additional system improvements, the Company shall so notify Customer. The Customer shall be responsible for any and all costs necessary to improve the system to provide the Additional Reserve Capacity. The Company shall provide a written estimate of such costs to Customer and Customer may decide to either proceed with the Additional Reserve Capacity or terminate this agreement.
- b. If Customer determines that it requires Additional Reserve Capacity, Customer may request that Company increase the Reserve Capacity Amount by the Additional Reserve Capacity. Company may, in its sole discretion, increase the Reserve Capacity Amount by the Additional Reserve Capacity. In such event, Company shall provide written notice to Customer that it is increasing the Reserve Capacity Amount by the Additional Reserve Capacity, and this Agreement shall be deemed to be thereby amended to give effect thereto. If Company reasonably determines that it cannot provide Additional Reserve Capacity to Customer, Company shall so notify Customer. The Customer shall be responsible for any and all costs necessary to improve the system to provide the Additional Reserve Capacity. The Company shall provide a written estimate of such costs to Customer and Customer may decide to either proceed with the Additional Reserve Capacity or terminate this agreement.

- 4. Limitations on service(s). Company shall make reasonable provisions to supply Reserve Capacity Service, but does not guarantee a constant or uninterrupted supply of electricity from the Principal Service(s) or Reserve Capacity Service sources. During such time as Customer is utilizing Reserve Capacity Service due to an outage on its Primary Service(s), Company shall not be obligated to reserve additional capacity to back up the Reserve Capacity Service. Additionally, Company shall be entitled to perform maintenance of its

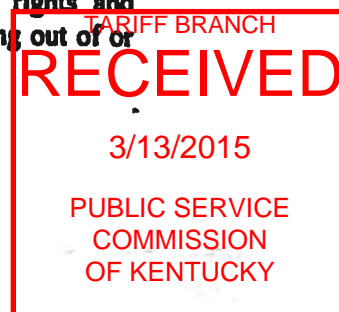


facilities during which time Customer may not have access to the Reserve Capacity Service. Moreover, Company shall not be liable for any damage or claim of damage attributable to any interruption or reversal of service caused by accident or casualty, extraordinary action of the elements, action of any governmental authority, or by any other cause which Company could not have reasonably foreseen and made provisions against, unless due to the gross negligence or intentional misconduct of Company. Nothing in this agreement shall be deemed to prevent Company from operating its system in accordance with its Electric Tariff, applicable Commission and other governmental regulations, and good industry practice. Customer acknowledges that Reserve Capacity Amount may not be available during times of Company system emergencies, whether or not such emergencies directly affect the Reserve Capacity or Primary Services.

5. **Excess Demand.** Company does not guarantee or warrant that the Reserve Capacity Service will be available beyond the Reserve Capacity Amount level. If Customer's service Location demand exceeds the Reserve Capacity Amount, Customer shall immediately implement a curtailment plan to reduce its peak electric demand by curtailing non-essential load or by utilizing some other means to obtain an imposed loading of the Reserve Capacity Amount or less. If Customer fails to implement such curtailment, Company may terminate this agreement.
6. **Limitation of Liability / Indemnification.** The Company shall not be held responsible by the Customer for any interruption or damages attributed to the Customer's failure to conform to the Reserve Capacity Amount demand limit. Moreover, the Customer shall be held responsible for damages to Company property in the event Customer fails to conform to the Reserve Capacity Amount limit. Further, Customer shall hold Company harmless and shall indemnify Company from and against any and all damage to adjacent customers' property supplied from the same facilities as Customer; to the extent such damage results from Customer's failure to conform to the Reserve Capacity Amount demand limit. In the event Company finds that Customer is not complying with the terms of this Agreement, Company reserves the right to terminate this Agreement, terminate the Reserve Capacity Service and disable or remove the CORSC service without refund to Customer. Company will send written notice twenty-four (24) hours prior to such action being taken.
7. **Changes in Facilities.** If during the Term of this Agreement, Customer requests Company to temporarily or permanently relocate, rearrange, or alter any or all of the facilities required to provide Reserve Capacity Service, and Company agrees to do so, which agreement shall not be unreasonably withheld, Customer shall reimburse Company for all reasonable, necessary and documented costs associated therewith.
8. **Term and Termination.** The initial term of this Agreement shall be for a period of five (5) years and shall remain in force, thereafter, on a month-to-month basis until terminated by either Party giving the other Party sixty (60) days written notice of its intent to terminate the Agreement. Upon termination of this Agreement, the Company may, at its sole discretion, remove the Facilities.



9. **Preventative Maintenance and Testing.** Company shall continue a reasonable preventive maintenance and testing program to reasonably ensure that all related equipment remains in operating condition.
10. **Required Rights.** If Company is unable to obtain, without cost, all required permits, rights-of-way and easements or any other documents or approvals necessary for the installation on public or private property of the facilities or Reserve Capacity Service, this Agreement shall be null and void and neither party shall, thereafter, have any obligations whatsoever to the other party.
11. **Grants of Easement.** Customer shall, contemporaneously with the execution of this Agreement and without cost to Company, execute and deliver to Company grants of easement requested by the Company in the form prescribed by Company, granting Company the right to construct, maintain, operate and remove the facilities to be located upon Customer's property.
12. **Billing Determinants.** For billing purposes, the kilowatt hours and kilowatts registered on any and all meters providing Primary Service(s) and Reserve Capacity Service to Customer Service Location shall be bulked together in accordance with Company's standard practice for bulking interval meters.
13. **Tariffed Electric Service.** Company shall provide electric service to Customer in accordance with Company's Electric Tariff, except as otherwise set forth in this Agreement.
14. **Assignment.** Neither Party shall assign any of its rights nor delegate any of its duties under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of any and all successors or assigns of the Parties.
15. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties related to the subject matter hereof and supersedes all prior or contemporaneous understandings, statements or agreements between the Parties on such subject matter. In the event of any conflict between this Agreement and any other agreements between the Parties, this Agreement shall control. Each Party acknowledges and agrees that no employee, officer, agent or representative of the other Party has the authority to make any representation, statements or promises in addition to or in any way different than those contained in the Agreements, and that it is not entering into this Agreement in reliance upon any representation, statement or promise of the other party except as expressly stated in the Agreements.
16. **Governing Law.** This Agreement, the construction of this Agreement, all rights and obligations between the Parties to this Agreement, and any and all claims arising out of or



relating to the subject matter of this Agreement (including tort claims), shall be governed by and construed in accordance with the substantive laws of the state of Kentucky without giving any effect to any conflict of law doctrine.

17. **Interpretation.** Both Parties have had the opportunity to have this Agreement reviewed by counsel; therefore, neither Party hereto shall be construed as the drafter hereof.
18. **Amendments.** Subject to Paragraph 3, no modification, amendment, supplement to or waiver of this Agreement or any of its provisions shall be binding unless made in writing and duly signed by the Party to be obligated by, or to perform, such modification.
19. **No Waiver of Rights.** A failure or delay of either Party to exercise any right or remedy under this Agreement shall not operate to impair, limit, preclude, cancel, waive or otherwise affect such right or remedy.
20. **Severability.** If any provision under this Agreement shall be invalid or unenforceable with respect to either Party, the remainder of this Agreement shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
21. **Notices.** All notices to be given hereunder, unless expressly provided otherwise herein, shall be given in writing to the Parties at the addresses appearing herein below and will be effective upon actual receipt:

To Customer:
ZF Steering Systems, LLC
Mr. Michael Hirsch
15 Spiral Dr.
Florence, KY 41042

To Company:
Duke Energy Kentucky, Inc.
Attn. Director, Large Account Management
139 East Fourth Street
Cincinnati, Ohio 45202

22. **Headings.** The headings used in the paragraphs in this Agreement are only for the reference of the Parties and shall have no meaning in the interpretation of any of the provisions herein.
23. **Alternative Dispute Resolution.** If a dispute arises between the Parties relating to this Agreement, the Parties agree to use the following Alternative Dispute Resolution ("ADR") procedure prior to either Party pursuing other available remedies:
 - a) The aggrieved Party shall send a written notice to the other Party describing the dispute.
 - b) Within fifteen (15) days after receipt of such notice, a meeting, teleconference or videoconference, upon agreement of the Parties, shall be held between the Parties.



attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate resolution of the dispute.

- c) If, within thirty (30) days after such meeting, the Parties have not succeeded in negotiating a resolution of the dispute, they will jointly appoint a mutually acceptable neutral person not affiliated with either of the Parties to act as a mediator ("Neutral"). If the Parties are unable to agree on the Neutral within ten (10) days after expiration of the thirty (30) day period, they shall seek assistance in such regard from CPR Institute for Dispute Resolution, Inc. ("CPR"). The fees of the Neutral and all other common fees and expenses shall be shared equally by the Parties.
- d) The mediation may proceed in accordance with CPR's Model Procedure for Mediation of Business Disputes, or the Parties may mutually establish their own procedure.
- e) The Parties shall pursue mediation in good faith and in a timely manner. In the event the mediation does not result in resolution of the dispute within twenty (20) days following the mediation, the, upon seven (7) days' written notice to the other Party, either Party may immediately seek other remedies available to it in law and equity.
- f) All ADR proceedings shall be strictly confidential and used solely for the purposes of settlement. Any materials prepared by one Party for the ADR proceedings shall not be used as evidence by the other Party in any subsequent litigation; provided, however, the underlying facts supporting such materials may be subject to discovery, and used as evidence in any subsequent litigation.
- g) Each Party fully understands its specific obligations under the ADR provisions of the Agreement. Neither Party considers such obligations to be vague or in any way unenforceable, and neither Party will contend to the contrary at any future time or in any future proceedings.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed by their respective officers thereunto duly authorized

ZF Ste
 By: *Mark Bugajski* ^D/_B
 Name: *Mr. Bugajski*
 Title: *CO-OP Finance Presd. Mgr*
 Date: *4/15*

James P. Henning
President
4/30/15

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 COMMISSION
 OF KENTUCKY

Exhibit A



ZF Steering Systems, LLC

Customer Information and Service Guidelines – 12/23/2014

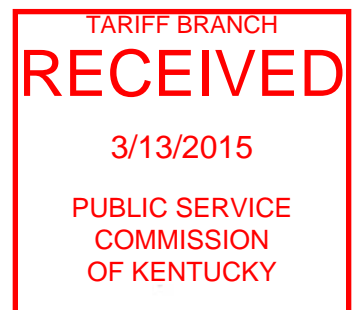
Facilities

ZF Steering Systems, LLC's (ZF) three facilities are located at 15 Spiral Drive, Florence, KY 41042. ZF's three facilities receive electric service independently from one another, but each share the same primary source from Duke Energy's Florence Substation on distribution Circuit Florence 47 ("Principal Source"). Duke Energy will provide ZF with a backup primary source for their facilities from Duke Energy's Donaldson Substation with a voltage of [REDACTED] on distribution circuit Donaldson 44 ("Reserve Capacity Source"). Figure 1 identifies each of ZF's facilities, the portion of Duke Energy's lines serving ZF ("ZF's Portion), and each primary source.

Ownership and Maintenance

All lines and equipment depicted below in Figure 1 are owned, operated, and maintained by Duke Energy. All switching operations will be performed at the discretion of Duke Energy. ZF's Portion encompasses three facilities and eight individual services.

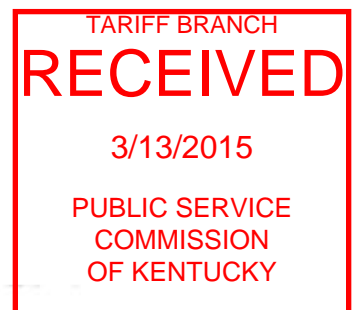
Facility	Account Number	Meter Number	Type of Service
Building # 1	[REDACTED]	106917056	Primary Metered Service @ [REDACTED]
Building # 2-A	[REDACTED]	108053889	Secondary Metered Service @ 480/277V
Building # 2-B	[REDACTED]	108037036	Secondary Metered Service @ 480/277V
Building # 2-C	[REDACTED]	105050375	Secondary Metered Service @ 480/277V
Building # 2-D	[REDACTED]	108050376	Secondary Metered Service @ 480/277V
Building # 2-E	[REDACTED]	108025549	Secondary Metered Service @ 480/277V
Building # 2-F	[REDACTED]	108053888	Secondary Metered Service @ 480/277V
Building # 3	[REDACTED]	108079425	Secondary Metered Service @ 480/277V





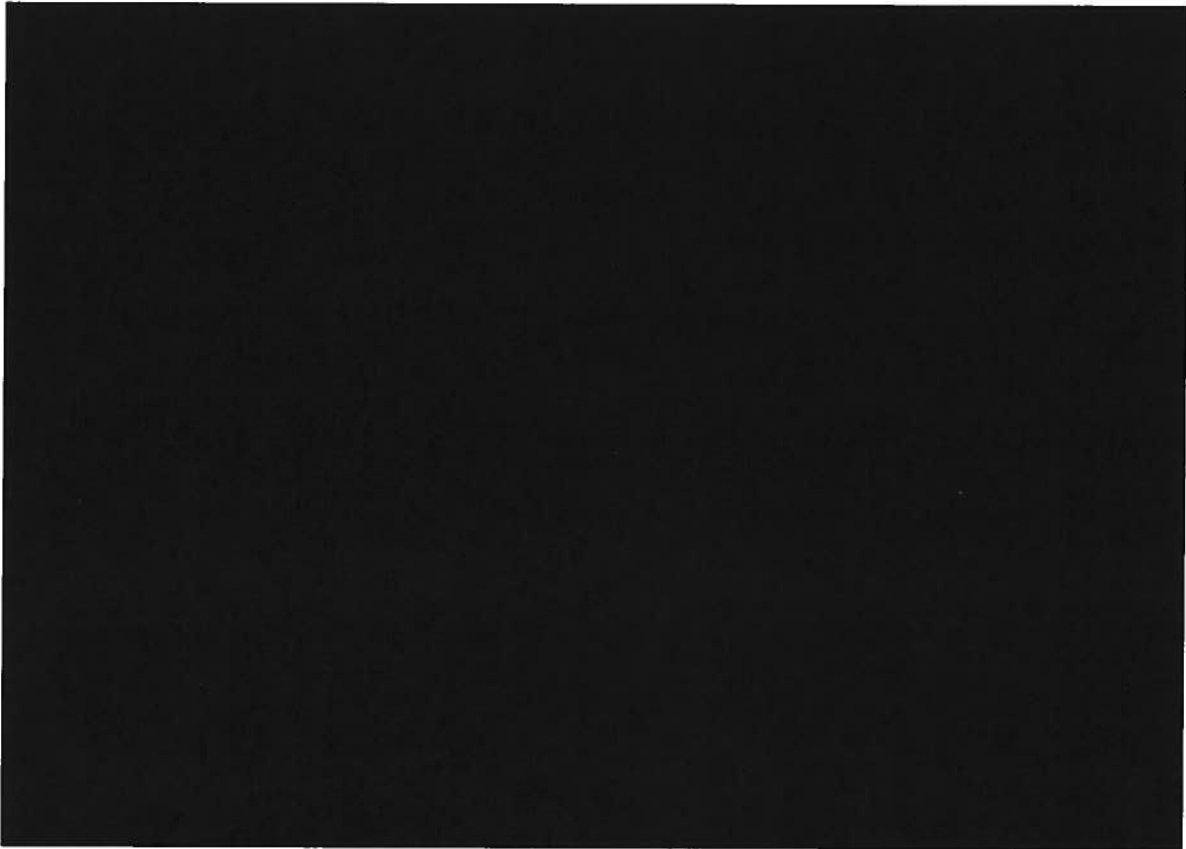
Reserve Capacity

- ZF's peak combined kW demand from its Principal Source is [REDACTED]. ZF has analyzed its critical processes, and has elected to reserve 1,000 kW of Reserve Capacity on Donaldson Circuit 44.
 - o Feeders and Meter numbers are subject to change
 - o Switching procedure will be modified if permanent feeder reconfiguration is completed.



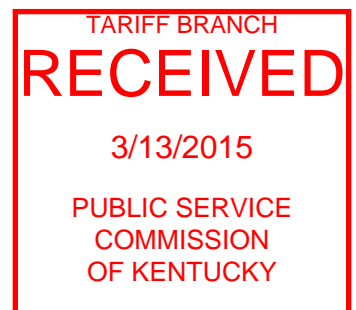
Configuration

- All switching will occur on Duke Energy's circuits through the operation of two Electronic Viper Reclosers. Under normal configuration, ZF will receive service through its Principal Source. During an extended outage event, ZF will receive service through its Reserve Capacity Source.
- The disconnect numbers are:
 - o *Principal Source* line disconnect for Florence 47: [REDACTED]
 - o *Reserve Capacity Source* line disconnect for Donaldson 44: [REDACTED]



Operation

- The Electronic sectionalizing devices will not perform an automatic transfer in the event of an outage and/or disruption of the Principal Source.
 - o These devices will be operated remotely at the discretion of Duke Energy



Switching Procedures

Switching to Reserve Capacity Source

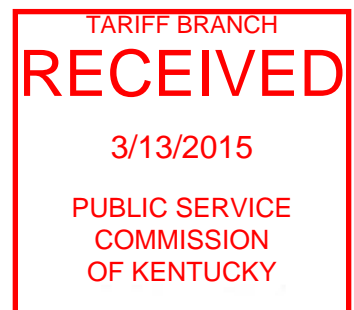
In the event of an extended outage event on its Principal Source, ZF will contact Duke Energy to determine the estimated time of restoration of its Principal Source. ZF may also inquire about the availability of its Reserve Capacity Source at this time. If ZF determines that the outage event will be detrimental to its business, ZF may elect to be transferred to its Reserve Capacity Source. ZF will reduce its electric load to 1,000 kW or less and contact Duke Energy to request transfer to its Reserve Capacity Source. Duke Energy will request ZF to confirm load reduction, and then will proceed to remotely open the Principal Source disconnect [REDACTED] and close the Reserve Capacity disconnect [REDACTED]. After switching operations, ZF will be on its Reserve Capacity Source.

- If in the event that ZF's load exceeds 1,000 kW while it is being fed from the Reserve Capacity Source, Duke Energy may remotely open the Reserve Capacity disconnect, until ZF is able to reduce its load to 1,000 kW or less

Restoration to Principal Source

Once the Principal Source becomes available, Duke Energy will proceed to remotely close the Principal Source disconnect [REDACTED] and open the Reserve Capacity disconnect [REDACTED]. After switching operations, ZF will be notified it is back on its Principal Source, and it may return to normal operations.

Note: Duke Energy performs switching operations on its distribution system from time to time to address feeder loading, restore service during outages and to perform maintenance on its distribution system. Duke Energy reserves the right to switch, at any time, ZF's Principal Source from Florence '47' to another distribution feed, and ZF's Reserve Capacity Source, Donaldson '44', to another distribution feed. This installation does not guarantee uninterrupted service.



Electric and Gas Trouble Reporting

Gas Trouble: 1-800-634-4300

If you or your employees smell gas or suspect a leak, immediately vacate the premises, call 911 from your cell phone or a neighbor's phone, and then call Duke Energy at 1-800-634-4300. A trained representative will be able to assist you.

Electric Trouble: 1-877-632-3853

To report an electric outage, please call 1-877-632-3853.

Large Customer Account Services will log your outage. If it is after hours you will first hear that we are closed... *do not hang-up*. Press "2" for electric outage or trouble. An after-hours person will log your trouble call into the system and provide you an outage ticket number.

For Further Information – Contact your Account Management Team:

Teri Morris – Account Executive

Office: 859-534-4389

Mobile: 859-992-7455 (typically have 24/7)

Technical Services - If you cannot reach your Account Manager:

Jeff Humphreys – Technical Service Specialist

Office: 859-534-4379

Mobile: 859-991-2756 (typically have 24/7)

Bill Hehman – Supervisor, Technical Services

Mobile: 513-532-9839 (typically have 24/7)

Justin Christian – Technical Service Specialist

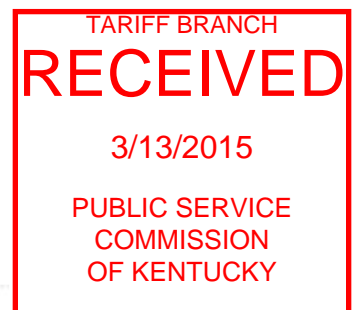
Office: 513-287-1022

Mobile: 513-208-6643 (typically have 24/7)

Information regarding electric outages can also be found at:

<http://www.duke-energy.com/kentucky-business/outages.asp>

<http://www.duke-energy.com/ohio-business/outages.asp>



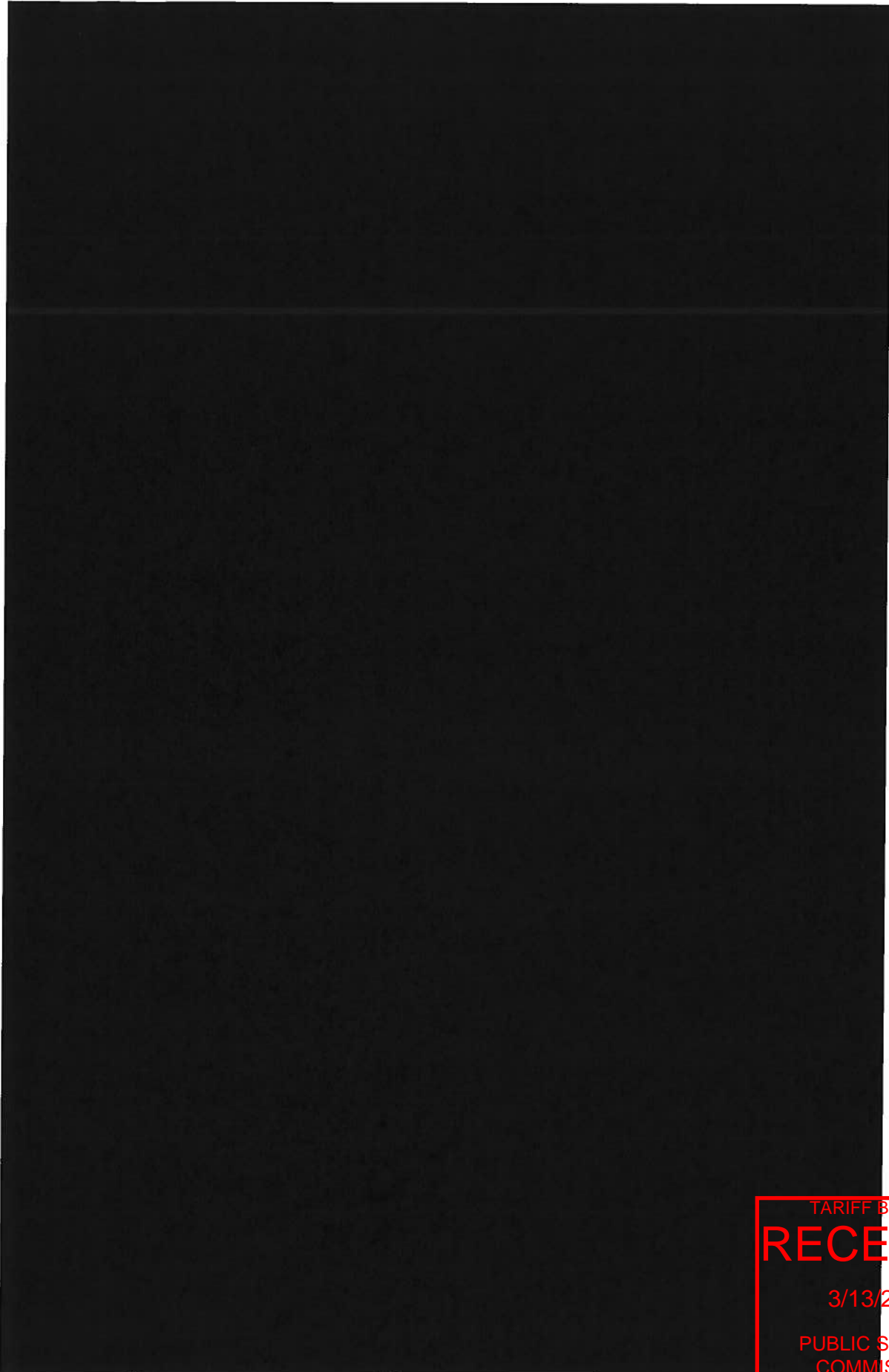


EXHIBIT B

TARIFF BRANCH
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OF KENTUCKY

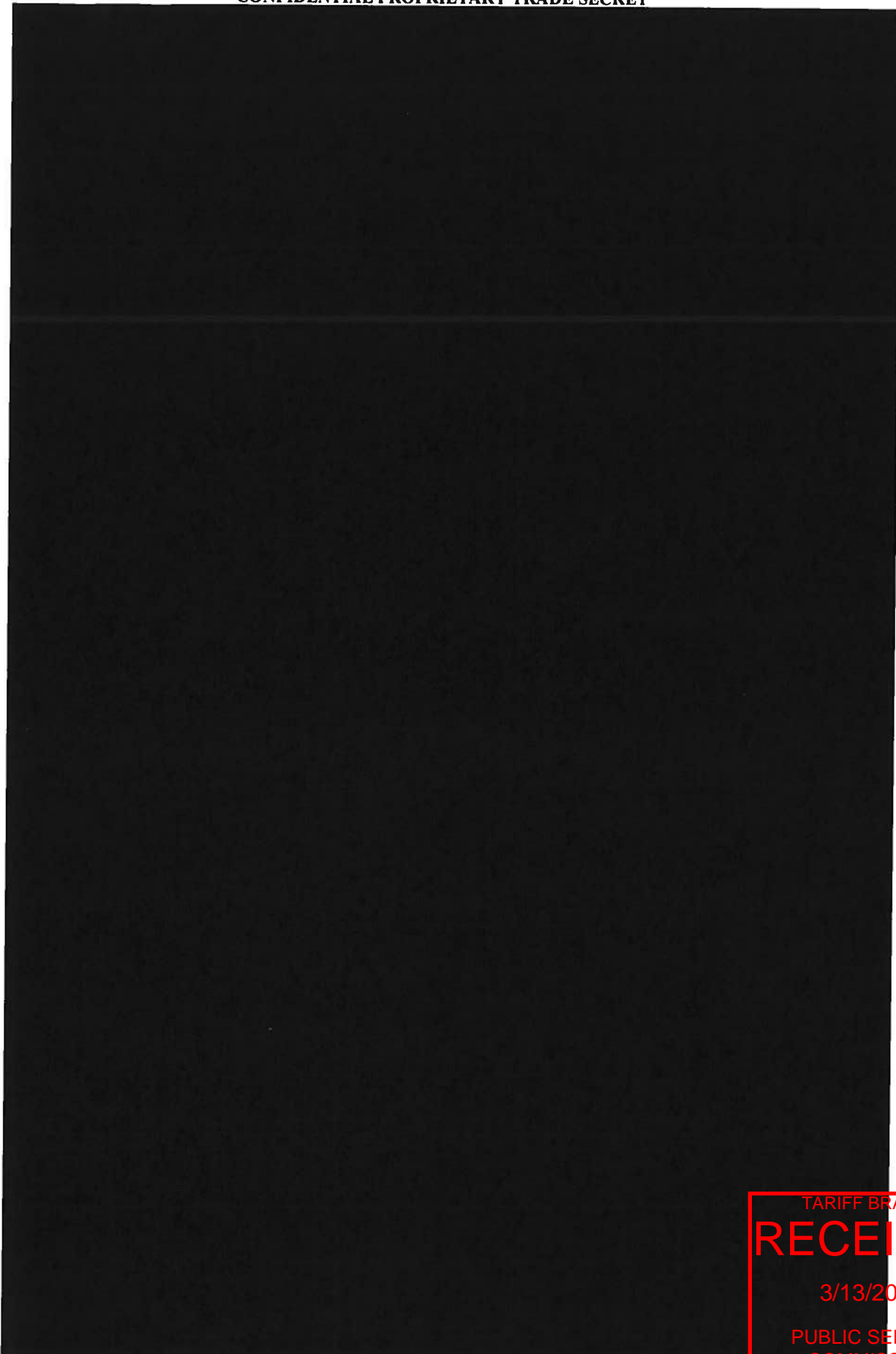


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