

FILED
JUN 20 1962
PUBLIC SERVICE
COMMISSION

THIS CONTRACT, made and entered into this 1st day
of October, 1962, by and between The Union Light,
Heat and Power Company, a corporation organized and existing
under the laws of the State of Kentucky, hereinafter called
"Company" and the City of Williamstown, Kentucky, hereinafter
called "City", by and through its City Council,

WITNESSETH:

WHEREAS, City owns and operates an electric distribution
system and requires a supply of electrical energy for the
operation of this distribution system in order to supply elec-
tricity for light, heat and power purposes, and

WHEREAS, on the 4th day of September, 1962,
the council of the City of Williamstown passed Ordinance No. 45
directing the clerk to advertise for bids for a contract to
supply said electrical energy to said distribution system, and

WHEREAS, on the 1st day of October, 1962,
council passed Ordinance No. 46 accepting the bid of
The Union Light, Heat and Power Company, and therein authorized
and directed the Mayor to enter into the following contract with
the Company for said supply of electrical energy,

NOW, THEREFORE, in consideration of the terms and mutual
covenants and agreements hereinafter contained, the parties
hereto have mutually agreed and do agree with each other as
follows:

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ENGINEERING DIVISION

ARTICLE I

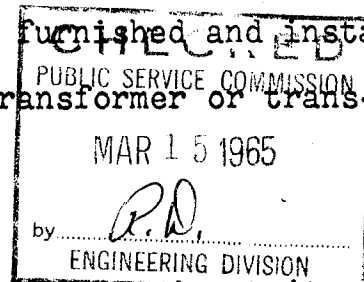
Section 1. This contract shall become effective on the 15th day of October, 1962, and continue in full force and effect for a period of ten (10) years.

ARTICLE II

Section 1. City hereby agrees to purchase and take from Company, and Company hereby agrees to sell, transmit and deliver to City, all the electrical energy necessary to meet the full requirements of City at all times during the term of this contract for the operation of its electric distribution system.

Section 2. Such electrical energy shall be in the form of three phase alternating current, having a frequency of sixty cycles per second at approximately 4157 volts, and shall be delivered by Company and received by City at the secondary terminals of Company's transformer substation which shall be known as the "point of delivery".

Section 3. The electrical energy supplied hereunder shall be measured both as to maximum demand and as to kilowatt-hours by a suitable meter or meters to be furnished and installed by Company on the 4157 volt side of the transformer or transformers.



ARTICLE III

Section 1. Company will install and maintain at its expense a substation adjacent to or within the boundaries of City, which shall contain transformers, switches, metering equipment and appurtenances of size adequate to supply the entire needs of the City.

Section 2. During the continuance of this contract and upon the termination thereof, the title to all transformers, poles, wires, and other equipment used by Company, its successors or assigns, for the transmission of said electrical energy shall be and remain in said Company, its successors or assigns, and all obligations for maintenance or repair thereof shall be and remain in said Company, its successors and assigns.

Section 3. City will install and maintain at its expense all facilities on its side of the point of delivery including such devices as will be necessary to protect its equipment and service.

ARTICLE IV

Section 1. During the term of this contract, City agrees to pay for all electrical energy delivered by Company during the previous month, at the following ~~monthly rates~~ and charges:

Demand Charge:

First 50 kilovolt amperes of billing demand, \$112.50

Next 100 kilovolt amperes of billing demand, \$ 2.00

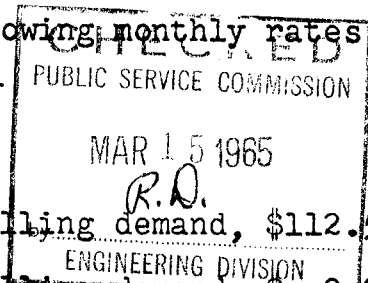
All over 150 kilovolt amperes of billing demand,
\$1.35 per kilovolt ampere

Energy Charge:

First 10,000 kilowatt-hours at 2.00 cents per kilowatt-hour

Next 30,000 kilowatt-hours at 1.50 cents per kilowatt-hour

Next 60 kilowatt-hours per kilovolt ampere of billing demand at 1.00 cents per kilowatt-hour



Energy Charge: (cont'd.)

Next 120 kilowatt-hours per kilovolt ampere of billing demand at 0.85 cents per kilowatt-hour

Additional kilowatt-hours at 0.75 cent per kilowatt-hours

Plus or minus an amount per Kwh. equal to a pro rata portion of any charge or credit to Company's cost of power in the next preceding calendar month due to the application of the fuel adjustment clause in Company's purchase power agreement. The amount of charge or credit per Kwh. will be determined by dividing the total fuel adjustment as billed the Company by the Kwh. sales in the applicable period.

Minimum Bill

The minimum monthly bill for service rendered shall be computed at the above rates, based upon the billing demand and two hundred and forty (240) kilowatt-hours per kilovolt-ampere of such demand.

Section 2. The maximum demand for each month shall be taken as the average number of kilovolt-amperes recorded in the fifteen (15) minute interval in which the consumption of electrical energy is greater than in any other fifteen minute interval in the month.

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Section 3. The billing demand for ^{by} any month shall be not less than seventy per cent (70%) of the highest maximum demand established during the preceding eleven (11) months and not less than one-hundred and fifty (150) kilovolt-amperes.

The term "month" as herein used shall mean the period of approximately thirty (30) days between meter readings as fixed by Company.

Section 4. Company shall, each month, cause said meter or meters to be read and shall render to City a statement of such reading and a bill for the amount due it under this contract for the electrical energy delivered and taken in said month, and City shall pay the same on or before fourteen (14) days after the rendition thereof. In the event of default or non-payment thereof by City for the period of thirty (30) days after the same is due and payable, then and in that event Company shall have the right to suspend the deliveries of electrical energy herein provided for until such time as such defaulted indebtedness, with five per cent (5%) interest thereon for the period of default, shall have been fully paid. It is understood and agreed, however, that such suspension of delivery shall not constitute a breach of this contract by Company, nor work a forfeiture thereof. Any expense Company may incur by reason of such default and suspension of delivery shall be borne by City.

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ARTICLE V

Section 1. All meters and metering equipment for billing purposes will be of standard type and manufacture and will be installed and maintained by Company.

Section 2. Company shall make periodic tests of the meter used in measuring the electricity furnished to City, and will also test the meter upon the written request of City. The meter or meters will be tested and if found inaccurate, shall be restored to an accurate condition or a new meter or meters shall be substituted. Any meter tested and found to be regis-

tering not more than two per cent (2%) above or below normal shall be considered to be correct and accurate.

.If as a result of any test any meter is found to register in excess of two per cent (2%) either above or below normal, then the registration of electricity for the period of the preceding regular billing month and the part of the month from the last regular meter reading to the date of the test shall be corrected according to the percentage of inaccuracy so found, unless a test was made during this period, then in such case the correction shall be made to the registration of electricity for the period between these tests.

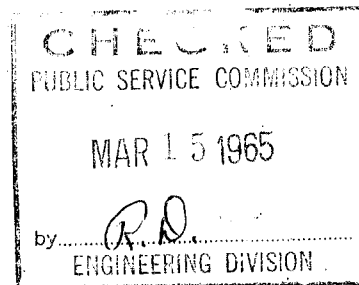
If a test of any meter or meters is made at the request of City with the result that such meter or meters are found to be correct and accurate, as defined above, ~~Company may charge~~ City the expense of such test.

ARTICLE VI

Section 1. It is agreed that ~~Company shall not be held~~ responsible or liable for any loss or damage on account of non-delivery of all or any portion of the electrical energy herein provided for, nor for any deduction or delay in such delivery caused by strikes, fires, civil or military authorities, insurrection or riot, force majeure or any other cause beyond the control of Company; neither shall said Company be held responsible or liable for any deduction or delay in such delivery occasioned by the above enumerated causes.

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City shall save Company harmless from any and all loss, damage or attorney's fees whatsoever which may in any way arise by reason of the delivery of electric energy by City upon or over the streets or buildings of said City or its residences, pursuant to this agreement, and likewise said Company shall save said City free and harmless from any loss, damage or attorney's fees whatsoever, which may in way arise by reason of the delivery of electrical energy by Company, its successors or assigns, to City up to said point of delivery.



ARTICLE VII

Section 1. In order to improve service continuity, Company will, subject to appropriate approvals of any regulatory bodies having jurisdiction, immediately undertake the construction of two new transmission lines as follows:

(a) A 66,000 volt line approximately 1-1/2 miles in length from the Company's substation in Williamstown to the substation of the East Kentucky R.E.C.C. When this line is complete, a second source of supply will be available to Williamstown.

C/N

(b) A new 66,000 volt line from Devon to Williamstown, a distance of some 22 miles.

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by *R.D.*

While every effort will be made to construct these lines at the earliest possible dates, the time required for negotiation of rights-of-way is difficult to estimate. The Company expects to have line "A" in service by December, 1962, and line "B" in service by November, 1963.

ARTICLE VIII

Section 1. This contract shall inure to and bind the respective successors and assigns of the parties hereto. It is agreed, however, that in the event of the sale, transfer, consolidation, or merger of Company to or with another Company, the successor thereto shall be bound to carry out and perform all the obligations Company assumed hereunder, and upon any assignment or transfer of this contract by Company, the successor and/or

Accord

the assignee of Company shall, before such assignment or transfer becomes effective, file with the Clerk of Council of the City, a statement in writing that it has become the successor or assignee of Company hereunder and agrees to abide by and fully perform all the terms and conditions of this contract.

IN WITNESS WHEREOF, The Union Light, Heat and Power Company has affixed its name and seal by its duly authorized officers and The City of Williamstown has affixed its name and seal by the Mayor and Clerk on the day and year first above written.

THE UNION LIGHT, HEAT AND POWER COMPANY

By C. M. Turner

ATTEST:

M. J. Doan
Secretary

CITY OF WILLIAMSTOWN, KENTUCKY

By E. R. Vance
Mayor

ATTEST:

W. J. Hicks
Clerk

