WHOLESALE EMERGENCY BACKUP SERVICE AGREEMENT

THIS AGREEMENT, made and entered into this 31st day of January, by and between SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION, a Kentucky corporation with its principal offices at 925-929 North Main Street, P. O. Box 910, Somerset, Kentucky 42502, (hereinafter referred to as "Cooperative"), and EAST KENTUCKY POWER COOPERATIVE, INC., a Kentucky

corporation, with its principal offices at 4775 Lexington Road, P.O. Box 707,

Winchester, Kentucky 40391, (hereinafter referred to as "EKPC").

WITNESSETH:

WHEREAS, Cooperative is a member distribution cooperative of EKPC and purchases all of its wholesale electric power and energy and related services from EKPC; and

WHEREAS, Cooperative is currently providing retail electric service to Cagle's-Keystone Foods LLC (hereinafter referred to as "Customer") pursuant to an Industrial Power Agreement (the "Industrial Power Agreement") whereby Customer agrees to purchase its retail electric power and energy needs and related services for its Clinton County facility (hereinafter referred to as its "Plant") from the Cooperative; and

WHEREAS, Customer desires to purchase Emergency Backup Service (hereinafter referred to as "Backup Service") from Cooperative for potential periods of OF KENTUCKY OF KENTUCKY CEFECTIVE

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WHEREAS, EKPC and Cooperative desire to agree to terms whereby EKPC will provide diesel electric generators to furnish such Backup Service to Cooperative for resale to Customer, and Cooperative will purchase such service;

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein, the Parties hereby agree as follows:

1. <u>Term</u> - This Agreement shall become effective as of March 1, 2003 subject to the effectiveness of the Backup Service Agreement/Rider to the Industrial Power Agreement to be entered between Cooperative and Customer (the "Backup Service Rider"), and Section 6 hereinbelow, and, subject to Section 3 hereinbelow, shall continue in effect for a term of 5 years, and thereafter so long as the Backup Service Rider shall remain in effect.

2. <u>Availability of Service</u> - EKPC shall provide two 1750 kW diesel electric generators (the "Backup Generators") which will be available to provide Backup Service to Cooperative for resale to Customer. EKPC will own, operate, maintain and dispatch the Backup Generators. EKPC shall use the Backup Generators to provide Backup Service to Cooperative for Customer during any interruption of Customer's normal electric service for any reason, unless Customer declines such service pursuant to the terms of the Backup Service Rider. EKPC reserves the right to utilize the Backup Generators for other purposes during any periods that they are not needed to provide Backup Service.

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BY Change Line Current To 807 KAR 5:011 SECTION 9 (1) BY Change Line Current Control C The power and energy made available to Cooperative hereunder shall be delivered, taken and paid for in accordance with the terms hereof, and the Wholesale Power Contract between the parties dated October 1, 1964, as amended and supplemented. In the event of any conflict between the provisions of this Agreement and said Wholesale Power Contract, the latter shall control.

3. <u>Condition of Delivery</u> - Power and energy from the Backup Generators shall be delivered to Cooperative's facilities for service to Customer, at such times as normal electric service is interrupted for any reason, subject to Customer's right to decline such service.

4. <u>Rates and Charges</u> –Cooperative shall pay EKPC a monthly charge of \$9,116 for the availability of Backup Service. Cooperative shall also pay EKPC the actual fuel costs for any operation of the Backup Generators to serve Customer. Such costs will be added to Cooperative's bill for the month of said operation of the Backup Generators.

5. <u>Approvals</u> - This Agreement is subject to any necessary approvals of the Rural Utilities Service ("RUS"), and any other lenders to EKPC or Cooperative, and the Kentucky Public Service Commission ("PSC").

6. <u>Modification</u> - Any future revisions or modifications of this Agreement shall be subject to any necessary approvals of RUS, any other lenders to EKPC or Cooperative, and the PSC.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed, in six original counterparts, by their respective officers, thereunto duly authorized, as of the day and year first above written.

ATTEST:

SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION

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BY: Allen (2 Nerson CEO

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EAST KENTUCKY POWER COOPERATIVE, INC.

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