

SUPPLEMENTAL AGREEMENT

AGREEMENT made as of October 1, 1964, between EAST KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION (hereinafter called the "Seller"), CUMBERLAND VALLEY RURAL ELECTRIC COOPERATIVE CORPORATION (hereinafter called the "Member"), and the United States of America, acting through the Administrator of the Rural Electrification Administration (hereinafter called the "Administrator").

WHEREAS, the Seller and the Member have entered into a contract for the purchase and sale of electric power and energy, which contract is attached hereto and is hereinafter called the "Power Contract"; and

WHEREAS, the execution of the Power Contract between the Member and the Seller is subject to the approval of the Administrator under the terms of the loan contracts entered into with the Administrator by the Seller and the Member respectively;

NOW, THEREFORE, in consideration of the mutual undertakings herein contained, and the approval by the Administrator of the Power Contract, the parties hereto agree as follows:

1. The Seller, the Member and the Administrator agree that if the Member, upon being requested to do so by the Seller with the approval or at the direction of the Administrator, shall fail to terminate any contract with a power supplier other than the Seller, as provided by Section 1 of the Power Contract, the Seller, or the Administrator if he shall so elect, shall have the right to enforce the obligations of the Member under the provisions of said Section 1 of the Contract by instituting all necessary actions at law or suits in equity, including, without limitations, suits for specific performance.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first above mentioned.

EAST KENTUCKY RURAL ELECTRIC COOP. CORP.
Seller

By: Alvin B. Decker
President

ATTEST:

James S. Patterson
Secretary

CUMBERLAND VALLEY RURAL ELECTRIC COOP. CORP.
Member

By: Robert L. Mason
President

ATTEST:

Edna Campbell
Secretary

UNITED STATES OF AMERICA

By: _____
Administrator
of
Rural Electrification Administration

EAST KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION
Wholesale Power Rate Structure
Schedule A (Revised - Effective January 1, 1963)

AVAILABILITY

Available to all cooperative associations which are or shall be members of the Seller. The electric power and energy furnished hereunder shall be separately metered for each point of delivery.

MONTHLY RATE - PER SUBSTATION OR METERING POINT

Substation Charge

\$100 per month for each energized substation. In the event of joint utilization, this charge shall be divided equally.

Demand Charge

\$1.10 per kw of billing demand.

Energy Charge

First 300,000 Kwh @ 5.0 mills per Kwh
Next 400,000 Kwh @ 4.4 mills per Kwh
Excess of 700,000 Kwh @ 3.9 mills per Kwh

Minimum Monthly Charge

The minimum monthly charge under the above rate shall not be less than \$100 to each member for each energized substation (metering point).

BILLING DEMAND

The billing demand is the arithmetical sum of the maximum kilowatt demands measured (and adjusted for power factor as provided below) at all points of delivery. The maximum kilowatt demand at each point of delivery shall be the highest average rate at which energy is used during any fifteen consecutive minute period of the month.

FUEL ADJUSTMENT

The above energy charges will be increased or decreased 0.001323¢ per Kwh for each .1¢ by which the average delivered cost of fuel at the Dale and Cooper stations during the immediately preceding six months exceeds 21¢ or is less than 18¢ per million BTU.

POWER FACTOR ADJUSTMENT

The member cooperative agrees to maintain unity power factor as nearly as practicable at each point of delivery. If the power factor measured at a point of delivery at the time of monthly maximum demand is determined to be less than 80%, the monthly maximum demand measured at that point of delivery shall be adjusted by multiplying the monthly maximum demand by 80% and dividing the product thus obtained by the actual per cent power factor measured at the time of such maximum demand.