

SERVICE AGREEMENT
UNDER THE WHOLESALE MARKET-BASED RATE TARIFF
OF
CINERGY OPERATING COMPANIES
PROVIDING FOR
SALES OF CAPACITY, ENERGY AND/OR ANCILLARY SERVICES
AND RESALE OF TRANSMISSION RIGHTS

Effective: September 30, 2002

**SERVICE AGREEMENT
UNDER THE WHOLESALE MARKET-BASED RATE TARIFF
OF
CINERGY OPERATING COMPANIES
PROVIDING FOR
SALES OF CAPACITY, ENERGY AND/OR ANCILLARY SERVICES
AND RESALE OF TRANSMISSION RIGHTS**

1.0 The Cincinnati Gas & Electric Company (hereinafter referred to as "CG&E" or "Seller").

2.0 This Service Agreement, dated as of September 30, 2002 is entered into by and between Seller and Kenergy Corp. ("Buyer").

3.0 All capitalized terms herein shall have the meaning set forth in Seller's Tariff.

4.0 Seller may provide and Buyer may purchase service under Seller's Tariff.

5.0 Terms and conditions for service shall be set forth in a Master Power Purchase and Sale Agreement ("Master Agreement") date September 30, 2002 and the Master Agreement shall be executed by Seller and Buyer.

6.0 Any notice or request made to or by a Party (Seller or Buyer) regarding this Service Agreement shall be made to the representative of the other Party as indicated below:

Seller:
The Cincinnati Gas & Electric Company
Street (Mail) P.O. Box 960
 Mail Location EA503
(Overnight) 221 East Fourth Street
 Mail Location EA503
City (Mail) Cincinnati, OH 45202
(Overnight) Cincinnati, OH 45202

Buyer:
Kenergy Corp.
P.O. Box 18
Henderson, Kentucky 42419-0018
Attn: Dean Stanley, President and CEO

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

The Cincinnati Gas & Electric Company

By: Joseph W. Toussaint Title: Executive Vice President Date: September 30, 2002
Joseph W. Toussaint *JW*

Kenergy Corp.

By: Dean Stanley Title: President and CEO Date: September 30, 2002
Dean Stanley