

**FIRST AMENDMENT
TO
AGREEMENT FOR TIER 3 ENERGY
DATED SEPTEMBER 15, 2003**

THIS AMENDMENT is entered into this 8th day of July, 2004, by and between KENERGY CORP., a Kentucky electric cooperative corporation organized under KRS Chapter 279 ("Kenergy"), and BIG RIVERS ELECTRIC CORPORATION, a Kentucky electric cooperative corporation ("Supplier" or "Big Rivers").

RECITALS:


A. Kenergy and Supplier have entered into an Agreement for Tier 3 Energy dated September 15, 2003 (the "Agreement") pursuant to which Supplier agreed to sell to Kenergy and Kenergy agreed to purchase from Supplier for resale to Century Aluminum of Kentucky, LLC ("Century") 78 MW of Tier 3 Energy around the clock in 2004 consisting of 55 MW of Firm LD energy and 23 MW of Firm LD energy subject to Supplier's right of limited interruption.

B. The rates, terms and conditions contained in the Agreement have been accepted by the Kentucky Public Service Commission for resale by Kenergy to Century in 2004 (see Filing No. C 64-1280).

C. Supplier and Kenergy have now agreed to extend the Agreement through the year 2005 subject to (i) modification of the volume of Tier 3 Energy to be sold and delivered in 2005, (ii) modification of the price of Tier 3 Energy to be sold in 2005 and (iii) modification of certain other terms and conditions applicable to deliveries in 2005.

D. The Parties desire to document the foregoing agreements by entering into this First Amendment that shall have application only to deliveries of Tier 3 Energy in 2005. This First Amendment and the Agreement with respect to 2005 deliveries are hereafter referred to as the "2005 Agreement".

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Executive Director

NOW, THEREFORE, in consideration of the mutual covenants set forth below, the parties agree as follows:

1. The Agreement is amended for 2005 by adopting the following new Section

2.05(A):

Section 2.05(A) By Request for Power dated June 30, 2004 Century requested for 2005 a supply of 45 MW of firm energy and 30 MW of firm energy subject to Supplier's right of limited interruption. Pursuant to such Request, Supplier and Kenergy have entered into this First Amendment dated July 8, 2004 for the sale by Supplier to Kenergy and the purchase by Kenergy from Supplier in 2005 of firm and limited interruptible Tier 3 Energy as follows:

(i) 45 MW of energy around-the-clock (24 hours x 7 days) for delivery in year 2005, Firm L.D. ("2005 Block A Energy"); and

(ii) 30 MW of energy around-the-clock (24 hours x 7 days) for delivery in year 2005, Firm L.D. but subject to Supplier's right of limited interruption as set forth in Section 5.04 of Agreement ("2005 Block B Energy").

2. The Agreement is amended for 2005 by adopting the following new Section

4.04(A):

Section 4.04(A): Cooperation. Each Party agrees to use reasonable diligence to satisfy the condition described in Section 10 of this First Amendment. If the condition has not been satisfied by August 31, 2004, either Party may terminate this First Amendment upon written notice to the other Party.

3. The Agreement is amended for 2005 by adopting the following new Section


4.05(A):

Section 4.05(A) Block Availability Periods. The delivery obligation of Supplier and the purchase obligation of Kenergy for 2005 Block A Energy and 2005 Block B Energy are as follows:

(i) For 2005 Block A Energy, the term commences at 12:01 A.M. on January 1, 2005 and terminates at midnight on December 31, 2005 ("2005 Block A Energy Availability Period").

(ii) For 2005 Block B Energy, the term commences at 12:01 A.M. on January 1, 2005 and terminates at midnight on December 31, 2005 ("2005 Block

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B Energy Availability Period”).

4. The Agreement is amended for 2005 by adopting the following new Section

5.01(A):

Section 5.01(A) 2005 Block A Energy and Rate. During the 2005 Block A Energy Availability Period, the Supplier shall sell and deliver to Kenergy and Kenergy shall purchase from Supplier and pay for a block of 45 MW of Tier 3 Energy around the clock (24 hours x 7 days) at the Point of Delivery. Except as set forth below, the rate for 2005 Block A Energy for all hours of delivery shall be \$30.72 per MWh provided that for any Billing Month that the Alternative Payment Provision, as defined in Section 6.02(A)(b), is in effect, the rate for 2005 Block A Energy shall be \$30.77 per MWh. The foregoing rates are not subject to change over the 2005 Block A Energy Availability Period. Kenergy shall purchase and accept delivery of the full amount of 2005 Block A Energy made available by Supplier. If Kenergy or Century does not accept delivery of the full amount of such energy, the Monthly Charge shall include the amount that would have been due had the full amount of such energy been accepted.

5. The Agreement is amended for 2005 by adopting the following new Section

5.02(A):

Section 5.02(A) 2005 Block B Energy and Rate. During the 2005 Block B Energy Availability Period, Supplier shall sell and deliver to Kenergy and Kenergy shall purchase from Supplier and pay for a block of 30 MW of Tier 3 Energy around the clock (24 hours X 7 days) at the Point of Delivery, subject, however, to the right of Supplier to interrupt service pursuant to the terms and conditions set forth in Section 5.04. Except as set forth below, the rate for 2005 Block B Energy for all hours of delivery shall be \$28.75 per MWh, provided that for any Billing Month that the Alternative Payment Provision, as defined in Section 6.02(A)(b), is in effect, the rate for 2005 Block B Energy shall be \$28.80 per MWh. Except as set forth in Section 5.04(e), the foregoing rates are not subject to change over the 2005 Block B Energy Availability Period. Kenergy shall purchase and accept delivery of the full amount of 2005 Block B Energy made available by Supplier. If Kenergy or Century does not accept delivery of the full amount of such energy, the Monthly Charge shall include the amount that would have been due had the full amount of such energy been accepted.

6. The Agreement is amended for 2005 by adopting the following new Section

6.02(A):

Section 6.02(A) Payment.

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(a) For each Monthly Charge in 2005, Kenergy shall pay Supplier in immediately available funds the following amounts: (i) by the date specified in the first column on Schedule B attached hereto ("Payment Date") in each Billing Month, the total monthly prepayment set forth in the total column on Schedule B attached hereto ("Monthly Prepayment") and (ii) by the Payment Date in the month following the Billing Month, an amount equal to the difference, if positive, between the Monthly Charge and the Monthly Prepayment ("Final Monthly Payment"). In the event that during any Billing Month, the Monthly Charge is less than the Monthly Prepayment, the excess amount of the Monthly Prepayment shall be applied automatically as a payment to the Monthly Charge for the next Billing Month. Any difference between the Monthly Charge and the Monthly Prepayment for December 2005 shall be adjusted no later than January 10, 2006 by either (a) a Final Monthly Payment to Supplier, or (b) a payment from Supplier to Kenergy, whichever is applicable.


(b) With the written consent of Supplier ("Consent") granted at any time prior to November 30, 2005, the following alternative payment provision ("Alternative Payment Provision") shall replace the payment provision set forth in Subsection 6.02(A)(a) above effective for the payment of Tier 3 Energy delivered beginning with the first day of the Billing Month following the receipt of the Consent. In such case Supplier shall bill Kenergy on a monthly basis for the Monthly Charge based on the Tier 3 Energy provided or made available under the 2005 Agreement during the most recently ended Billing Month. Supplier shall issue its bill as soon after the Billing Month's end as detailed information is available. Kenergy shall pay Supplier the Monthly Charge in immediately available funds on or before the first Working Day after the 24th day of the month in which the bill is issued.

(c) Supplier may withdraw its Consent to the Alternative Payment Provision at any time by written notice provided that the withdrawal shall be effective for the payment of Tier 3 Energy delivered beginning with the first day of the Billing Month following the withdrawal of Consent.

7. The Agreement is amended for 2005 by adopting the following new Section 5.06(A):

Section 5.06(A) Reactive Power. In addition to the 242,190 kilovars of reactive power supply that are available from Supplier to Kenergy for use by Century under the Century Power Agreement, Supplier shall make available to Kenergy for use by Century up to 21,794 kilovars of reactive power supply with respect to 2005 Block A Energy, and up to 14,530 kilovars of reactive power supply with respect to 2005 Block B Energy (provided such reactive power supply for 2005 Block B Energy shall not be available when 2005 Block B Energy has been interrupted unless Kenergy has elected to accept such Energy).

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8. The Agreement is amended by deleting Section 14.02 in its entirety and substituting in its place the following new Section 14.02:

Section 14.02 Waiver. The rates provided for in Sections 5.01, 5.01(A), 5.02 and 5.02(A) of this Agreement shall not be subject to change through application to the FERC pursuant to the provisions of Section 205 of the Federal Power Act absent the agreement of each of the Parties to this Agreement. Accordingly, neither Party shall petition FERC or any other governmental agency pursuant to the provisions of Section 205 or 206 of the Federal Power Act or any other provision of law to amend the rates contained in Sections 5.01, 5.01(A), 5.02 and 5.02(A) of this Agreement absent the agreement in writing of the other Party nor shall either Party cooperate with any other person(s), or request or encourage any other person(s) to make such petition; and each Party further agrees to oppose any action to change such rates, including but not limited to pursuing appeals of any order or decision directing such change, and to bear all of its own costs of such opposition including attorneys' fees. Big Rivers' transmission rates, methodologies and formulae are subject to change, but nothing in this Agreement limits the right of any Party to challenge any aspect of the Transmission Provider's Open Access Transmission Tariff, including the applicable loss factor, the transmission service rates or any other transmission or ancillary service issue presented to FERC.

9. Section 15.03 of the Agreement shall be amended by substituting the President and CEO of Kenergy as the person to whom Notice shall be given.

10. This First Amendment shall become effective on the date it is executed and delivered by the Parties. Notwithstanding the effective date of this First Amendment, the 2005 delivery obligations of Supplier and the 2005 purchase obligations of Kenergy are subject to the condition that the Parties have received Kentucky Public Service Commission acceptance of the rates, terms and conditions of the resale by Kenergy to Century. As soon as such condition has been satisfied, Kenergy shall promptly provide written notice to Century and Supplier that the condition has been satisfied. Unless waived by Supplier in writing, the condition contained in this Section 10 shall not be deemed satisfied until Supplier has received such notice. Failure to receive any such approval shall not affect the previously approved rates, terms and conditions contained in the Agreement with respect to deliveries in 2004.

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11. All other terms and conditions of the Agreement shall remain in full force and effect and shall apply to the provision of service under this Amendment.

IN WITNESS WHEREOF, this First Amendment is hereby executed as of the day and year first above written.

KENERGY CORP.

By: Dean Stanley
Dean Stanley
President and CEO

BIG RIVERS ELECTRIC CORPORATION

By: Michael H. Core
Michael H. Core
President and CEO

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By: [Signature]
Executive Director

Schedule B

SCHEDULE OF MONTHLY PREPAYMENTS

Payment Date	45 MW Firm Energy	30 MW Limited Interruptible Energy	Total Monthly Prepayments
January 10, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
February 10, 2005	\$ 928,972.80	\$ 579,600.00	\$ 1,508,572.80
March 10, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
April 8, 2005	\$ 995,328.00	\$ 621,000.00	\$ 1,616,328.00
May 10, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
June 10, 2005	\$ 995,328.00	\$ 621,000.00	\$ 1,616,328.00
July 8, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
August 10, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
September 9, 2005	\$ 995,328.00	\$ 621,000.00	\$ 1,616,328.00
October 10, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
November 10, 2005	\$ 995,328.00	\$ 621,000.00	\$ 1,616,328.00
December 9, 2005	\$ 1,028,505.60	\$ 641,700.00	\$ 1,670,205.60
TOTALS	<u>\$12,109,824.00</u>	<u>\$ 7,555,500.00</u>	<u>\$ 19,665,324.00</u>

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REQUEST FOR POWER

Century Aluminum of Kentucky, LLC ("Century") hereby requests Kenergy Corp. ("Kenergy") to purchase the following volumes of Tier 3 Energy from Big Rivers Electric Corporation ("Big Rivers") for delivery in 2005 in accordance with the rates, terms and conditions set forth in the First Amendment dated July 8, 2004 ("First Amendment") to the Agreement for Tier 3 Energy dated September 15, 2003, between Kenergy and Big Rivers (the "Tier 3 Agreement"):

A block of 45 MW Firm L.D., as set forth in Section 2.05(A)(i) of the First Amendment; and

A block of 30 MW Firm L.D., as set forth in Section 2.05(A)(ii) of the First Amendment, but subject to Big Rivers right of limited interruption, as set forth in Section 5.04 of the Tier 3 Agreement.

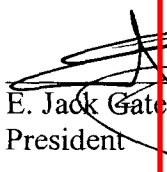
In consideration thereof, Century agrees to purchase from Kenergy at retail such Tier 3 Energy on the same terms and conditions and at the same rates contained in the First Amendment plus the applicable distribution fee included in Kenergy's smelter tariff plus charges for transmission and ancillary services, if any, with respect such Tier 3 Energy.

The terms and conditions of the Agreement for Electric Service between Kenergy and Century dated July 15, 1998 (the "Century Power Agreement") are, to the extent applicable, incorporated herein by reference.

This the 8th day of July, 2004.

CENTURY ALUMINUM OF KENTUCKY, LLC

By:


E. Jack Gates
President

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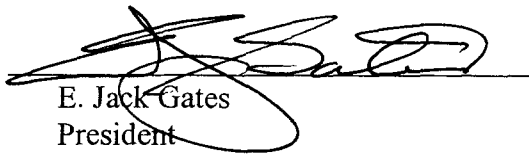
CONSENT

Century Aluminum of Kentucky, LLC ("Century") hereby agrees with Kenergy Corp. ("Kenergy") and Big Rivers Electric Corporation ("Big Rivers") that Century has reviewed the First Amendment dated July 8, 2004 ("First Amendment") to the Agreement for Tier 3 Energy dated September 15, 2003 ("Tier 3 Agreement") and hereby consents to the execution, delivery and performance of the First Amendment by Kenergy and Big Rivers for all purposes.

Dated: July 8, 2004

CENTURY ALUMINUM OF KENTUCKY, LLC

By:


E. Jack Gates
President

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