

1 AGREEMENT FOR RETAIL ELECTRIC SERVICE

2 BETWEEN KENERGY CORP. AND COMMONWEALTH ALUMINUM

3 LEWISPORT, LLC

4
5 THIS AGREEMENT ("Agreement") is entered into as of the 6th day of _____
6 June, 2002, by and between KENERGY CORP., 6402 Old Corydon Road, P. O. Box
7 18, Henderson, Kentucky 42419-0018 ("Kenergy"), First Party and COMMONWEALTH
8 ALUMINUM LEWISPORT, LLC, 500 West Jefferson Street, Citizens Plaza-19th floor, Louisville,
9 Kentucky 40202-2823 ("Commonwealth"), Second Party (individually, a "Party;" collectively the
10 "Parties");

11 WHEREAS, Kenergy provides retail electric service to Commonwealth at its
12 Lewisport aluminum mill located in Hancock County, Kentucky, but presently there is no written
13 agreement in effect for this service;

14 WHEREAS, Kenergy and Commonwealth have reached agreement concerning the
15 terms and conditions of future retail service and in reliance on said agreement Kenergy is entering
16 into, or has entered into, a wholesale power sales agreement ("Wholesale Agreement") with power
17 supplier Big Rivers Electric Corporation ("Big Rivers"); and

18 WHEREAS the Parties desire to set forth in writing their agreement regarding said
19 retail electric service;

20 NOW, THEREFORE, in consideration of the mutual covenants of the Parties hereto,
21 the Parties agree as follows:

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PURSUANT TO 807 KAR 5.011.
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BY Stanley Beel
SECRETARY OF THE COMMISSION

1 **1.0 Basic Obligations of the Parties; Contract Demand; Relationship to Wholesale**

2 **Agreement.**

3 1.1 Kenergy will supply, sell, and deliver to Commonwealth, and Commonwealth will
4 accept and pay for, all of the electric power and energy required by Commonwealth for the operation
5 of its aluminum rolling mill and appurtenant facilities located near Lewisport, in Hancock County,
6 Kentucky (the "Commonwealth Facility"), up to a "Maximum Contract Demand" of 40,000
7 kilowatts. Maximum Contract Demand will be measured as the highest integrated kW demand
8 occurring during a thirty-minute period at the beginning and mid-point of a clock hour in the billing
9 month, as measured by the coincidental sum of Commonwealth meters one, two and three. This
10 service will be supplied under this Agreement, and the rules, regulations, and orders of the Public
11 Service Commission of Kentucky ("KPSC"), which may be applicable and effective from time to time.
12 Kenergy and Commonwealth agree that this Agreement contains the exclusive terms on which
13 Kenergy will provide retail service to Commonwealth during the term of this Agreement.

14 1.2 Commonwealth acknowledges that under the Wholesale Agreement Big Rivers
15 has agreed to perform each and every covenant for and on behalf of Kenergy that Kenergy is required
16 to perform under this Agreement, and except as modified by the Wholesale Agreement, Big Rivers
17 will be entitled to the benefit of each covenant undertaken by Commonwealth in this Agreement.
18 Commonwealth consents that Big Rivers may enforce any such covenant by action in its own name
19 or that Big Rivers may require Kenergy to enforce such covenant for and on behalf of Big Rivers.

20 1.3 (Intentionally left blank)

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BY Stephen D. Bell
SECRETARY OF THE COMMISSION

1 **2.0 Power Supply Characteristics.** The electric power and energy delivered will be in the
2 form of three-phase alternating current (60 hertz) at 13,800 volts.

3 **3.0 Points of Delivery.** The points of delivery for the power and energy to be supplied under
4 this Agreement (the "Points of Delivery") will be at the points of connection of Commonwealth's
5 13,800 volt bus with Big Rivers's step-down transformers located in the existing substation at the
6 Commonwealth Facility.

7 **4.0 Facilities Provided by Commonwealth.** Commonwealth has provided, and will
8 continue to provide, without cost to Kenergy or Big Rivers, the following facilities which are or may
9 be necessary for Kenergy to perform its obligations under this Agreement, or for Big Rivers to
10 perform its obligations under the Wholesale Agreement, it being acknowledged by Kenergy that the
11 facilities in use by Big Rivers and Kenergy on the date of this Agreement are adequate for current
12 requirements.

13 **4.1** All easements for rights-of-way upon Commonwealth's property at such locations
14 and of such dimensions as mutually agreed upon, for transmission lines operating at 12,470 volts and
15 higher;

16 **4.2** Adequate sites for such additions to the existing substation site, or adequate
17 additional substation sites, at such locations and of such dimensions as mutually agreed upon with the
18 fee simple title thereto, rough graded to Kenergy's or Big Rivers's requirements, as may be from time
19 to time required by Kenergy or Big Rivers;

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1 **4.3** All required 13,800 volt substation equipment including buses to connect to
2 transformers owned by Big Rivers, but not including the 13,800 volt transformer, lightning arresters,
3 revenue metering equipment, and station service equipment for Big Rivers' portion of substation; and

4 **4.4** Facilities for Big Rivers' metering equipment.

5 **5.0 Facilities Provided by Kenergy.**

6 **5.1** Kenergy, by and through Big Rivers, has furnished, and will continue to furnish,
7 all required substation facilities for delivering the electric power and energy to Commonwealth at the
8 Points of Delivery, except (i) those facilities specified in Section 4.0, (ii) Commonwealth will
9 promptly reimburse Kenergy, or upon request by Kenergy will pay directly to Big Rivers, all of the
10 cost Kenergy is charged by Big Rivers for any repair or replacement made or installed by Big Rivers
11 at the Commonwealth substation in excess of \$10,000, except the cost of a transformer rewind,
12 replacement transformation, or additional transformation, and (iii) Commonwealth will be responsible
13 for all of the cost Kenergy becomes obligated to pay Big Rivers for a transformer rewind,
14 replacement transformation, or additional transformation, including associated equipment, labor, and
15 other usual costs ("Extraordinary Substation Expense"), through a Termination Charge. The
16 Termination Charge will be the total amount of an Extraordinary Substation Expense incurred by Big
17 Rivers under the Wholesale Agreement that Kenergy becomes obligated to pay Big Rivers. That
18 Termination Charge will be reduced in amount by \$0.90 per kilowatt purchased from Kenergy and
19 paid for by Commonwealth on and after the Effective Date of this Agreement, except for kilowatts
20 purchased at the Replacement Power Price under the terms of Schedule A, attached. On the date that

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BY Stanford Bell
SECRETARY OF THE COMMISSION

1 Commonwealth ceases to purchase power from Kenergy under this Agreement, the balance of the
2 Termination Charge, if any, will be immediately due and payable.

3 **5.2** Commonwealth will grant Big Rivers the right to use the substation site, without
4 cost, for the purpose of constructing or installing facilities to serve other Kenergy customers from
5 that substation, provided that Commonwealth will be compensated at fair market value for any
6 additional real property interests required solely for service to other Kenergy customers. This right
7 will survive the termination of this Agreement, and will continue as long as the substation site is used
8 for its current purpose.

9 **5.3** The expenses associated with the obligations of Kenergy to Big Rivers under
10 subsection 5.1, above, will become the responsibility of Commonwealth if, and to the extent that, the
11 expenses associated with those obligations are not included in Big Rivers' approved transmission
12 rates. In that event, Kenergy has the option under the Wholesale Agreement to acquire the facilities
13 associated with those expenses at Big Rivers' net depreciated book value, and the Termination
14 Charge obligation of Kenergy under the Wholesale Agreement terminates. If Kenergy elects not to
15 exercise this option, same shall be assigned to Commonwealth, and upon Commonwealth's payment
16 of the full amount due under this subsection 5.3, the Termination Charge obligation of
17 Commonwealth hereunder will terminate.

18 **6.0 Operation and Maintenance of Facilities.**

19 **6.1** Kenergy, by and through Big Rivers, will operate and maintain the transmission
20 and substation facilities required to deliver power and energy at the Delivery Points as provided

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BY Stenard Bell
SECRETARY OF THE COMMISSION

1 herein, subject to the terms of section 5.0. Commonwealth will maintain all substation facilities
2 owned by Commonwealth.

3 **6.2** Commonwealth will furnish, install, maintain, and operate, such facilities and
4 equipment as may be necessary to enable Commonwealth to receive and use electric power and
5 energy purchased hereunder, and to afford reasonable protection to the facilities of Big Rivers and
6 Kenergy. Plans for equipment to be installed for the protection of said facilities will be submitted to
7 Kenergy for approval.

8 **7.0 Metering.** Kenergy, by and through Big Rivers, will install, maintain and operate the
9 metering equipment located in the step-down substation at the aluminum rolling mill. Kenergy will
10 assure that each meter used under this Agreement will be read on or about the first day of each month
11 (or such other date as may be mutually agreed upon) by a representative of Big Rivers, and may be
12 simultaneously read by the representative of Commonwealth, if Commonwealth so elects. Kenergy,
13 by and through Big Rivers, will make such tests and inspections of the meters as may be necessary
14 to maintain them at the highest practical commercial standard of accuracy. If periodic tests show that
15 a meter used for billing is accurate within 1% slow or fast, no correction will be made in the billing.
16 If any such tests show that such meter is inaccurate by more than 1% slow or fast, correction will be
17 made in the billing to the proper Party for the period during which the Parties agree that the
18 inaccuracy existed. Kenergy, by and through Big Rivers, will make additional tests of meters at the
19 request and expense of Commonwealth and in the presence of Commonwealth's representative. In
20 all other respects meters will be installed, operated, maintained and tested in accordance with the rules
21 and regulations of the KPSC.

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BY Stephen Bell
SECRETARY OF THE COMMISSION

1 **8.0 Construction Standards**. All facilities will be constructed and maintained in accordance
2 with specifications at least equal to those provided by the National Electrical Safety Code of the
3 United States Bureau of Standards and prudent utility practice. Nothing in this Agreement will be
4 construed to render Kenergy or Big Rivers liable for any claim, demand, cost, loss, cause of action,
5 damage, or liability of whatsoever kind or nature arising out of or resulting from the construction or
6 operation and maintenance of Kenergy's or Big Rivers' electric system.

7 **9.0 Right of Access**. Each Party grants to the other Party right of access to their respective
8 premises to install, maintain, operate, repair, and renew any and all equipment, apparatus, and devices
9 owned by such other Party and necessary in the performance of this Agreement.

10 **10.0 Right of Removal**. Any and all equipment, apparatus, devices, or facilities placed or
11 installed, or caused to be placed or installed, by either of the Parties hereto on or in the premises of
12 the other Party will be and remain the property of the Party owning and installing such equipment,
13 apparatus, devices or facilities regardless of the mode or manner of annexation or attachment to real
14 property of the other. Upon the termination of this Agreement, the owner thereof will have the right
15 to enter upon the premises of the other within a reasonable time, and remove such equipment,
16 apparatus, devices or facilities, except that Commonwealth shall not have the right to recover any
17 easements or sites conveyed to Kenergy or Big Rivers prior to the date of this Agreement or any
18 additional easements or sites referred to in section 5.0 hereof.

19
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SECRETARY OF THE COMMISSION

1 **11.0 Rates and Distribution Fee.**

2 **11.1** Commonwealth will pay for all electric power and energy furnished under this
3 Agreement at the rates and on the additional terms and conditions set forth in this Agreement and in
4 the attached Schedule A.

5 **11.2** Commonwealth will also pay to Kenergy a fee ("Distribution Fee") of two-tenths
6 of a mill (\$0.0002) for every kilowatt hour of energy that Commonwealth consumes plus a \$2,500
7 monthly customer charge. The Distribution Fee shall be paid coincidental with Commonwealth's
8 monthly payments for service hereunder, and the provisions of section 14.0 shall apply in the event
9 of Commonwealth's failure to pay. Each Party shall have the right, during the term of this
10 Agreement, to petition KPSC for adjustments to the Distribution Fee or otherwise to participate in
11 proceedings to investigate and, if necessary, modify the Distribution Fee.

12 **12.0 Billing Demand.** "Billing Demand," for purposes of Schedule A and this Agreement,
13 is the greater of 15,000 kW ("Minimum Demand") or the highest integrated kW demand occurring
14 during a thirty-minute period at the beginning and mid-point of a clock hour in the billing month.
15 Billing Demand will be measured by the coincidental sum of Commonwealth meters one, two and
16 three.

17 **13.0 Power Factor.** Commonwealth will maintain a power factor at the point of delivery as
18 nearly as practicable to unity. Power factor during normal operation may range from unity to 90%.
19 Should Commonwealth's power factor fall below 90% at time of maximum demand, Commonwealth reserves
20 the right to either: (i) install at Commonwealth's expense suitable equipment to maintain a power
21 factor of 90% or higher if, after reasonable notice to Commonwealth, Commonwealth fails to install

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BY Stephen D. Beel
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1 suitable equipment to maintain a power factor of 90% or higher; or (ii) adjust the maximum metered
2 demand for billing purposes in accordance with the following formula:

$$\frac{\text{Maximum Actual Measured kW} \times 90\%}{\text{Power Factor (\%)}}$$

5 **14.0 Billing and Payment Terms.**

6 **14.1** Kenergy will bill Commonwealth no later than the first working day after the
7 13th of the month for the previous month's service hereunder. Commonwealth will pay Kenergy in
8 immediately available funds by 1:00 o'clock p.m., central time (prevailing), on the first working day
9 after the 24th of the month (the "Due Date"). If Commonwealth fails to pay any such bill within this
10 prescribed period, Kenergy may discontinue delivery of electric power and energy hereunder upon
11 five (5) days' written notice to Commonwealth of its intention to do so. This discontinuance for non-
12 payment will be in addition to any other remedy that may be available to Kenergy and will not lessen
13 in any way the obligation of Commonwealth to pay to Kenergy any and all sums owing to Kenergy.

14 **14.2** Interest on any unpaid amounts will be simple interest equal to the prime lending
15 rate as published in the "Money Rates" column of the Wall Street Journal on the Due Date, or on the
16 first business day after the Due Date if the Due Date falls on a weekend day or a day when this rate
17 is not published, plus one percent (1%). Interest on delinquent amounts will be calculated from the
18 Due Date of the bill to the date of the payment, with interest calculated and prorated for that portion
19 of the month in which amounts are outstanding. The applicable interest rate will be recalculated each
20 month using the new prime lending rate as published in the "Money Rates" column of the Wall Street
21 Journal, on the Due Date in that month, or on the first business day after the Due Date at month

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BY Jerhard Bell
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1 if the Due Date falls on a weekend day or a day when such rate is not published, plus one percent
2 (1%).

3 **15.0 Term of Agreement.** The term of this Agreement will commence on the "Effective
4 Date," as defined in section 24 of this Agreement, and will end at 12:00 a.m., prevailing local time,
5 on December 31, 2003 (the "Initial Term"). The term of this Agreement may be extended beyond the
6 Initial Term for one calendar year beginning at 12:00 a.m., prevailing local time, on January 1, 2004,
7 and again on January 1 of each successive year, in the following manner:

8 **15.1** Kenergy will notify Commonwealth, or cause Big Rivers to notify
9 Commonwealth, on or before October 1, 2003, and on or before each October 1 thereafter during
10 any extension of the term of this Agreement, of the rates, if any, upon which Kenergy is willing to
11 provide service under this Agreement for the following calendar year. Commonwealth can accept
12 this proposal by written notice delivered to Kenergy and to Big Rivers on or before 4:00 p.m.,
13 prevailing local time, on November 1 following the date the proposal is made stating that
14 Commonwealth accepts the entire proposal set forth in the notice. If the proposal is not accepted by
15 Commonwealth in accordance with the terms of this subsection 15.1, the term of this Agreement will
16 expire at the end of the Initial Term, or if the term of this Agreement has been extended, at 11:59
17 p.m., prevailing local time, on December 31 of the latest extension of that term.

18 **15.2** Upon the acceptance by Commonwealth of an aforesaid proposal to extend the
19 term of this Agreement, Kenergy and Commonwealth agree to cooperate with each other and with
20 Big Rivers to prepare and file that accepted proposal, and any related amendment to this Agreement,

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1 with the KPSC and any other entity whose approval is required for the extension of the term of this
2 Agreement to become effective.

3 **16.0 Termination.** This Agreement will terminate prior to the expiration of the term (subject
4 in some instances to the election of the affected Party, as stated below) for any of the following
5 reasons:

6 **16.1** Upon the termination, for any reason, of the Wholesale Agreement; and

7 **16.2** Upon default by a Party in the performance of this Agreement as provided in
8 section 17.0 of this Agreement, at the election of the affected Party;

9 **17.0 Breach; Default.**

10 **17.1** The occurrence of any of the following events, unless otherwise excused under
11 the terms of this Agreement, constitutes a breach by the relevant Party under this Agreement and, if
12 not curable or not cured within the applicable cure period (indicated in parentheses) will constitute
13 a default:

14 a. Failure by Commonwealth to make any payment as and when due hereunder
15 in accordance with the terms of section 14 (curable in accordance with the terms of section 14.0,
16 prior to disconnect);

17 b. Failure of a Party to perform any material duty imposed on it by this Agree-
18 ment that is otherwise not expressly addressed in this Section 17.1 (curable within 30 days following
19 notice of breach from the non-breaching Party to the breaching Party);

20 c. Any filing of a petition in bankruptcy or insolvency or reorganization
21 or arrangement under any bankruptcy or insolvency laws, or voluntarily taking advantage of any such

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1 laws by answer or otherwise or the commencement of involuntary proceedings under any such laws
2 by a Party if such proceedings are not withdrawn or dismissed within 60 days after such institution
3 (in which case a default occurs on the 61st day after filing);

4 d. Assignment by a Party for the benefit of creditors (not curable);

5 e. Allowance by a Party of the appointment of a receiver or trustee of all or
6 a material part of its property if such receiver or trustee is not discharged within 60 days after
7 appointment (in which case a default occurs on the 61st day after appointment);

8 f. Any attempt by a Party to transfer an interest in this Agreement other than
9 as permitted pursuant to section 22.0 of this Agreement (not curable); or

10 17.2 In the event of a default by either Party, the non-defaulting Party may, in its own
11 discretion, elect to terminate this Agreement upon written notice to the other Party, or to seek
12 enforcement of its terms at law or in equity.

13 17.3 (Intentionally left blank)

14 18.0 **Force Majeure.** In the event of either Party being rendered unable, wholly or in part,
15 by Force Majeure to carry out its obligations, on such Party's giving notice to the other Party, along
16 with reasonably full particulars of such Force Majeure, within a reasonable time after the occurrence
17 of the caused relied on, then the obligations, so far as and to the extent that they are affected by such
18 Force Majeure, will be suspended during the continuance of any inability so caused, but for no longer
19 period, and such cause will, so far as possible, be remedied with all reasonable dispatch.

20 The term Force Majeure, as used herein, will mean an act of God, **PUBLIC SERVICE COMMISSION**
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21 enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires,
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1 storms, floods, washouts, arrests and restrains of government, either federal or state, civil or military,
2 civil disturbances, explosions, breakage or accident to machinery, breakage or accident to
3 transmission lines, or inability of either Party hereto to obtain necessary materials, supplies or permits,
4 due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities
5 (either federal or state), including both civil and military, that is not reasonably within the control of
6 the Party claiming suspension.

7 **19.0 Remedies of Parties.**

8 **19.01** The remedies provided in this Agreement are cumulative unless specifically
9 designated to be an exclusive remedy. Nothing contained in this Agreement will be construed to
10 abridge, limit, or deprive either Party of any means of enforcing any remedy either at law or in equity
11 for the default of any of the provisions herein, provided that neither Party is entitled to recover from
12 the other Party any consequential, incidental or special damages including, without limitation, lost
13 profits. The Parties agree that upon early termination or expiration of this Agreement, in addition to
14 any other rights Kenergy may have, Kenergy will be entitled to recover from Commonwealth any
15 amounts Kenergy is obligated to pay Big Rivers under the Wholesale Agreement.

16 **19.02** Waiver at any time by either Party of rights with respect to a default or any
17 other matter arising in connection with this Agreement will not be deemed to be a waiver with respect
18 to any subsequent default or matter.

19 **19.03** Under the Wholesale Agreement a copy of any notice of breach or default
20 issued by Big Rivers to Kenergy will be issued concurrently to Commonwealth. **PUBLIC SERVICE COMMISSION**
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1 that if it is unable or unwilling to cure that breach or default, Commonwealth may cure on the same
2 terms available to Kenergy under the Wholesale Agreement.

3 **20.0 Notices.** Any notice, demand or request required or authorized under this Agreement
4 will be deemed properly given to or served as follows:

5 To Big Rivers:

6 Big Rivers Electric Corporation
7 201 Third Street, P. O. Box 24
8 Henderson, KY 42419
9 Telephone No. (270) 827-2561
10 Telecopy No. (270) 827-2101
11 Attn: Vice President, Power Supply

12
13 To Kenergy:

14
15 Kenergy Corp.
16 6402 Old Corydon Road, P. O. Box 18
17 Henderson, KY 42419
18 Telephone No. (270) 826-3991
19 Telecopy No. (270) 826-3999
20 Attn: President and CEO

21
22 To Commonwealth:

23
24 Commonwealth Industries, Inc.
25 500 W. Jefferson Street, 19th Floor
26 Louisville, Kentucky 40202.
27 Telephone No. (502) 589-8100
28 Telecopy No. (502) 589-8158
29 Attn: Vice President, Materials, Mr. Michael Boyle

30
31 with a copy to:

32
33 General Counsel
34 Commonwealth Industries, Inc.
35 500 West Jefferson Street, 19th Floor
36 Louisville, Kentucky 40202
37 Telephone No. 502 589-8100
38 Telephone No. (502) 589-8158

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BY Stephen Bell
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1 Kenergy and Commonwealth may change their addresses under this section by notice given
2 to each other in the manner set forth above. If Kenergy is informed of a change of address for Big
3 Rivers, such information shall immediately be provided to Commonwealth. Unless otherwise
4 expressly required in this Agreement, all notices will be effective if made in writing and (i) if sent by
5 messenger or courier service, when delivered, (ii) if sent by mail, three days after posting, postage
6 prepaid, and (iii) if sent by facsimile, when sent with a confirmation retained (provided that a
7 duplicate copy thereof is promptly sent by mail); provided that if a provision hereof specifies that a
8 period will be measured by a fixed number of days after receipt of a notice, notice will be effective
9 when received, irrespective of the means of delivery. A copy of any notice from Commonwealth to
10 Kenergy hereunder shall be simultaneously sent to Big Rivers.

11 **21.0 Reports and Information.** Each Party hereto will furnish to the other such reports and
12 information concerning its operations as the other Party may reasonably request from time to time.

13 **22.0 Succession, Survival, and Assignment.** This Agreement will be binding upon the
14 Parties hereto and their respective successors and assigns. The terms of this Agreement that provide
15 for, relate to or concern billings, billing adjustments, and enforcement of liability and indemnification
16 obligations arising from acts or events that occur during the term of this Agreement, including, but
17 not limited to the rights acquired by Kenergy under section 5.0 of this Agreement, will survive the
18 expiration or termination of this Agreement. The invalidity of any term of this Agreement will not
19 affect the validity of the remaining terms of this Agreement. Neither Party hereto will assign this
20 contract or any of the rights thereto without the written consent of the other, except ~~nothing~~
21 herein contained will prevent either Party from subjecting rights hereunder to mortgages, pledges,

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1 security agreements, or other liens or rights considered by a Party as necessary for the financing of
2 its operations. Consent to an assignment will not unreasonably be withheld. The terms and conditions
3 of this Agreement will inure to and be binding upon the Parties together with their respective
4 successors and assigns.

5 **23.0 Controlling Document.** This Agreement, which includes Schedule A, constitutes the
6 entire agreement between the Parties on the subject matter hereof.

7 **24.0 Effective Date.** The "Effective Date" of this Agreement will be July 1, 2002, subject
8 (a) to the approval or acceptance of this Agreement, as appropriate, in writing by KPSC, (b) to the
9 approval by the board of directors of Kenergy of the Wholesale Agreement, and (c) to the final
10 approval and effectiveness of the Wholesale Agreement, according to its terms. Kenergy will give
11 Commonwealth written notice of the date on which the last of such approvals is received or the last
12 of any approval not received is waived by Kenergy.

13 **25.0 Governing Law.** This Agreement will be governed by and interpreted in accordance
14 with the laws of the Commonwealth of Kentucky.

15 **26.0 Waiver.** The failure of a Party to insist on the strict performance of any term of this
16 Agreement or to exercise any right, power or remedy upon a breach of any term hereof will not
17 constitute a waiver of any term of this Agreement or limit the Party's right thereafter to enforce any
18 term or exercise any right.

19 **27.0 Security Deposit.** The Parties have entered into a Security Deposit Agreement on even
20 date herewith, the terms and conditions of which are incorporated herein by reference.
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BY Stanley Bell
SECRETARY OF THE COMMISSION

1 AGREEMENT FOR RETAIL ELECTRIC SERVICE

2 SCHEDULE A

3 The following rates, fees and additional terms of service are applicable to service to
4 Commonwealth under this Agreement:

5 **1. Rates for Service.** The terms of Big Rivers' general tariff and its tariff Rate Schedule
6 7, to the extent not inconsistent with the terms of this Agreement and the Wholesale Agreement,
7 apply to service under this Agreement during the Initial Term except (i) when the Replacement
8 Power Price (as defined below) is applicable, and (ii) as to the Member Discount Adjustment.

9 The current rates on Big Rivers' Rate Schedule 7, a copy of which is attached hereto and
10 incorporated herein as Exhibit 1 to this Schedule A, are fixed for the Initial Term of this
11 Agreement, except as otherwise expressly stated in this Agreement or the Wholesale Agreement.

12 The Replacement Power Price will be Big Rivers' net out-of-pocket costs (including, without
13 limitation, any charges for demand, energy, transmission, losses and ancillary services), plus \$2.50
14 per Mwh; the Replacement Power Price billed by Kenergy to Commonwealth shall be in the same
15 amount as Kenergy is billed by Big Rivers for this item . The Member Discount Adjustment
16 applicable to wholesale sales from Big Rivers to Kenergy shall apply to retail sales to Common-
17 wealth hereunder; however, said Member Discount Adjustment will not exceed the amount
18 approved by KPSC in Case No. 2000-382 and may be less than that amount if the Member

19 Discount Adjustment is reduced, eliminated, or renewed at a lower level with the approval of the
20 KPSC. PUBLIC SERVICE COMMISSION
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21 In addition, Commonwealth shall pay the Distribution Fee as set forth in section 11.2 of
22 the Agreement. PURSUANT TO 807 KAR 5.011.
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SECRETARY OF THE COMMISSION

1 **2. Rates for Service After Expiration or Termination of Agreement.** Upon the
2 expiration or termination of this Agreement, service to Commonwealth will be provided by
3 Kenergy under the terms of Big Rivers' general tariff and its tariff Rate Schedule 10, for purposes
4 of which Commonwealth's Base Year peak demand will be deemed to be the average monthly
5 Billing Demand under this Agreement during the six consecutive calendar months preceding the
6 month in which that expiration or termination occurs. If Big Rivers' Rate Schedule 10 is
7 substantially altered or canceled prior to the expiration or termination of this Agreement, service
8 to Commonwealth after expiration or termination of this Agreement will be provided by Kenergy
9 upon terms applicable to service to Kenergy from Big Rivers for resale to similar retail loads
10 under similar circumstances. In addition, Commonwealth shall pay the Distribution Fee as set
11 forth in section 11.2 of the Agreement. The terms of this paragraph 2 will survive the expiration
12 or termination of the Agreement.

13 **3. Curtable Service.** Kenergy and Commonwealth agree to the following Terms of
14 Curtailment as set forth in Big Rivers' Voluntary Price Curtable Service Rider, Rate Schedule
15 11, a copy of which is attached hereto and incorporated herein as Exhibit 2 to this Schedule A;
16 provided, however, that Kenergy may require Commonwealth to curtail service only if Big Rivers
17 has required Kenergy to curtail service under the Wholesale Agreement, and Commonwealth's
18 curtailment shall be on the same terms and conditions as imposed by Big Rivers on Kenergy.
19 These Terms of Curtailment will govern where inconsistent with the terms of Rate Schedule 11.
20 A capitalized term used under this paragraph 3, that is not otherwise defined in this Agreement,

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1 will have the meaning, assigned to it in the Curtailable Service Rider in Big Rivers' Rate Schedule
2 11.

3 a. Kenergy may require Commonwealth, upon a minimum of four hours' notice,
4 to curtail service (a "Curtailment Event") in the amount of five megawatts (the "Curtailed
5 Power"), for periods of up to six hours per curtailment occurrence, in the months of January,
6 February, May, June, July, August, September, and December. The total number of hours of
7 curtailment each month will not exceed forty hours during the months of January, February, May,
8 June, July, and August, and twenty hours during the months of September and December.
9 Kenergy's right to curtail is conditioned upon the price at which Big Rivers could either purchase
10 power or sell power at the time in the open market being at least \$50.00 per megawatt hour.

11 b. As total consideration for the curtailment rights acquired under this Agreement,
12 Kenergy will provide Commonwealth a credit of \$0.35 for each kilowatt purchased by Common-
13 wealth under this Agreement, except for kilowatts purchased to replace Curtailed Power and
14 priced to Commonwealth at the Replacement Power Price.

15 c. Except as otherwise expressly stated in this Agreement, the rights and
16 obligations of the Parties under this curtailable service paragraph 3 will terminate before the
17 expiration of the term of the Agreement upon the earlier to occur of: (i) early termination of this
18 Agreement, and (ii) the average actual load factor of Commonwealth equaling or exceeding 0.85
19 over a period of three consecutive calendar months. Kenergy's right to curtail service to
20 Commonwealth under this paragraph 3, will be suspended for the balance of any ~~of Kentucky~~ ^{PUBLIC SERVICE COMMISSION} year on
21 and after the date on which the amount of Net Margins (as defined below) received by Big Rivers ^{EFFECTIVE}
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1 from sales of Curtailed Power equals the amount Big Rivers has credited and expects, in good
2 faith, to credit Kenergy in the balance of that calendar year as consideration for the curtailment
3 rights acquired by Big Rivers under the Wholesale Agreement. Said Net Margins shall in turn be
4 credited by Kenergy to Commonwealth, as applicable. The term "Net Margins" means the
5 amount, in dollars, by which Curtailed Power Sales Revenue exceeds Big Rivers' Cost of
6 Curtailed Power. "Curtailed Power Sales Revenue" means (a) if Curtailed Power is sold into the
7 market, the gross revenue received by Big Rivers for that sale, less any amounts paid by Big
8 Rivers for transmission, losses, broker's fees, commissions, and ancillary services in making this
9 third party sale of Curtailed Power, or (b) if Curtailed Power is used by Big Rivers to meet its
10 internal obligations to its members: (i) 75% of the day ahead Index Price Into Tennessee Valley
11 Authority as published in *Megawatt Daily* for the date of the purchase, or if that information is
12 not available, (ii) 75% of the average contract price of Big Rivers's pre-scheduled sales of Firm
13 (LD) product during the hours purchases are being made from Big Rivers, or if that information is
14 not available, (iii) 85% of the average contract price of Big Rivers' hourly transactions during the
15 hours purchases are being made from Seller. "Big Rivers' Cost of Curtailed Power" means Big
16 Rivers' actual cost under Big Rivers' Power Purchase Agreement with LG&E Energy Marketing,
17 Inc. dated July 15, 1998, of acquiring the Curtailed Power for resale, as determined by Big Rivers,
18 including any amounts paid by Big Rivers for transmission, losses, broker's fees, commissions,
19 and ancillary services in purchasing Curtailed Power.

20 d. The "Maximum Curtailment Period Demand" to be purchased by the Commonwealth
21 wealth during a curtailment period, which is the maximum hourly demand to be delivered by

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1 Kenergy to Commonwealth during the curtailment period, will be an amount that is 5,000
2 kilowatts less than the average daily peak demand of Commonwealth during the previous five
3 consecutive days in which no curtailment occurred. If the Commonwealth load exceeds the
4 Maximum Curtailment Period Demand during the curtailment period, and Commonwealth is not
5 purchasing power at the Replacement Power Price to cover that excess demand, Commonwealth
6 will pay Kenergy for the kilowatts above the Maximum Curtailment Period Demand, and
7 associated energy, at a rate equal to 150% of the rate received by Big Rivers for its sale of the
8 Curtailed Power, or if Big Rivers uses Curtailed Power to meet its internal obligations to its
9 members, 150% of the price at which Big Rivers could purchase power at the time in the open
10 market. Payments to Kenergy under this paragraph 3.d. shall be in the same amounts as Kenergy
11 is required to pay Big Rivers under the corresponding paragraph of Schedule A to the Wholesale
12 Agreement.

13 e. A "Notice of Curtailment" is sufficient if given by Kenergy to Commonwealth
14 orally, followed by a facsimile confirmation substantially in the form attached as Exhibit 3 to this
15 Schedule A, which (i) designates the duration of that curtailment, and (ii) specifies, for each one
16 hour period of the intended curtailment, the price or set of hourly prices per megawatt hour that
17 Commonwealth may elect to pay to Kenergy as an alternative to the intended curtailment
18 ("Replacement Power Price"). The Parties understand that there may be times when no power is
19 available to replace Curtailed Power.

20 (1) Commonwealth will have ten minutes to notify Kenergy ~~effective~~ ^{by} receipts
21 the Replacement Power Price for all of the intended curtailment stated in the ~~Notice of Curtail-~~

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1 ment. The failure of Commonwealth to notify Kenergy of its acceptance of the Replacement
2 Power Price will constitute a rejection of the Replacement Power Price, and the curtailment will
3 be implemented in accordance with the Notice of Curtailment.

4 (2) Upon Commonwealth's acceptance of the Replacement Power Price for
5 all of an intended curtailment, the obligation of Kenergy to provide firm power will be re-
6 established, except that Kenergy will charge Commonwealth the Replacement Power Price for all
7 such power instead of the price set forth in paragraph 1 of this Schedule A.

8 (3) During any period of curtailment, Kenergy may notify Commonwealth
9 of its willingness to terminate the curtailment and resume the delivery of firm power under the
10 applicable price set forth in paragraph 1 of this Schedule A, above, provided that Kenergy has
11 received the same notification from Big Rivers. If Commonwealth accepts Kenergy's offer to
12 terminate the curtailment, Commonwealth will purchase and accept delivery of firm power within
13 ten minutes after notification from Kenergy terminating the curtailment.

14 f. Recording. Each Party consents to the recording of its representatives'
15 telephone conversations in connection with notices given regarding Replacement Power under
16 this Agreement without further notice or consent. All recordings may be introduced into evidence
17 and used to prove the terms of a transaction between the Parties, and objections based on
18 principles of statute of frauds, the parol evidence rule, or similar evidentiary rules, are waived. In
19 addition, all objections by a Party to the authority (actual or apparent) of its representatives to
20 enter into a transaction are waived.

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1 g. Agreed Procedures. Any notice from Kenergy to Commonwealth or from
2 Commonwealth to Kenergy under paragraph 3 of this Schedule A will be simultaneously given to
3 Big Rivers. Any notice required to be given to Commonwealth by Kenergy under said paragraph
4 3 may be given directly by Big Rivers to Commonwealth. The Parties will develop with each
5 other and Big Rivers other agreed written procedures that will be followed in giving notices under
6 paragraph 3 of this Schedule A.

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RULES AND REGULATIONS

7. BIG RIVERS LARGE INDUSTRIAL CUSTOMER RATE

a. Availability:

This schedule is available to any of Big Rivers' then existing rural electric distribution cooperatives for service to Large Industrial Customers served using dedicated delivery points for such portions of their loads not treated as either Expansion Demand or Expansion Energy where applicable as provided by and in accordance with the provisions and definitions of the Big Rivers Large Industrial Customer Expansion Rate (Rate Schedule 10). For purposes of clarification, this rate schedule shall be closed hereafter and Rate Schedule 10 shall apply, unless otherwise supplanted by special contracts, to (1) the load of any New Customer as defined in Rate Schedule 10 where such New Customer has either initially contracted for five (5) MWs or more of capacity or whose aggregate peak load at any time amounts to five (5) MWs or greater (including any later increases to such load) and (2) the expanded load requirements of an Existing Customer subject to Rate Schedule 10 as defined therein, where such expanded load requirements are defined as Expansion Demand or Expansion Energy in Rate Schedule 10 e.(2).

b. Term of the Rate Schedule:

This rate schedule shall take effect at 12:01 a.m. on the later to occur of September 1, 1999, or the date on which the Kentucky Public Service Commission ~~effective~~ this rate schedule.

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c. Rates

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

FEB 25 2000

BY Stephen Bell

SECRETARY OF THE COMMISSION TO 807 KAR 5:011,
SECTION 9 (1)

Date of Issue August 26, 1999

Date Effective February 25, 2000

Issued By Ma. Hte

Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

BY Stephen Bell
SECRETARY OF THE COMMISSION

Issued By Authority of PSC in Case No. 99-360, Order dated February 25, 2000

RULES AND REGULATIONS

(1) Rates Separate for Each Large Industrial Customer

Each month each Member Cooperative shall be required to pay separately for each of its qualifying Large Industrial Customers taking service under this tariff, in each case using that individual Large Industrial Customer's contract demand (if any) or metered demand, as applicable.

(2) For all Large Industrial Customer delivery points, a Monthly Delivery Point Rate consisting of:

(a) A Demand Charge of:

All kW of billing demand at \$10.15 per kilowatt.

Plus,

(b) An Energy Charge of:

All kWh per month at \$0.013715 per kWh.

(c) No separate transmission or ancillary services charges shall apply to these rates.

(3) The Demand and Energy Charges under this tariff shall not be subject to automatic adjustment for increases or decreases in fuel costs through a fuel adjustment clause, whether under 807 KAR 5:056 or otherwise, or by any automatic adjustment for an environmental surcharge, whether under KRS 278.185 or otherwise.

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SECRETARY OF THE COMMISSION

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephen D. Bell
SECRETARY OF THE COMMISSION

Date of Issue August 26, 1999

Date Effective JUL 01 2002

Issued By W.A. Hite Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority of PSC in Case No. 99-360, Order dated February 25, 2000

RULES AND REGULATIONS

d. CHARGES

Each month, each Member Cooperative shall pay on behalf of each of its large industrial customers taking service under this rate schedule a demand charge calculated by multiplying the demand charge rate contained in Section 7.c.2(a) by the higher of the maximum integrated metered thirty-minute coincident peak demand or the established contract demand, if any, plus an energy charge calculated by multiplying the energy charge contained in Section 7.c.2(b) by the metered consumption of kWh in that month.

e. BILLING

Big Rivers shall bill Member on the first working day after the 13th of the month for the previous month's service hereunder for Large Industrial Customers. Member shall pay Big Rivers in immediately available funds on the first working day after the 24th of the month. If Member shall fail to pay any such bill within such prescribed period, Big Rivers may discontinue delivery of electric power and energy hereunder upon five (5) days' written notice to Member of its intention to do so. Such discontinuance for non-payment shall not in any way affect the obligation of Member to pay the take-or-pay obligation of a particular Large Industrial Customer.

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FEB 25 2000

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BY Stephan Bue Stephan Bue
SECRETARY OF THE COMMISSION SECRETARY OF THE COMMISSION

Date of Issue August 26, 1999

Date Effective February 25, 2000

Issued By Ma. Hte Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority of PSC in Case No. 99-360, Order dated February 25, 2000



For All Territory Served By
Cooperative's Transmission System

PSC No. 23
Original Sheet No. 40
Cancelling 22 Sheet No. 40

RULES AND REGULATIONS

f. BILLING FORM:

INVOICE

BIG RIVERS ELECTRIC CORP., P.O. BOX 24, HENDERSON, KY 42420

TO: LARGE INDUSTRIAL CUSTOMER
DELIVERY POINTS
USAGE

ACCOUNT
SERVICE FROM / / THRU / /

DEMAND / TIME / DAY METER MULT. KW DEMAND

POWER FACTOR BASE PEAK AVERAGE BILLED

ENERGY PREVIOUS PRESENT DIFFERENCE MULT. KWH USED

DEMAND KW TIMES \$ _____ EQUALS \$ _____

P/F PENALTY KW TIMES \$ _____ EQUALS \$ _____

ADJUSTMENT KW TIMES \$ _____ EQUALS \$ _____

SUBTOTAL \$ _____

ENERGY KWH TIMES \$ _____ EQUALS \$ _____

ADJUSTMENT KWH TIMES \$ _____ EQUALS \$ _____

RESTITUTION ADJUSTMENT HISTORIC KWH TIMES \$ _____ EQUALS \$ _____

TOTAL AMOUNT DUE \$ _____

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MAY 24 1999

LOAD FACTOR
ACTUAL MILLS PER KWH

PURSUANT TO 807 KAR 5:011,
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DUE IN IMMEDIATELY AVAILABLE FUNDS ON OR BEFORE THE FIRST WORKING DAY AFTER
THE 24TH OF THE MONTH JUL 1 2002

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

Date of Issue June 21, 1999

Date Effective May 24, 1999

Issued By White Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority of PSC in Case No. 98-427, Order dated May 24, 1999

RULES AND REGULATIONS

B. CABLE TELEVISION ATTACHMENT

1. Applicability:

In all territory served by Big Rivers on poles owned and used by Big Rivers for its electric plant.

2. Availability:

To all qualified CATV operators having the right to receive service.

3. Rental Charge:

The yearly rental charges shall be as follows:

Two-party pole attachment without ground	\$3.14
Three-party pole attachment without ground	\$2.23
Two-party pole attachment with ground	\$3.37
Three-party pole attachment with ground	\$2.37
Two-party anchor attachment	\$5.56
Three-party anchor attachment	\$3.71

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4. Billing:

JUL 18 1998

Rental charges shall be billed yearly based on the number of attachments in place as of the end of the preceding calendar year. The CATV operator shall fail to pay any such bill within such fifteen (15) day period, Big Rivers may discontinue service hereunder upon fifteen days written notice to the CATV operator of its intention to do so.

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JUL 11 2002

PURSUANT TO 307 KAR 5011,
SECTION 9 (1)
BY: Stephen D. Bell
SECRETARY OF THE COMMISSION

PURSUANT TO 307 KAR 5011,
SECTION 9 (1)

BY: Stephen D. Bell
SECRETARY OF THE COMMISSION

Date of Issue August 12, 1998 Date Effective July 16, 1998

Issued By [Signature] Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority of PSC in Case No. 98-267, Order dated July 14, 1998

RULES AND REGULATIONS

5. Specifications:

- a. The attachments covered by this tariff shall at all times conform to the requirements of the National Electrical Safety Code, 1981 Edition, and subsequent revisions thereof, except where the lawful requirements of public authorities may be more stringent, in which case the latter will govern.
- b. The strength of poles covered by this agreement shall be sufficient to withstand the transverse and vertical load imposed upon them under the storm loading of the National Electrical Safety Code assumed for the area in which they are located.

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY Stephen O. Bell
SECRETARY OF THE COMMISSION
PUBLIC SERVICE COMMISSION
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JUL 18 1998

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY Stephen O. Bell
SECRETARY OF THE COMMISSION

Date of Issue August 12, 1998 Date Effective July 18, 1998

Issued By [Signature] Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority of PSC in Case No. 98-267, Order dated July 14, 1998

RULES AND REGULATIONS

11. BIG RIVERS ELECTRIC CORPORATION VOLUNTARY PRICE
CURTAILABLE SERVICE RIDER

a. Availability:

This Rider is available to the Member Cooperatives of Big Rivers, to be used in conjunction with any of Big Rivers' standard tariffs or special contracts, for Curtailable Service offered by a Member Cooperative to individual customers (CS Customers) capable of curtailing at least 1,000 kW of load upon request.

b. Conditions of Service:

- (1) Any request for curtailment under this Rider shall be made by Big Rivers through its Member Cooperatives. Each request for curtailment made by Big Rivers shall set forth the Terms of Curtailment in accordance with this Rider.
- (2) Each curtailment will be voluntary and the Member Cooperative may accept or decline the Terms of Curtailment offered by Big Rivers.
- (3) Big Rivers and the Member Cooperative shall mutually agree upon the method which shall be used to notify each CS Customer of a curtailment request under the provisions of this Rider. The method shall specify the means of communicating such curtailment (e.g., telephone, pager) and shall designate the CS Customer's representative(s) to receive said notification. The Member Cooperative is ultimately responsible for determining and acting upon a curtailment notification from Big Rivers.

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PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Date of Issue March 10, 2000 Date Effective April 6, 2000

Issued By WA Hite Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

Issued By Authority of PSC in Case No. 2000-116, Order dated April 6, 2000.

RULES AND REGULATIONS

- (4) Big Rivers will endeavor to provide as much advance notice as possible of requests for curtailments under this Rider including an estimate of the duration of such curtailments. However, upon acceptance of the Terms of Curtailment, the load of the CS Customer, subject to those terms, shall be curtailed with as little as one (1) hour of advance notification.
- (5) No responsibility or liability of any kind shall attach to or be incurred by Big Rivers for, or on account of, any loss, cost, expense or damage caused by or resulting from, either directly or indirectly, any notice of curtailment or curtailment of service under the provisions of this Rider.
- (6) Big Rivers reserves the right to require verification of a CS Customer's ability to curtail its load. Inability to provide verification will be considered by Big Rivers when prioritizing requests for curtailment.
- (7) The Member Cooperative shall not receive a Curtailment Savings Payment for any curtailment period in which a CS Customer's curtailable load is already down for an extended period due to a planned or unplanned outage as a result of vacation, renovation, repair, refurbishment, force majeure, strike or any event other than the customer's normal operating conditions.

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c.

CS Curtailment Profiles:

For each of its CS Customers, the Member Cooperative shall submit a CS Curtailment Profile Form. CS Curtailment Profiles shall include such information as:

- (1) The maximum number of hours per day that the Customer has the ability to curtail.

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Date of Issue March 10, 2000

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Big Rivers Electric Corporation, P.O. Box 24, Henderson, KY 42420

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For All Territory Served By
Cooperative's Transmission System

PSC No. 23
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RULES AND REGULATIONS

- (2) The maximum number of days and maximum number of consecutive days by month that the CS Customer has the ability to curtail.
- (3) The Minimum Curtailment Price at which each CS Customer is willing to curtail.
- (4) The Minimum Curtailable Demand and the Maximum Curtailable Demand curtailable by the CS Customer upon request.
- (5) The Member Cooperative may modify the Curtailment Profile for a CS Customer upon thirty (30) days notice in writing.

d. Curtailed Demand and Energy:

Hourly Curtailed Demands of a CS Customer shall be determined for each curtailment period for which the CS Customer has accepted Big Rivers' Terms of Curtailment.

For each curtailment period, Hourly Curtailed Demands of each CS Customer shall be defined as the differences between the CS Customer's Demand Requirements and the actual demands measured in each hour of the curtailment period. The Demand Requirements may generally be the average of the CS Customer's demands measured in the four hours prior to the hour immediately preceding the curtailment period, provided that Big Rivers may use an average of the demands measured in any two or more of the four hours to provide a more representative estimate of the CS Customers' Hourly Curtailed Demands. ~~PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE~~ Each curtailment period shall be the sum of the Hourly ~~EFFECTIVE~~ Demands.

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e. Terms of Curtailment:

For each curtailment request, Big Rivers shall identify the CS Customer(s) (when so directed by the Member Cooperative) to be curtailed. Big Rivers shall inform the Member Cooperative or each CS Customer of a curtailment request in accordance with the agreed upon method of notification, at which time the Terms of Curtailment shall be defined. The Terms of Curtailment shall include the following:

- (1) The time at which each curtailment period shall begin is to be established by Big Rivers. At least one (1) hour advance notice of each request for curtailment shall be provided.
- (2) The requested curtailment duration in clock hours to be established by Big Rivers.
- (3) The Curtailment Price to be paid by Big Rivers for each curtailment. The Curtailment Price shall be determined by Big Rivers on a case by case basis but in each case shall not be less than the Minimum Curtailment Price.
- (4) The Member Cooperative shall specify or arrange for the CS Customer to specify:
 - a. The demand in kW (Curtailable Demand) shall not be less than the Minimum Curtailable Demand.

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Date of Issue March 10, 2000 Date Effective April 6, 2000

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b. The Maximum Curtailment Period Demand (MCPD) to be purchased by the CS Customer during the curtailment period, which shall be the maximum hourly demand to be delivered by Big Rivers to the Member Cooperative for resale to the CS Customer.

f. Curtailment Savings Payment:

The Curtailment Savings Payment for each curtailment period shall be equal to the product of the Curtailment Energy times the Curtailment Price for each respective curtailment period.

g. Monthly Savings Payment:

The Member Cooperative's Monthly Savings Payment shall be equal to the sum of the Curtailment Savings Payments for the calendar month, less any charges computed for Excess Energy. The Monthly Savings Payment will be paid directly to the Member Cooperative by check or billing credit. A statement will be provided with each Monthly Savings Payment showing the amounts attributable to each CS Customer. This amount will be recorded in the Rural Utilities Service's Uniform System of Accounts - Electric under Other Power Supply Expenses, Account 557 - Other Expenses, such that the separate identity of this cost is preserved.

h. Charges For Excess Energy:

For any CS Customer whose Curtailable Demand is equal to or greater than 5,000 kW, should the Hourly Curtailed Demand be less than 75% of the Curtailable Demand in any hour of the curtailment period, then the Excess Demand for that hour shall be the difference between the Hourly Curtailed Demand and 75% of the Curtailable Demand. There will be no Excess Demand for any CS Customer who's Curtailable Demand is less than 5,000 kW. Excess Energy is the sum of any hourly Excess Demands.

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Any Excess Energy recorded during a curtailment period shall be charged at 150% of the Curtailment Price, in addition to the charges contained in the standard applicable rate for electric service. For any CS Customer who's Hourly Curtailed Demand is less than 75% of their Curtailable Demand, Big Rivers may not, at its discretion, allow such CS Customer to benefit from future curtailment opportunities.

i. Term:

Contracts under this Rider may be made for an initial period of one (1) year and shall remain in effect thereafter until either party provides to the other at least 30 days' written notice prior to the start of the next year of its intention to discontinue service under the terms of this Rider.

j. Special Terms and Conditions:

CS Customer information, including, but not limited to, CS Curtailment Profiles, shall remain confidential.

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SECTION 9 (1)
BY: Stephen D. Bell
SECRETARY OF THE COMMISSION

KENERGY/COMMONWEALTH CURTAILMENT LOG

BIG RIVERS Rep: _____

Date: _____

CURTAILMENT # _____	
Time of notification to Kenergy/ Commonwealth	_____ CST
Kenergy/Commonwealth rep(s) contacted.	Kenergy/Commonwealth Cntrl Rm _____
Total MWs curtailed	5 MW
Curtailement begin time	_____ CST
Curtailement end time	_____ CST
Replacement Price (Kenergy/Commonwealth must accept or reject ALL hours)	HE _____ \$ _____ /MWH HE _____ \$ _____ /MWH HE _____ \$ _____ /MWH HE _____ \$ _____ /MWH HE _____ \$ _____ /MWH HE _____ \$ _____ /MWH
Replacement Price Accepted?	_____ YES _____ NO
If Yes, Total Replacement Cost	
Length of Curtailement	_____ Hours
Total Curtailement Hours YTD	_____ Hours Year-to-Date

Fax this form to _____ (Commonwealth) @ _____ AND
David Hamilton (Kenergy) @ 270-685-2279 within 1 hour of notice.

Schedule A, Exhibit 3

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**

JUL 01 2002

PURSUANT TO 807 KAR 5:011.
SECTION 9 (1)

BY Stephen Bell
SECRETARY OF THE COMMISSION