

REQUEST FOR POWER

Alcan Primary Products Corporation, a Texas corporation, (“Alcan”) hereby requests Kenergy Corp. (“Kenergy”) to purchase from Constellation Energy Commodities Group, Inc, (“Constellation”) 25 MW of around-the-clock Firm L.D. Tier 3 Energy from January 1, 2008 through June 30, 2008, in accordance with the rates, terms and conditions set forth in the Confirmation Letter dated November 2, 2007, said Confirmation Letter being subject to the terms and conditions of a Master Power Purchase and Sale Agreement (including attached Cover Sheet) dated October 17, 2007, between Kenergy and Constellation (collectively, the “Tier 3 Agreement”).

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

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

This the 2nd day of November, 2007.

ALCAN PRIMARY PRODUCTS CORPORATION

By: Pam Schneider
Pam Schneider
Treasurer

**PUBLIC SERVICE COMMISSION
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EFFECTIVE
1/1/2008
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)**


By: [Signature]
Executive Director

CONSENT

Alcan Primary Products Corporation, a Texas corporation, (“Alcan”) hereby agrees with Kenergy Corp. (“Kenergy”) and Constellation Energy Commodities Group, Inc (“Constellation”) that Alcan has reviewed the Confirmation Letter between Kenergy and Constellation dated November 2, 2007, together with the Master Power Purchase and Sale Agreement (including Cover Sheet) dated October 17, 2007, between Kenergy and Constellation (collectively, the “Tier 3 Wholesale Agreement”), and hereby consents to the execution, delivery and performance of that Tier 3 Wholesale Agreement for all purposes.

Dated: November 2, 2007

ALCAN PRIMARY PRODUCTS
CORPORATION

By: 

Pam Schneider
Treasurer

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1/1/2008
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By: 

Executive Director

MASTER POWER PURCHASE AND SALE AGREEMENT

COVER SHEET

This *Master Power Purchase and Sale Agreement* ("Master Agreement") is made as of the following date: October 17, 2007 ("Effective Date"). The *Master Agreement*, together with the exhibits, schedules and any written supplements hereto, the Party A Tariff, if any, the Party B Tariff, if any, any designated collateral, credit support or margin agreement or similar arrangement between the Parties and all Transactions (including any confirmations accepted in accordance with Section 2.3 hereto) shall be referred to as the "Agreement." The Parties to this *Master Agreement* are the following:

Party A: **CONSTELLATION ENERGY
COMMODITIES, GROUP, INC.**

Party B: **KENERGY CORP**

All Notices: Contract Administration

All Notices: Sanford Novick, President and CEO

Street: 111 Market Place, Suite 500

Street: PO Box 18

City/State: Baltimore, MD Zip: 21202

City/State: Henderson, KY Zip: 42419-0018

Attn: Contract Administration

Attn: Contract Administration

Phone: 410-468-3620

Phone: 270-826-3991

Facsimile: 410-468-3540

Facsimile: 270-685-2270

Duns: 01-563-5220

Duns:

Federal Tax ID Number: 52-2019332

Federal Tax ID Number: 61-1345109

Invoices:

Attn: Billing Group
Phone: 410-468-3620
Facsimile: 410-468-3540

Invoices:

Attn: Steve Thompson
Phone: 270-826-3991
Facsimile: 270-685-2270

Scheduling:

Attn: Scheduling Desk
Phone: 410-468-3530
Facsimile: 410-468-3540

Scheduling: Big Rivers Electric Corporation

Attn: David Crockett
Phone: 270-826-2561
Facsimile: 270-827-0183

Confirmations:

Attn: Confirmations Group
Phone: 410-468-3620
Facsimile: 410-468-3540

Confirmations:

Attn:
Phone:
Facsimile:

Payments:

Attn: Payments Group
Phone: 410-468-3620
Facsimile: 410-468-3540

Payments:

Attn: Steve Thompson
Phone: 270-826-3991
Facsimile: 270-685-2270

Wire Transfer:

BNK: M&T Bank
ABA: 022000046
ACCT: 191-9007-8

Wire Transfer:

BNK: AREA Bank (BB&T)
ABA: 083900428
ACCT: 115695

Credit and Collections:

Attn: Credit Risk Department
Phone: 410-468-3412
Facsimile: 410-468-3828

Credit and Collections:

Attn: Steve Thompson
Phone: 270-826-3991
Facsimile: 270-685-2270

By 
Executive Director

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With additional Notices of an Event of Default or Potential Event of Default to:

Attn: General Counsel
Phone: 410-468-3500
Facsimile: 410-468-3499

With additional Notices of an Event of Default or Potential Event of Default to:

Alcan Primary Products Corporation
("Alcan")
Attn: Pam Schneider
Phone: (270) 521-7315
Facsimile: (270) 521-7305

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff Tariff: Market-Based Dated: May 15, 1997 Docket Number: ER97-2261

Party B Tariff Tariff: Dated: Docket Number:

Article Two

Transaction Terms and Conditions Optional provision in Section 2.4. If not checked, inapplicable.

Article Four

Remedies for Failure to Deliver or Receive Accelerated Payment of Damages. If not checked, inapplicable.

Article Five

Events of Default; Remedies

- Cross Default for Party A: NOT APPLICABLE
- Party A: Cross Default Amount \$ _____
- Other Entity: _____ Cross Default Amount \$ _____
- Cross Default for Party B: NOT APPLICABLE
- Party B: Cross Default Amount \$ _____
- Other Entity: _____ Cross Default Amount \$ _____

5.6 Closeout Setoff

- Option A (Applicable if no other selection is made.)
- Option B – Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows: _____
- Option C (No Setoff)

Article 8


Credit and Collateral Requirements

8.1 Party A Credit Protection:

(a) Financial Information:

- Option A
- Option B
- Option C Specify: Periodic financial statements as requested by Party A

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(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

Party B Collateral Threshold: an amount equal to the Guarantee Amount as defined in section (e) below; provided, however, that Party B's Collateral Threshold shall be zero if an Event of Default or Potential Event of Default with respect to Party B has occurred and is continuing.

(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party B if Party B's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party B is not rated by either S&P or Moody's

Other:
Specify: _____

(e) Guarantor for Party B: Alcan Corp.

Guarantee Amount: \$3,500,000.00 from Alcan Corporation., a Texas corporation.

8.2 Party B Credit Protection:

(a) Financial Information:

- Option A
- Option B Specify: Constellation Energy Group, Inc
- Option C Specify: _____

(b) Credit Assurances:

- Not Applicable
- Applicable

(c) Collateral Threshold:

- Not Applicable
- Applicable

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(d) Downgrade Event:

- Not Applicable
- Applicable

If applicable, complete the following:

- It shall be a Downgrade Event for Party A if Party A's Credit Rating falls below _____ from S&P or _____ from Moody's or if Party A is not rated by either S&P or Moody's
- Other:
Specify: _____

(e) Guarantor for Party A: Not Applicable

Guarantee Amount: \$ _____, or an amount mutually agreed to by the parties from time to time in accordance with Party A's Collateral Threshold as defined above.

Article 10

Confidentiality Confidentiality Applicable If not checked, inapplicable.


Schedule M

- Party A is a Governmental Entity or Public Power System
- Party B is a Governmental Entity or Public Power System
- Add Section 3.4 If not checked, inapplicable
- Add Section 8.4 If not checked, inapplicable

Other Changes: Applicable Specify, if any: See below

The above-referenced Master Agreement between Constellation Energy Commodities Group, Inc. ("Constellation" or "Party A") and Kenergy Corp. ("Kenergy" or "Party B") dated October 17, 2007 shall be amended by the General Terms and Conditions as stated below. The Master Agreement is intended by the Parties to cover only the Covered Transaction(s) each of which shall be for resale by Kenergy to Alcan Primary Products corporation ("Alcan"), a Texas Corporation, under an Agreement for Electric Service dated July 15, 1998. "Covered Transaction(s)" shall mean: (a) the single contemplated transaction pursuant to which Party A would sell Party B 25 MW of Firm LD energy on a 7 (day) by 24 (hour) basis for resale to Alcan for consumption by Alcan at its smelter in Sebree, Kentucky, beginning January 1, 2008 and ending June 30, 2008; and/or (b) any other similar transaction agreed to by the Parties for resale to Alcan (and consented to by Alcan). Unless specifically agreed otherwise in a Confirmation Letter, the Master Agreement, as modified by the following General Terms and conditions, shall apply to each Covered Transaction. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Master Agreement. The Master Agreement between Party A and Party B dated February 6, 2006 relating to the resale of energy by Party B to an affiliate of Century Aluminum Company and the Covered Transaction(s) thereunder, including but not limited to an event of default, shall have no application to this Master Agreement and the Covered Transactions described above.

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Executive Director

Part 1. GENERAL TERMS AND CONDITIONS.

(a) Article One shall be amended as follows:

- (i) Section 1.12 shall be amended by replacing "issues" with "issuer" in the fourth line.
- (ii) Section 1.24 shall be amended by deleting in its entirety and replacing with the following new term: "Gains" means, with respect to any Party, an amount equal to the present value, calculated at the Discount Rate, of the economic benefit to it, if any (exclusive of Costs), resulting from the termination of a Terminated Transaction, determined in a commercially reasonable manner.
- (iii) Section 1.27 is amended by deleting the phrase "or a foreign bank with a U.S. branch" and replacing it with the phrase "or a U.S. branch of a foreign bank".
- (iv) Section 1.28 shall be amended by deleting in its entirety and replacing with the following new term: "Losses" means, with respect to any Party, an amount equal to the present value, calculated at the Discount Rate, of the economic loss to it, if any (exclusive of Costs), resulting from termination of a Terminated Transaction, determined in a commercially reasonable manner.
- (v) Section 1.50 is amended by changing "Section 2.4" to "Section 2.5".
 - (vi) Section 1.51 shall be amended by (i) adding the phrase "for delivery" immediately before the phrase "at the Delivery Point" in the second line and (ii) deleting the phrase "at Buyer's option" from the fifth line and replacing it with the following: "absent a purchase".
 - (vii) Section 1.53 shall be amended by (i) deleting the phrase "at the Delivery Point" from the second line, (ii) deleting the phrase "at Seller's option" from the fifth line and replace it with the following: "absent a sale", and (iii) inserting after the phrase "commercially reasonable manner" in the sixth line, the following phrase "; provided, however if the Seller is unable after using commercially reasonable efforts to resell all or a portion of the Product not received by Buyer, the Sales Price with respect to such Product shall be deemed equal to zero (0)".
- (viii) The following shall be added as a new Definitions:


"Discount Rate" means, the observed yield to maturity, as of the Early Termination Date, of marketable direct obligations of the United States Treasury bearing a maturity date of June 30, 2008 (or as close to such date as possible).

(c) Article Five shall be amended as follows:

- (i) Section 5.1(a) shall be amended by deleting "three (3) Business Days" and replacing it with "two (2) Business Day" in the second line;
- (ii) Section 5.1(h)(ii) shall be amended by deleting the following phrase from the third and fourth line thereof: "and such failure shall not be remedied within three (3) Business Days after written notice".
- (v) Section 5.4 shall be amended by adding the following clause at the end of Section 5.4:

"Notwithstanding any provision to the contrary contained in this Agreement, the Non-Defaulting Party shall not be required to pay to the Defaulting Party any amount under Article 5 until the Non-Defaulting Party receives confirmation satisfactory to it in its reasonable discretion (which may include an opinion of its counsel) that all other obligations of any kind whatsoever of the Defaulting Party to make any payments to the Non-Defaulting Party or any of its Affiliates under this Agreement or otherwise which are due and payable as of the Early Termination Date have been fully and finally performed."

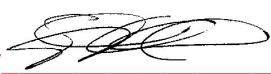
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Executive Director

ANY PROCEEDINGS ARISING OUT OF AND/OR RELATING TO THIS AGREEMENT SHALL BE RESOLVED BY A JUDGE TRIAL WITHOUT A JURY AND THE RIGHT TO A JURY TRIAL IS WAIVED, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW. Each party hereto hereby (a) certifies that no representative, agent or attorney of another person has represented, expressly or otherwise, that such other person would not, in the event of a Proceeding, seek to enforce the foregoing waiver and (b) acknowledges that it has not been induced to execute and deliver, or change its position in reliance upon the benefits of, this Agreement by, among other things, the mutual waivers and certifications in this Section."

- (iii) Section 10.10 is amended by deleting the section in its entirety and replacing it with the following new Section: "Bankruptcy. The Parties acknowledge and agree that (i) any Transaction with a maturity date more than two days after the date the Transaction is entered into constitutes a "forward contract" within the meaning of the United States Bankruptcy Code (the "Bankruptcy Code"); (ii) certain Transactions may constitute "swap agreements" within the meaning of the Bankruptcy Code; (iii) all payments made or to be made by one Party to the other Party pursuant to this Agreement are "settlement payments" within the meaning of the Bankruptcy Code; and (iv) all transfers of Performance Assurance by one Party to the other Party under this Agreement are "margin payments" within the meaning of the Bankruptcy Code. Each Party further agrees that, for purposes of this Agreement, the other Party is not a "utility" as such term is used in 11 U.S.C. Section 366, and each Party agrees to waive and not to assert the applicability of the provisions of 11 U.S.C. Section 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further agrees to waive the right to assert that the other Party is a provider of last resort."
- (iv) Section 10.11 shall be amended by adding (1) the phrase "or the completed Cover Sheet to this Master Agreement"; (2) , immediately before the phrase "to a third party" in the fourth line thereof, between the words "employees" and "lenders", add the word "Affiliates"; (3) in the seventh line thereof, between the word "proceeding" and the semi-colon, which immediately follows, add the words "applicable to such Party or any of its Affiliates"; and (4) an additional sentence at the end of Section 10.11: "A Party may disclose (i) any one or more of the commercial terms of a Transaction (other than the name of the other Party unless otherwise agreed to in writing by the Parties) to any industry price source for the purpose of aggregating and reporting such information in the form of a published energy price index and (ii) disclose all or any portion of this Agreement to Century Aluminum of Kentucky General Partnership and its affiliates.."
- (v) The following Section shall be added as a new Section 10.13.
Imaged Agreement. Any original executed Agreement, Confirmation or other related document may be photocopied and stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Confirmation, if introduced as evidence in automated facsimile form, the Recording, if introduced as evidence in its original form and as transcribed onto paper, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the Recording, the Confirmation or the Imaged Agreement (or photocopies of the transcription of the Recording, the Confirmation or the Imaged Agreement) on the basis that such were not originated or maintained in documentary form under either the hearsay rule, the best evidence rule or other rule of evidence."
- (vi) The following Section shall be added as a new Section 10.14:
FERC Standard of Review; Mobile-Sierra Waiver

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(a) Absent the agreement of all Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party (to the extent that any waiver in subsection (b) below is unenforceable or ineffective as to such Party), a non-party or FERC acting *sua sponte*, shall be the "public interest" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956)(the "Mobile-Sierra" doctrine).

(b) In addition, and notwithstanding the foregoing subsection (a), to the fullest extent permitted by applicable law, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives any rights it can or may have, now or in the future, whether under §§ 205 and/or 206 of the Federal Power Act or otherwise, to seek to obtain from FERC by any means, directly or indirectly (through complaint, investigation or otherwise), and each hereby covenants and agrees not at any time to seek to so obtain, an order from FERC changing any section of this Agreement specifying the rate, charge, classification, or other term or condition agreed to by the Parties, it being the express intent of the Parties that, to the fullest extent permitted by applicable law, the "sanctity of contract" principles acknowledged by FERC in its Notice of Proposed Policy Statement (Issued August 1, 2002) in Docket No. PL02-7-000, Standard of Review for Proposed Changes to Market-Based Rate Contracts for Wholesale Sales of Electric Energy by Public Utilities, ("NPPS") shall prevail and neither Party shall unilaterally seek to obtain from FERC any relief changing the rate, charge, classification, or other term or condition of this agreement, notwithstanding any subsequent changes in applicable law or market conditions that may occur. In the event it were to be determined that applicable law precludes the Parties from waiving their rights to seek changes from FERC to their market-based power sales contracts (including entering into covenants not to do so) then this subsection (b) shall not apply, provided that, consistent with the foregoing subsection (a) , neither Party shall seek any such changes except under the "public interest" standard of review and otherwise as set forth in the foregoing section (a).

(c) In connection with the foregoing, the Parties acknowledge that, pursuant to the NPPS, FERC has invited interested persons to submit comments with respect to the provisions thereof and therefore agree that, if and to the extent FERC adopts in a final or subsequent policy statement ("FPS") which requires, in order to exclude application of the just and reasonable standard under the Mobile-Sierra doctrine, the use of specific language which varies from that set out in the foregoing subsection (a), then the foregoing subsection(a) shall, without further action of either Party, be deemed amended to incorporate such specific language that requires the public interest standard of review, provided that to the extent that the specific language adopted in an FPS is in any way inconsistent with the mutual intent of the Parties in this regard as currently set forth in the foregoing subsections (a) and (b), then the Parties agree to meet to attempt to negotiate in good faith an amendment to this Section 10 to address such inconsistencies, provided further that neither Party shall be obligated in any way to agree to any such amendment if to do so would be inconsistent with such current mutual intent as expressed herein or would expose such Party in any way to greater risk of changes being ordered by FERC to this Agreement."

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IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be duly executed as of the date first above written.

**Party A – CONSTELLATION ENERGY
COMMODITIES GROUP, INC.**

Party B – KENERGY CORP.

By: Stu Rubenstein

By: Sanford Novick

Name: Stuart R. Rubenstein

Name: Sanford Novick

Title: Chief Operating Officer

Title: President and CEO

DISCLAIMER: This Master Power Purchase and Sale Agreement was prepared by a committee of representatives of Edison Electric Institute ("EEI") and National Energy Marketers Association ("NEM") member companies to facilitate orderly trading in and development of wholesale power markets. Neither EEI nor NEM nor any member company nor any of their agents, representatives or attorneys shall be responsible for its use, or any damages resulting therefrom. By providing this Agreement EEI and NEM do not offer legal advice and all users are urged to consult their own legal counsel to ensure that their commercial objectives will be achieved and their legal interests are adequately protected.

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By: [Signature]
Executive Director

(b) Article Six shall be amended as follows:

(i) Section 6.8 "Transaction Netting" shall be deleted.

(c) Article Seven shall be amended as follows:

Section 7.1, shall be amended by (i) deleting in the fifteenth line the words, "UNLESS EXPRESSLY HEREIN PROVIDED", (ii) adding in the nineteenth line the words PROVIDED, HOWEVER, NOTHING IN THIS SECTION SHALL AFFECT THE ENFORCEABILITY OF THE PROVISIONS OF THIS AGREEMENT RELATING TO REMEDIES FOR FAILURE TO DELIVER/RECEIVE IN SECTIONS 4.1 AND 4.2, AND CALCULATION AND PAYMENT OF THE TERMINATION PAYMENT IN SECTIONS 5.2 AND 5.3." immediately after the words "ANY INDEMNITY PROVISION OR OTHERWISE", and (iii) adding at the end of the last sentence the words "AND ARE NOT PENALTIES".

(d) Article Eight shall be amended as follows:

(i) Section 8.1(d) shall be amended by adding the following phrase after the phrase "or other credit assurance acceptable to Party A within three (3) Business Days of receipt of notice": "or fails to maintain such Performance Assurance or guaranty or other credit assurance for so long as the Downgrade Event is continuing".

(ii) Section 8.2(d) shall be amended by adding the following phrase after the phrase "or other credit assurance acceptable to Party B within three (3) Business Days of receipt of notice": "or fails to maintain such Performance Assurance or guaranty or other credit assurance for so long as the Downgrade Event is continuing".

(e) Article Nine shall be amended as follows:

(i) Section 9.1 shall be deleted in its entirety.

(ii) Section 9.2 shall be amended by deleting the Section number.

(f) Article Ten shall be amended as follows:

(i) Section 10.2(ii) shall be amended by inserting at the end of the sentence the words, "provided, however, that in the case of Party B, this representation shall only be effective upon approval by the Kentucky Public Service Commission of the rates, terms and conditions of the retail sale by Party B to Alcan. Section 10.2 (ix) is amended to read in its entirety as follows:

"(ix) (1) it is a "forward contract merchant" within the meaning of the United States Bankruptcy Code; (2) it is an "eligible contract participant" as such term is defined in the Commodity Exchange Act, as amended 7 U.S.C. § 1 (a) (12); and (3) it is an "eligible commercial entity" as such term is defined in the Commodity Exchange Act, as amended 7 U.S.C. § 1 (a) (11); and (x) with respect to Party B, Party B represents and warrants that the rates, terms and conditions of the Transaction are based on specifications required by and consented to by Party B and Alcan."

(ii) Section 10.6 is deleted in its entirety and replaced with the following new Section:

"10.6 Governing Law; Jurisdiction; Waiver of Jury Trial. This Agreement shall be construed in accordance with, and this Agreement and all matters arising out of or relating in any way whatsoever to this Agreement (whether in contract, tort, or otherwise) shall be governed by, the law of the State of New York.

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OF KENTUCKY
SPECIFIC
11/9/2008
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By 
Executive Director

FROM: Constellation Energy Commodities Group, Inc.

TO: Kenergy Corp.
P.O. Box 18
Henderson, KY 42419-0018
270-826-3991* FAX: 270-685-5891

Trade ID#:
Trade Date: November 2, 2007

This Confirmation Letter memorializes the Transaction agreed to on November 2, 2007 between Constellation Energy Commodities Group, Inc. ("Constellation") and Kenergy Corp. ("Kenergy"), (each individually a "Party" and collectively the "Parties"), regarding the purchase and sale of Firm Energy for resale by Kenergy to Alcan Aluminum ("Alcan"). The terms and conditions as follows:

Purchaser: Kenergy
Seller: Constellation
Term: January 1, 2008 through June 30, 2008, subject to acceptance by the Kentucky Public Service Commission of Kenergy rates and charges to Alcan.
Delivery: All hours, including NERC holidays, HE 0100 through 2400 Central Prevailing Time (CPT)
Contract Quantity: 25 MW of Firm L.D. Energy per hour. (Total 109,175 MWh)
Delivery Point: Into Big Rivers Electric Corporation, Sellers Daily Choice
Energy Price: \$57.50 per MWh
Conditions: Firm (LD)
Scheduling: All transmission scheduling to be done by Constellation in accordance with the appropriate control area or RTO deadlines.

Special Conditions:

The parties agree to notify each other as soon as possible of any interruption or curtailment affecting this transaction.

Constellation Real-Time Communications and Scheduling: 410-468-3530

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Special Payment
Conditions:

(i) On any Business Day during the Term, Kenergy may determine, in its sole discretion, that instead of purchasing the remaining Contract Quantity, Constellation shall remarket the remaining Contract Quantity. The day on which such notice is provided shall be the "Notification Day" and shall be provided to Constellation prior to 12 pm Eastern Prevailing Time on the Notification Day.

(ii) Constellation shall promptly determine the amount of MWh's remaining to be delivered under this Confirmation Letter from the end of the scheduling day prior to the Settlement Day, as hereafter defined, until the end of the Term (the "Settlement Amount"). With respect to such Settlement Amount and within two Business Days following the Notification Day (the "Settlement Day"), Constellation shall then pay Kenergy (or Kenergy shall then pay Constellation, as the case may be), the positive or negative difference between the Settlement Amount times (a) the Energy Price and (b) the ICE settled Cinergy Hub LMP Swap Price, as determined on the Notification Day, for all On-Peak and Off-Peak MWhs minus \$1 (one) USD.

(iii) Payment made in accordance with section (b)(ii) above shall be in full satisfaction of the obligation of Kenergy to pay the Energy Price and the obligation of Constellation to deliver the remaining Contract Quantity such that the Product shall no longer be delivered, or deliverable, by the beginning of the Settlement Day.

Unwind Costs:

(1) Kenergy will use all reasonable efforts to obtain the approval of the Kentucky Public Service Commission ("Commission") necessary to perform its obligations under this Agreement. To the extent that Kenergy fails to obtain Commission approval, Constellation will be entitled to collect as damages one hundred (100) percent of all costs that it incurs to "unwind" or dissolve the transactions entered into by Constellation to hedge the instant agreement ("Unwind Costs").

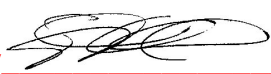
(2) Unwind Costs shall be determined by Constellation in a commercially reasonable manner.

(3) Neither Kenergy, its successors or assigns, nor Constellation, its successors and assigns, will request or encourage the Commission (or encourage or solicit any other person to request or encourage the Commission) to reject or modify Kenergy's application for the acceptance and approval of the rates, terms and conditions contemplated by this Agreement. In the event that Kenergy, its successors or assigns, breaches this provision, Constellation will be entitled to collect as damages from Kenergy one hundred (100) percent of all Unwind Costs. In the event that Constellation, its successors or assigns, breaches this provision, Kenergy shall be entitled to collect as damages from Constellation, for the benefit of Alcan Aluminum, the positive difference, if any, between its replacement cost per unit of electric energy at the Delivery Point and the rates for Tier 3 Energy required to be delivered under the Agreement.

Terms:

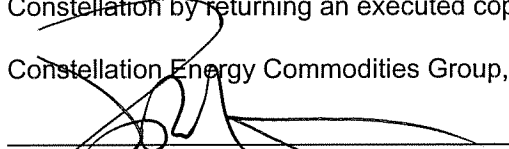
This Confirmation Letter shall be governed by, and incorporates by reference: (a) the attached Cover Sheet and Special Provisions to the Master Power Purchase and Sale Agreement, dated as of October 17, 2007 between Constellation and Kenergy (the "Agreement") and (b) the standard form Master Power Purchase and Sale Agreement (ver.2.1) published by the Edison Electric Institute (EEI), which together shall constitute the general terms and conditions applicable to this Confirmation Letter and the Transaction (collectively, the "Master Agreement"). The obligation to deliver a Guarantee, as set forth in the Agreement, shall be delivered to Constellation within 2 Business Days upon the execution of this Confirmation Letter.

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SECTION 9 (1)

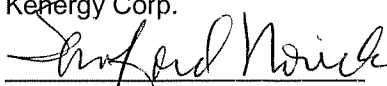
By 
Executive Director

Please confirm that terms stated herein accurately reflect the agreement reached between Kenergy and Constellation by returning an executed copy of this Confirmation Letter. (Fax: 410-468-3540)

Constellation Energy Commodities Group, Inc.


Name: Stuart R. Rubenstein
Title: Chief Operating Officer
Date:

Kenergy Corp.


Name: Sanford Novick
Title: President
Date: 11/6/07

VSM
RPO
11/7/07
RPO
11/8/07

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1/1/2008
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SECTION 9 (1)

By 
Executive Director