

RECEIVED

APR 9 1990

PUBLIC SERVICE  
COMMISSION

AGREEMENT FOR PURCHASE AND SALE OF INTERRUPTIBLE POWER

THIS AGREEMENT made and entered into this the 30<sup>th</sup> day of MARCH, 1990, by and between HENDERSON-UNION RURAL ELECTRIC COOPERATIVE CORPORATION, a Kentucky corporation, with offices located at 435 South Wye, Henderson, Kentucky (hereinafter referred to as "Cooperative") and ALCAN ALUMINUM CORPORATION, an Ohio corporation with principal place of business located in Cleveland, Ohio (hereinafter referred to as "Customer");

WITNESSETH:

WHEREAS, Cooperative entered into "Agreement for Electric Service" with Anaconda Aluminum Company on April 24, 1982 ("1982 Agreement"), and

WHEREAS, Anaconda on or about January 17, 1985, doing business as ARCO Metals Company, assigned the 1982 Agreement to Customer, and

WHEREAS, Cooperative and Customer have subsequently entered into Amendment No. 1 to "Agreement for Electric Service,"

WHEREAS, the parties desire to agree to the terms and conditions under which Cooperative will sell additional power to Customer on an interruptible basis,

NOW, therefore, in consideration of the mutual covenants, terms and conditions herein ~~public service~~ the parties COVENANT and AGREE as follows:

PUBLIC SERVICE  
OF KENTUCKY  
EFFECTIVE

MAY 9 1990

PURSUANT TO 807 &

SECTION 10

BY: *Geo*  
PUBLIC SERVICE COMMISSION

1. Beginning April 1, 1990, on an interruptible basis and subject to a 30 day termination notice, Cooperative will make available for purchase by Customer up to 25 MW of electrical power in addition to Customer's contract demand under the 1982 Agreement, as amended. Customer shall pay Cooperative for such electrical power at a price of 19.25 mills per kilowatt hour plus Cooperative's mark up which is currently 0.10 mills per KWH. Any applicable fuel adjustment charge shall be passed on to the Customer, except that Customer shall not benefit from a negative fuel adjustment charge with respect to this power below 19.25 mills per KWH exclusive of said mark up. Any future increases in the base energy charge of Cooperative's wholesale power supplier shall be passed on to Customer.

2. The aforementioned interruptible power is offered to Customer by Cooperative on an as-available basis. Cooperative's wholesale power supplier shall have sole discretion to determine whether and when it has power available from the generation on its system to meet Customer's request for delivery by Cooperative of such interruptible power. If Cooperative is unable to obtain such interruptible power from generation on the system of its wholesale power supplier, or if Cooperative notifies customer of an imminent interruption in the delivery of such interruptible power, then upon Customer's request, Cooperative will ask its wholesale power supplier to obtain power to satisfy

MAY 9 1990

PURSUANT TO 804 KAR 001.001

SECTION 10.1

BY: *George S. [Signature]*  
PUBLIC SERVICE COMMISSION MANAGER

Customer's request for interruptible power from any available sources and transmit such power to Customer's plant for Customer's use. Cooperative shall advise Customer of the availability of any such power to its wholesale power supplier and the terms and conditions under which such power may be obtained and delivered. Customer shall then determine whether such terms and conditions are acceptable to it and, if so, shall confirm such acceptance in writing to Cooperative and its wholesale power supplier, whereupon the power shall be delivered to and paid for by Customer.

3. The provisions of this agreement shall terminate at 12:01 A.M. on September 1, 1997.

4. The provisions of the 1982 Agreement, as amended, shall govern performance of this agreement, except to the extent inconsistent herewith.

5. This agreement shall become effective on April 1, 1990, subject to the following conditions precedent:

(a) This agreement is approved by the Administrator of the Rural Electrification Administration of the United States and the Cooperative Finance Corporation;

(b) This agreement is approved by the Kentucky Public Service Commission or has become effective under Kentucky Statutes and the Commission's Rules and Regulations;

(c) Amendment No. 3 to the wholesale power agreement between Cooperative's wholesale power supplier Big Rivers

FILED IN SERVICE DIVISION  
OF KENTUCKY  
EFFECTIVE

MAY 9 1990  
PURSUANT TO 807 KAR 5:011,  
SECTION 9 (X)

Electric Corporation and the Cooperative has become effective.

IN TESTIMONY WHEREOF, the parties hereto have executed this agreement in multiple counterparts as of the day and date first above written.

HENDERSON-UNION RURAL ELECTRIC  
COOPERATIVE CORPORATION

By Morton Henshaw  
Morton Henshaw, President

ATTEST:

William Briscoe  
William Briscoe, Secretary

ALCAN ALUMINUM CORPORATION

By James P. Monaghan  
James P. Monaghan-Vice President

ATTEST:

William H. Jayrels  
William H. Jayrels-Assistant Secretary

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
FEE

MAY 9 1990