

**CONTRACT FOR ELECTRIC SERVICE  
BETWEEN KENTUCKY POWER COMPANY  
AND BIG RUN POWER PRODUCERS LLC**

This Contract for Electric Service (“Contract”) is entered into by and between Kentucky Power Company, a Kentucky corporation (the “Company”) and Big Run Power Producers LLC, a North Carolina limited liability company (the “Customer”) on the date this Contract is last signed.

**RECITALS**

1. The Company is a corporation organized and existing under the laws of the Commonwealth of Kentucky that owns and operates facilities for the generation, transmission and distribution of electric power and energy in the Commonwealth of Kentucky and is a member of the integrated American Electric Power (“AEP”) System.
2. Customer is a limited liability company organized and existing under the laws of the State of North Carolina with operations near Ashland, Kentucky. The Customer intends to substantially expand its operations on US Route 60, west of Ashland, Kentucky.
3. The Customer has demonstrated to the Company that, absent the availability of Tariff E.D.R., the Customer’s new electrical demand would not be placed in service.
4. The Company’s service territory and the entire eastern Kentucky region are struggling economically and in need of jobs for Kentucky’s citizens.
5. To facilitate economic development in the Company’s service territory through the expansion of the Customer’s facility in eastern Kentucky, including the benefits flowing to all customers through spreading fixed costs over a larger demand, the Company is agreeable to providing energy to Customer under the terms and conditions contained in this Contract, subject to approval by the Kentucky Public Service Commission.

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<i>Gwen R. Pinson</i> Executive Director
EFFECTIVE <b>8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

6. The service the Company will provide Customer pursuant to this Contract will provide benefits to the Customer, the Company, the Company's other customers, and the Commonwealth of Kentucky.

**NOW THEREFORE**, in consideration of the promises and the mutual covenants herein contained, and subject to the terms and conditions herein contained, the Company and the Customer agree as set forth below.

**AGREEMENT**

**ARTICLE 1  
Definitions**

1.1 Whenever used in this Contract, the following terms shall have the meanings set forth below, unless a different meaning is plainly required by the context:

1.1.1 "Commission" shall mean the Kentucky Public Service Commission, the regulatory agency having jurisdiction over the retail electric service of the Company in Kentucky, including the electric service covered by this Contract, or any successor thereto.

1.1.2 "Contract" shall mean this Contract for electric service between the Company and the Customer, as the same may, from time to time, be amended.

1.1.3 "Kentucky Power System" shall mean the integrated, interconnected electric system operated and owned by Kentucky Power Company.

1.1.4 "Parties" shall mean the Company and the Customer.

1.1.5 "Party" shall mean either the Company or the Customer.

1.1.6 "Tariff I.G.S." shall mean the Company's Industrial General Service Tariff, or any successor or amendment thereto, approved by the Commission

1.1.7 "Tariff E.D.R." shall mean the Company's Economic Development Rider or any successor or amendment thereto, approved by the Commission

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>Gwen R. Pinson</b> Executive Director

<b>EFFECTIVE 8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

1.1.8 "I.B.D.D." shall mean the Incremental Billing Demand Discount and shall have the same meaning as set forth in Tariff E.D.R.

1.1.9 "Qualifying Incremental Billing Demand" shall have the same meaning as that set forth in Tariff E.D.R.

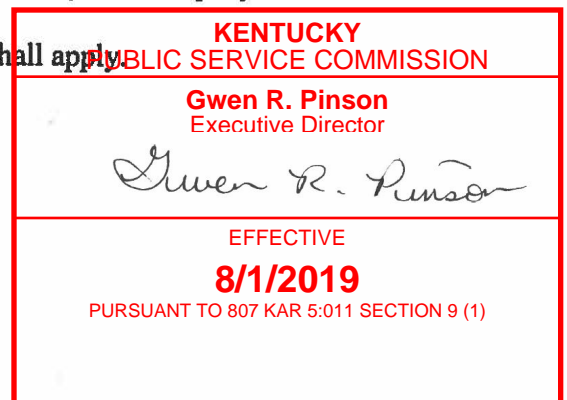
1.2 Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number (and vice versa); terms such as "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Contract rather than any particular part of the same. Certain other definitions, as required, appear in subsequent parts of this Contract.

## ARTICLE 2 Delivery of Electric Power and Energy

2.1 Subject to the terms and conditions specified herein, the Company agrees to furnish to the Customer, during the term of this Contract, and the Customer agrees to take and pay for, all of the electric power and energy that shall be required by the Customer for consumption at the premises located at 1837 River Cities Drive, Ashland, Kentucky 41102.

2.2 The Delivery Point for electric power and energy delivered hereunder shall be Customer's switch pole one span from Company pole 38830162C36083.

2.3 The electric energy delivered by the Company to the Delivery Point shall be four-wire, three-phase alternating current at approximately 7200/12470 volts. The said electric energy shall be delivered at reasonably close maintenance to constant potential and frequency, and it shall be measured by a meter or meters owned and installed by the Company and located on Company pole 38830162C36083. No Adjustment Factor shall apply.

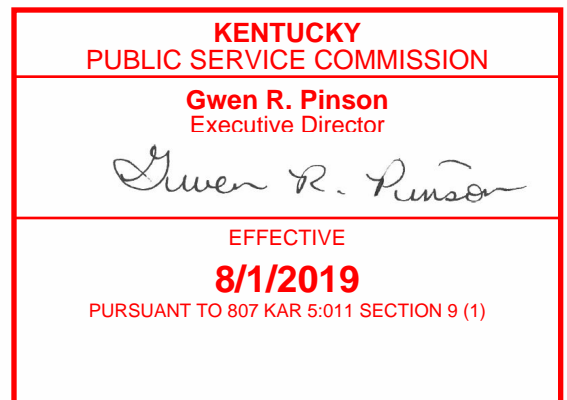


**ARTICLE 3**  
**Capacity Reservation**

3.1 The Total Capacity Reservation contracted for by the Customer is hereby initially fixed at 3,600 kW. The Customer may request a change to the Total Capacity Reservation by providing written notice to the Company one year in advance of the date the requested change is proposed to be effective. The Parties may reduce the one year written notice requirement by mutual written agreement. Any change to the Total Capacity Reservation is subject to conditions as determined by the Company, such as the availability and cost of incremental Capacity from the Company, and to the receipt of any necessary regulatory approvals.

3.2 The Customer's Metered Demand shall not exceed, and the Company shall not be required to supply capacity in excess of, the Total Capacity Reservation except by mutual written agreement of the Parties.

3.3 The Customer's Metered Demand shall be determined each month as the highest of either the On-Peak Demand or the Off-Peak Demand. The On-Peak Demand during each month is the single highest 15-minute integrated peak in kW as registered by a demand meter during the On-Peak Period. The Off-Peak Demand during each month is the single highest 15-minute integrated peak in kW as registered by a demand meter during the Off-Peak Period.





**ARTICLE 4**  
**Billing**

4.1 The Customer and the Company agree that the Customer has chosen to receive service under the provisions of the Company's Tariff I.G.S. at the rate of Primary, Code 370.

4.2 The Customer agrees to pay the Company monthly for electric energy delivered hereunder at the rates and under the provisions of the Company's Tariff I.G.S., as modified by the Customer's participation in Tariff E.D.R. and described herein.

4.3 The Customer's new qualifying incremental demand resides in separate facilities from those already existing at the Customer's premises. The Customer's new qualifying incremental demand will be metered according to Tariff I.G.S. on a separate meter from the meter for its existing operations. The Customer's Qualifying Incremental Billing Demand will be calculated based on meter readings for the Customer's new qualifying incremental demand on the Customer's new, separate meter.

4.4 The Customer's estimated load factor is 90%.

4.5 Over the term of this Contract, the Customer's Qualifying Incremental Billing Demand shall be reduced by the following percentages set forth in Table 1:

**Table 1**

Year	% Reduction
Year 1	50%
Year 2	40%
Year 3	30%
Year 4	20%
Year 5	10%
Year 6	0%
Year 7	0%
Year 8	0%
Year 9	0%
Year 10	0%

<b>KENTUCKY</b> <b>PUBLIC SERVICE COMMISSION</b>
<b>Gwen R. Pinson</b> Executive Director 
EFFECTIVE <b>8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

4.6 The Customer's Minimum Demand Charge, as set forth in Tariff I.G.S., shall be waived for the first 36 months of this Contract. However, if during the term of this Contract the Customer's monthly demand falls below the minimum billing demand level under Tariff I.G.S. for 4 consecutive months or 6 months total in a Contract year, then the Customer's minimum demand charge shall not be waived and the appropriate minimum billing demand charge otherwise applicable under Tariff I.G.S. will apply until the Customer achieves the minimum billing demand level.

4.7 The Parties agree that the charges that the Company collects from the Customer during the term of this Contract will recover all of the Company's fixed costs associated with upgrading its distribution facilities to serve the Customer.

**ARTICLE 5**  
**Effective Date and Term of Contract**

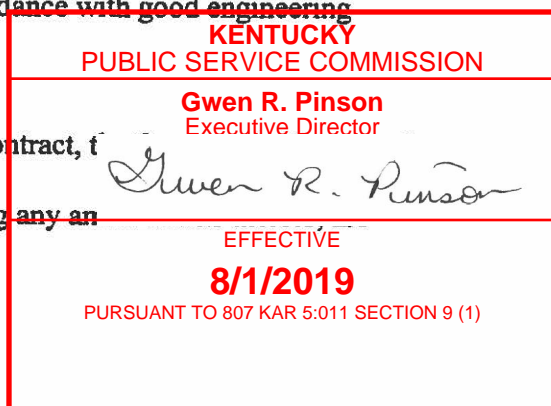
5.1 The Effective Date of this Contract shall be the first day of the first billing month following the approval of this Contract by the Commission. In no event shall this Contract become effective without the approval of this Contract by the Commission as required by Article 7.2.

5.2 The term of this Contract shall be for an initial term of 10 years. The term shall commence on the Effective Date of this Contract as established under Article 5.1.

**ARTICLE 6**  
**Service Conditions**

6.1 Each Party shall exercise reasonable care to maintain and operate, or to cause to be maintained and operated, their respective facilities in accordance with good engineering practices.

6.2 To the extent not expressly modified by this Contract, the Conditions of Service, as filed with the Commission, including any an



incorporated by reference and made a part of this Contract. The Customer acknowledges receipt of the currently approved Terms and Conditions of Service. In the event of a conflict between explicit provisions of this Contract and the provisions of the Company's Terms and Conditions of Service, the provisions of this Contract shall control.

6.3 Any service being provided to the Customer under this Contract may be interrupted or reduced (a) by operation of equipment installed for power system protection; (b) after notice to and consultation with the Customer for routine installation, maintenance, inspection, repairs, or replacement of equipment; (c) when, in the Company's sole judgment, such action is necessary to (i) preserve the integrity of, or to prevent or limit any instability or material disturbance on, or to avoid a burden on, the Kentucky Power system or an interconnected system, (ii) preserve personal or public safety, (iii) or to protect property; or (d) upon occurrence of an event of Force Majeure as defined by the Company's Terms and Conditions of Service.

6.4 The Company reserves the right to disconnect from the Kentucky Power System the Customer's conductors or apparatus without notice when, in the exercise of reasonable care, the Company determines that it is necessary in the interest of preserving or protecting life and/or property.

6.5 During the term hereof, the Customer's Facility shall not purchase electric power from any source other than the Company. This provision does not apply to emergency generation that is not designed to operate in parallel with the Kentucky Power System.

6.6 The Customer shall notify the Company in advance of any changes to be made to the Customer's Facility that has the potential of materially affecting the Kentucky Power System or other facilities interconnected to the Kentucky Power System.

<b>KENTUCKY</b> <b>PUBLIC SERVICE COMMISSION</b> Gwen R. Pinson Executive Director
<i>Gwen R. Pinson</i>
<b>EFFECTIVE</b> <b>8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)




6.7 The Customer shall adhere to the addendum to this contract regarding voltage flicker criteria and harmonic distortion criteria (“Flicker/Harmonics Addendum”). The Flicker/Harmonics Addendum is incorporated by reference and made a part of this Contract.

**ARTICLE 7**  
**Regulatory Authorities**

7.1 The Parties recognize that this Contract is subject to the jurisdiction of the Commission, and is also subject to such lawful action as any regulatory authority having jurisdiction shall take with respect to the provision of services under the Contract. The performance of any obligation of either Party shall be subject to the receipt from time to time as required of such authorizations, approvals or actions of regulatory authorities having jurisdiction as shall be required by law.

7.2 The Company and the Customer agree that this Contract reflects the steps required to ensure adequate service to the Customer and that the Company will file this Contract with the Commission. This Contract is expressly conditioned upon the issuance of a final and non-appealable order by the Commission approving the Contract without change or condition. In the event that the Commission does not approve this Contract without change or condition, then this Contract shall not become effective, unless the Parties agree otherwise in writing. It is the intent of the Parties that the issuance of an order by the Commission approving the Contract without change or condition is a prerequisite to the validity of this Contract. To the extent a subsequent Commission Order alters the terms of this Contract, this Contract shall terminate unless within thirty day of the Commission Order the Parties agree in writing otherwise. In the event of a termination of the Contract due to subsequent Commission order, the Customer shall take service under the appropriate Company tariff.

<b>KENTUCKY</b> <b>PUBLIC SERVICE COMMISSION</b>
<b>Gwen R. Pinson</b> Executive Director

<b>EFFECTIVE</b> <b>8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



**ARTICLE 8  
Assignment**

8.1 This Contract shall inure to the benefit of and be binding upon the successors and assigns of the Parties.

8.2 This Contract shall not be assigned by either Party without the written consent of the other Party.

8.3 Any assignment by one Party to this Contract shall not relieve that Party of its financial obligation under this Contract unless the other Party so consents in writing.

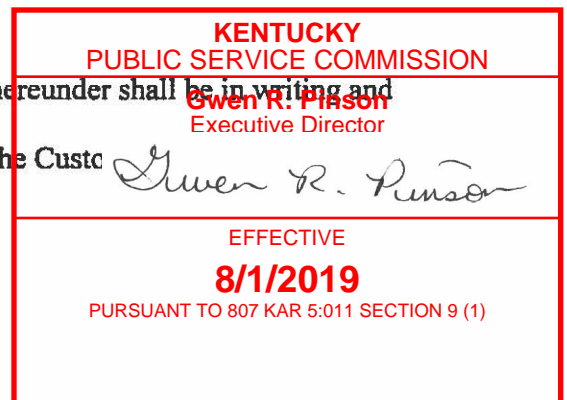
**ARTICLE 9  
General**

9.1 Any waiver at any time of any rights as to any default or other matter arising under this Contract shall not be deemed a waiver as to any other proceeding or subsequent default or matter. Any delay, excepting the applicable statutory period of limitation, in asserting or enforcing any right hereunder shall not be deemed a waiver of such right.

9.2 Except as set forth in Article 7, in the event that any of the provisions, or portions thereof, of this Contract is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected.

9.3 All terms and stipulations made or agreed to regarding the subject matter of this Contract are completely expressed and merged in this Contract, and no previous promises, representations or agreements made by the Company's or the Customer's officers or agents shall be binding on either Party unless contained herein.

9.4 All notices permitted or required to be given hereunder shall be in writing and shall be delivered by first-class mail to the Company and to the Customer.



addresses set forth below. When a notice is mailed pursuant to this paragraph, the postmark shall be deemed to establish the date on which the notice is given:

If to Company:  
Customer Account Manager  
Kentucky Power Company  
12333 Kevin Avenue  
Ashland, Kentucky 41102

If to Customer:  
Operations Supervisor  
Big Run Power Producers, LLC  
1837 River Cities Drive  
Ashland, Kentucky 41102

9.5 The rights and remedies granted under this Contract shall not be exclusive rights and remedies but shall be in addition to all other rights and remedies available at law or in equity.

9.6 The validity and meaning of this Contract shall be governed by the laws of the Commonwealth of Kentucky without regard to conflict of law rules.

9.7 This Contract may be executed in counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be duly executed the day and year last written below.

KENTUCKY POWER COMPANY

BIG RUN POWER PRODUCERS LLC

By Matthew A. Horeled

By David K. Watson

Name: Matthew A. Horeled

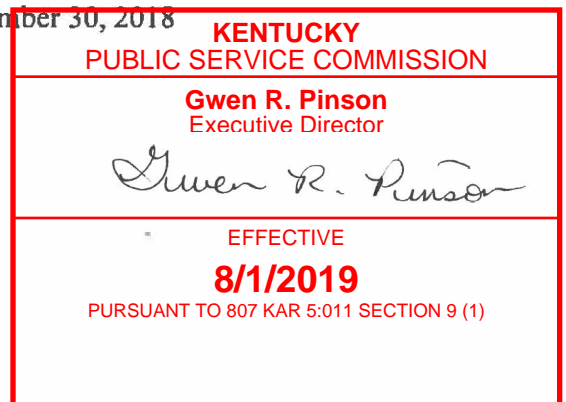
Name: David K. Watson

Title: Director of Regulatory Services

Title: Authorized Representative

Date: November 30, 2018

Date: November 30, 2018



**ADDENDUM TO CONTRACT FOR ELECTRICAL DISTRIBUTION SERVICE-  
Flicker/Harmonics**

This Addendum is entered into this 30 day of November, 2018, by and between **Kentucky Power Company**, hereafter called the Company, and **Big Run Power Producers LLC**, or its heirs, successors or assigns, hereafter called the Customer.

**WHEREAS**, the Company's terms and conditions of service contained in the applicable tariffs indicate that the Customer shall not use the electrical service provided for under the terms of the Contract for Electric Service dated November 30, 2018 in a manner detrimental to other customers or in such a way as to impose unacceptable voltage fluctuations or harmonic distortions, and

**WHEREAS**, the Customer anticipates utilizing certain equipment at the service location covered by the Contract that could impose an unacceptable level of voltage flicker or harmonic distortion,

**NOW THEREFORE**, the parties hereby agree as follows:

**I. POINT OF COMPLIANCE** – The point where the Customer's electric system connects to Kentucky Power's system will be the point where compliance with the voltage flicker and harmonic distortion requirements are evaluated.

**II. VOLTAGE FLICKER CRITERIA** – The Company's standards require that the voltage flicker occurring at the Point of Compliance shall remain below the Border Line of Visibility curve on the Flicker Limits Curve contained herein.

The Customer shall design and operate its facility in compliance with the voltage flicker criteria contained in IEEE Standard 1453, "IEEE Recommended Practice for Measurement and Limits of Voltage Fluctuations and Associated Light Flicker on AC Power Systems."


Notwithstanding these criteria, the Customer has certain equipment that it anticipates utilizing at the service location covered by the Contract that could impose a level of voltage flicker above the Border Line of Visibility curve. The Company agrees to permit the Customer to operate above the Border Line of Visibility curve unless and until the Company receives complaints from other customers or other operating problems arise for the Company, provided that the voltage flicker does not exceed the Border Line of Irritation curve shown on the Flicker Limits Curve, whether or not complaints or operating problems occur. By so agreeing, the Company does not waive any rights it may have to strictly enforce its established voltage flicker criteria as measured/calculated in the future. All measurements shall be determined at the Point of Compliance and compliance with these criteria shall be determined solely by the Company.

If the Customer is operating above the Border Line of Visibility curve and complaints are received by the Company or other operating problems arise, or should the Customer's flicker exceed the Border Line of Irritation curve, the Customer agrees to take action, at the Customer's expense, to comply with the Voltage Flicker Criteria. Corrective measures could include, but are not limited to, modifying production methods/materials or installing voltage flicker mitigation equipment necessary to bring the Customer's operations into compliance with the Voltage Flicker Criteria.

If the Customer fails to take corrective action within a reasonable time, not to exceed 90 days, after notice by the Company, the Company shall have such rights as currently provided for under its tariffs, which may include discontinuing service, until such time as the problem is corrected.

**III. HARMONIC DISTORTION CRITERIA** – The Customer shall design and operate its facility in compliance with the harmonic distortion criteria contained in IEEE Standard 519-1992.

The Customer agrees that if the operation of motors, appliances, devices or apparatus results in harmonic distortions in excess of the Company's Harmonic Distortion Criteria, it will be the Customer's responsibility to take action, at the Customer's expense, to comply with such Criteria. If the Customer fails to take corrective action within a reasonable time, not to exceed 90 days, after notice by the Company, the Company shall have such rights as currently provided for under its tariffs, which may include discontinuing service, until such time as the problem is corrected.

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>Gwen R. Pinson</b> Executive Director

EFFECTIVE <b>8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



**IV. OTHER REQUIREMENTS**

Compliance Assessment — To achieve compliance, at least 95% of all recordings within each harmonic measure and 99% within each flicker measure must fall below the applicable limit, i.e., Customer will be in material non-compliance with the Company's Power Quality Requirements if more than 5% of the harmonic voltage and harmonic current recordings and 1% of the flicker recordings exceed the specified limits.

Electrical Interactions — If power quality compliance monitoring recordings or analytical studies conducted by the Company indicate likely adverse electrical interactions between the Customer and the Kentucky Power's System, joint efforts will be undertaken by the Parties to determine the nature and extent of the electrical interaction and to resolve, at no expense to the Company, any likely adverse impacts on the performance of Company facilities.

**Kentucky Power Company**

**Big Run Power Producers LLC**

By: Matthew A. Horeled

By: David K. Watson

Matthew A. Horeled

David K. Watson


Title: Director of Regulatory Services

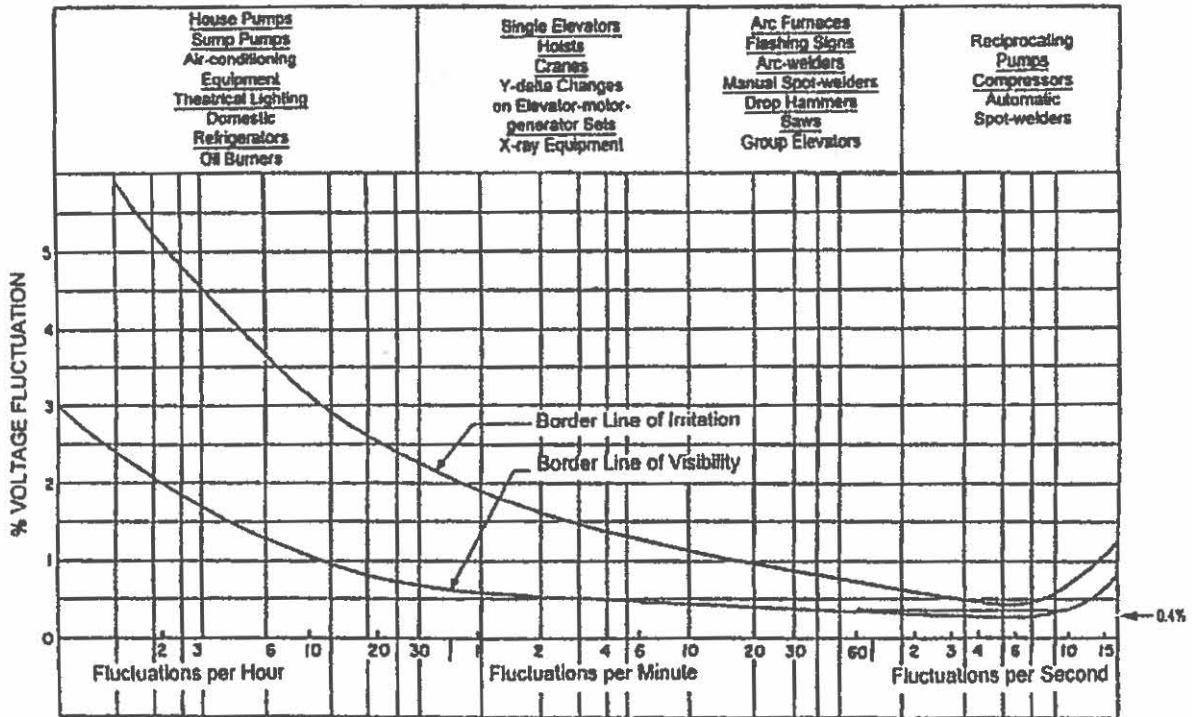
Title: Authorized Representative

Date: November 30, 2018

Date: November 30, 2018

Account Number: 003XXXXXXXX

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>
<b>Gwen R. Pinson</b> Executive Director 
<b>EFFECTIVE 8/1/2019</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)



**KENTUCKY**  
PUBLIC SERVICE COMMISSION

**Gwen R. Pinson**  
Executive Director

*Gwen R. Pinson*

EFFECTIVE  
**8/1/2019**  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)