

This Contract, entered into this 7th day of June, 2019 by and between **Kentucky Power Company**, hereafter called the Company, and **High Ridge Mining LLC, 5263 STATE HIGHWAY 194 E, KIMPER, KY, 41539-6532**, or his or its heirs, successors or assigns, hereafter called the Customer,

Witnesseth:

For and in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree with each other as follows:

The Company agrees to furnish to the Customer, during the term of this Contract, and the Customer agrees to take from the Company, subject to Company's standard Terms and Conditions of Service as regularly filed with the **Public Service Commission of Kentucky**, all the electric energy of the character specified herein that shall be purchased by the Customer in the premises located at **Customer's Prep Plant at 6181 State Road 194 East, Kimper, Pike County, KY**.

The Company is to furnish and the Customer is to take electric energy under the terms of this Contract for an initial period of 24 month(s) from the time such service is commenced, and continuing thereafter until terminated upon 12 months' written notice given by either party of its intention to terminate the Contract. The date that service shall be deemed to have commenced under this Contract shall be the **first full billing period following the occurrence of the latter of: (a) execution by authorized representatives of the parties, and (b) approval by the Public Service Commission of Kentucky**.

The electric energy delivered hereunder shall be alternating current at approximately **19900/34500** volts, 4-wire, 3-phase, and it shall be delivered to **Customer's service pole from Company meter pole 38821108000251**, which shall constitute the point of delivery under this Contract. 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 at **Company meter pole 38821108000251**.

The Customer acknowledges that the Customer may be eligible to receive service under more than one of the Company's schedules and that such options have been explained to the Customer. The Customer and Company agree that the Customer has chosen to receive service under the provisions of the Company's Tariff **INDUSTRIAL GNL SVC PRIMARY, Code 358**. 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 as regularly filed with the **Public Service Commission of Kentucky**, as long as that schedule is in effect. In the event that the Tariff chosen by the Customer is replaced by a new or revised Tariff incorporating different rates or provisions, or both, the Company and Customer understand and agree that the Company will continue to provide service, and the Customer will continue to take service, under this Contract, subject to such changed provisions, and that the Customer will pay for such service at the new rates on and after the date such rates become effective.

The Customer's contract capacity under the Tariff named herein is hereby fixed at **2,400 kW**. If a time-of-day demand is available under the Tariff and is selected by the Customer, the reservation of capacity aforementioned shall be the peak period reservation of capacity and shall determine the Tariff minimum monthly billing demand.

There are no unwritten understandings or agreements relating to the service hereinabove provided. This Contract cancels and supersedes all previous agreements, relating to the purchase by Customer and sale by Company of electric energy at Customer's premises as referred to above, on the date that service under this Contract commences. This Contract shall be in full force and effect when signed by the authorized representatives of the parties hereto.

The Customer has elected to contract for service under the terms of the Company's **Contract Service – Interruptible Power tariff**. An addendum for **Interruptible Power (Addendum 1)** is attached hereto and incorporated herein, subject to approval by the **Public Service Commission of Kentucky**. This Contract and Addendum 1 will be in full force and effect upon the first full billing period following the occurrence of the latter of: (a) execution by authorized representatives of the parties, and (b) approval by the **Public Service Commission of Kentucky**.

Kentucky Power Company

By: Kenneth Borders

Kenneth Borders

Title: Manager, Customer Services

Date: 7 JUNE 2019

Account Number: 0334805760

High Ridge Mining LLC

By: Billy C. Smith

Billy C. Smith

Title: manager

Date: 6/8/19 Gwen R. Pinson

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| KENTUCKY PUBLIC SERVICE COMMISSION |
| Gwen R. Pinson Executive Director |
| EFFECTIVE 8/2/2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) |

ADDENDUM 1
Special Terms and Conditions

This Addendum supplements and amends the Contract between Kentucky Power Company (Company) and High Ridge Mining, LLC (Customer) entered into the 7th day of June, 2019.

- I. The Customer has elected to contract for service under the Company's Contract Service Interruptible Service Tariff (Tariff C.S.-I.R.P.). A copy of the Company's current Tariff C.S.-I.R.P. is attached hereto and incorporated herein.
- II. This Addendum **shall be in full force and effect upon the first full billing period following the occurrence of the latter of: (a) execution by authorized representatives of the parties; and (b) approval by the Public Service Commission of Kentucky** for an initial term of two (2) years. At the conclusion of the initial two-year term, the agreement shall remain in effect until either party terminates the agreement. This Addendum is expressly conditioned upon the issuance of a final and non-appealable order by the Commission approving the Addendum without change or condition. In the event that the Commission does not approve this Addendum without change or condition, then this Addendum shall not become effective. In order to terminate the Addendum, a party must provide written notice no later than one-year before the Effective Date of End of Service under the Tariff, and prior to March 1 of each year of the contract term, of its intention to discontinue service under the terms of this Tariff. Notice of termination (termination shall occur no earlier than at the end of the initial two-year term) shall be given under the following schedule:

| <u>Written Notice Deadline</u> | <u>Effective Date of End of Service under Tariff</u> |
|--------------------------------|--|
| March 1, 2020 | June 1, 2023 |
| March 1, 2021 | June 1, 2024 |
| March 1, 2022 | June 1, 2025 |
| March 1, 2023 | June 1, 2026 |

The Special Provisions for Coal Mining Customers set forth in Tariff C.S.-I.R.P., regarding termination of this Addendum following permanent cessation of coal extraction or processing activity, also apply to this Addendum.

- III. The Customer designates the first 100 kW of the Capacity Reservation as the Firm Service Capacity Reservation, not subject to interruption as specified in Tariff C.S.-I.R.P.
- IV. The Interruptible Capacity Reservation shall be the remaining 2,300 kW for the On-Peak Period and 2,300 kW for the Off-Peak Period, which is equal to the Capacity Reservation under the contract less the Firm Service Capacity Reservation.
- V. By March 1 of each year, the Customer shall re-nominate the Interruptible Capacity Reservation for the upcoming contract year, except that the cumulative reductions over the life of the addendum shall not exceed 20% of the original Interruptible Capacity Reservation nominated under the addendum (2,300 kW). If no re-nomination is received by March 1, the prior year's Interruptible Capacity Reservation shall apply for the forthcoming contract year of June 1 through May 31. Any increases in the Interruptible Capacity Reservation shall be subject to availability.
- VI. Credits will be provided under Tariff C.S.-I.R.P. for Interruptible Capacity Reservation under PJM's rules as capacity for the purpose of meeting the Company's Fixed Resource Requirement obligation. The credits shall be in the amount of \$3.68 per kW of the then properly designated current Interruptible Capacity Reservation per month (roughly \$121/MW day).

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- This credit applies to the difference between monthly On-Peak billing demand and the designated Firm Service Capacity Reservation.

VII. As consideration for the credits described above, the Customer shall reduce its interruptible load when a PJM emergency mandatory load management reduction action, as defined by PJM in its agreements and manuals, has been issued by PJM for the AEP Load Zone or any subzone thereof that includes the Customer's load. Such interruptions as described herein shall be designated as Mandatory Interruptions.

The Company further reserves the right to request that Customer reduce its Interruptible Capacity Reservation load when, in the sole judgment of the Company, an emergency condition, consistent with the North American Electric Reliability Corporation (NERC) Reliability Standards and/or good utility practice, exists on the AEP East System pursuant to the AEP System Emergency Operating Plan, or for system integrity purposes.

VIII. The Company will endeavor to provide the Customer with as much advance notice as possible of a Mandatory Interruption of service as described in VII. For Mandatory Interruptions, however, the Customer will be required to interrupt service within thirty (30) minutes, or a lesser period if required by PJM, of notice of a Mandatory Interruption being given, unless an exception request has been approved by PJM. If the Customer requests an exception, the Customer must complete a PJM Exception Request Form, which will be provided by the Company. The Company will submit the completed form to PJM. If the exception request is approved by PJM, the Company will notify Customer of the approved notification time period for the next PJM delivery year. The Company and/or PJM may require Customer to apply for an exemption prior to each delivery year.

The Customer agrees to be subject to Mandatory Interruptions as defined by PJM in PJM's then-applicable agreements and manuals. Should changes within the applicable PJM agreements or manuals materially impact the Customer's obligations, the Company will notify the Customer. As defined by PJM in its agreements and manuals, there is no limit to the number of Mandatory Interruptions that PJM can call during the delivery year. Each Mandatory Interruption shall last no more than twelve (12) hours from June through October and May, and fifteen (15) hours from November through April. The Customer agrees to be subject to Mandatory Interruptions on any day between 10:00 AM and 10:00 PM, EPT, for the months of June through October and May. From November through April the Customer agrees to be subject to Mandatory Interruptions from 6:00 AM to 9:00 PM.

IX. If the Customer fails to interrupt load as requested by the Company for a Mandatory Interruption and the Company is assessed a non-compliance charge by PJM, the Company will pass through to the Customer the non-compliance charge associated with the Customer's non-compliance. Such non-compliance charge will be calculated by PJM in accordance with its tariff. In the event that more than one Customer fails to interrupt load as requested by the Company for a Mandatory Interruption and the Company is assessed a non-compliance charge by PJM, each Customer's share of the non-compliance charge shall be in proportion to the amount of non-compliance for each Customer.

X. If the Customer fails to interrupt load as requested by the Company during a Mandatory Interruption, the Company further reserves the right to (a) interrupt the Customer's entire capacity reservation to address the existing emergency condition, and (b) discontinue service to the Customer. Addendum if the Customer fails to interrupt load twice during any delivery year, the Company.

KENTUCKY
PUBLIC SERVICE COMMISSION
Gwen R. Pinson
 Executive Director

Gwen R. Pinson

EFFECTIVE
8/2/2019
 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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- XI. The Customer agrees to comply with any PJM requirements for testing of interruptible load. PJM's current requirements provide for a one-hour test curtailment on a weekday between Noon and 8 PM during the months of June through September, excluding the Fourth of July and Labor Day. The Company will provide the Customer advance notice of any tests scheduled, to the extent permitted by the PJM Tariff, no later than when the Company is required to notify PJM of such test. The Company reserves the right to require an additional test curtailment if the Company does not achieve the minimum PJM compliance testing standards. If the Customer fails to interrupt load during two or more test curtailments during any 12-month period, the Company reserves the right to discontinue service to the Customer under this Addendum.
- XII. If the Customer fails to interrupt load as requested by the Company, or does not interrupt sufficient load up to the amount of the Customer's Interruptible Capacity Reservation as stated in Paragraph V for the mandatory annual Load Management testing in PJM and the Company is assessed a Load Management Test Failure charge by PJM; the Company will pass through to the Customer the Load Management Test Failure charge associated with its non-compliance.
- XIII. The Customer shall own and maintain all hardware, software and communication equipment required to meet the specifications of the Company's communication system. The Customer is solely responsible for receiving and acting upon Mandatory Interruption notices from the Company.
- XIV. No responsibility or liability of any kind shall attach to or be incurred by the Company for, or on account of, any loss, cost, expense or damage caused by or resulting from, either directly or indirectly, any interruption or curtailment of service under this Addendum.
- XV. This Addendum will be modified as necessary to maintain compliance/qualification with PJM requirements for a Demand Response capacity resource. If any such modification results in the Customer no longer being able to physically comply with PJM requirements, this Addendum may be terminated upon the effective date of such modifications. The Customer shall provide the Company with documentation of the physical constraint and agrees to work with the Company to satisfy any obligation for the remainder of the current delivery year.
- XVI. This Contract shall not be assigned by Customer without the written consent of the Company.

Kentucky Power Company

By: *Kenneth Borders*
(Signature)

KENNETH BORDERS
(Printed Name)

Title: MGR, CUSTOMER SERVICES

Date: 7 JUNE 2019

High Ridge Mining, LLC

By: *Billy C. Smith*
(Signature)

BILLY C. SMITH
(Printed Name)

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| <p>KENTUCKY PUBLIC SERVICE COMMISSION</p> |
| <p>Gwen R. Pinson Executive Director</p> <p><i>Gwen R. Pinson</i></p> |
| <p>EFFECTIVE 8/2/2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</p> |

Title: MGR, CUSTOMER SERVICES

Date: 6/18/19