

ADDENDUM 1
Special Terms and Conditions

This Addendum supplements and amends the Contract between Kentucky Power Company (Company) and SWVA Kentucky, LLC (Customer) entered into the 18th day of November, 2019.


- I. The Customer has elected to contract for service under 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 occurrence of the latter of: (a) execution by authorized representatives of the parties; or (b) approval by the Public Service Commission of Kentucky for an initial term of four (4) years. At the conclusion of the initial four-year term, the agreement shall remain in effect until either party terminates the agreement. 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. In order to terminate the agreement, 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 four-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

- III. As specified in Tariff C.S.-I.R.P., special provisions regarding contract termination apply to Coal Mining Customers and take precedent if applicable.
- IV. The Customer's Capacity Reservation under this Contract shall be 4,600 kW. The Customer designates the first 1,000 kW of the Capacity Reservation as the Firm Service Capacity Reservation, not subject to interruption as specified in Tariff C.S.-I.R.P.
- V. The Interruptible Capacity Reservation shall be the remaining 3,600 kW, which is equal to the Capacity Reservation under the Contract less the Firm Service Capacity Reservation.
- VI. 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 (720 kW). If no re-nomination is received by the customer, the Interruptible Capacity Reservation shall apply for the forthcoming

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through May 31. Any increases in the Interruptible Capacity Reservation shall be subject to availability.

VII. Contract credits will be provided under this tariff for Interruptible Capacity Reservation that qualifies under PJM's rules as capacity for the purpose of meeting the Company's FRR/RPM obligation. The contract 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).

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


VIII. As consideration for the contract credits described above, the Customer shall reduce their 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 the Customer reduce their load for 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.

IX. The Company will endeavor to provide the Customer with as much advance notice as possible, of a Mandatory Interruption of service as described in VIII. 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. 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 maximum number and duration of Mandatory Interruptions and the days and hours during which the Customer agrees to be subject to Mandatory Interruptions shall be as specified by PJM in its agreements and manuals for the Capacity Performance Demand Response Product or any successor thereto.

X. 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 this 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, 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 this tariff.

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by PJM, each customer's share of the non-compliance charge shall be in proportion to the amount of non-compliance for each customer.

- XI. 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 load if necessary to address the existing emergency condition, and (b) discontinue service to the Customer under this Addendum if the Customer fails to interrupt load twice during any 12-month period as requested by the Company.
- XII. 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.
- XIII. 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.
- XIV. 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.
- XV. 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.
- XVI. 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.
- XVII. This Contract shall not be assigned by Customer without the written consent of the Company.

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Kentucky Power Company

By: Cynthia G. Wiseman
(Signature)

Cynthia G. Wiseman
(Printed Name)

Title: VP external aff / cus svcs

Date: 1/6/2020

SWVA Kentucky, LLC

By: Charles Abbott
(Signature)

Charles Abbott
(Printed Name)

Title: V.P. & General Mgr.

Date: 12/10/19

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Kentucky Power Company
12333 Kevin Avenue
Ashland, Kentucky 41102-8653

KPCo Notification Time Guidelines & Exception Request Information

Effective with the 2016/2017 Delivery Year (June 1, 2016), Tariff CS-IRP customers will be required to fully respond to curtailment requests within 15 minutes of notification from the Company unless an exception request is approved by PJM for one of the exceptions outlined below.

The intent of these exemptions is to accommodate resources with legitimate, physical reasons as to why the load reduction cannot be achieved within a 15 minute notification time period.

Company Name: SWVA Kentucky, LLC

Physical Address: 2704 South Big Run Road, Ashland, KY 41102

Contact Name and Phone Number: Charles Abbott - (304) 696-8217

Account Number(s) at Physical Address: 031-190-577-3-9

2016/2017 Peak Load Contribution (PLC): 4,900 KW

Firm Service Level: 1,000 Guaranteed Load Drop:

KPCo Demand Response Program:

Exception Definitions:

- 1) Damage (feedstock/equipment/product) - The manufacturing processes for the Demand Resource require gradual reduction to avoid damaging major industrial equipment used in the manufacturing process, or damage to the product generated or feedstock used in the manufacturing process.
a. This should represent unavoidable significant damage to feedstock, equipment or product.
2) Transfer of Load to Backup Generator - Transfer of load to back-up generation requires time-intensive manual process taking more than 15 minutes.
3) Safety Issue - On-site safety concerns prevent location from implementing reduction plan in less than 15 minutes.
a. This should be for expected safety violation such as OSHA standards/laws.
b. Must be "on-site" safety concern (for example a college campus but not an entire school district) which may include travel at the site.

In order for PJM to evaluate an exception request, please provide the following minimum information pertaining to the appropriate exception request. Please be as specific as possible. If more information required, please reflect on Page 3 of this document.

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1) Damage (feedstock/equipment/product)

- a. What does location do (at this specific address)? This location produces hot-rolled steel sections on a rolling mill.
b. What will be damaged (feedstock/equipment/product) and how will it be damaged? Certain products can melt together in the reheat furnace if not rolled ASAP. In addition, the water cooling of the furnace parts must be maintained or the reheat furnace will collapse.
i. Is it possible to change process so that a 30 minute response would not cause damage? No
ii. What is expected cost to implement the change?
c. How do you know feedstock/equipment/product will be damaged? Is this based on estimate, past experience, engineering/specifications? Engineering/specifications for the reheat furnace explain the water-cooled parts are critical.
d. What is expected cost/level of effort to fix damaged item or replace feedstock? Furnace replacement is approximately \$8 million.
e. How much time is required for notification? 60 minutes

2) Transfer of Load to Backup Generator

- a. Provide generator specifics (vintage, type of unit and process to transfer load to generator) and exactly why load cannot be transferred to generator in 30 minutes: There is no back-up generator available.
b. What is expected cost/level of effort to be able to respond in 30 minutes (\$):
c. How much time is required for notification?

3) Safety Issue

- a. Identify the specific safety issue: Structural damage to the reheat furnace
b. Are there any other ways to mitigate safety risk and what would be expected cost if complete back-up generator could be installed (approximate cost of \$500,000).
c. How much time is required for notification? 60 minutes

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KPCo Notification Time Guidelines and Exception Request Information

Lined area for providing notification time guidelines and exception request information.

Customer Name (Print)

SWVA KY, LLC

Contact Name (Signature)

Chad [Signature]

Kent A. Chandler
Executive Director

[Signature] 1/15

Please forward completed request to your Customer Service Representative

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Executive Director



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TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power)

AVAILABILITY OF SERVICE.

Available for service to customers who contract for service under the Company's Industrial General Service (I.G.S.) tariff. The Company reserves the right to limit the total contract capacity for all customers served under this Tariff to 75,000kW.

Loads of new customers locating within the Company's service area or load expansions by existing customers may be offered interruptible service as part of an economic development incentive. Such interruptible service shall not be counted toward the limitation on total interruptible power contract capacity, as specified above, and will not result in a change to the limitation on total interruptible power contract capacity.

CONDITIONS OF SERVICE.

The Company will offer eligible customers the option to receive interruptible power service. This interruptible service will be consistent with PJM's Limited Demand Response, Emergency – Capacity Only Program, subject to any limitations on the availability of that Program by PJM. If insufficient MWs are available for PJM enrollment by Kentucky Power, the Company shall offer to substitute one of the other PJM Emergency Demand Response Programs that is available. To be eligible for the credit, customers must be able to provide interruptible load (not including behind the meter diesel generation) of at least one (1) MW at a single site and commit to a minimum four (4) year contract term. The contract shall provide that 90 days prior to each contract anniversary date, the customer shall re-nominate the amount of interruptible load for the upcoming contract year, except that the cumulative reductions over the life of the contract shall not exceed 20% of the original interruptible load nominated under the contract. If no re-nomination is received at least 90 days prior to the contract anniversary date, the prior year's interruptible load shall apply for the forthcoming contract year.

Upon receipt of a request from the Customer for interruptible service, the Company will provide the Customer with a written offer containing the rates and related terms and conditions of service under which such service will be provided by the Company. If the parties reach an agreement based upon the offer provided to the Customer by the Company, such written contract will be filed with the Commission. The contract shall provide full disclosure of all rates, terms and conditions of service under this Tariff, and any and all agreements related thereto, subject to the designation of the terms and conditions of the contract as confidential, as set forth herein.

The Customer shall provide reasonable evidence to the Company that the Customer's electric service can be interrupted in accordance with the provisions of the written agreement including, but not limited to, the specific steps to be taken and equipment to be curtailed upon a request for interruption.

The Customer shall contract for capacity sufficient to meet normal maximum interruptible power requirements, but in no event will the interruptible amount contracted for be less than 1,000 KW at any delivery point.

SPECIAL PROVISIONS FOR COAL MINING CUSTOMERS

Notwithstanding other provisions of this Tariff, customers engaged in the extraction or processing of coal must be able to provide interruptible load (not including behind the meter diesel generation) of at least one (1) MW at a single site and commit to a minimum two (2) year contract term. Following the permanent cessation of coal extraction or processing activity, or both as applicable, for a continuous period of six (6) months, the contract may be terminated by the Customer upon written notice to the Company. The minimum period for the Customer to give written notice of termination following the permanent cessation of coal extraction or processing activity, or both as applicable, for a continuous period of six (6) months shall be the lesser of: (a) the remaining term of the contract; or (b) two months.

This Special Provision for Customers Engaged in Coal Extraction or Processing Activities shall expire in December 29, 2020.
(Cont'd on Sheet No. 12-2)

DATE OF ISSUE: October 24, 2019

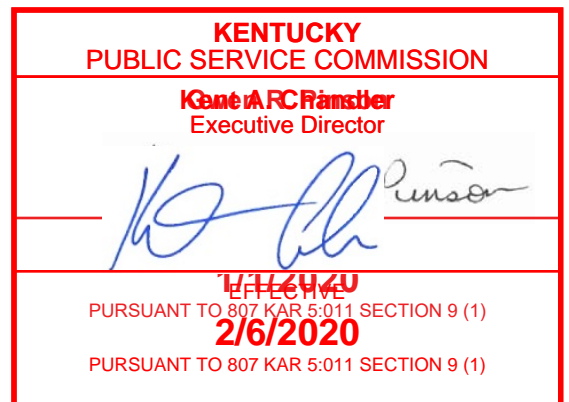
DATE EFFECTIVE: Service Rendered On And After January 1, 2020

ISSUED BY: /s/ Brian K. West

TITLE: Director Regulatory Services

By Authority Of an Order of the Public Service Commission

In Case No. _____ Dated _____



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TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power)
(Cont'd.)

RATE.

Credits under this tariff of \$3.68/kW/month will be provided for interruptible load that qualifies under PJM's rules as capacity for the purpose of the Company's Fixed Resource Requirement (FRR) obligation.

Tariff	Tariff Type	Tariff Code Description	Tariff Description
321	IR	CS-IRP SEC	IRP-IGS SECONDARY
330	IR	CS-IRP PR	IRP-IGS PRIMARY
331	IR	CS-IRP ST	IRP-IGS SUBTRANSMISSION
332	IR	CS-IRP TR	IRP-IGS TRANSMISSION

Charges for service under this Tariff will be set forth in the written agreement between the Company and the Customer and will reflect the firm service rates otherwise available to the Customer.

ADJUSTMENT CLAUSES.

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Fuel Adjustment Clause	Sheet No. 5
System Sales Clause	Sheet No. 19
Franchise Tariff	Sheet No. 20
Demand-Side Management	Sheet No. 22
Federal Tax Cut Tariff	Sheet No. 23
Kentucky Economic Development Surcharge	Sheet No. 24
Capacity Charge	Sheet No. 28
Environmental Surcharge	Sheet No. 29
School Tax	Sheet No. 33
Purchase Power Adjustment	Sheet No. 35
Decommissioning Rider	Sheet No. 38

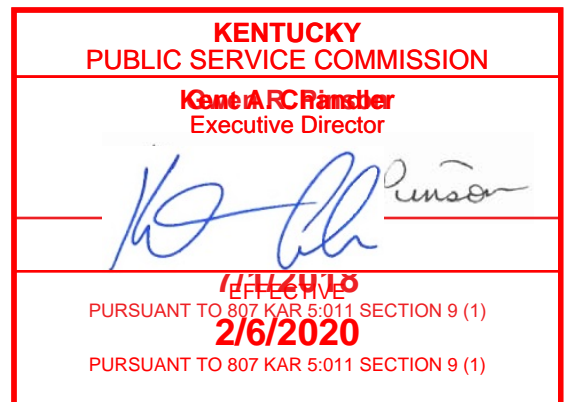
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DELAYED PAYMENT CHARGE.

This tariff is due and payable in full on or before the due date stated on the bill. On all accounts not so paid, an additional charge of 5% of the unpaid balance will be made.

(Cont'd on Sheet No. 12-3)

DATE OF ISSUE: July 18, 2018
 DATE EFFECTIVE: Bills Rendered On And After July 1, 2018
 ISSUED BY: /s/ Ranie Wohnhas
 TITLE: Managing Director, Regulatory & Finance
By Authority of an Order of the Public Service Commission
In Case No. 2018-00035 Dated June 28, 2018



**TARIFF C.S.-I.R.P.
(Contract Service - Interruptible Power) (Cont'd.)**

CONFIDENTIALITY.

All terms and conditions of any written contract under this Tariff shall be protected from disclosure as confidential, proprietary trade secrets, if either the Customer or the Company requests a Commission determination of confidentiality pursuant to 807 KAR 5:001 Section 7 and the request is granted.

SPECIAL TERMS AND CONDITIONS

Except as otherwise provided in the written agreement, this Tariff is subject to the Company's Terms and Conditions of Service.

A Customer's plant is considered as one or more buildings, which are served by a single electrical distribution system provided and operated by the Customer. When the size of the Customer's load necessitates the delivery of energy to the Customer's plant over more than one circuit, the Company may elect to connect its circuits to different points on the Customer's system irrespective of contrary provisions in Terms and Conditions of Service.

This tariff is also available to Customers having other sources of energy supply, but who desire to purchase standby or back-up electric service from the Company. Where such conditions exist, the Customer shall contract for the maximum amount of demand in KW, which the Company might be required to furnish, but not less than 1,000 KW.

Customers with PURPA Section 210 qualifying cogeneration and/or small power production facilities shall take service under Tariff COGEN/SPP II or by special agreement with the Company.

DATE OF ISSUE: February 7, 2018

DATE EFFECTIVE: Service Rendered On And After January 19, 2018

ISSUED BY: /s/ Ranie K. Wohnhas

TITLE: Managing Director, Regulatory & Finance

By Authority Of an Order of the Public Service Commission

In Case No. 2017-00179 Dated January 18, 2018

