

SPECIAL CONTRACT FOR ECONOMIC DEVELOPMENT RIDER SERVICE

This special contract for Economic Development Rider service ("EDR Contract") is made and entered into this 13 day of October, 2011, by and between Flex Films USA, Incorporated ("Customer") and Kentucky Utilities Company ("Company").

WITNESSETH:

WHEREAS, Company is in the business of providing retail electric service in the Commonwealth of Kentucky;

WHEREAS, Customer has applied for and/or is receiving retail electric service from Company pursuant to a Contract for Electric Service dated 10/13/2011 ("Electric Service Contract") under Standard Rate Schedule TOD-P; and

WHEREAS, Customer requests EDR Total Demand Charge discounts on the basis that Customer's proposed billing load ("EDR Contracted Load") meets the requirements outlined in Appendix A for (check appropriate space):

 Brownfield Development load of kVA

 Economic Development new load of 5,600 kVA

 Economic Development new load of kVA above an Existing Base Load as defined in the aforementioned Appendix A.

The EDR Total Demand Charge discounts shall be incorporated with the bill for electric service issued pursuant to the Electric Service Contract and will be subject to the same payment provisions as the Electric Service Contract.

NOW, THEREFORE, in consideration of the mutual agreements made herein, the parties agree as follows:

Company's rates, terms, and conditions for the provision of electric service to Customer, and Customer's obligations, rights, and responsibilities to the Company for the supply of electric service, are specified in and determined by the Standard Rate Schedule specified above and other applicable schedules, terms, and conditions of service set forth in the Company's tariffs on file with and approved by the

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
<i>Brent Kirtley</i>
EFFECTIVE 12/14/2011
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Kentucky Public Service Commission ("PSC"), and by the terms of the Electric Service Contract. The Company's Rates, Terms and Conditions for Furnishing Electric Service, as filed with and approved by the PSC, both in effect now and in the future, are incorporated by reference and made a part of this EDR Contract as if fully set forth herein.

This EDR Contract is supplemental to, and by agreement made a part of, the Electric Service Contract for the purpose of applying provisions of the Company's Economic Development Rider, Standard Rate Rider EDR ("EDR"), to Customer.

Company agrees to furnish, and Customer agrees to take, EDR service pursuant to the terms and conditions of Standard Rate Rider EDR, as currently approved by the PSC or as may be modified in the future and approved by the PSC.

The initial term of this EDR Contract shall be ten (10) years beginning and including the first full billing month that is [insert number no greater than twelve (12)] months following the date electric service is first delivered to the EDR Contracted Load. The Total Demand Charge discounts will be applied to sixty (60) consecutive billing months as specified by EDR and followed by sixty (60) consecutive billing months at the standard rate. Upon termination of the ten-year (10) term, service will continue in accordance with the terms of the then-applicable Standard Rate Schedule.

Company may terminate this EDR Contract at any time for Customer's failure to comply with the terms and conditions of Standard Rate Rider EDR or this EDR Contract. Such termination will only affect the application of, and Customer's service under, the Standard Rate Rider EDR and this EDR Contract, and shall not affect the application of, or Customer's service under, the Electric Service Contract.

Customer agrees to provide all information necessary to satisfy the PSC initial filing requirements and successive annual reports for the duration of this EDR Contract.

This EDR Contract shall inure to the benefit of, and shall bind the successors and assigns of, the parties hereto. However, no assignment of any rights, duties, or obligations hereunder by Customer shall have any effect whatsoever unless approved in writing by Company in advance of such assignment.

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Nothing herein shall be construed to confer a benefit on any person not a signatory hereto or the successor to a signatory hereto.

All disputes arising between Customer and Company hereunder shall be finally decided by the PSC in accordance with its applicable rules and procedures. Nothing in the foregoing sentence is intended to limit or waive any statutorily provided rights of appeal from a PSC decision concerning a dispute between Customer and Company hereunder.

This EDR Contract shall be construed and enforced in accordance with the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, Customer and Company have executed this EDR Contract on the day and year first above written.

Flex Films USA, Incorporated _____

Customer

By: 2008 2008

Title: BUSINESS HEAD

Kentucky Utilities Company

By: *Brad Sewell*

Title: Community & Economic Development

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APPENDIX A

- The combined Louisville Gas and Electric Company and Kentucky Utilities Company current, 2011, capacity reserve margin is 1,400 MW, which is 319 MW in excess of a reserve margin considered essential for system reliability of 1,081 MW. For each year in which Customer will receive demand charge discounts under the EDR Contract, the Company's projected reserve margins are expected to be:

Year 1 1,335 MW; Year 2 1,738 MW;
 Year 3 1,672 MW; Year 4 1,584 MW; and
 Year 5 1,389 MW.

- Company estimates investing \$ 3.7 Million in new facilities to serve the EDR Contracted Load.
- Company estimates Customer's minimum monthly billing under Standard Rate Schedule TOD-P will be \$ 180,080.63.
- Customer anticipates investing \$ 50 Million in facilities associated with the EDR Contracted Load.
- Customer anticipates creating 125 new jobs associated with the EDR Contracted Load.
- Customer estimates the EDR Contracted Load to be 5,600 kW or kVA, as is appropriate, at a 75 % load factor.

- If the new load is in addition to an existing load, Company and Customer agree that the Existing Base Load is:

January na kW or kVA, as is appropriate;
 February na kW or kVA, as is appropriate;
 March na kW or kVA, as is appropriate;
 April na kW or kVA, as is appropriate;
 May na kW or kVA, as is appropriate;
 June na kW or kVA, as is appropriate;
 July na kW or kVA, as is appropriate;
 August na kW or kVA, as is appropriate;
 September na kW or kVA, as is appropriate;
 October na kW or kVA, as is appropriate;
 November na kW or kVA, as is appropriate; and
 December na kW or kVA, as is appropriate.

Seen and agreed:

For Company: [Signature]

For Customer: [Signature]

Date: 10/28/2011

Date: 10/28/2011

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFFERSON
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

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