5:011 SECTION 9 (1)

#### CONTRACT FOR ELECTRIC SERVICE

#### BETWEEN KENTUCKY POWER COMPANY

#### AND DISCOVER AI LLC

This Contract for Electric Service ("Contract") is entered into by and between Kentucky Power Company, 1645 Winchester Avenue, Ashland, Kentucky (the "Company") and Discover AI LLC, 1655 Long Fork Road, Kimper, Kentucky (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 Kentucky.
- 3. Customer currently is constructing an asset and data center facility located at 1655 Long Fork Road, Kimper, Kentucky, in Pike County ("Kimper Facility"). The anticipated load of the Kimper Facility is approximately 15,000 kW. The anticipated operation date of the Kimper Facility is February 2022 (ramping up through June 2022).

4. Customer plans to invest a total of \$2.5 million in capital at the Customer's PUBLIC SERVICE COMMISSION

Kimper Facility. Approximately \$42.5 million of client equipment will also decinitial well Executive Director installed at the Kimper Facility, with a total of approximately \$1 per page 1 of 15

Page 1 of 15

Customer plans to invest a total of \$2.5 million in capital at the Customer's PUBLIC SERVICE COMMISSION

Executive Director installed at the Kimper Facility by June 2023.

create approximately 6 full time employees by June 2022 when Customer's Kimper Facility is placed in operation. Customer projects it will create approximately 4 additional jobs by June 2023.

- 5. Customer anticipates that its monthly maximum billing demand will equal or exceed 15,000 kW by June 2022 when the Kimper Facility is placed in operation.
- 6. The Customer demonstrated to the Company that absent the availability of Tariff E.D.R., the Customer would locate its proposed facility in West Virginia or Ohio due to lower electricity costs in those locations. Customer also represented to the Company that it currently is building another similar project in Ohio with electricity costs at about 3.4 cents/kWh. Without the availability of Tariff E.D.R. Customer's new electrical demand would not be placed in service.
- 7. The Company's service territory and the entire eastern Kentucky region are struggling economically and in need of jobs for Kentucky's citizens.
- 8. To facilitate economic development in the Company's service territory through the location 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 Public Service Commission of Kentucky.

9. The service the Company will provide to the <u>Customer pursuant to this</u>

Contract will provide benefits to the Customer, the Company

customers, and the Commonwealth of Kentucky.

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**6/10/2022** TO 807 KAR 5:011 SECTION 9 (1)

Page 2 of 15

10. The Parties recognize that the Company may be required during the term of this Contract to acquire additional capacity on the Customer's behalf.

**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 Public Service Commission of Kentucky, 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, individually.

1.1.6 "Tariff I.G.S." shall mean the Company's Industrial GURLIA SERVICE TRANSMON successor or amendment thereto, approved by the Commission.

Page 3 of 15

Linda C. Bridwell **Executive Director** 

KAR 5:011 SECTION 9 (1)

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.

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 "S.B.D.D." shall mean the Supplemental Billing Demand Discount and shall have

the same meaning as set forth in Tariff E.D.R.

1.1.10 "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 Kimper Facility.

The Delivery Point for electric power and energy delivered RESYMPERGONMMISSION 2.2

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Customer's Kimper Facility shall be the Company 69 kV McCoy Elkhorn Kefer Point

**PURSUANT TO 807 KAR 5:011 SECTION 9 (1)** 

**AEP CONFIDENTIAL** Page 4 of 18

- 2.3 The Customer will provide any substation and transformation equipment and any other facilities including real property required to take delivery of the electric service to be provided by the Company under this Contract at the voltage and at the Delivery Points designated herein.
- 2.4 The electric energy delivered by the Company to the Delivery Points shall be three-wire, three-phase alternating current at approximately 69,000 volts. The said electric energy shall be delivered at reasonably close maintenance to constant potential and frequency. The electric energy delivered to the Kimper Facility shall be measured by a meter or meters owned and installed by the Company and located at the Company's metering station served by Company structure # K363-3. No Adjustment Factor shall apply.

#### **ARTICLE 3**

## **Capacity Reservation**

- 3.1 The Total Capacity Reservation for the Kimper Facility contracted for by the Customer is hereby initially fixed at 15,000 kW. The Customer may request a change to the Total Capacity Reservation for the Kimper Facility by providing written notice to the Company six months in advance of the date the requested change is proposed to be effective. The Parties may reduce the six-month written notice requirement by mutual written agreement. Any change to the Total Capacity Reservation for the Kimper Facility 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 for the Kimper Facility the Company shall not be required to supply capacity in excess of

AEP CONFIDENTIAL
Page 5 of 18

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Reservation for the Kimper Facility as specified in paragraph 3.1 except by mutual written agreement of the Parties.

3.3 The Customer's Metered Demand for the Kimper Facility shall be separately 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 Subtransmission, Code 359.
- 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 will reside in the Customer's Kimper Facility, 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. The Customer's

Qualifying Incremental Billing Demand will be calculated based on meter readings of the

Kimper Facility on the Company's meter.

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

Page 6 of 18

PUBLIC SERVICE COMMISSION

Linda C. Bridwell

Executive Director

6/10/2022

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

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

- 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 This Contract is subject to the "Tariff D.R.S. Tariff Addendum," which is attached hereto and made a part of this Contract, regarding service to Customer under the Company's Optional Rider D.R.S.
- 4.8 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.

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4.9 Customer has been provided a copy of the Compa

recognizes that during the term of this Contract that Kentucky

AEP CONFIDENTIAL Page 7 of 18

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additional capacity on behalf of Customer. In the event the Company is required to acquire additional capacity on behalf of Customer, Customer recognizes and agrees that customer's IBDD may be reduced in accordance with paragraph (1) of the Terms and Conditions of Tariff E.D.R. (Tariff Sheet 37-1).

#### **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 later of: (a) approval of this Contract by the Commission, or (b) the date on which the Customer's Kimper Facility begins full operations. 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 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 Company's Terms and Conditions of Service, as filed with the Commission, including any amendments thereto, are incorporated by reference and made a part of this Contract. The Customer acknowledges receipt

of the currently approved Terms and Conditions of Service. explicit provisions of this Contract and the provisions of the Company's Terms and Conditions of Service, the provisions of this Contract shall control.

> **AEP CONFIDENTIAL** Page 8 of 18

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- 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 the Customer's conductors or apparatus without notice from the Kentucky Power System 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 shall not receive electric service, as the term "service" is defined in Chapter 278 of the Kentucky Revised Statutes, from any source other than from 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 as soon as possible after discovery of any impairment of or defect in the Company's service that significantly disrupts the Customer's operations, and the Customer shall confirm such notice in writing by the closk of the Company shall not be liable for any loss, injury, or damaged and science and service company shall not be liable for any loss, injury, or damaged and science and service states are considered as the company shall not be liable for any loss, injury, or damaged and service states are considered as the company shall not be liable for any loss, injury, or damaged and service states are considered as the company shall not be liable for any loss, injury, or damaged and service states are considered as the company shall not be liable for any loss, injury, or damaged and service states are considered as the constant of the company shall not be liable for any loss, injury, or damaged and service states are considered as the constant of the company shall not be liable for any loss, injury, or damaged as the constant of th

been prevented by timely notice of a defect or impairment of serv

AEP CONFIDENTIAL
Page 9 of 18

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- 6.7 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.
- 6.8 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 Commission's approval of 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 Commission's

approval of the Contract without change or condition is a pre-requisite to

Contract. To the extent a subsequent Commission Order alters the

Contract shall terminate unless within thirty day of the Commission

AEP CONFIDENTIAL
Page 10 of 18

EFFECTIVE

Linda C. Bridwell Executive Director

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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.

#### 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. Either Party's consent to one or more assignments shall not relieve the other party or its assignees, as the case may be, from the necessity of obtaining the written consent to other and/or additional assignments.
- 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**

## Ge ne ral

- 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 KENTUCKY

  PUBLIC SERVICE COMMISS jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, sha

not be affected.

AEP CONFIDENTIAL
Page 11 of 18

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**Executive Director** 

- 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 at their respective 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: If to Customer:

Stevi Cobern
Kentucky Power Company
1645 Winchester Avenue
Ashland, Kentucky 41101

Email: dougjiang@cloud-er.com

Dongliang (Doug) Jiang Discover AI, LLC

1655 Long Fork Road Kimper, KY 41539

- 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 Contractual Service COMMISSION

ARTICLE 10 Liability and Force Majeure

AEP CONFIDENTIAL Page 12 of 18

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Linda C. Bridwell Executive Director

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10.1 Neither the Company nor the Customer shall be liable to the other for damages caused by the interruption, suspension, reduction or curtailment of the delivery of electric energy hereunder due to, occasioned by or in consequence of, any of the following causes or contingencies, (hereinafter "events of Force Majeure") including: acts of God, the elements, storms, hurricanes, tornadoes, cyclones, sleet, floods, backwaters caused by floods, lightning, earthquakes, landslides, washouts or other revulsions of nature, epidemics, accidents, fires, failures of facilities, collisions, explosions, strikes, lockouts, differences with workers and other labor disturbances, vandalism, sabotage, riots, inability to secure cars, coal, fuel, or other materials, supplies or equipment from usual sources, breakage or failure of machinery, generating equipment, electrical lines or equipment, wars, insurrections, blockades, terrorism, war, insurrection, cybersecurity attacks, acts of the public enemy, arrests and restraints of rulers and people, civil disturbances, acts or restraints of federal, state or other governmental authorities, and any other causes or contingencies not within the control of the Party whose performance is interfered with, whether of the kind herein enumerated or otherwise. It is expressly understood and agreed that economic conditions, such as a downturn in the market for the product or products produced at any of the Customer's facilities, do not constitute an event of Force Majeure. Settlement of strikes and lockouts shall be wholly within the discretion of the Party having the difficulty. An event or events of Force Majeure shall not relieve the Company or the Customer of liability in the event of its concurring negligence or in the event of failure of either to use reasonable means to remedy the situation and remove the cause in an adequate

either the Company or the Customer from its obligation to pay amounts due hereunder.

manner and with reasonable dispatch. An event or events of Force Majeure shall not relieve

KAR 5:011 SECTION 9 (1)

**AEP CONFIDENTIAL** Page 13 of 18

- 10.2 The Company assumes no responsibility of any kind with respect to construction, maintenance, or operation of the electric facilities or other property owned or used by the Customer and shall not be liable for any loss, injury (including death), damage to or destruction of property (including loss of use thereof) arising out of such installation, maintenance or operation or out of any use by the Customer or others, of said energy and/or capacity provided by the Company except to the extent such damage or injury shall be caused by the negligence or willful misconduct of the Company, its agents, or employees. The Customer assumes no responsibility of any kind with respect to construction, maintenance or operation of the electric facilities or other property owned or used by the Company and shall not be liable for any loss, injury (including death), damage to or destruction of property (including loss of use thereof) arising out of such installation, maintenance or operation except to the extent such damage or injury shall be caused by the negligence or willful misconduct of the Customer, its agents, or employees.
- 10.3 To the extent permitted by law, the Customer shall protect, defend, indemnify, and hold harmless the Company from and against any losses, liabilities, costs, expenses, suits, actions, claims, and all other obligations and proceedings whatsoever, including, without limitation, all judgments rendered against and all fines and penalties imposed upon the Company, arising out of injuries to persons, including death, or damage to third-party property, to the extent caused by, or occurring in connection with any willful or negligent act or omission of the Customer, its employees, agents or contractors, or which are due to or arise out of defective electrical equipment belonging to the Customer. Neither the Company nor the

Customer shall be liable for any indirect, special, incidental dr consequential conseq

5:011 SECTION 9 (1)

loss of profits due to business interruptions or otherwise, in conne

**AEP CONFIDENTIAL** Page 14 of 18

Contract. To the extent permitted by law, the Company shall protect, defend, indemnify, and hold harmless the Customer from and against any losses, liabilities, costs, expense, suits, actions, claims, and all other obligations whatsoever, including, without limitation, all judgments rendered against and all fines and penalties imposed upon the Customer, arising out of injuries to persons, including death, or damages to third-party property, to the extent caused by or occurring in connection with any willful or negligent act or omission of the Company, its employees, agents or contractors.

10.4 Any indemnification of the Parties or any limitation of the Parties' liability which is made or granted under this Special Contract shall to the same extent apply to the Party's directors, officers, partners, employees and agents, and to the Party's affiliated companies, including any directors, officers, partners, employees and agents thereof.

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

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r	CF.	NI		KYF	~( ) W	'FK	CON	PAI	VY	

DISCOVER ALLLC

**PURSUANT TO 807 KAR 5:011 SECTION 9 (1)** 

RENTUCKY POWER COMPANY	DISCOVER AT LLC
Kenneth L. Borders  By  Name: Kenneth L. Borders	By Bay Some Name: DONGLIANG JANG
Title Mgr., Customer and Dist. Svces	Title President
Date5/3/2022	Date STATION PUBLIC SERVICE COMMISSION
Account Number: 031-780-575-5	Linda C. Bridwell Executive Director
	Life British

AEP CONFIDENTIAL
Page 15 of 18

This Contract, entered into this day of April 1, 2022 by and between KENTUCKY POWER COMPANY, hereafter called the Company, and Discover AI, LLC, Long Fork Road, Kimper, KY, 41539, 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 **Kentucky Public Service Commission**, all the electric energy of the character specified herein that shall be purchased by the Customer in the premises located at **Customer cryptocurrency facility located at Long Fork Road, 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 April 1, 2022.

The electric energy delivered hereunder shall be alternating current at approximately 69000 volts, 3-wire, 3-phase, and it shall be delivered to Customer's station from Company 69 kV McCoy Elkhorn metering structure K363-3, 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 on Company McCoy Elkhorn metering structure K363-3.

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 359 INDUSTRIAL GNL SVC SUBTRANSMISSION. The Customer agrees to pay the Company monthly for electric energy delivered hereunder at the rates and under the provisions of the Company's Schedule as regularly filed with the Kentucky Public Service Commission, as long as that schedule is in effect. In the event that the Schedule chosen by the Customer is replaced by a new or revised Schedule 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 minimum monthly charge hereunder shall be as provided in said tariff but not less than \$794.00.

The Customer's contract capacity under the Schedule named herein is hereby fixed at 15,000 kW. If a time-of-day demand is available under the Schedule and is selected by the Customer, the reservation of capacity aforementioned shall be the peak period reservation of capacity and shall determine the minimum monthly billing demand of the Schedule. The minimum billing demand for this agreement shall be 9000 kW. The amount of capacity requested during the off-peak period is 15,000 kW.

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.

An addendum for Flicker Harmonics Addendum is attached hereto and is part of this Contract.

KENTUCKY POWER COMPANY

Kenneth Borders

Kenneth L. Borders

Title: C

Customer and Dist Svcs Mgr

Date:

February 9, 2022

Account Number: 0317805755

Discover AI, LLC

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Title: TESWEAT KENTUCK

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I - //PUBLIC SERVICE COMMISSION

Date: Linda C. Bridwel

Executive Director

6/10/2022

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

This Addendum is entered into this April 1, 2022, by and between KENTUCKY POWER COMPANY, hereafter called the Company, and Discover AI, LLC, or his 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 April 1, 2022 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 the Company's electric 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.

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.

KENTUCKY POWER COMPANY

Kenneth Boro

By:

Kenneth L. Borders

Title:

Customer and Dist Svcs Mgr

Date:

February 9, 2022

Account Number: 0317805755

Discover AI, LLC

By: C

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tle: Tres

C SERVICE COMMISSION

Linda C. Bridwell Executive Director

Date:

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6/10/2022

Attachment 1 Page 18 of 24

ADDENDUM TO CONTRACT FOR ELECTRICAL SERVICE - Build-up clause

This Addendum is a part of the Agreement entered into this 1st day of April 2022, by and between Kentucky Power

Company (the Company) and Discover AI, LLC (the Customer) for electric service to the Customer

cryptocurrency facility located at Long Fork Road, Kimper, Pike County, KY

It is mutually agreed that the reservation of capacity contracted for by the Customer under this Agreement is 15,000

kW. However, the Company recognizes that the Customer is completing the project on a schedule that will require

some period of time for the operation to transform to its full operating capacity. Therefore, the Company agrees that

the contract capacity as it relates to determination of minimum monthly charges shall be in accordance with the

following schedule:

1. Effective with the service commencement date of this Agreement to the end of the 2<sup>nd</sup> billing period, the

contract capacity shall be the greater of 7,000 kW or the highest 15-minute integrated demand, adjusted to the

nearest 100 kW, actually recorded since the service commencement date. Billing will be under the provisions of the

Company's 359 INDUSTRIAL GENERAL SERVICE SUBTRANSMISSION tariff.

2. Effective with the 3<sup>rd</sup> billing period, the reservation of capacity shall be 15,000 kW. Billing will be under

the provisions of the Company's 359 INDUSTRIAL GENERAL SERVICE SUBTRANSMISSION tariff.

**Kentucky Power Company** 

By: Kenneth Borders

Kenneth L. Borders

Title: Customer and Dist Svcs Mgr

Date: April 8, 2022

Account Number: 031-780-575-5

Discover AI, LLC

~ \~ <u>C</u>

Date:

KENTUCKY
PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

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6/10/2022

# ADDENDUM TO THE ELECTRIC SERVICE CONTRACT BETWEEN KENTUCKY POWER COMPANY AND DISCOVER AI LLC

This Addendum supplements and amends the Electric Service Contract (the "Contract"), entered into on April 1 2022, between Kentucky Power Company, a Kentucky corporation (the "Company"), and Discovery AI LLC, a Kentucky limited liability company (the "Customer"). The Company and Customer are collectively referred to herein as the "Parties."

WHEREAS, the Company owns and operates facilities for the generation, transmission and distribution of electric power and energy; and

WHEREAS, the Customer is developing asset and data center facilities to be located 1655 Long Fork Road, Kimper, Kentucky, in Pike County ("Kimper Facility") within the Company's Kentucky service territory; and

WHEREAS, when operational the Customer will take service under the Company's Tariff I.G.S. at its Kimper Facility;

WHEREAS, the Customer will have the ability upon the Kimper Facility becoming operational to curtail load under the provisions of the Company's Optional Rider D.R.S. ("Rider D.R.S.");

WHEREAS, Customer wishes to take service at its Kimper Facility under Rider D.R.S. when each facility has 12 months of operational history.

NOW THEREFORE, in consideration of the mutual covenants and agreements, and

subject to the terms and conditions contained in this Addendum the Company

Customer agree as follows:

Addendum, the SERVEE COMMISSI

Linda C. Bridwell

Executive Director

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- I. The Effective Date for the Kimper Facility shall be the first day of the billing month 30 days after twelve months of operating history is established for the Kimper Facility.
- II. The Customer's Total Contract Capacity Reservation under this Addendum shall be 15,000 kW for the Kimper Facility.
- III. The Customer's maximum Metered Demand shall not individually exceed the Total Contract Capacity Reservation for the Kimper Facility except by mutual agreement of the Parties. The Metered Demand for the Kimper Facility during each month is the single highest 15-minute integrated peak in kW as recorded during the month by the demand meter at the Company's 69 kV McCoy Elkhorn Meter Point.
- IV. Except as modified herein, the Customer's Total Contract Capacity Reservation shall be served under the terms and conditions of the Company's Tariff I.G.S.
- V. The Customer has designated 100 kW as its Firm Capacity Reservation for the Kimper Facility. The 100 kW of Firm Capacity for the Kimper Facility is not subject to interruption.
- VI. The Customer has designated 14,900 kW as its Interruptible Capacity Reservation for the Kimper Facility.
- VII. The Company, in its sole discretion, reserves the right to call for curtailments of Customer's Interruptible Capacity Reservation at any time. Such curtailments shall be designated as Discretionary Interruptions and shall not exceed an aggregate of 60 hours of interruption for each facility during any Interruption. The Interruption Year shall be defined as the consecutive twelve Linda C. Bridwell.

commencing on June 1 and ending on May 31.

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VIII. In any Initial Partial Interruption Year, Discretionary Interruptions for each facility shall not exceed a number of hours equal to the product of the number of full calendar months during the Initial Partial Interruption Year and the annual interruption hours divided by 12 multiplied by 60.

IX. The Company will endeavor to provide the Customer with as much advance notice as possible of a Discretionary Interruption. The Company shall provide notice at least 90 minutes prior to the commencement of a Discretionary Interruption.

X. The Company will inform the Customer regarding the communication process for notices to curtail. The Customer is ultimately responsible for receiving and acting upon a curtailment notification from the Company.

XI. Discretionary Interruption events shall be at least three (3) consecutive hours and there shall not be more than six (6) hours of Discretionary Interruption per day.

XII. Discretionary Interruptions shall begin and end on the clock hour.

XIII. For any Discretionary Interruption, the Customer can choose not to interrupt their Interruptible Capacity Reservation; if the Customer chooses not to or fails to curtail their interruptible load during a Discretionary Interruption, the Customer shall pay the applicable DRS Event Failure Charge set forth in Rider D.R.S. as may be amended from time-to-time by the Company.

XIV. The net amount of the monthly Interruptible Demand Credit and any DRS Event Failure Charge shall be included in the Customer's bill for service provided under Tariff I.G.S. The net amount of the monthly Interruptible Demand Credit and any DRS.

Event Failure Charge shall be calculated separately for each facility

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Executive Director

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6/10/2022

XV. The monthly Interruptible Demand Credit for each facility shall be equal to the product of the Demand Credit per kW month established in Rider D.R.S., as may be amended from time-to-time by the Company, and the Interruptible Capacity Reservation set forth in Section VI.

XV(i). Customer expressly recognizes and agrees that during the first 12 months of operations of Customer's Kimper Facility, Customer shall not be entitled to, and shall not be paid or credited a monthly Interruptible Demand Credit.

XVI. The Term of this Addendum shall be for an initial period of one (1) year. After the initial one (1) year period, the Addendum shall continue for each subsequent Interruption Year until either party provides written notice no later than April 2 of its intention to discontinue service effective June 1 under the terms of this Schedule.

XVII. Except as otherwise specifically provided herein, all rates, terms and conditions, and the obligations and responsibilities of the Parties as set forth in the Contract shall remain in full force and effect.

XVIII. All terms and stipulations made or agreed to regarding the subject matter of this Addendum are completely expressed and merged in this Addendum, 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.

XIX. To the extent not specifically modified by this Addendum, the Company's Terms and Conditions of Service, on file with the Commission are incorporated herein by reference and made a part hereof. The Customer acknowledges receipt KENTUCKY rently.

approved Terms and Conditions of Service. In the event of a conductive tween the

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6/10/2022

Attachment 1 Page 23 of 24

provisions of this Addendum and the provisions of the Company's Terms and Conditions of Service, the provisions of this Addendum shall control.

XX. This Addendum shall not be assigned by either Party without the written consent of the other Party. Such consent shall not be unreasonably withheld.

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

XXII. The validity and meaning of this Addendum shall be governed by the laws of the Commonwealth of Kentucky.

XXIII. In the event that any of the provisions, or portions thereof, of this Addendum are 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.

XXIV. 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 CURTAILMENT OF SERVICE UNDER THE PROVISIONS OF RIDER D.R.S. OR THIS ADDENDUM.

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

KENTUCKY
PUBLIC SERVICE COMMISSION
Linda C. Bridwell

Executive Director

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6/10/2022

KENTUCKY POWER COMPANY	DISCOVER AI LLC		
Kenneth L. Borders			
Ву	By May Doll		
Title Mgr., Customer and Dist. Svces	Title President		
DateMay 3, 2022	Date 5/2/2022		

KENTUCKY PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

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6/10/2022