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AGREEMENT BETWEEN
LOUISVILLE GAS AND ELECTRIC COMPANY AND
FORD MOTOR COMPANY

THIS AGREEMENT, made and entered into this 31st day of October, 1992, by and between LOUISVILLE GAS AND ELECTRIC COMPANY, a Kentucky corporation, hereinafter referred to as "Company", and FORD MOTOR COMPANY, a Michigan corporation, hereinafter referred to as "Customer".

W I T N E S S E T H

WHEREAS, Company owns and operates an electric generating, transmission, and distribution system in and about the City of Louisville and Jefferson County, Kentucky;

WHEREAS, Customer is a consumer of electricity sold to it by Company at Customer's facility located at 3001 Chamberlain Lane, Lyndon, Kentucky;

WHEREAS, Company and Customer desire to enter into an agreement in order to set forth the terms and conditions under which Company will provide electricity to Customer;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the Parties hereto agree as follows:

1. Commencing January 1, 1994, Company will sell and deliver and Customer will take and purchase all of Customer's electric power requirements for the operation of its facilities referenced above at the rates and under the conditions of PUBLIC SERVICE COMMISSION OF KENTUCKY distribution rate of Company's standard rate schedule LP-TOD EFFECTIVE (Industrial Power Time-Of-Day), or its successor, as amended by 1993

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terms and conditions hereinafter set forth. A copy of the current tariff sheet containing rate schedule LP-TOD is attached and marked as Attachment A.

2. For application of all demand charges and demand credits, including the basic demand charge, peak period demand charge, and interruptible demand credit, Customer's minimum contract demand for the period of January 1, 1994 through February 28, 1995 will be 20,000 kilowatts. Beginning on March 1, 1995, and continuing for the duration of this Agreement, Customer's minimum contract demand for the same purposes will be 25,000 kilowatts.

3. Customer may elect to designate a portion of its demand served under this Agreement to be interruptible pursuant to Company's standard rider for Interruptible Service, or its successor. A copy of the current tariff sheet containing is attached to this Agreement and marked as Attachment B. Prior to making this election, Company and Customer must execute a separate agreement establishing the terms, conditions and rates for such interruptible service.

4. Company will construct and install at its cost a two (2) transformer substation to be owned by Company and located on Customer's premises. Company will provide service to Customer's switchgear through isolating switches at a nominal voltage of 12.47 kV. These isolating switches will be the Company/Customer Interface. The substation will be equipped with two (2) 21.5 MVA, 69,000 grounded-wye/13,090 grounded-wye volt transformers with each transformer low side winding equipped with +/-10% load tap changer.

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Spacing of all breakers, line extensions and other equipment will be designed to support 138 kV operation. In the event the 138 kV system is extended to this substation, the substation will be converted to, and supplied at, 138 kV. The cost to convert the substation to 138 kV will be borne solely by Company. Customer will install, on Customer's side of each Interface isolating switch, a breaker which the Company's protective relay system can trip, if necessary, to protect Company's equipment and service to its other customers.

5. Customer will grant Company an easement that provides Company with access to its substation on a twenty-four (24) hour a day basis. Customer will grant Company a second easement for two independent transmission lines that serve the substation, said easement to be suitable for lines operated at 138 kV. A third easement will be provided for Company's communication cable(s) into the substation. Each of these easements will be executed and delivered to Company within sixty (60) days subsequent to the execution of this Agreement. Furthermore, each of these easements will be granted for as long as the site of the substation is required by Company to provide service to the facilities that are being served under this Agreement, including a reasonable time after cessation of service for removal of Company's equipment and facilities.

6. This Agreement shall continue in full force and effect for a period to be hereinafter referred to as the "base contract period", which is a period equal to the greater of five (5) years

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or the sum of five (5) years plus the number of months derived from the following formula:

The difference between 1,500,000 kilowatt-months and the cumulative monthly demands for the basic demand charge used for billing purposes during the first five (5) years of the base contract period, that difference divided by 25,000 kilowatts, and the result rounded to the nearest whole number.

Customer may renew this Agreement for successive one year terms after the base contract period at its option by notifying Company of its renewal in writing within ninety (90) days prior to its termination. If Customer fails to renew this Agreement at the end of the base contract period, Customer will pay to Company the sum of One Million Three Hundred Thousand Dollars (\$1,300,000) by the last day of the base contract period. If Customer fails to renew this Agreement at the end of subsequent one year periods after the initial one year renewal, the Customer will by the last day of the one year period pay to the Company a sum certain as set forth below:

<u>Years after initial renewal</u>	<u>Amount to be Paid</u>
One	\$1,000,000
Two	800,000
Three	500,000
Four	300,000
Five and subsequent years	Zero

7. It is mutually understood that the rates, terms, and conditions contained in this Agreement are at all times subject to the regulatory jurisdiction of the Public Service Commission of Kentucky, and may be increased, amended or otherwise changed in the action of the Commission.

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BY: Shirley Hallett
PUBLIC SERVICE COMMISSION MANAGER

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

FORD MOTOR COMPANY

LOUISVILLE GAS AND ELECTRIC COMPANY

By: *J.M. Mintamaki*

By: *J.R. Carey* 10-9-92

Title: J. M. Mintamaki
Assistant Secretary

Title: VP, Marketing and General Mgr,
Electric Service

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BY: *Shirley Walker*
PUBLIC SERVICE COMMISSION MANAGER