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EKPC Standard Form -  
Modified

INDUSTRIAL POWER AGREEMENT

THIS AGREEMENT, made and entered into this 30<sup>th</sup> day of April, 1993, by and between South Kentucky Rural Electric Cooperative Corporation, a Kentucky corporation with its principal offices at 925-929 North Main Street, Somerset, Kentucky, hereinafter referred to as the "Cooperative", and Tibbals Flooring Co., a Tennessee corporation with its principal offices at 300 South Main Street, Oneida, Tennessee 37841, hereinafter referred to as "Customer".

W I T N E S S E T H:

WHEREAS, Cooperative is a rural electric cooperative providing retail electric service in Pulaski County, Kentucky, and

WHEREAS, Cooperative is a member of East Kentucky Power Cooperative, Inc., hereinafter referred to as "EKPC", and purchases all of its wholesale electric power and energy from EKPC, and

WHEREAS, Customer is a member of Cooperative and desires to purchase all of its retail electric power and energy needs from Cooperative, under the terms and conditions contained herein, to serve its Somerset Plant (hereinafter referred to as its "plant").

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JUN 4 1993

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

BY: [Signature]  
PUBLIC SERVICE COMMISSION MANAGER

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein, the parties agree as follows:

1. Term. This Agreement shall become effective as of June 1, 1993, subject to the provisions of Section 13. This Agreement shall continue in effect for a term of one year from said date and shall continue thereafter unless terminated by either party by providing written notice of such termination at least 60 days prior to the desired termination date.
2. Availability of Power. Subject to the other provisions of this Agreement, Cooperative shall make available to Customer, and the Customer shall take and purchase from Cooperative, all of Customer's requirements for firm power and energy for the operation of Customer's said plant. The monthly "contract demand" under this Agreement shall be 1,811 kW (One Thousand Eight Hundred and Eleven kW).

The power and energy made available to Customer hereunder shall be delivered, taken, and paid for in accordance with the terms hereof and the tariff of the Cooperative, Schedule LP-3, as approved by the Kentucky Public Service Commission (the "P.S.C.") and as modified from time to time by appropriate authority, a copy of which is attached hereto and hereby made a part hereof. In the event of any conflict between the provisions of this Agreement and said tariff, the latter shall control.

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3. Conditions of Delivery. The point of delivery for firm power and energy made available hereunder shall be the point at which Customer's facilities connect to Cooperative's facilities. The power and energy made available hereunder shall be in the form of 3-phase alternating current at a frequency of approximately 60 hertz and at a nominal voltage of 7,200/12,470 Grd.Y. Regulation of voltage shall be within such limits as prescribed by the applicable rules and regulations of the P.S.C. Maintenance by Cooperative at said point of delivery of the above-stated frequency and voltage within the above-stated limits shall constitute availability of power for purposes of this Agreement. The power and energy taken by Customer hereunder shall be measured by meters and associated metering equipment to be or caused to be installed, operated, and maintained by Cooperative or EKPC. None of such electric power and energy shall be resold to third parties.

Neither Cooperative nor EKPC shall be obligated to provide or be responsible for providing protective equipment for Customer's lines, facilities, and equipment to protect against single phasing, low voltage, short circuits or any other abnormal system conditions, but Cooperative or EKPC, as the case may be, may provide such protective equipment as it deems necessary for the protection of its own property and operations. The electrical equipment installed by Customer shall be capable of satisfactory coordination with any protective equipment installed by Cooperative or EKPC.

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BY: *Shirley J. Helle*  
PUBLIC SERVICE COMMISSION MANAGER

4. Electric Disturbances. Customer shall not use the energy delivered under this Agreement in such manner as to cause electric disturbances which may be reasonably expected to (a) cause damage or to interference with Cooperative's system, systems connected with Cooperative's system, or facilities or other property in proximity to Cooperative's system, or (b) prevent Cooperative from serving other purchasers satisfactorily.

Cooperative may, at any time during the term of this Agreement, notify Customer of any such electrical disturbances and, before attempting to take any other action, shall afford Customer a reasonable time and opportunity, under the circumstances involved, to correct or suppress the disturbances. If Customer does not so correct or suppress the disturbances, then Cooperative may suspend or discontinue service.

Any interruption of service which may become necessary by reason of this Section shall not relieve Customer from its obligation to pay Cooperative the monthly charge as specified in the attached rate schedule.

5. Right of Access. Duly authorized representatives of the Cooperative and/or EKPC shall be permitted to enter the Customer's premises at all reasonable times in order to carry out the provisions hereof.
6. Right of Removal. Any and all equipment, apparatus or facilities placed or installed, or caused to be placed or

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BY: Shirley J. Haller  
PUBLIC SERVICE COMMISSION MANAGER

installed, by either of the parties hereto or by EKPC on or in the premises of the other party shall be and remain the property of the party owning and installing such equipment, apparatus, devices or facilities regardless of the mode or manner of annexation or attachment to real property of the other. Upon the termination of this Agreement, or any extension thereof, the owner thereof shall have the right to enter upon the premises of the other and shall within a reasonable time remove all or any portion of such equipment, apparatus, devices or facilities, unless otherwise agreed by the parties, or either party and EKPC, as applicable, at the time of such termination.

7. Rates and Charges. Customer shall pay Cooperative monthly for power and energy made available under this Agreement in accordance with the rates, charges, and provisions of Cooperative's effective standard tariff applicable to consumers of the same class as Customer, Schedule LP-3, as approved by the P.S.C. and as modified, replaced, or adjusted from time to time and approved by the P.S.C.

8. Payment of Bills. Payment for electric power and energy furnished hereunder shall be due and payable at the office of Cooperative monthly in accordance with the applicable provisions of said Schedule LP-3. If Customer shall fail to pay any such bill as provided in Schedule LP-3, Cooperative may discontinue delivery of electric power and energy hereunder upon fifteen (15) days' written notice to Customer of its intention to do so. Such discontinuance for

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BY: *Shirley Walker*  
PUBLIC SERVICE COMMISSION MANAGER

non-payment shall not in any way affect the obligations of Customer to pay the minimum monthly charge provided in the attached rate schedule. All amounts unpaid when due shall be subject to a 5% charge for late payment.

9. Reduction in Cost of Service. Cooperative is a non-profit Kentucky corporation and Customer will benefit from any savings or reductions in cost of service in the same manner as any comparable customer as authorized by the Kentucky Revised Statutes, and by Cooperative's Articles of Incorporation and Bylaws as now in effect; provided, however, the Cooperative's board of directors may defer retirement of so much of the capital credited to patrons for any year which reflects capital credited to the Cooperative by EKPC until EKPC shall have retired such capital credited to the Cooperative. Customer shall participate in capital credits in accordance with the Kentucky Revised Statutes and Cooperative's Articles of Incorporation and Bylaws.
10. Notices. Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on Cooperative if mailed to:

Keith Sloan, President  
South Kentucky RECC  
P. O. Box 910  
Somerset, KY 42502

Any such notice, demand or request shall be deemed properly given to or served on Customer if mailed to:

J. David Craven, C.F.O.  
Tibbals Flooring Co.,  
P. O. Box 4009  
Oneida, TN 37841

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BY: George J. Miller  
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Each party shall have the right to change the name of the person to whom, or the location where the notices are to be given or served by notifying the other party, in writing, of such change.

11. Successors in Interest. The terms and conditions of this Agreement shall inure to and be binding upon the parties, together with their respective successors in interest.

Neither party may assign this Agreement to any other party without the express written consent of the other party, except that Cooperative may assign the Agreement to the Rural Electrification Administration and/or any other lenders to Cooperative without such consent.

12. Force Majeure. The obligations of either party to this Agreement shall be suspended during the continuance of any occurrence, beyond the affected party's control (a "force majeure"), which wholly or partially prevents the affected party from fulfilling such obligations, provided that the affected party gives notice to the other party of the reasons for its inability to perform within a reasonable time from such occurrence. As used in this section, the term force majeure shall include, but is not limited to: acts of God; strikes; wars; acts of a public enemy; riots; storms; floods; civil disturbances; explosions; failures of machinery or equipment; interruptions in power deliveries from Cooperative's power supplier; or actions of state or local governmental authorities, which are reasonably within the control of the party claiming relief.

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BY: Shirley Helle  
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Notwithstanding the above provisions, no event of force majeure shall relieve Customer of the obligation to pay the applicable minimum Demand and Customer Charge provided in the attached rate schedule. In the event of a force majeure which results in an interruption of all electric service to Customer for a continuous period exceeding 24 hours, hereinafter called an "extended interruption", the minimum monthly Energy Charge shall be reduced on a pro rata basis for the total number of hours of the extended interruption as compared to the total number of hours in the month the extended interruption occurs. Should such an extended interruption continue into a subsequent month, the minimum monthly Energy Charge for that month shall be adjusted as provided above only if the extended interruption continues for more than 24 hours into the subsequent month. Events of force majeure which do not exceed 24 continuous hours in duration during a given month shall not be a basis for any adjustment of the minimum monthly Energy Charge for that month. In no event shall an event of force majeure reduce Customer's billing for actual Energy (kWh) usage.

13. Approvals. This Agreement is subject to any necessary approvals of the Rural Electrification Administration, any other lenders to Cooperative and the P.S.C.

14. Modifications. Any future revisions or modifications of this Agreement shall require the advance approval of EKPC and any necessary approvals by the Rural Electrification Administration, any supplemental lenders to the Cooperative, and the P.S.C.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed, in six original counterparts, by their respective officers, thereunto duly authorized, as of the day and year first above written.

ATTEST:

TIBBALS FLOORING CO.

Henry T. Lee, Plant Controller

By J. David Craven  
J. David Craven, C.F.O.

ATTEST:

SOUTH KENTUCKY R.E.C.C.

Clifford M. Payne, Dir. A. & E.

By Keith Sloan  
Keith Sloan, President

(tibb-ipa)

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PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY: Shirley Deller  
PUBLIC SERVICE COMMISSION MANAGER

Form for Filing Rate Schedules

FOR: ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 7  
1st REVISED SHEET NO. T-11  
CANCELLING P.S.C. KY NO. 7  
ORIGINAL SHEET NO. T-11

SOUTH KENTUCKY R.E.C.C.  
SOMERSET, KENTUCKY 42501

**\* CLASSIFICATION OF SERVICE \***

LARGE POWER RATE 3 (1,000 KW TO 2,999 KW)

SCHEDULE LP - 3

**APPLICABLE:** Entire Service Area - Applicable to contracts with contract demands of 1,000 to 2,999 KW with a monthly energy usage equal to or greater than 425 hours per KW of contract demand.

**TYPE OF SERVICE:** Three phase 60 hertz at voltages as agreed to in the special Contract for Service.

**RATES PER MONTH:**

Consumer Charge:	\$535.00	
Demand Charge per KW		
Contract demand	\$ 5.39	
Excess demand	\$ 7.82	
Energy charge per kWh	\$ 0.03167	(R)

**DETERMINATION OF BILLING DEMAND:** The billing demand (kilowatt demand) shall be the greater of (a) or (b) listed below:

- (a) The contract demand
- (b) The ultimate consumer's highest demand during the current month. The consumer's peak demand is the highest average rate at which energy is used during any fifteen-minute interval in the below listed hours for each month (and adjusted for power factor as provided herein).

<u>-Months-</u>	<u>Hours Applicable For Demand Billing - E.S.T.</u>
October through April	7:00 A.M. to 12:00 Noon 5:00 P.M. to 10:00 P.M.
May through September	10:00 A.M. to 10:00 P.M.

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MAY 1 1993

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

BY: [Signature]  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE: APRIL 12, 1993

DATE EFFECTIVE: MAY 1, 1993

ISSUED BY: [Signature] PRESIDENT/GEN. MANAGER

Issued by authority of an order of the Public Service Commission of Kentucky in Case No. 92-516 dated April 5, 1993.

Form for Filing Rate Schedules

FOR: ENTIRE TERRITORY SERVED  
P.S.C. KY NO. 7  
ORIGINAL SHEET NO. T-12  
CANCELLING P.S.C. KY NO. 6  
SHEET NO. \_\_\_\_\_

SOUTH KENTUCKY R.E.C.C.  
SOMERSET, KENTUCKY 42501

**\* CLASSIFICATION OF SERVICE \***  
LARGE POWER RATE 3 (1,000 KW TO 2,999 KW) SCHEDULE LP - 3

**MINIMUM CHARGE:** The computed minimum monthly charge shall not be less than the sum of (a), (b), (c), and (d) below:

- (a) The product of the contract demand multiplied by the demand charge, plus
- (b) The product of the excess demand multiplied by the excess demand rate, plus
- (c) The product of the contract demand multiplied by 425 hours and the energy charge per KWH, plus
- (d) The consumer charge.

**POWER FACTOR ADJUSTMENT:** The consumer agrees to maintain unity power factor as nearly as practicable at each delivery point at the time of the monthly maximum demand. When the power factor is determined to be less than 90%, the monthly maximum demand at the delivery point will be adjusted by multiplying the actual monthly maximum demand by 90% and divided this product by the actual power factor at the time of the monthly maximum demand.

**FUEL ADJUSTMENT CLAUSE:** As shown in "APPENDIX B" following these tariffs.

**CONTRACT FOR SERVICE:** The consumer must give satisfactory assurance by means of a written agreement as to the character, amount and duration of the three phase requirements and complete a special contract.

**TERMS OF PAYMENT:** The rates stated are net. If payment is not made by the due date, the current month charges shall be increased by 5%.

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PURSUANT TO 807 KAR 5:011.  
SECTION 9 (1)  
BY: *[Signature]*  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE: JULY 22, 1992

DATE EFFECTIVE: AUGUST 31, 1992

ISSUED BY: *Keith Sloan* PRESIDENT/GEN. MANAGER

Issued by authority of an order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ dated \_\_\_\_\_.