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Contract No. WKG-1027

APR 17 11 26 AM '92

PUBLIC SERVICE
COMMISSION

LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

BETWEEN

LOGAN ALUMINUM INC.

AND

WESTERN KENTUCKY GAS COMPANY,
A Division Of
ATMOS ENERGY CORPORATION

DATED

MAY 1, 1992

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

MAY 19 1992

PURSUANT TO 807 KAR 5.011.
SECTION 9 (1)

BY: *Sharon Deller*
PUBLIC SERVICE COMMISSION MANAGER

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LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

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THIS NATURAL GAS SERVICE AGREEMENT is made and entered into this 1st day of May, 1992, by and between WESTERN KENTUCKY GAS COMPANY, a division of Atmos Energy Corporation, a Texas corporation (WKG), and LOGAN ALUMINUM INC., a Delaware corporation ("Customer"), also referred to as the "parties".

W I T N E S S E T H :

WHEREAS, WKG desires to provide to Customer, and Customer desires to obtain natural gas service in accordance with the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the parties hereto agree as follows:

1. Natural Gas Service Type and Volume Levels. Customer agrees to purchase from WKG or deliver to WKG for transportation all of Customer's natural gas service requirements for Customer's facility located at or near Russellville, Kentucky. WKG agrees to provide service to Customer of the type specified below, subject to the provisions of the referenced tariffs, the related rules and regulations governing natural gas service and this Service Agreement including its attached exhibits and general terms and conditions; provided, however, that WKG shall have no obligation to provide natural gas sales or transportation service to Customer in excess of the maximum volumes hereinafter specified:

<u>Tariffs</u>	<u>Maximum MCF/Day</u>	PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE
Sales Rate G-1 (Priority 4)	1,200	
Transportation Rate T-2 (Priority 4)	1,200	MAY 19 1992
Carriage Rate T-3 (Priority 7)	6,000	PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

BY: *[Signature]*
PUBLIC SERVICE COMMISSION MANAGER

During any billing period, volumes delivered to Customer regardless of nominations, be deemed to first satisfy the G-1/T-2 volumes, if any; then the G-2/T-2 volumes, if any; and finally the T-3 volumes, if any. Subject to the

above-stated daily levels, the parties further agree to the following levels of gas service:

(a) Base Period Volumes in Mcf

	Priority No. 4	Priority No. 7	Priority No.
November	36,000	144,000	
December	37,200	142,800	
January	37,200	142,800	
February	33,600	146,400	
March	37,200	142,800	
TOTAL WINTER	181,200	718,800	
April	36,000	144,000	
May	37,200	142,800	
June	36,000	144,000	
July	37,200	142,800	
August	37,200	142,800	
September	36,000	144,000	
October	37,200	142,800	
TOTAL SUMMER	256,800	1,003,200	

(b) Utilization: Aluminum Can Stock Rolling Mill

(c) Maximum Hourly Demand - Priority 4 50 Mcf

(d) Maximum Hourly Demand - Priority 7 500 Mcf

(e) Maximum Hourly Demand - Priority ___ ___ Mcf

(f) Maximum Daily Demand - Priority 4 PUBLIC SERVICE COMMISSION

(g) Maximum Daily Demand - Priority 7 OF KENTUCKY

(h) Maximum Daily Demand - Priority ___ 6,000 Mcf EFFECTIVE

(i) Delivery Pressure: 40 psig MAY 19 1992

(i) Delivery Pressure: 40 psig

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BY: Glenn D. Miller
PUBLIC SERVICE COMMISSION MANAGER

(j) Customer's Service Highway 431 North
Address Russellville, Kentucky 42276

(k) Total Connected Load: 796 Mcfh

(l) Notwithstanding the foregoing, Customer shall have the right, upon 60 days written notice to WKG, to redistribute its service mix between G-2 and T-3 or any new service which is available. This right may be exercised once during the term of this Agreement.

2. Price. Except as provided in the two following paragraphs, the price to be paid by Customer shall be in accordance with the rate schedule under which the service is rendered. Such rates, including gas cost adjustments, shall be subject to change as permitted by law. Any Federal, State or other legal taxes other than those based upon or measured by WKG's income which apply now or may hereafter be imposed shall be paid by the Customer in addition to the rates as specified.

Monthly volumes exceeding 115,000 Mcf/Mo. shall be priced at the lower of (a) the otherwise applicable "All Over 15,000 Mcf/Mo." tariff rate minus 15¢/Mcf or (b) any new tariff rates applicable to volumes at that level of monthly usage. Provided, however, if Customer has not, by September 30, 1993, taken monthly volumes under this contract in excess of 165,000 Mcf/Mo. for at least two consecutive months, pricing provision "(a)" of the preceding sentence will terminate and Customer shall, unless waived by WKG, pay WKG, within 15 days of billing, an amount equal to the volumes billed under provision "(a)" times 15¢/Mcf; further provided however, the foregoing provision shall not apply to the extent Customer is unable to take volumes in excess of 165,000 Mcf/Mo. due to "force majeure."

For service under Carriage Service Rate T-3, the overrun charge per Mcf shall be 110% of the Interruptible Service Rate G-2 and any assessed Texas Gas Transmission Company (TGT) charges related to the overrun volumes. The Customer agrees to notify the Company in advance of Customer attempting to take any overrun volumes. Such notification does not, however, entitle Customer to any overrun volumes. Pricing provision "(a)" above shall not apply to overrun volumes and the curtailment violation penalty charge provided in the Rate T-3 tariff is not changed by this Agreement, but may be waived by WKG in its sole discretion. During any applicable curtailment period, overrun volumes shall be curtailable before curtailment of G-2 standby sales. To the extent notice or grace periods related to lost gas supply replacement are more liberal than those provided in WKG's Rate T-3 Terms and Conditions, the TGT procedures will apply. Customer will be responsible for any charges assessed by TGT related to Customer's lost gas supply replacement activity.

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BY: [Signature]
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Company shall not charge Customer for "banked" volumes (see Section 6 of attached "General Terms and Conditions") except to the extent the balance of Customer's banked volumes exceed 25,000 MCF, in any month, and then, only in accordance with charges, if any, approved or accepted by the appropriate regulatory authority and after notice to Customer.

3. Term. This Service Agreement shall become effective on May 1, 1992 (or the first day of the month when accepted by the K.P.S.C., if later), and shall continue in full force and effect until September 30, 1993 ("initial term"), and shall continue for successive terms of one year each unless terminated by either party upon written notice no later than 120 days prior to the end of the initial term or any successive term. Customer agrees that while this Service Agreement is in effect, it will not circumvent, bypass or, in any manner whatsoever, directly or indirectly, effectuate a substitution of WKG's service or facilities; provided, that the foregoing shall not apply to any installation or expansion of Customer's propane facilities or capabilities. The foregoing shall not restrict Customer during the initial term of this Agreement or any successive term thereof from undertaking whatever preparations it chooses in its sole election and discretion, including but not limited to the filing of applications, the acquisition of facilities and equipment and the preparation of its operations, in order to receive other alternative natural gas service following the term of the Service Agreement. In the event Customer, during the term of this Agreement, undertakes in any manner whatsoever to bypass or effectuate a substitution of WKG's service or facilities, Customer will so notify WKG in writing ("bypass notice") providing specific information relevant to the planned bypass. The notice shall be provided no later than six (6) months prior to the first day of operation of the bypass facilities or arrangements as a substitute for WKG's service or facilities. The discount provided in Paragraph 2, Price. above shall terminate as of the first day of the month in which the bypass notice is provided to WKG; provided, that the discount shall not terminate if Customer provides the bypass notice set forth above no later than six (6) months prior to the first day of operation of the bypass facilities. The bypass notice shall be deemed notice of termination (effective upon the end of the then current term) if provided to WKG 120 days or more before the expiration of the then current term.

4. Notices. Any notice required to be given under this Service Agreement or any notice which either party may desire to give the other party shall be in writing and shall be considered duly delivered when hand-delivered or when deposited in the United States mail, postage prepaid, ~~may 1 1992~~ or certified, and addressed as follows:

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BY: Shawn Diller
PUBLIC SERVICE COMMISSION MANAGER

If to WKG: WESTERN KENTUCKY GAS COMPANY
311 W. 7th Street
P.O. Box 866
Owensboro, Kentucky 42302
Attention: Large Volume Sales
Department

If to Customer: LOGAN ALUMINUM INC.
Highway 431 North
Russellville, Kentucky 42276
Attention: President & CEO

or such other address as WKG, Customer, or their respective successors or permitted assigns shall designate by written notice given in the manner described above. Routine communications, including monthly invoices, may be mailed by ordinary mail, postage prepaid, and addressed to the above-designated name and address, or to any person designated in writing by either party.

5. Attachments. General Terms and Conditions, Exhibit "A," Receipt Point(s) and Delivery Point(s), and Exhibit "B," Agency Terms and Conditions, attached hereto are expressly incorporated herein and made a part of this Service Agreement for all purposes, and all references herein and therein to "this Service Agreement" include all exhibits and their terms and provisions contained therein.

IN WITNESS WHEREOF, the parties hereto have executed this Large Volume Natural Gas Service Agreement to be effective as of the date first above written.

WESTERN KENTUCKY GAS COMPANY,
A Division Of
Atmos Energy Corporation

By: Carl Fischer *CF*
Title: President
Date: 4/16/92

LOGAN ALUMINUM INC.

By: Fred H. [Signature]
Title: President
Date: 4/14/92

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BY: [Signature]
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GENERAL TERMS AND CONDITIONS
TO
LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

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This Service Agreement is subject to all applicable and valid statutes, ordinances, and the rules, regulations and orders of the Kentucky Public Service Commission.

2. If not presently installed, the necessary regulating and metering equipment constructed to WKG's specifications shall be installed for delivery of the gas as specified here, and the Customer shall install additional regulating equipment to provide suitable pressure and operation at the various points of utilization. A suitable location for the regulating and metering equipment shall be provided by the Customer without charge, and WKG shall have the right to operate, maintain and alter this equipment as is necessary or desirable. Each party hereto agrees to maintain any equipment owned by it and used in the performance of its obligations herein in good, safe, and efficient operating condition and repair.

3. Title to sales gas shall pass from WKG to Customer, upon the delivery thereof, at the Customer's service address. The title to all gas transported hereunder shall remain with the Customer. The Receipt Point(s) at which the Customer will deliver transportation gas to WKG is designated on Exhibit "A" attached hereto.

4. As between the parties hereto solely, WKG shall be deemed in exclusive control and possession of the gas after the delivery thereof at the Receipt Point(s) and prior to the redelivery thereof, to or for the account of Customer at the Customer's service address. At all other times, as between the parties hereto solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses, or injuries caused by Customer's handling, delivery, or receipt thereof. Each party agrees to indemnify, defend, and hold the other party harmless from and against any and all claims, liabilities, damages, losses, ^{PUBLIC SERVICE COMMISSION} ^{OF KENTUCKY} ^{EFFECTIVE} and expenses (including attorneys' fees) incurred by the indemnified party arising from or relating to any damages, losses, or injuries for which the indemnifying party is responsible pursuant to the provisions of this Service Agreement. MAY 19 1992

5. In the event that either WKG or Customer is unable, wholly or in part, by reason of an event of force majeure, to perform its obligations under this Service Agreement, other than to make payment due thereunder, the party has given notice and full particulars of such force majeure in writing to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of ^{PUBLIC SERVICE COMMISSION} ^{OF KENTUCKY} ^{EFFECTIVE} ^{SECTION 19(1)} ^{5:011.} ^{MANAGER}

the parties, insofar as they are affected by such force majeure, shall be suspended during the continuance of such inability, but for no longer period, and such cause shall, insofar as possible, be remedied with all reasonable dispatch; provided, however, that the settlement of strikes or lock-outs shall be entirely within the discretion of the party having such difficulty, and the above requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes or lock-outs by acceding to the demands of the opposing party when such course is inadvisable in the discretion of the party having the difficulty.

The term "force majeure" as used herein shall mean any cause not reasonably within the control of the party claiming suspension and includes, but is not limited to, acts of God; strikes; lock-outs; wars; riots; orders or decrees of any lawfully constituted federal, state, or local body; fires; storms; floods; wash-outs; explosions; breakage or accident to machinery or lines of pipe; inability to obtain or delay in obtaining rights-of-way, materials, supplies, or labor permits; temporary or permanent failure of gas supply or transportation services; capacity constraints; repair, maintenance, or replacement of facilities used in the performance of the obligations contained in this Service Agreement; or any other cause of a similar nature whether of the kind herein enumerated or otherwise.

6. During each billing period involving transportation services, Customer agrees to maintain its deliveries of gas to WKG and its receipt of gas from WKG in continuous balance or as near thereto as practicable on an MCF or MMBTU basis, as designated by WKG. WKG is authorized to require an adjustment to Customer's transportation nominations as WKG, in its sole discretion, deems appropriate to avoid or eliminate an imbalance on the transporting interstate pipeline system. Further, the Customer agrees to be liable to WKG for all cost, expense and liability incurred by WKG and related to the Customer's transportation activity on the transporting interstate pipeline system. To the extent imbalances owed to Customer by WKG occur, such "banked" volumes of the Customer shall be deemed, for billing purposes, to be the first volumes delivered to the Customer during the succeeding billing period. The Company agrees to allow the Customer to have a monthly "banked" gas balance of up to 25,000 Mcf without charge. Customer understands that system operational constraints may occasionally restrict the ability to access "banked" volumes. When the volume of gas taken by Customer during a billing period exceeds the aggregate of EFFICIENT-2 transportation nominations and its available "banked" volumes, Customer shall pay WKG for such overrun volumes at the applicable sales tariff rate. Provided, however, during any billing period during which Customer nominated under rate T-3, all overrun volumes in excess of transportation nomination PUBLIC SERVICE COMMISSION OF KENTUCKY EXECUTIVE-2 MAY 16 1997 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

available "banked" volumes and residual G-1 and G-2 contract levels, if any, shall be deemed rate T-3 overrun gas for billing purposes.

7. In the event of default hereunder by either party, in addition to all rights and remedies at law or in equity to which the non-defaulting party may be entitled, the defaulting party agrees to reimburse the non-defaulting party for all attorney's fees, court costs and other expenses incurred. Further, each party agrees to indemnify and hold the other party harmless with regard to any and all fees, costs and expenses (including attorney's fees) incurred by the non-defaulting party in relation to all claims, disputes and suits which arise under or are related to the defaulting party's default under this Service Agreement, except to the extent the other party was negligent in the performance of its duties as expressly defined in this Service Agreement.

8. This Service Agreement shall be binding upon the parties hereto and their respective successors and assigns.

9. This Service Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, between the parties hereto with respect to the subject matter hereof.

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BY: *Glenn Miller*
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EXHIBIT "A"
RECEIPT POINT(S) AND
DELIVERY POINT(S)

Receipt Point:

A metering station located in Logan County, Kentucky, at Longitude 87 degrees, 0 minutes, 0 seconds, Latitude 36 degrees, 51 minutes, 15 seconds, approximately 5.5 miles west of Russellville, Kentucky. (Meter No. 1903)

Delivery Point:

Highway 431 North
Russellville, Kentucky 42276

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BY: Cheryl H. Allen
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EXHIBIT "B"
AGENCY TERMS AND CONDITIONS
TO THE
LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

WKG and Customer agree that in order to facilitate the sale, exchange and/or transportation of gas under the Service Agreement, it is necessary that Customer appoint WKG to act as Customer's agent in respect to the gas sold, exchanged and/or transported hereunder. More specifically, the parties agree that:

1. WKG has the authority, as Customer's agent, to negotiate and execute, with Customer's prior approval, such gas agreements as may be necessary or convenient to carry out the terms of this Service Agreement. The terms of such agreements shall include, but shall not be limited to, the making of nominations on behalf of the Customer for gas transportation or supplies.
2. WKG shall transmit payments due under said agreements from Customer to the parties to whom said payments are due. In furtherance of this, WKG shall invoice Customer for said charges, and Customer shall pay the same contemporaneously with billings and due dates for services under the Service Agreement.
3. Customer agrees that WKG assumes no obligations or liabilities regarding (i) any nomination received by WKG from Customer, and (ii) any fees incurred by Customer in furtherance of this Exhibit "B".

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BY: Sharon J. Hall
PUBLIC SERVICE COMMISSION MANAGER