

**SERVICE CONTRACT**

**BETWEEN**

**DELTA NATURAL GAS COMPANY, INC.**

**AND**

**THE OKONITE COMPANY**

**DATED: November 1, 1971.**

**FOR THE SALE OF NATURAL GAS**

*JM*

DELTA NATURAL GAS COMPANY, INC.  
Winchester, Kentucky

SERVICE CONTRACT

AGREEMENT, made and entered into this 1st day of November, 1971, by and between DELTA NATURAL GAS COMPANY, INC., a Kentucky corporation, (hereinafter called Seller) and THE OKONITE COMPANY, (hereinafter called Buyer).

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Gas to be Sold. Seller hereby agrees to sell and deliver and Buyer hereby agrees to purchase and receive natural gas on a curtailable basis up to a maximum of 40 mcf per hour and 480 mcf per day on and after the date of this agreement.

Deliveries by the Seller to the Buyer shall be made on a curtailable basis only and the Seller shall have the right to curtail deliveries of gas hereunder whenever and to the extent necessary in its sole judgment such curtailment shall be required. The Seller may curtail deliveries down to a volume to be available for plant maintenance purposes. Such volumes then available for delivery shall be no greater than ten per cent (10%) of the maximum daily volume specified.

Seller may partially interrupt deliveries hereunder at any time, for any reason in its sole judgment; however, it is understood that the Seller will not include in its maximum daily obligation commitment from its supplier any additional volumes of gas in order to provide service to the Buyer in excess of the applicable ten per cent (10%) under this Agreement.

Section 2. Rate. Natural gas delivered hereunder shall be paid for under the following rate:

RATE:

For all gas delivered hereunder:

First 1,000 MCF per month .....	\$0.90/MCF
Next 1,000 MCF per month .....	0.80/MCF
Next 3,000 MCF per month .....	0.75/MCF
Next 5,000 MCF per month .....	0.70/MCF
All over 10,000 MCF per month .....	0.68/MCF

MINIMUM MONTHLY CHARGE: The minimum monthly charge each billing month for gas delivered or the right of the Buyer to receive same shall be the greater of:

- (a) Two Hundred Dollars (\$200), or
- (b) Twenty-five per cent (25%) of the largest monthly bill during the immediately preceding twelve (12) month period.

PENALTY CHARGE FOR FAILURE TO CURTAIL. On any day when the Buyer has been given timely notice by the Seller to curtail, any quantity of gas taken in excess of the quantity specified to be made available on that day shall be subject to a payment of Twenty Seven and 60/100 Dollars (\$27.60) per mcf for all volumes taken in excess of the volumes specified to be made available on such day by the Seller. The penalty charge for failure to curtail shall be in addition to the charge per mcf as set forth in this agreement.

PAYMENT FOR UNAUTHORIZED TAKES: Gas taken in excess of the specified daily interruptible volumes set forth in this Agreement, without receiving prior approval from the Seller, shall constitute unauthorized takes. The sum of all such unauthorized takes in a billing month shall be billed at the rate of Five and no/100 Dollars (\$5.00) per mcf of gas so taken. Payment for such unauthorized takes shall be in

addition to the charges specified in this Agreement. However, the Seller reserves the right, for good cause shown, to waive the penalty payment for unauthorized takes provided no economic hardship has been imposed upon the Seller.

ADJUSTMENT IN RATES. The rates prescribed herein shall be subject to the same adjustment on the same date as any change in the applicable G. S. Rate Schedule prescribed by the Kentucky Public Service Commission, irregardless of whether such change was produced by a change in the cost of gas or the Seller's cost of service.

Section 3. General Terms and Conditions. This Agreement in all respects shall be subject to the applicable provisions of the Seller's General Terms and Conditions on file with the Kentucky Public Service Commission.

Seller shall be deemed to be in control and possession of the natural gas hereunder until it shall have been delivered to Buyer at the point of delivery, after which Buyer shall be deemed to be in control and possession thereof. The point of delivery shall be defined as that point at which natural gas hereunder passes from Seller's facilities to Buyer's facilities. Buyer shall have no responsibility with respect to natural gas hereunder until it is delivered to Buyer, or on account of anything which may be done, happen or arise with respect to any natural gas hereunder before such deliver; Seller shall have no responsibility with respect to said gas after it is delivered to Buyer, or on account of anything which may be done, happen or arise with respect to such gas after delivered.

All bills are due and payable in ten (10) days.

Section 4. Special Provisions. It shall be the responsibility of the Buyer to provide and maintain at all times such adequate standby, auxiliary equipment and fuel as may be required or necessary, at the Buyer's discretion, to protect Ninety per cent (90%) of its full requirements and best interests. Since the Buyer has certain firm requirements, the firm and interruptible gas may at the Seller's option be metered individually or collectively.

Section 5. Term. This Agreement shall become effective on November 1, 1971 and shall continue in effect until November 1, 1972 and thereafter from year to year unless and until terminated by thirty (30) days written notice given by either party.

Section 6. Notices. Notices to Seller under this Agreement shall be addressed to it at the Winchester Bank Building, 120 South Main Street, Winchester, Kentucky 40391, and notices to Buyer shall be addressed to it at Ramsey, New Jersey until changed by either party by written notice. It is further agreed that the Seller will notify the Buyer in writing of any change in his purchased gas cost within ten (10) days after he has received such notice.

Section 7. Cancellation of Previous Contracts. This Agreement supersedes and cancels, as of the effective date hereof, all previous Agreements between Buyer and Seller, if any.

Service Contract dated November 1, 1971.

The parties hereto have accordingly and duly executed this Agreement.

DELTA NATURAL GAS COMPANY, INC.

THE OKONITE COMPANY

By [Signature]

By [Signature]

T. B. Woodcock, Director of Purchasing

Attest: [Signature]

Attest: [Signature]