EXTENSION OF

FULL REQUIREMENTS INTERRUPTIBLE

NATURAL GAS TRANSPORTATION CONTRACT

BETWEEN

NEWPORT STEEL CORPORATION

AND

THE UNION LIGHT, HEAT AND POWER COMPANY

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

MAR 2 1 1996

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

BY: Code 2. Final FOR THE PUBLIC SERVICE COMMISSION

This AGREEMENT is made and entered into this 28th day of February, 1996, by and between THE UNION LIGHT, HEAT AND POWER COMPANY, a corporation organized and existing under the laws of the Commonwealth of Kentucky with general offices at 107 Brent Spence Square, Covington, Kentucky, hereinafter referred to as ULH&P, and NEWPORT STEEL CORPORATION, a corporation organized and existing under the laws of the Commonwealth of Kentucky with general offices at Ninth & Lowell Streets, Newport, Kentucky, hereinafter referred to as NEWPORT.

WITNESSETH

WHEAREAS, ULH&P is currently providing natural gas transportation service to NEWPORT pursuant to a Natural Gas Transportation Contract executed on March 1, 1991 (hereinafter the March 1, 1991 Contract); and,

WHEREAS, the March 1, 1991 Contract expires pursuant to Article XVI on February 28, 1996, "unless extended by the written mutual agreement of both parties . . .;" and,

WHEREAS, ULH&P and NEWPORT are engaged in negotiations regarding the future terms and conditions of natural gas transportation service;

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein, ULH&P and NEWPORT hereby agree as follows:

The March 1, 1991 Contract shall be extended from February 28, 1996, and shall continue in full force and effect until March 31, 1996.

IN WITNESS HEREOF, ULH&P and NEWPORT executed this agreement on the day and year first above written.

PUBLIC SERVICE

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

THE UNION LIGHT, HEAT AND POWER COMPANY

MAR 21 1996

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

BY: Order C. Meel FOR THE PUBLIC SERVICE COMMISSION

William J. Grealis,

President

NEWPORT STEEL CORPORATION

Ronald R. Noel

President