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**SPECIAL CONTRACT FOR FIRM COMMERCIAL GAS SERVICE**

This Special Contract for Firm Commercial Gas Service (the "Special Contract") is made and entered into effective the date set forth below, by and between Louisville Gas and Electric Company, a Kentucky corporation, (hereinafter referred to as "Company"), and Canfield Development, Inc. and Harrods Glen Community Association, Inc., both Kentucky corporations, (hereinafter collectively referred to as "Customer").

**WITNESSETH**

WHEREAS, Company owns and operates a gas distribution system in Kentucky; and

WHEREAS, Customer owns, is developing, or otherwise has a legal interest in a single-family real estate development known as Harrods Glen; and

WHEREAS, Customer intends to install natural gas street lights throughout the Harrods Glen development and desires to receive firm commercial gas service from Company for those street lighting requirements; and

WHEREAS, both Parties desire to enter into a contract under the terms of which firm natural gas sales service shall be provided by Company to Customer under defined terms and conditions and at established rates.

NOW THEREFORE, the Parties agree as follows:

1. FIRM COMMERCIAL GAS SERVICE: Company will provide to Customer firm gas service for street lights within the Harrods Glen subdivision located at 7500 Block of Wolf Pen Branch. Said service shall be rendered at the rates set forth in Company's Rate CGS approved by and on file with the Kentucky Public Service Commission ("Commission"), as may from time to time be amended.

2. EFFECTIVE DATE: The effective date of this Special Contract is October 22, 2007. Beginning with that effective date, any subsequent billing shall reflect the rates, terms, and conditions established pursuant to this Special Contract. Notwithstanding the foregoing, if the Commission initially suspends this Special Contract for further review and subsequently approves it, or allows the Commission review period to expire without Commission rejection of this Special Contract, then the effective date of this Special Contract shall be the first day of the month covering the first full monthly billing rendered at least ten (10) days after the date of such Commission approval or such expiration of the Commission review period; and such billing shall reflect the rates, terms, and conditions established pursuant to this Special Contract.

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3. TERM: The initial term of this Special Contract shall begin on the effective date and shall continue for twelve monthly billing periods. After such initial term, this Special Contract automatically shall continue in full force and effect and from year to year, which period shall be defined as a "Contract Year"), until terminated by either Party hereto for any or no reason pursuant to written notice of termination given by one Party to the other Party one (1) year prior to the effective termination date.

4. PERFORMANCE: If either Company or Customer breaches or fails to perform any of the covenants or obligations imposed upon it pursuant to this Special Contract, then either Party may, at its option, terminate this Special Contract upon thirty (30) days prior written notice during which period of time the non-performing Party may cure the failure to perform. In the event that the non-performing party cures its failure to perform, this Special Contract shall continue in effect and notice of termination shall be withdrawn. Any cancellation of this Special Contract, pursuant to the provisions of this paragraph shall be without waiver of any remedy to which the Party not in default may be entitled for violations of this Special Contract.

5. MEASUREMENT OF GAS: All gas delivered by Company to Customer pursuant to this Special Contract shall be measured by such gas meters as the Company deems appropriate in compliance with the Commission's regulations. At Customer's request, only one gas street light within the Harrods Glen development will be metered ("Metered Light"), and the total monthly bill for lighting service under this Special Contract shall be calculated by multiplying the monthly bill for the Metered Light (as calculated pursuant to Rate CGS) by the total number of additional (unmetered) lights which were connected to Company's service within the Harrods Glen development during that month.


It is agreed to by Customer that all gas street lights within the Harrods Glen development shall be maintained and operated by Customer in a manner entirely consistent with that of the Metered Light such that the measurement formula set forth above shall constitute a fair, just and reasonable method of calculating usage by all gas street lights within the development.

6. OWNERSHIP AND MAINTENANCE OF FACILITIES: Customer shall own all street and shall be responsible for all maintenance and repairs associated with such lights.

7. ADDITIONAL PAYMENTS: Notwithstanding any other provision herein, in the event that this Special Contract is terminated by Customer for any reason within sixty (60) months of the effective date set forth in paragraph 2. above, the Customer will reimburse the Company the total cost of installation in the amount of \$9,000.00 prorated over the term of said sixty (60)-month period.

In addition, Customer agrees that in the event Company is requested to perform service runs, maintenance checks, inspections or repairs in connection with the gas street

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lights within the Harrods Glen development, Company shall invoice Customer for the actual cost of such activity (including any labor and materials), and in the event of such invoice Customer agrees to pay same upon receipt.

8. INCORPORATION OF TARIFF: Except as specifically provided for under this Special Contract, all natural gas sold or delivered by Company to Customer shall be governed by the same terms and conditions of service provided for under the Company's Rates, Rules and Regulations for Furnishing Natural Gas Service (P.S.C. of KY Gas No. 6) as approved by and on file with the Commission, as may from time to time be amended.

9. NOTICES: All general contractual notices relating to this Special Contract shall be in writing and shall be addressed as follows:

To Company: David W. French  
Louisville Gas and Electric Company  
E.ON U.S. Center  
220 West Main Street  
Louisville, KY 40202

To Customer: R. Stephen Canfield  
11800 Brinley Ave, Suite 201  
Louisville, KY 40243

All written notices shall be deemed delivered as of the date the notice is sent by facsimile or hand-delivered or one business day after it is placed in the U. S. mail, certified, first class, postage prepaid, or conveyed to a recognized delivery service for overnight delivery as applicable.


10. JOINT AND SEVERAL LIABILITY: With regard to all obligations of Customer set forth herein, Canfield Development, Inc. and Harrods Glen Community Association, Inc. shall be jointly and severally liable therefor.

11. COMMISSION JURISDICTION: It is mutually understood and agreed that the rates, terms, and conditions applicable to service furnished to Customer under this Special Contract are at all times subject to abrogation or modification by Commission order in accordance with applicable statutes and regulations, including orders issued pursuant to proceedings initiated by Company.

12. ENTIRE AGREEMENT: This Special Contract and all Appendices attached hereto constitute the final and entire agreement between the Parties relating to the subject matter hereof and shall supersede all prior or contemporaneous oral or written statements, promises, and understandings between the Parties relating thereto.

**SIGNATURES ON NEXT PAGE**

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IN WITNESS WHEREOF, the Parties hereto have caused this Special Contract to be executed by their duly authorized officers and representatives.

**LOUISVILLE GAS AND ELECTRIC COMPANY**

Jaren Harris  
WITNESS

BY: David W. Frank  
TITLE: Major Accts. Mgr.  
DATE: 10-22-07

**CANFIELD DEVELOPMENT, INC.**

Amel Aguil  
WITNESS

BY: Mary Mark  
TITLE: Manager  
DATE: 10/22/07

**HARRODS GLEN COMMUNITY ASSOCIATION, INC.**

Amel Aguil  
WITNESS

BY: Mary Mark  
TITLE: Manager  
DATE: 10/22/07

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By [Signature]  
Executive Director