

December 10, 1953

**FILED**  
FEB 14 1957  
PUBLIC SERVICE  
COMMISSION

Green River Steel Corporation  
Owensboro, Kentucky

Gentlemen:

Your Industrial Gas Contract of March 31st, 1953 with us provided for a five months development period during which time the price of gas was thirty-five cents (35¢) per thousand cubic feet instead of the average price of the three blocks in the standard rate at various daily load factors.

This is to notify you that this development period expires on December 15th, 1953 and the standard rate and method of billing will apply thereafter.

In reviewing and analyzing the block rate schedule which will apply to you and other similar customers it appears that a slight revision or modification, which we are agreeable to making, will be of interest and advantage to you.

This modification involves a change in the blocks of the rate schedule as specified in Section 3 (a) of your contract as follows:

<u>Quantity</u>	<u>Present Rate/Mcf</u>	<u>Revised Rate/Mcf</u>
First 25% of the Daily Contracted Demand or of the actual Daily Delivery, whichever is the greater	42¢	40¢
Next 25% of the Daily Contracted Demand or of the Actual Daily Delivery, whichever is the greater	36¢	36¢
Next 50% of the Daily Contracted Demand or the remainder of the Actual Daily Delivery	31¢	32¢

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The cost of gas at a 100% load factor will be 35¢ per Mcf under both the present and revised rates, however, at lower load factors and during any period when you are not using your full Daily Contracted Demand, the revised rate will be slightly lower and will effect some savings to you.

In case the Monthly Minimum Bill applied there would also be a slight saving to you.

Your past consumption has been as follows:

Month	Number of Days	MCF Used	Average Daily Delivery
July	16	15,468	1,043 Mcf
August	31	37,034	1,195 "
September	30	31,519	1,051 "
October	31	25,207	814 "
November	30	34,283	1,143 "

Under the block type rate which applies it is obvious that the more accurately the Daily Contracted Demand compares to your actual consumption the lower is the average price of gas, and, perhaps, a revision of the present Contracted Demand at this time could result in substantial savings to you in the future.

If your past experience and future plans or estimates indicate to you that the present Daily Contracted Demand of 1,600 Mcf will be out of line with your actual requirements, we are agreeable, at this time, to permit you to revise this contracted volume.

It is to be understood and agreed that any revision in the rate schedule or any change in the Daily Contracted Demand at this time will not in any way affect any other contractual obligations or provisions of the present contract, and that any revision or change made at this time does not establish a precedent to justify any further changes in the contract.

We are writing this letter in duplicate and ask that you please sign and return the copy to us promptly to indicate your approval and acceptance of the rate revision and of any revision of the Daily Contracted Demand.

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Upon execution by you, this letter will constitute a binding agreement between us and will serve as an integral part of the original contract.

Very truly yours

WESTERN KENTUCKY GAS COMPANY

/s/ J. L. Bugg  
J. L. Bugg, Vice President  
and General Manager

JLB/t

We hereby accept and approve  
the revised rate schedule as  
outlined herein

We hereby designate 1200 Mcf  
as being our desired Daily  
Contracted Demand

The above revisions to apply  
on and after December 16th, 1953

GREEN RIVER STEEL CORPORATION

By /s/ Sidney D. Williams  
(Title) Sidney D. Williams, President

Dated: December 24, 1953.

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