

GAS SERVICE AGREEMENT

AGREEMENT made and entered into as of the 24th day of October, 1986, by and between COLUMBIA GAS OF KENTUCKY, INC. ("Seller"), a Kentucky corporation, and TOYOTA MOTOR MANUFACTURING, U.S.A., INC. ("Buyer"), a Kentucky corporation.

WITNESSETH:

WHEREAS, Seller has agreed to construct pipeline facilities to provide natural gas service to Buyer's automobile assembly plant near Georgetown in Scott County, Kentucky; and

WHEREAS Seller has pending before the Public Service Commission of Kentucky (the "PSC") a request to alter and amend the terms, conditions and rates under which it currently provides gas service within the Commonwealth of Kentucky; and

WHEREAS Seller and Buyer wish to enter into a gas service agreement as soon as practicable but understand that the terms and conditions under which actual service will be rendered may differ from those terms and conditions currently embodied in Seller's effective Rate Schedules;

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

SECTION 1. GAS TO BE SOLD

1.1 Seller hereby agrees to sell and to deliver and Buyer hereby agrees to purchase and to receive the amounts of natural gas set forth below for use by Buyer in its operations at the delivery point specified in Section 2.3,

hereof, pursuant to all applicable terms and conditions on file with the PSC and at the price stated in Seller's Rate Schedule FI-1 or any effective, applicable, superseding Rate Schedule(s), for the following contract periods:

(A) June 1, 1987 - October 31, 1987

Firm Daily Volume	400 Mcf
Interruptible Daily Volume	up to 1,200 Mcf
Maximum Daily Volume	up to 1,600 Mcf

(B) November 1, 1987 - October 31, 1992

Firm Daily Volume	2,600 Mcf
Interruptible Daily Volume	up to 7,800 Mcf
Maximum Daily Volume	up to 10,400 Mcf

1.2 Except as otherwise set forth in Rate Schedule FI-1, or any successor thereto, Buyer may, at any time, increase or decrease the Interruptible Daily Volume of gas referred to in Section 1.1. In the event Buyer desires to increase or to decrease the Firm Daily Volume of gas to be delivered during contract period (B), Buyer shall provide Seller with written notification of the desired volumetric change no later than the first day of January in the calendar year in which Buyer proposes said change to become effective and said change shall become effective on the first day of November in the aforesaid calendar year, subject to the limitations contained in Section 1.5, hereof, and unless a greater notification period is required under the terms of Rate Schedule FI-1, or any successor thereto, in which case the notification and effective dates shall be modified to comply with the terms of the aforesaid Rate Schedule(s).

1.3(a) If Buyer requests volumetric reductions(s) which are greater than ten percent (10%) of its Firm Daily Volume, Buyer shall be obligated to reimburse Seller, within thirty (30) days of receipt of written demand for payment from Seller, for any demand charge, or similar fee, paid by Seller to its gas supplier(s), but not recovered from Buyer, from new customers or from existing customers as a result of increases in their firm gas requirements, during the period of time between Buyer's notice to Seller and the date upon which Seller is able to effectuate a corresponding volumetric reduction in its contract demand level with said gas supplier(s), pursuant to the terms of said supplier(s)' gas tariffs as filed with and approved by the Federal Energy Regulatory Commission (FERC).

(b) If on or before January 1, 1990, Buyer requests volumetric reduction(s) which are ten percent (10%) or less of its Firm Daily Volume, Buyer shall be obligated to reimburse Seller, within thirty (30) days of receipt of written demand for payment from Seller, for any demand charge, or similar fee, paid by Seller to its gas supplier(s), but not recovered from Buyer, from new customers or from existing customers as a result of increases in their firm gas requirements, during the period of time between Buyer's notice to Seller and the effective date (described in Section 1.2) of Buyer's requested reduction in Firm Daily Volume.

(c) If subsequent to January 1, 1990, Buyer requests volumetric reductions(s) which are ten percent (10%) or less of its Firm Daily Volume, Buyer shall be obligated to reimburse Seller, within thirty (30) days of receipt of written demand for payment from Seller, for any demand charge, or similar fee, paid by Seller to its gas supplier(s), but not recovered from Buyer, from new customers or from existing customers as a result of increases in their firm

gas requirements, during the period of time between Buyer's notice to Seller and the date upon which Seller is able to effectuate a corresponding reduction in its contract demand level with its gas supplier(s), pursuant to the terms of said supplier(s)' FERC gas tariffs.

1.4 Seller shall use its best efforts to accommodate any request by Buyer to increase its Firm Daily Volume with available contracted gas supply and pipeline capacity, or to secure additional gas supply and to reserve additional pipeline capacity, if available gas supply and pipeline capacity are inadequate to meet such a request; provided, that if Seller does not have or is unable to secure sufficient gas supplies or sufficient reserved pipeline capacity to meet Buyer's request for increased Firm Daily Volumes, Seller shall so advise Buyer by the first day of July, and Seller shall have no obligation to obtain or to deliver said increased nominated volumes to Buyer. If Seller gives notice to Buyer that Seller does not have or is unable to secure sufficient gas supplies or pipeline capacity, Buyer shall be free to secure such gas supplies or pipeline capacity from whatever sources it may obtain, to the extent Seller does not have or is unable to secure sufficient gas supplies or pipeline capacity.

1.5 In the event Buyer wishes independently to obtain gas supplies to satisfy some or all of its process or space heating energy requirements, and to have Seller transport said gas supplies, subject to the prior approval of the terms of this Agreement by the PSC and the ability of Buyer to have said gas delivered to Seller's pipeline facilities, Seller shall transport said gas to the delivery point specified in Section 2.3, hereof, under the terms and conditions of Seller's applicable transportation Rate Schedule as filed with and approved by the PSC. Buyer shall not be

required to demonstrate or affirm that any alternate fuel capability is installed in order to obtain such transportation service, if, contemporaneously with its request for said transportation service, Buyer provides Seller with a letter setting forth in detail: Buyer's management plan specifying how Buyer will provide gas service for any process or space heating equipment which does not have installed alternate fuel capability; how Buyer intends to maintain an overall plant temperature of not less than 45°F; and what process equipment will be shut-down or production activities curtailed when Buyer experiences curtailment or interruption of gas transportation service from Seller.

If subsequent to the execution of this Agreement, one or more Rate Schedules authorize interruptible gas transportation service for end-users who do not have installed alternate fuel capability, Buyer's obligations set forth in the preceding sentence shall be modified in accordance with such Rate Schedules.

## SECTION 2. DELIVERY OF GAS

2.1 Buyer shall provide, at no cost to Seller, a site for one (1) gas measurement and regulator setting and appurtenant equipment, and will provide an enclosed structure to protect the measurement from weather and unauthorized tampering. Such site and structure must be satisfactory to Seller before Seller shall be obligated to install the measurement and regulator setting. Such measurement and regulator setting and appurtenant equipment shall be purchased and installed at Seller's expense and will remain the property of Seller.

2.2 Buyer shall execute and deliver all necessary rights-of-way for any facilities to be constructed on Buyer's

property as soon as possible after the transfer of title to the land upon which Buyer's plant is located from The Commonwealth of Kentucky to Buyer.

2.3 The distribution facilities installed by Seller shall be capable of supplying Buyer with natural gas service at a pressure of approximately 50 pounds per square inch gauge (psig), measured at the outlet valve of said measurement and regulator setting and the delivery point for gas sales made hereunder shall be at the outlet valve of said measurement and regulator setting located on Buyer's plant site near Georgetown in Scott County, Kentucky.

2.4 Of all volumes of gas delivered by Seller to Buyer at its facilities during each monthly billing period, the first gas through the meter shall be that volume of tariff gas more specifically described herein as "Firm Daily Volume". The next gas through the meter shall be volumes of gas, if any, delivered pursuant to any agreement for gas transportation service which may be executed between Buyer and Seller during the term of this Agreement. Any additional volumes of gas through the meter shall be volumes of interruptible tariff gas more specifically described herein as Buyer's "Interruptible Daily Volume."

2.5 Seller shall exert its best efforts to make gas service available at Buyer's plant site on June 1, 1987. However, if because of weather conditions, labor strikes or disruptions, or Seller's inability to obtain the necessary rights-of-way to construct any distribution facilities required to provide service to Buyer, Seller cannot, without incurring additional costs, initiate gas service on June 1, 1987, Seller shall not be deemed to be in violation of this Agreement. Buyer shall have no obligation to pay any minimum monthly charge pursuant to Rate Schedule FI-

1, or any successor thereto, until June 1, 1987 or such time as Seller has completed construction of any distribution facilities required to provide gas service to Buyer and is prepared to deliver gas to Buyer pursuant to the terms of this Agreement, whichever is later.

### SECTION 3. SERVICE OBLIGATION

3.1 Seller's obligation to provide and to deliver gas to Buyer shall be the same as its obligation as a natural gas company to provide and to deliver gas to other industrial gas service customers receiving service under substantially similar circumstances and conditions, and shall be subject to all the Rules, Regulations and Orders of the PSC and conditions and provisions of Seller's tariffs as the same are filed with and approved by the PSC. Nothing contained in this Agreement shall limit or restrict Seller's right to curtail deliveries to Buyer under any curtailment plan approved by the PSC.

### SECTION 4. TERM

4.1 This Agreement shall become effective upon execution and shall continue in effect until October 31, 1992 ("Primary Term") and thereafter from year to year unless and until canceled by either Buyer or Seller giving written notice to the other no later than January 1, to become effective on November 1 of such year.

### SECTION 5. MISCELLANEOUS

5.1 All natural gas purchased by Buyer during the Primary Term of this Agreement shall be either purchased from Seller, or transported by Seller or both.

5.2 This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto. This Agreement can be assigned, in whole or in part, by either party with the prior written consent of the other party.

SECTION 6. NOTICES

6.1 Notices to Seller under this Agreement shall be addressed to it at: 200 Civic Center Drive, P.O. Box 117, Columbus, Ohio 43216-0117, Attn: G. J. Robinson, Director Industrial Marketing, and notices to Buyer shall be addressed to it at: 771 Corporate Drive, Suite 800, Lexington, Kentucky 40503, Attn: Yoshiyuki Nakai until either party shall change its address or the person to whom notice is directed by written notice to the other.

The parties hereto have accordingly and duly executed this Agreement.

COLUMBIA GAS OF KENTUCKY, INC.

TOYOTA MOTOR MANUFACTURING,  
U.S.A., INC.

By: W. A. Libeant  
Title: Vice President, Marketing

Attest: A. R. Kane  
Assistant Secretary

By: Yoshiyuki Nakai  
Yoshiyuki Nakai, Vice  
President-Manufacturing