AMENDMENT TO GAS SERVICE CONTRACT
BETWEEN THE ACME-NEWPORT STEEL CO.
AND THE UNION LIGHT, HEAT & POWER
COMPANY AS OF JANUARY 1, 1960

WHEREAS: As of the first day of January, 1960, the

Union Light, Heat & Power Company and the Acme-Newport Steel

Company entered into a Gas Service Contract for the furnishing

of natural gas to Acme-Newport Steel Company's plants in Wilder

and Newport, Kentucky; and

WHEREAS, the parties desire to modify this Contract;

NOW THEREFORE, the abovementioned Contract is hereby

amended as of January 1, 1961, but in the following particulars

only:

Effective January 1, 1961, the Contract Demand, as

given in Section (1) DEFINITIONS, Sub-Paragraph (a) is hereby

cancelled and the following substituted:

(a) Contract Demand shall mean that number of thousand

cubic feet of gas which Customer may use daily, pay for under

the rate for Base Gas, and which shall not be subject to termi-

nation or curtailment except as in Paragraph 2 (a) below. It is

mutually agreed that the Contract Demand of Customer shall be

500 Mcf for the Newport and Wilder plants combined; subject, how-

ever, to be changed as provided in Section (2) TERMINATION AND

CURTAILMENT, sub-section (c).

Section (2) TERMINATION AND CURTAILMENT - Sub-Sections

(b) and (c) and the final paragraph are hereby cancelled and the

following paragraph inserted.

(b) <u>Curtailment</u> - Company may request Customer to discontinue its use of Off-Peak gas until further notice whenever in the opinion of Company it can no longer supply Customer with Off-Peak gas without increasing Company's Billing Demand under the tariff of its supplier. Customer shall curtail its usage, as requested by Company, as fast as possible without damage to equipment or product, and shall reduce the rate of Off-Peak gas to zero within fourteen (14) hours of the original notification.

(c) <u>Failure to Curtail</u> - Customer agrees that the representatives of Company may enter the premises of Customer at any time for the purpose of reading meters and inspection to ascertain if Customer is complying with the request of curtailment. If Customer should fail to comply with such curtailment request, Company may, at its option, increase the then current Contract Demand by the amount of Off-Peak gas used during any 24 hour period that Customer refuses or fails to curtail its use of Off-Peak gas. Such increase in Contract Demand shall be effective for the next billing period and shall remain in effect until exceeded or until changed by mutual consent on January 1, 1962, and November 1st of any year thereafter. If a request for partial curtailment of Off-Peak gas is made, the Contract Demand shall not be increased by the amount of Off-Peak gas which Customer is permitted to use.

Section (3) RATE, Sub-Section (a) Base Rate, is hereby cancelled and the following sub-section substituted:

(a) Base Rate - The base rate applicable to Customer's Base Use is 64¼¢ per Mcf, plus or minus .25¢ per Mcf for each .25¢ per Mcf change in average rate to Company for gas purchased, de-

(a) Base Rate (Continued)

termined by the application of supplier's currently effective tariff rate and the original tariff rates in effect on April 4, 1960, to (1) Company's most recent billing demand and (2) average monthly volume of gas purchased by Company from its suppliers during the most recent twelve months.

Section (9) TERM OF SERVICE AGREEMENT is hereby cancelled and the following Section substituted:

"The term of this Agreement shall start as of January 1, 1961, and shall terminate on October 1, 1963; shall be self-renewing from year to year thereafter for one year periods, unless terminated by either party by the giving of written notice to the other party not less than thirty (30) days prior to the expiration of the Agreement, or not less than thirty (30) days prior to the expiration of any renewal period."

IN WITNESS WHEREOF the parties hereto have executed this Amendment.

THE UNION LIGHT, HEAT AND POWER CO.

By: _____
             Stanton T. Olinger
Date Executed _____2/14/61_____

THE ACME-NEWPORT STEEL COMPANY

By: _____
             A. P. Miller
Date Executed _____1/13/61_____