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GAS TRANSMISSION AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of January, 1996, by and between **OLIN CORPORATION**, hereinafter referred to as "**Customer**", and **DOE RUN GAS TRANSMISSION COMPANY**, hereinafter referred to as "**Company**".

WITNESSETH:

WHEREAS, Customer owns and operates the Olin Plant in Brandenburg, Meade County, Kentucky, which said Olin Plant consumes natural gas; and

WHEREAS, Customer has obtained, or is about to obtain, a supply of Gas for use at the Olin Plant and required transportation services from Company to transport natural gas; and

WHEREAS, Company has access to the DRGT Pipeline for delivery of Customer's gas to the Olin Plant pursuant to the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual agreements, covenants and conditions herein contained, Company and Customer hereby agree as follows:

ARTICLE I - DEFINITIONS

The term "Delivery Point(s)" shall mean the metering point(s) identified in Exhibit "A", attached hereto and made a part hereof which Delivery Point(s) connects the DRGT Pipeline with the Olin Plant.

The term "DRGT Pipeline" shall mean an eight inch (8") line, so-called the Gabe Pipeline, running approximately fifty-eight (58) miles from Tennessee Gas' natural gas liquids extraction plant at Gabe, Kentucky to the Receipt Point(s) and a six inch (6") line running approximately six (6) miles from Texas Gas Transmission's metering station at Brandenburg, Kentucky to the Receipt Point(s).

The term "Gas" shall mean natural gas as produced from gas wells, and purchased by Customer from gas supplier(s), and transported via Tennessee Gas' pipeline or Texas Gas Transmission's pipeline; it being understood that Gas from any other sources shall be subject to mutual written agreement between the parties hereto.

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BY: Jordan C. Neal

The term "MMBTU" shall mean no less than one million (1,000,000) British Thermal Units.

The term "Olin Plant" shall mean Customer's chemical manufacturing facility located at 2450 Olin Road, Brandenburg, Kentucky 40108-0547.

The term "Quantity" shall mean the maximum amount of Gas measured in MMBTU per day which Customer expects to cause to be delivered to Company at the Delivery Point(s).

The term "Rate" shall mean the charge to be paid by Customer to Company for each MMBTU of Gas delivered from the Delivery Point(s) to the Olin Plant.

The term "Receipt Point(s)" shall mean the metering point(s) identified in Exhibit "B", attached hereto and made a part hereof, which Receipt Point(s) connect Tennessee Gas' pipeline or the Texas Gas Transmission's pipeline, as the case may be, to the DRGT Pipeline.

The term "Tennessee Gas" shall mean Tennessee Gas Pipeline Company, which is in the business of interstate gas transmission.

The term "Texas Gas Transmission" shall mean Texas Gas Transmission Corporation, which is in the business of interstate gas transmission.

ARTICLE II - TERM

2.1 The term of this Agreement shall commence upon the execution hereof or the date Gas is first delivered to Company via the Gabe Pipeline, whichever date is later, and shall remain in effect for an initial term of three (3) years from the date of such first delivery hereunder, and for successive renewal terms of one (1) year thereafter, unless terminated by either party upon sixty (60) days written notice prior to the end of the initial term or any renewal term. Company shall notify Customer of the date Gas is first delivered to Company via the Gabe Pipeline.

ARTICLE III - RECEIPT AND DELIVERY POINT(S), PRESSURE AND TITLE

3.1 Subject to the terms and provisions of this Agreement, Customer agrees to deliver or cause to be delivered to Company, at the Receipt Point(s) Gas for transport by Company via the DRGT Pipeline, and Company agrees to receive, transport, and redeliver, at the Delivery Point(s), Gas to Customer or for the account of Customer. Gas will be delivered at a pressure which is sufficient

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to effect delivery into the Olin Plant. Customer shall at all times retain title to the Gas while it is being transported by Company to the Olin Plant.

ARTICLE IV - QUANTITY

4.1 Company agrees to transport all Gas used at the Olin Plant located on Olin Road in Meade County, Kentucky, over the DRGT Pipeline for the term of this Agreement, subject to any capacity or operational limitations of such facilities. Gas will be transported on a firm basis. Customer shall submit to Company a nomination for the quantity (including allowances for fuel or gas lost or unaccounted for and which fuel retention percentages are shown on Exhibit "A") of Gas Customer expects Company to transport during the next calendar month, on or before five (5) days prior to the first (1st) day of such month, specifying its nominated quantity in MMBTU/day either verbally or on a form supplied by Company. The nominations shall indicate the quantity of gas Company will receive from Customer at the Receipt Point(s), the identity of the Receipt Point(s), along with the identity of the supplier(s) that is delivering or causing to be delivered to Company quantities for Customer's account at each Receipt Point for which a nomination has been made.

4.2 Customer shall be responsible for current payment of any penalties or other transporter charges resulting from imbalances caused by its failure to properly match its nominations and its deliveries. Company shall be responsible for current payment of any penalties or other transporter charges resulting from imbalances caused by its failure to receive and/or transport the nominated quantities to the Delivery Point(s). At least every sixty (60) days, the parties shall reduce to zero, imbalances for all but the current month, by making tender of gas volumes, cash payment, or other adjustment as appropriate.

ARTICLE V - MEASUREMENT FACILITIES

5.1 At or near each Delivery Point(s) hereunder, or any other mutually agreeable point, Company, at its sole expense, shall maintain the existing metering stations. The metering facilities shall be designed, owned, and constructed by Customer and leased to Company, with the proviso that Customer or its representative shall retain the right of ingress and egress to the metering station site.

5.2 Company's representative shall operate and maintain the measuring facilities including the reading, calibration, and adjusting thereof. Volumes shall be computed and the facility maintained and operated in accordance with and as prescribed by the American National Standards Institute/American Petroleum Institute (ANSI/API) standard number 2530 including current revisions thereto. Adjustments will be made for measurement

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errors in excess of two percent (2%) in accordance with standard pipeline practices and procedure. Customer shall have the right to install check measurement facilities provided that such does not interfere with the operation of the above-mentioned measuring facilities.

ARTICLE VI - QUANTITY

6.1 Customer represents and warrants to Company that the Gas transported hereunder shall be of pipeline quality and conform to the specifications set forth in the applicable tariff of the Tennessee Gas system or the Texas Gas Transmission system, as the case may be.

ARTICLE VII - PRICE

7.1 Transportation charges shall be as follows:

Company shall charge Customer a Rate equal to the market rate for transportation of Gas through the Texas Gas Transmission system from Zone 0 to Zone 4, at Meter No. 1763 at the Olin Plant, based on a Gas transportation mix of firm and release firm, consisting of no less than 2,500 MMBTU of firm at Texas Gas Transmission's full published tariff rate, with the remainder based on release firm capacity.

Such Rate to be charged to Customer shall be neither:

(a) less than a floor of \$.02 / MMBTU for all Gas delivered via Tennessee Gas' pipeline or \$.01 / MMBTU for all Gas delivered via any other source nor

(b) more than a ceiling equivalent to a natural gas transportation rate based on firm service provided by Texas Gas Transmission to an account of comparable location size and demand as Customer's.

In addition to the Rate, Company may assess a charge to Customer for Gas lost or unaccounted for equal to one percent (1%) of Gas transported to the Olin Plant during the preceding month, which percentage may be adjusted annually, based on Company's actual experience, beginning the second calendar year of service under this Agreement.

Unless otherwise agreed to in writing by the Parties, the Rate shall be negotiated on a monthly basis. Any changes to the Rate shall be applicable to all Gas shipped hereunder on and after the date the changes become effective.

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BY: Jonathan C. Noel
FOR THE PUBLIC SERVICE COMMISSION OF KENTUCKY
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The transportation charges set forth in this Article VII shall be the total consideration paid by Customer to Company for transportation of Gas to the Olin Plant and is inclusive of any and all costs, fees, taxes, royalties, gathering, treating, and transportation expenses, subject to Section 7.2 hereof, and Company agrees to indemnify, defend and hold Customer harmless from any and all obligation or liability for same.

7.2 Any state or local sales or use tax or any utility gross receipts license tax imposed by any state or local government agency or instrumentality within Kentucky shall be paid by Customer. Nothing contained herein shall be construed as imposing any obligation on Company with respect to any tax imposed on Customer after title and possession of the Gas shall have passed to Customer or Customer's designee.

ARTICLE VIII - DRGT PIPELINE

8.1 Upon execution of this Agreement, and subject to the receipt of all required regulatory approvals and the completion of a tap to Tennessee Gas' pipeline at the Receipt Point(s), Company shall make transportation service available for Gas from the Receipt Point(s) to the Delivery Point(s) at the Olin Plant. Upon completion, Company's facilities will be operated and maintained by Company during the term of this Agreement.

ARTICLE IX - BILLING AND PAYMENT

9.1 Company shall render to Customer on or before the 20th day of calendar month a statement setting forth the total quantity of Gas transported to the Olin Plant during the preceding month, payment of which will be due by the last day of the same month. If payment is not made within such time, Company reserves the right to charge interest on the unpaid balance until paid at the prime rate of interest charged from time to time by Chase Manhattan Bank, N.A., New York, New York, to responsible industrial and commercial borrowers, plus two percent (2%); provided, however that such rate shall not be in excess of the maximum interest rate permitted under applicable law. Payment and presentation dates hereunder will be determined by postmark dates.

ARTICLE X - GOVERNMENT REGULATION

10.1 It is understood by the parties that this Agreement, and performance hereunder, is subject to all present and future valid laws, orders, statutes, and regulations of courts or regulatory bodies (State and Federal) having jurisdiction over this transaction or any party hereto. Should any party hereto, by force of any such law, order, statute, or regulation, be ordered or required to do or refrain from any act inconsistent with the provisions of this Agreement, then this Agreement may be immediately terminated by such party

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BY: *Robert C. Neal*

by written notice to the other party. If the right to terminate is not exercised by either party, then this Agreement shall continue, but shall be deemed modified to conform with the requirements of such law, order, statute, or regulation.

10.2 Company agrees to make, on a timely basis, all regulatory filings if any, that may be needed to effectuate the terms and conditions of this Agreement.

ARTICLE XI - WARRANTIES

11.1 Customer represents and warrants unto Company, its successors, and assigns, that it holds good and marketable title the Gas transported hereunder and/or that it has the authority from the holder(s) of such title to said Gas to contract for the transportation of the Gas delivered to Customer hereunder.

11.2 Company agrees to indemnify, defend, and hold Customer and the property of Customer free and harmless from any and all claims, liability, loss, damage or expenses, including court costs and reasonable attorney fees of Customer arising:

(a) By reason of injury to person or property, due to the gross negligence or intentional misconduct of Company, including any liability for injury to the person or personal property of Customer, its agents, officers, or employees;

(b) By reason of Company's failure to perform any provision of this Agreement or to comply with any requirement imposed upon it or upon Company's operations by any duly authorized governmental agency or political subdivision, including, but not limited to, any violation or alleged violation of any Federal, state or local statute, rule, ordinance or regulation relating to the protection of the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601, et seq. ("CERCLA"), resource Conservation and Reorganization Act, 42 U.S.C. §6901, et seq. ("RCRA"), the Safe Drinking Water Act, 42 U.S.C. §300, et seq., the Clean Air Act, 42 U.S.C. §7401, et seq., ("CAA"), the Toxic Substance Control Act, 15 U.S.C. §7601, et seq., ("TSCA"), and the Hazardous Materials Transportation Act, 49 U.S.C. §1802, et seq.; or

(c) Because of Company's failure or inability to pay as they become due any obligations by Company in the operations to be conducted pursuant to this Agreement.

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11.3 Customer agrees to indemnify, defend and hold Company and the property of Company free and harmless from any and all claims, liability, loss

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damage or expenses, including court costs and reasonable attorney fees of Company, resulting from Company arising:

(a) By reason of breach of its representations and warranties under Section 6.1 or 11.1 of this Agreement; or

(b) Because of Customer's failure or inability to pay as they become due any obligations by Customer pursuant to this Agreement.

ARTICLE XII - FORCE MAJEURE

12.1 In the event Company or Customer is rendered unable, by an event of force majeure, to carry out wholly or in part, its obligations under the provisions hereunder, it is agreed that if such party gives notice and full particulars of such event of force majeure to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of the party affected by such effect of force majeure shall, other than the obligation to make payments when due hereunder, shall be suspended during the continuance of any such inability so caused, and such event of force majeure shall, so far as possible, be remedied with all reasonable dispatch. The term "force majeure" as employed herein shall mean acts and events not reasonably within the control of the party claiming suspension, but in no event shall "force majeure" mean financial inability to pay for any amount due under this Agreement.

12.2 Section 2.1 and any other provision contained herein to the contrary notwithstanding, in the event transportation of Gas is interrupted for thirty (30) consecutive days, or in the event transportation of Gas is interrupted for a total of thirty (30) days within any sixty (60) day period, this Agreement may be terminated at the expiration of thirty (30) days after receipt by Company of written notice from Customer of its intention to terminate this Agreement.

ARTICLE XIII - NOTICES

13.1 Any notice, request, demand, statement, or payment provided for in this Agreement shall be in writing and shall be deemed delivered as of the postmarked date when mailed by ordinary mail to the other party at the address appearing below. A notice sent by telecopier shall be deemed received twenty-four (24) hours after such notice was sent. The addresses of the parties are as follows:

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BY: Carson C. Noel

CUSTOMER:

NOTICES AND CORRESPONDENCE:

OLIN CORPORATION

501 Merritt 7
P.O. Box 4500
Norwalk, Connecticut 06856-4500
Attention: Contract Administrator
Telecopier No. (203) 750-3508

COMPANY:

NOTICES AND CORRESPONDENCE:

DOE RUN GAS TRANSMISSION COMPANY

2450 Olin Road
Brandenburg, Kentucky 40108
Attention: Vice President, Operations
Telecopier No. (502) 422-6096

or to such address as Company or Customer shall from time to time designate by letter properly addressed.

ARTICLE XIV - MISCELLANEOUS

14.1 The provisions of this Agreement shall be binding upon and inure to the benefit of the successors, assigns and legal representatives of the parties hereto. This Agreement may not be assigned without the written consent of both parties, which shall not be unreasonably withheld; provided, however, either party hereto upon notice to the other party may assign this Agreement to a financially-responsible affiliate without the prior consent of the other party.

14.2 This Agreement constitutes the entire agreement between the parties and no waiver, representation, or agreement, verbal or otherwise, shall affect the subject matter hereof unless and until such waiver, representation, or agreement is reduced to writing and executed by the authorized representative of the parties.

14.3 This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky .

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BY: *Carson C. Neal*

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals as of the day and year first above written.

CUSTOMER

COMPANY

OLIN CORPORATION

**DOE RUN GAS TRANSMISSION
COMPANY**

*ok
lead
OCSE* BY: Patrick J. Davey
TITLE: President, Chemicals
Division

BY: [Signature]
TITLE: President

ATTEST:

ATTEST:

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BY: [Signature]
FOR THE PUBLIC SERVICE COMMISSION

EXHIBIT "A"

DELIVERY POINT(S)

OLIN CORPORATION

<u>OLIN Point No.</u>	<u>Name</u>
101	Olin Corp. - Texas Gas Transmission
102	Olin Corp. - Tennessee Gas (Gabe Pipeline)

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BY: *Jordan C. Neal*
FOR THE PUBLIC SERVICE COMMISSION

