

THIS AGREEMENT made and entered into this 11 day of May, 1995 by and between **GREEN RIVER ELECTRIC CORPORATION**, 3111 Fairview Drive, Owensboro, Kentucky 42303 (hereinafter called the "Seller"), and **ALUMINUM COMPANY OF AMERICA HAWESVILLE WORKS** (ALCOA Hawesville Works), with a mailing address of 1656A Alcoa Building, 425 - 6th Ave., Pittsburgh, PA 15219, (hereinafter called the "Customer").

**WITNESSETH:**

That for and in consideration of the premises and the mutual covenants herein contained, the parties do hereby contract and agree as follows:

**1. GENERAL OBLIGATIONS**

Seller shall make available, sell and deliver to the Customer, and Customer shall take and pay for all of the electric power and energy as specified herein and required by Customer in the operation of its facilities described upon Exhibit A hereto, at the rates and upon the terms and conditions herein specified.

**2. MEMBERSHIP**

Customer shall become a member of Seller, shall pay the membership fee, and shall be bound by provisions of the cooperative's Articles of Incorporation and Bylaws and such other rules and regulations as may from time to time be adopted by Seller.

**3. SERVICE CHARACTERISTICS**

3.01 Type. Service hereunder shall be alternating current, three-phase, four wire, 60 hertz, at approximately 13.8 kilovolts.

3.02 Delivery Point. The point of delivery of the power and energy made available hereunder shall be at the point at which Customer's facilities connect to Seller's wholesale power supplier's facilities, as shown upon Exhibit A hereto.

3.03 Service Restriction. Customer shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of purchased power and shall not sell any electric power and energy purchased hereunder.

3.04 Maximum Demand. The maximum instantaneous demand of Customer during the primary term of this agreement, or any extension hereof, shall not exceed 1,000 KW. Seller shall not be obligated to supply capacity in excess of said demand.

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JUN 02 1995

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

BY: Jordan C. Neal  
FOR THE PUBLIC SERVICE COMMISSION

3.05 Electric Disturbance and Phase Balancing.

(a) Customer shall not use the energy delivered hereunder in such a manner as to cause electric disturbances which may reasonably be expected to (i) cause damage to or interference with Seller's system, systems connected with Seller's system, or facilities or other property in proximity to Seller's system, or (ii) prevent Seller from serving other Customers satisfactorily.

(b) Seller may require Customer, at Customer's expense, to make such changes in its system as may be necessary to reasonably limit any fluctuations and/or disturbances.

(c) Customer shall take and use the power and energy hereunder in such a manner that the load at the point of delivery shall not cause an imbalance between phases of more than 10%. Should the load be imbalanced so as to cause interference with the Seller's system or to systems connected to Seller's system, Seller reserves the right to require Customer, at Customer's expense, to make necessary changes to correct such condition. In addition to any other remedies the Seller may have hereunder, should Customer fail to make such changes, Seller may, in its determination of billing demand, assume the load on each phase is equal to the greatest load on any phase.

3.06 Power Factor. Customer shall maintain a power factor at the point of delivery as nearly as practicable to unity. Power factor during normal operation may range from unity to ninety percent (90 %). If Customer's power factor is less than 90% at time of maximum load, Seller reserves the right to either (a) install at Customer's expense suitable equipment to maintain a power factor of 90% or higher; or (b) adjust the maximum metered demand for billing purposes in accordance with the following formula:

$$\frac{\text{Maximum Actual Measured KW} \times 90\% \text{Power}}{\text{Power Factor (\%)}}$$

3.07 Metering.

(a) The metering equipment necessary to register the electric demand and energy for this service shall be furnished, installed, operated and maintained by Seller and shall be and remain the property of Seller.

(b) Each meter shall be read on or about the first day of each month, or such other day as may be mutually agreed upon, by a representative of Seller, and may be simultaneously read by a representative of Customer should Customer so elect.

(c) All inspections and testing of metering equipment shall be performed by Seller in accordance with applicable rules and regulations of the Kentucky Public Service Commission.

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JUN 02 1995

PURSUANT TO 807 KAR 5.011,  
SECTION 9 (1)

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PUBLIC SERVICE COMMISSION

(d) The metering point shall be Customers' casting house as specified upon Exhibit A hereto.

3.08 Facilities and Services Provided by Customer.

Customer shall furnish and install, or cause to be furnished and installed, at no expense to the Seller, such facilities and equipment as may be necessary to enable Customer to receive and use electric power and energy purchased hereunder at and from the point of delivery as described upon Exhibit A.

3.09 Facilities and Service Provided by Seller.

Seller shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of electric power and energy to the point of delivery.

3.10 Operation and Maintenance of Facilities.

(a) Seller shall construct, operate, and maintain, or cause to be constructed, operated, and maintained, all facilities and equipment owned by it.

(b) Customer shall construct, operate, and maintain all of the facilities and equipment owned by it in accordance with the applicable provisions of the National Electrical Safety Code and all other applicable laws, codes, and regulations provided, however, that Seller shall have no duty to inspect such facilities for compliance therewith.

(c) Nothing in this agreement shall be construed to render Seller liable for any claim, demand, cost, loss, cause of action, damage, or liability of whatsoever kind or nature arising out of or resulting from the construction, operation or maintenance of Seller's or Seller's wholesale power supplier's electric system.

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4. PAYMENT

JUN 02 1995

4.01 Rates.

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SECTION 9 (1)

(a) Customer shall pay Seller for service hereunder at the rates set forth upon Exhibit B, attached hereto and made a part hereof, subject to such changes as may become effective from time to time by operation of law, by order of the Kentucky Public Service Commission, or by any rate modification lawfully required by Seller's lender, the Rural Utilities Service.

BY [Signature]  
FOR THE PUBLIC SERVICE COMMISSION

(b) Seller shall revise said Exhibit B to reflect any such changes in rates, terms or conditions contained therein, and each revision shall automatically be

incorporated into this agreement. Failure of Seller to promptly revise Exhibit B shall not affect Customer's duty to pay for service in accordance with any changed rates, terms, or conditions of service rendered on or after the effective date of such change.

4.02 Taxes. Customer shall pay all taxes, charges, or assessments now or hereafter applicable to electric service hereunder.

4.03 Billing Demand. If the first day service is taken under this agreement is other than the first day of the month, the billing demand for that initial partial month shall be the maximum integrated thirty-minute demand during the current billing month, prorated on the basis of the total days service is taken in such month.

(a) The billing demand of Customer for the initial two full months of service shall be the maximum integrated thirty-minute demand during the current billing month.

(b) The billing demand for all months after the initial two months of service shall be the greater of the twelve-month peak demand, or the minimum billing demand.

(c) Twelve-month peak demand shall mean the maximum integrated thirty-minute demand during the current billing month or during any of the previous eleven (11) billing months, except the initial two months, whichever is greater, with such maximum integrated thirty-minute demand determined by meters which record at the end of each thirty minute period the integrated kilowatt demand during the preceding thirty minutes. The provisions of Paragraph 3.06 apply to the measured KW.

(d) The minimum billing demand of Customer shall be 320 kilowatts.

4.04 Payment of Bills. Bills for service furnished during the preceding monthly billing period shall be processed and mailed to Customer not later than the fifth (5th) day of each month. Bills for service hereunder shall be paid at Seller's designated bank in Owensboro, Kentucky. Such payment by Customer shall be made by electronic bank transfer on or before the fifteenth (15th) day of each month or on the next full work day should the 15th day fall on a Saturday, Sunday, or holiday. In the event the current monthly bill is not paid by its due date, Seller may discontinue delivery of electric power and energy hereunder upon fifteen (15) days written notice to Customer of its intention to do so. Simple interest equal to the prime rate then in effect per the Wall Street Journal Money Rates section plus one percent (1%) shall apply to any unpaid amounts from due date until paid. Any such discontinuance of service under this paragraph shall not relieve Customer of any of its obligations under this agreement.

4.05 Customer Deposit. As security for payment of its monthly billing obligations, Customer shall provide Seller a cash deposit or other sufficient guaranty in the

sum of \$21,500, representing two months estimated billing.

## 5. CONTINUITY OF SERVICE

5.01 Seller shall use its best efforts to provide a constant and uninterrupted supply of electric power and energy hereunder. If the supply of electric power and energy shall fail or be interrupted, or become defective, by reason of force majeure as specified below, Seller shall not be liable therefor, or for damages caused thereby. Such event of force majeure shall not affect the obligation of Customer to pay for all power and energy actually used during each billing period.

5.02 The term "force majeure" as used herein, shall mean Acts of God, accidents, non collusive strikes or other labor troubles, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of the government, whether Federal, State or local, civil or military, civil disturbances, explosions, breakage of or accident to machinery, equipment, or transmission lines, inability to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities, whether federal, state or local, civil or military, and any other forces which are not reasonably within the control of the Seller, whether like or unlike those herein enumerated.

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## 6. TERM

JUN 02 1995

6.01 Initial Term and Renewals. This agreement shall remain in full force and effect for an initial term of twelve months. Any further extension or renewal shall be subject to Seller's discretion, including changes in terms and conditions of service and rates.

PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)  
BY: Gregory C. Nash  
FOR THE PUBLIC SERVICE COMMISSION

6.02 Service Date. Electric Service shall begin the second day of June, 1995, except that date shall be postponed unless and until this agreement between Seller and Customer is accepted or approved by the Public Service Commission of Kentucky and any state or federal agency or creditor whose approval of such agreement is required.

6.03 Assignment. This agreement shall not be assigned without the prior written consent of Seller, which consent will not be unreasonably withheld. Seller may withhold approval of a proposed assignment until, among other things, Seller has been provided with all information it may require regarding the proposed assignee, and until the proposed assignee has provided Seller with assurances of payment, if any, required by Seller.

## 7. RIGHT OF ACCESS

7.01 Duly authorized representatives of Seller shall be permitted to enter the Customer's premises at all reasonable hours in order to carry out the provisions of this

agreement.

7.02 Each party shall furnish to the other such reports and information concerning its operations as the other may reasonably request from time to time.

### **8. REMEDIES OF THE PARTIES**

Except as specifically provided for herein, nothing contained in this agreement shall be construed to limit or deprive either party of any means of enforcing any remedy, either at law or equity for the breach of any of the provisions of this agreement. Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

### **9. NOTICES**

Any notice, demand or request required or authorized under this agreement shall be served upon the other party in writing and placed in the mail, postage prepaid, or delivered to the other party at the following address:

To the Seller: Green River Electric Corporation  
3111 Fairview Drive  
Owensboro, KY 42303

To the Customer: Aluminum Company of America  
1656A Alcoa Building  
425 - 6th Avenue  
Pittsburgh, PA 15219

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OF KENTUCKY  
EFFECTIVE

JUN 02 1995

PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)

BY: Jonathan C. Neal  
FOR THE PUBLIC SERVICE COMMISSION

Each party shall have the right to change the name of the person or location to whom or where notice shall be given or served by notifying the other party in writing of such change.

### **10. SEVERABILITY**

The invalidity of any portion of this agreement shall not affect the validity of the remainder thereof.

### **11. SUCCESSION, APPROVAL AND EFFECTIVE DATE**

11.01 This agreement shall be binding upon and inure to the benefit of the successors, legal representatives, and assigns of the respective parties hereto.

11.02 The effective date of this agreement shall be June 2, 1995, except that said effective date shall be postponed and this agreement shall not become effective unless and until it is filed with and accepted by the Public Service Commission of Kentucky and/or any other regulatory or creditor authority.

**12. ENTIRE AGREEMENT AND VENUE**

The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, provided, however, that service to the Customer shall be subject to the provisions of Seller's articles of incorporation and bylaws and subject to the lawful orders of the Public Service Commission. All respective rights and obligations of the parties hereto shall be governed by the laws of the Commonwealth of Kentucky.

**IN WITNESS WHEREOF**, the parties hereto have executed this agreement, as of the date and year first herein written.

**GREEN RIVER ELECTRIC CORPORATION**  
SELLER

BY: Dean Stanley  
President and General Manager

**ALUMINUM COMPANY OF AMERICA**  
**HAWESVILLE WORKS**  
CUSTOMER

BY: Kenneth L. McElroy

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OF KENTUCKY  
EFFECTIVE

JUN 02 1995

PURSUANT TO 807 KAR 5.011,  
SECTION 9(1)

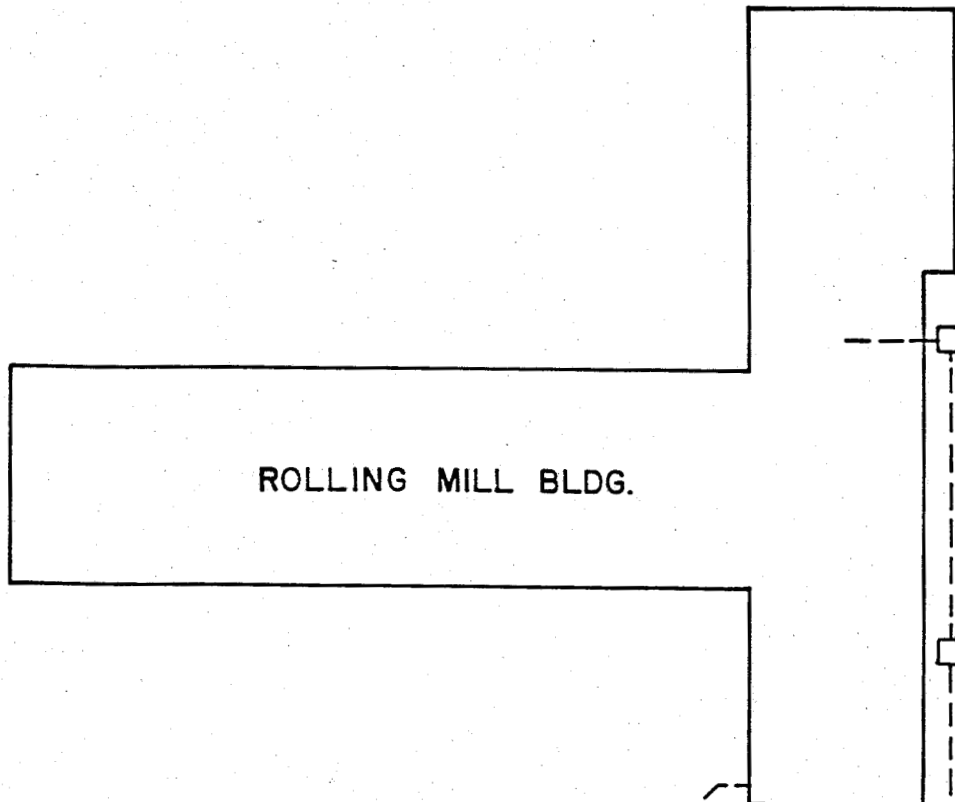
BY: Jordan C. Nail  
FOR THE PUBLIC SERVICE COMMISSION

OFFICE  
BLDG.

NORTH

GRID NORTH

35°



ROLLING MILL BLDG.

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JUN 02 1995

PURSUANT TO 807 KAR 5011,  
SECTION 9 (1)

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GUARD  
HOUSE

ALCOA  
CASTING  
HOUSE

METERING  
POINT

13.8 kV  
BURIED CABLE

POINT OF  
DELIVERY

13.8 kV RING BUS

BIG RIVERS  
SUBSTATION

EXHIBIT A



EXHIBIT B

GREEN RIVER ELECTRIC CORPORATION  
SCHEDULE OF RATES AND CHARGES

APPLICABLE TO

ALUMINUM COMPANY OF AMERICA

ALCOA HAWESVILLE WORKS

The rates applicable to Alcoa Hawesville Works, shall be as follows:

The monthly delivery point rate shall be:

- (a) A demand charge of \$10.40 per kilowatt of contractual billing demand.
- (b) Plus an energy charge of \$.035 per KWH consumed.
- (c) Plus the monthly fuel adjustment charge and environmental surcharge.

The foregoing rates are effective for service rendered on and after June 2, 1995.

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