- 2.03 <u>Service Restriction</u>. Consumer 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.
- 2.04 <u>Maximum Demand</u>. The maximum instantaneous demand of consumer during the primary term of this agreement, or any extension hereof, shall be 7,500 kW. Seller shall not be obligated to supply capacity in excess of said demand.

# 2.05 Electric Disturbance and Phase Balancing.

- (a) Consumer 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 purchasers satisfactorily.
- (b) Seller may require the consumer, at consumer's expense, to make such changes in its system as may be necessary to reasonably limit such fluctuations and disturbances.
- energy hereunder in such a manner that the load at the point of delivery shall not cause an imbalance between the phases of more than 15%. Should the load be imbalanced by more than 15%, seller reserves the right to require consumer, at consumer's expense, to make the necessary changes to correct such condition.

In addition to any other remedies the seller may have hereunder, should consumer fail to make such changes, seller may, in its determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.

2.06 <u>Power Factor</u>. Consumer shall maintain a power factor at the point of delivery as nearly as practicable to unity. Should consumer's power factor fall below 90% at the time of monthly peak demand, the billing demand will be adjusted in accordance with Paragraph 3.03(a) hereof.

### 2.07 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 consumer should consumer so elect.
- (c) All inspections and testing of metering equipment shall be performed by seller in accordance with the applicable rules and regulations of the Kentucky Public Service Commission.

# 2.08 Facilities Provided By Consumer.

(a) Consumer shall provide, at consumer's expense, suitable permanent easements and rights of way upon its property which may be necessary for the construction, operation and

maintenance of the facilities and equipment of seller or its wholesale power supplier used in providing electric service hereunder.

- (b) Except as provided in Paragraphs 2.07 and 2.09 hereof, consumer shall furnish, install, operate, and maintain such substation facilities and equipment as may be necessary to enable it to receive and use the electric power and energy purchased hereunder at and from the point of delivery, including such protective devices as may be reasonably necessary in the opinion of seller to protect the systems of seller or its wholesale power supplier from disturbances caused by consumer. Plans for equipment to be installed for such protection shall be submitted to seller for prior approval.
- 2.09 <u>Facilities Provided by Seller</u>. Seller shall furnish, install, operate and maintain, or cause to be furnished, installed, operated and maintained, all of the facilities required for the delivery of the power and energy hereunder to the point of delivery, and same shall be and remain the property of seller, including:
  - (i) a 69,000 volt electric transmission line extending from seller's Hanson Substation in a southwesterly direction to the dead-end structure of consumer's substation.
  - (ii) Metering, communication, relay, and control circuits as mutually agreed upon and necessary for the proper measurement, control and coordination between seller's and consumer's facilities.

### 3. PAYMENT

- 3.01 <u>Rates</u>. (a) Consumer shall pay the seller for service hereunder at the rates and upon the additional terms and conditions set forth upon Exhibit B, attached to and made a part hereof, subject to such changes as may become effective from time to time by operation of law or by order of the Kentucky Public Service Commission, and further subject to such changes as may be required to reflect modification of the rates under which seller purchases electric service at wholesale.
- (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 consumer'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.
- 3.02 <u>Taxes</u>. Consumer shall pay all taxes, charges, or assessments now or hereafter applicable to electric service hereunder.
- 3.03 <u>Billing Demand</u>. The billing demand of consumer shall be the greater of either (a) the "monthly peak demand", or (b) the "minimum demand".
- (a) "Monthly peak demand" shall mean the average demand in kilowatts metered for the 30-minute period of greatest

power use by consumer during the month, increased by one percent (1%) for each full one percent (1%) that consumer's power factor is below the power factor specified in Paragraph 2.06.

(b) The "minimum demand" of consumer during the primary term of this agreement, or any extension hereof, shall be as follows for the period indicated:

| Effective Date   | <u> Minimum Demand</u>                       |
|--|--|
| September 1, 1983<br>March 1, 1984<br>September 1, 1984<br>March 1, 1985 | 1,000 kW<br>2,000 kW<br>3,000 kW<br>4,000 kW |
| January 1, 1986  | 5,000 kW                                     |

Except as provided in Paragraphs 5.02(a) and 6.03(b), consumer shall pay at least the minimum monthly bill during each month of the term of this agreement.

- (c) The effective date of the initial billing period shall be the first day of the first month after seller makes available for consumer's use the power and energy provided for herein.
- 3.04 Payment of Bills. Bills for service hereunder shall be paid at the office of seller in Owensboro, Kentucky. Such payment shall be due on or before the 15th day of each month for service furnished during the preceding monthly billing period. In the event the current monthly bill rendered is not paid by its due date, simple interest equal to the prime rate then in effect at Continental Illinois National Bank of Chicago, plus one percent (1%), shall apply to any unpaid amounts from due date until paid.

Seller may discontinue service to the consumer for nonpayment in accordance with the prevailing regulations of the Public Service Commission of Kentucky, provided, however, that any such discontinuance shall not relieve consumer of any of its obligations under this agreement.

#### 4. MEMBERSHIP

Consumer shall become a member of seller, shall pay the membership fee, and be bound by such rules and regulations as may from time to time be adopted by seller.

### 5. CONTINUITY OF SERVICE

- 5.01 Seller shall use reasonable diligence to provide a constant and uninterrupted supply of electric power and energy hereunder. However, seller shall not be responsible for damages to consumer occasioned by any failure, shortage or interruption of service or for failure as a result of "force majeure".
- 5.02 In the event either party shall be unable, wholly or in part, by reason of force majeure, including force majeure preventing seller's wholesale power supplier from supplying power for seller's resale to consumer, to carry out its obligations hereunder, on such party's giving notice and reasonably full particulars of such force majeure, first by telephone and then confirmed by writing or telegraph, to the other party within a reasonable time after the occurrence of the cause relied on, then the obligations of the parties, to the extent they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period,

except as follows:

(a) <u>Inability of Seller</u>: Should seller's ability to make power available to consumer in the amount provided for hereunder be interrupted or curtailed for a period longer than 120 consecutive minutes because of force majeure, then for the period of and to the extent of such interruption or curtailment the rates and charges for service hereunder shall be altered as follows:

The monthly billing demand shall be prorated by a factor equal to the ratio of the time seller is unable to deliver power to the total time in the billing period.

- (b) <u>Inability of Consumer</u>: Should consumer's ability to receive and utilize the power available hereunder be interrupted or curtailed for a period longer than 120 consecutive minutes because of force majeure, then for the period of and to the extent of such interruption or curtailment the rates and charges for service hereunder shall be altered as follows:
  - (i) The monthly billing demand shall be prorated by a factor equal to the ratio of the time consumer is unable to take and use the power available hereunder to the total time in the billing period.
  - (ii) The minimum bill provisions of Paragraph 3.03(b) shall apply.
- (c) The term "force majeure" as used herein shall mean acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of government, whether Federal, State or local, civil or military, civil disturbances, explosions, breakage of or

accident to machinery, equipment, or transmission lines, inability of either party hereto 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 party claiming suspension.

(d) The party unable to perform its obligations hereunder by reason of force majeure shall remedy such inability with all reasonable dispatch.

## 6. TERM

- 6.01 <u>Initial Term and Renewals</u>. This agreement shall remain in full force and effect until December 31, 1993, and shall on said date and annually thereafter automatically renew for successive one-year terms upon the same terms and conditions stated herein, or any amendment hereto, until terminated by either party giving the other party at least twelve (12) months written notice prior to the effective date of such termination.
- 6.02 Assignment. This agreement shall not be assigned without the prior written consent of seller, which will not be unreasonably withheld. Consumer shall give seller six (6) months advance written notice of any proposed assignment of this agreement.
- 6.03 <u>Early Termination</u>. (a) In the event that seller shall cancel this agreement for any breach or default on the part of consumer, or should consumer discontinue or abandon the operation of its facilities to be served hereunder, there shall immediately

become due and payable to seller, as liquidated damages, a facilities abandonment charge equal to the total estimated investment of seller's wholesale power supplier of \$340,000 made exclusively to supply power and energy to consumer, which charge shall be reduced by \$2,833 per month for each month consumer purchases power and energy hereunder. Any ultimate termination charge arising hereunder shall be adjusted to reflect the actual investment costs of seller and its wholesale power supplier. Consumer shall further guarantee said abandonment charge by such financial guarantee as the parties may mutually agree upon.

(b) The minimum bill provision of Paragraph 3.03(b) shall remain in full force and effect for twelve (12) months following the date of written notification by either party to the other of any intent to terminate under this provision.

# 7. RIGHT OF ACCESS

- 7.01 Duly authorized representatives of seller shall be permitted to enter the consumer'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 herein, nothing contained in this agreement shall be construed to abridge, 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 written notice, demand or request required or authorized under this agreement shall be deemed properly given to or served upon the other party if the notice is 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 P.O. Box 1389 Owensboro, Kentucky 42302-1389

To the Consumer:

Green River Coal Company 1901 Ramada Drive Madisonville, Kentucky 42431

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.

#### SUCCESSION AND APPROVAL 12.

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

12.02 The effective date of this agreement shall be \_\_, 1983, except that said effective date shall be postponed and this agreement shall not become effective unless and until:

- (a) It is approved or approval is waived in writing by the Administrator of the Rural Electrification Administration and the Louisville Bank for Cooperatives.
- (b) It is approved or accepted by the Public Service Commission of Kentucky and such other state or federal regulatory agency having jurisdiction by law to confirm and approve the rates and other conditions of this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement, all as of the day and year first above written.

GREEN RIVER ELECIRIC CORPORATION

3.510

ATTEST:

By: Dudle Amorra - President

ATTEST:

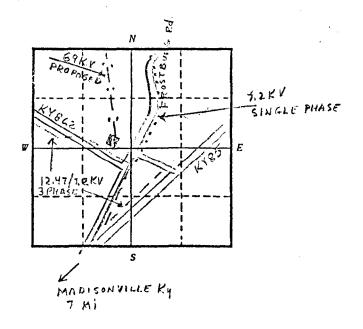
# EXHIBIT A

| DESCRIPTION AND LOCATION OF SERVICE                         |                  |                               |                   |                     |  |
|---|------------------|-------------------------------|-------------------|---------------------|--|
| TYPE OF OPERATION   |                  | USE OF SERVICE                |                   |                     |  |
| Coal Mine   |                  | Serve Shaft Mine Requirements |                   |                     |  |
| SERVICE WILL BEM  | ADE AVAILABLE OF | OR BEFORE(date)               | SIZE OF LARGEST M | OTOR                |  |
| September 1983  |                  | 800 h.p.                      |                   |                     |  |
| NUMBER OF ACRES   | BECTION          |                               | TOWNSHIP          | RANGE               |  |
| :   |                  |                               |                   | ·                   |  |
| APPROX. MILES   | (Direction)      | FROM (Town)                   |                   | (Name of road)      |  |
| 7   | N.E.             | Madisonville, Kentucky        |                   | Frostburg & Ky. 862 |  |
| Green River Coal Company                                    |                  |                               |                   |                     |  |
| owner's Address 1901 Ramada Drive<br>Madisonville, KY 42431 |                  |                               |                   |                     |  |

MAIL BILLS AND NOTICES TO

Same as above

(Show the location of the point of service in section tract below. Also show existing electric lines, roads, irrigation ditches, etc. that may be related to this service.)



#### EXHIBIT B

# GREEN RIVER ELECTRIC CORPORATION SCHEDULE OF RATES/CHARGES APPLICABLE TO

GREEN RIVER COAL COMPANY

The rates applicable to Green River Coal Company shall be as follows:

# The monthly delivery point rate shall be:

- (a) A demand charge of \$6.50 per kilowatt of billing demand, plus
- (b) An energy charge of 20.641 mills per kWh consumed.

# The monthly fuel adjustment/charge shall be:

The energy charge in any month under the above schedule shall be increased or decreased by a fuel adjustment charge according to the following formula:

 $\frac{F^1}{D}$  = Rate applicable to each kWh sold

Where F<sup>1</sup> is the aggreagate charge from the seller's wholesale power supplier for fuel adjustment; where P is the total kWh purchased. The rate resulting from this formula shall be applied to each kilowatt hour sold in the current month. The consumer shall receive a credit in each month equal to the intersystem power sales credit received by the corporation from its wholesale power supplier attributable to the consumer's billing demand.

The foregoing rates are effective as of February 16, 1983.

THIS AGREEMENT made this <u>John</u> day of <u>Mirical</u>,

1983, by and between GREEN RIVER ELECTRIC CORPORATION (hereinafter called the "Seller"), and GREEN RIVER COAL COMPANY (hereinafter called the "Consumer"), a <u>Karrocky</u> corporation with principal offices at 1901 Ramada Drive, Madisonville,

Kentucky 42431.

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

### 1. GENERAL OBLIGATIONS

Seller shall make available, sell and deliver to the consumer, and consumer shall take and pay for all of the electric power and energy as specified in Paragraph 2.04 hereof, and required by consumer in the operation of its facilities described in Exhibit A hereto, at the rates and upon the terms and conditions hereinafter specified.

# 2. SERVICE CHARACTERISTICS

- 2.01 <u>Type</u>. Service hereunder shall be alternating current, three phase, three wire, sixty hertz, at approximately 69,000 volts.
- 2.02 <u>Delivery Point</u>. The point of delivery of the power and energy made available hereunder shall be the point at which consumer's facilities connect to seller's facilities.