

AGREEMENT FOR ELECTRIC SERVICE
BETWEEN
GREEN RIVER ELECTRIC CORPORATION
AND
SCOTT PAPER COMPANY

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AGREEMENT FOR ELECTRIC SERVICE
FOR SCOTT PAPER COMPANY

THIS AGREEMENT, made and entered into as of this 12th day of March, 1993, by and between GREEN RIVER ELECTRIC CORPORATION, a Kentucky corporation with offices at 3111 Fairview Drive, Owensboro, Kentucky 42301 (hereinafter called the "Seller"), and SCOTT PAPER COMPANY, a Pennsylvania corporation, with offices at Scott Plaza, Philadelphia, Pennsylvania 19113 (hereinafter called the "Customer").

WITNESSETH: That for and in consideration of the mutual covenants herein contained, the parties 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 at the plant site shown in Exhibit A hereto ("Plant Site") 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 such rules and regulations as may from time to time be adopted by Seller consistent with the terms and conditions of this Agreement.

3. SERVICE CHARACTERISTICS

3.01 Plant Start-Up - Phase I. By June 1, 1993 (the "Phase I Commencement Date"), Seller shall make available at the Plant Site service for "Phase I" of the start-up of Customer's permanent equipment up to a maximum demand of 7,000 KW, in the form of

alternating current, three phase, four wire, 60 hertz service at a voltage level of 13,800 volts, provided that Seller shall not be obligated to commence such service any earlier than the Effective Date of this Agreement (as defined in Paragraph 11.02 below).

3.02 Phase I Transmission Line Cost Responsibility. If for any reason Customer should find it necessary to terminate this Agreement, Customer shall pay Seller, in addition to any other obligations which Customer may have for termination, a "Phase I Facilities Abandonment Charge" equal to the full amount of the costs for construction of the transmission line described in paragraph 3.13(a), below ("Phase I Transmission Line") which have been actually incurred and/or are unavoidable as of the date of written notice of termination, reduced by 1/120 for each month after the Effective Date that the Customer's billing demand equals or exceeds 2500 KW. Phase I Transmission Line Costs shall include only those costs which are reasonable under applicable industry codes and standards and shall be subject to audit by Customer. Total Phase I Transmission Line Costs are currently estimated by Seller to be \$660,000.

3.03 Plant Start-Up - Phase II. Within 15 months after Seller receives written notice from Customer that Customer's Board of Directors has authorized the installation of a paper machine at the Plant Site (such authorization being referred to herein as "Approval of No.1 PM", and the end of such 15 month period being referred to herein as the commencement of "Phase II"), Seller shall make available at the Plant Site service for Phase II of the start-up of Customer's permanent equipment, satisfying Customer's

increasing demands as Customer brings more of its permanent equipment on line. Service for Phase II shall be in the form of alternating current, three-phase, three-wire, sixty hertz service at a voltage level of 161,000. Seller understands that it is critical to Customer to be able to start up Phase II of its permanent equipment in accordance with Customer's construction and start-up schedule. Since Seller has agreed in paragraph 3.13 below to provide a 161,000 volt transmission line for Phase II (the "Phase II Transmission Line"), Seller agrees to begin (or have its power supplier begin) immediately upon the Effective Date hereof, or upon receipt of written notice of Approval of No.1 PM, whichever is later, and proceed as promptly as practicable to extend the Phase II Transmission Line to Customer's Plant Site so that it can be energized no later than the commencement of Phase II. Until the Phase II Transmission Line to the Plant Site is energized, Seller agrees to provide Customer with monthly progress reports summarizing the activities required to complete and energize the Phase II Transmission Line and the degree of completion of each such activity.

3.04 Phase II Transmission Line Cost Responsibility.

(a) If Customer gives Seller written notice of Approval of No. 1 PM, but fails to complete the installation of a paper machine at the Plant Site and is unwilling to agree to the minimum billing demands associated with Approval of No. 1 PM as set forth in paragraph 4.03(c) below, Customer shall pay Seller a "Phase II Facilities Abandonment Charge" equal to the full amount of the Phase II Transmission Line Costs which have been actually incurred

and/or are unavoidable as of the date Seller receives written notice that Phase II of Customer's plant start-up will not be completed.

(b) If for any reason Customer should find it necessary to terminate this Agreement after the Effective Date hereof, Customer shall pay Seller, in addition to any other obligations which Customer may have for termination, a "Phase II Facilities Abandonment Charge" equal to the full amount of the Phase II Transmission Line Costs which have been actually incurred and/or which are unavoidable as of the date of written notice of termination, reduced by 1/120 for each month after the Effective Date that Customer's billing demand equals or exceeds 15,000 KW.

(c) Phase II Transmission Line Costs shall include only those costs which are reasonable under applicable industry codes and standards and are subject to audit by Customer. Total Phase II Transmission Line Costs are currently estimated by Seller to be \$2,575,000.

(d) Seller will allocate responsibility for the Phase I Facilities Abandonment Charge and/or the Phase II Facilities Abandonment Charge on a pro rata basis to all other customers who are directly connected to these new transmission facilities after the Effective Date hereof and make a corresponding reduction in Customer's responsibility for such costs.

3.05 Plant Start-Up - Phase III. Customer shall give Seller reasonably prompt written notice after Customer's Board of Directors has authorized the installation of a second paper machine at the Plant Site (such authorization being referred to herein as

"Approval of No. 2 PM" and the start-up of such second paper machine being referred to herein as the commencement of "Phase III"), and Seller shall thereupon satisfy the Customer's increasing demands as Customer brings more of its permanent equipment on-line, up to the maximum demand referred to in Paragraph 3.08 below.

3.06 Delivery Point. The "Point of Delivery" of the power and energy made available hereunder shall be the point at which Customer's facilities connect to Seller's facilities, which, on and after the commencement of Phase II referred to in Paragraph 3.03 above, will be at the primary terminals of the 161 KV/13.8 KV transformer bushings at Customer's main substation at the Plant Site shown in Exhibit A hereto.

3.07 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.

3.08 Maximum Demand. The maximum demand of Customer during the primary term of this Agreement, or any extension thereof, shall be 50,000 KW. Seller shall not be obligated to supply capacity in excess of said demand; provided, however, that if Customer modifies or expands its plant in such a way as to increase its electrical requirements Customer shall be entitled to obtain additional service to the same extent as any other customer of Seller would be so entitled.

3.09 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 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 such fluctuations and 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 sufficient to cause interference with the Seller's system or to systems connected to Seller's system; otherwise, Seller reserves the right to require Customer, at Customer's expense, to make necessary changes to correct such conditions. In addition to any other remedies that 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.

3.10 Power Factor. Customer shall maintain a power factor at the Point of Delivery as nearly as practical 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 require Customer to choose either: (a) installation at Customer's expense of equipment which will maintain a power factor of 90% or higher; or (b) adjustment of the maximum monthly metered demand for billing purposes in accordance with the following formula:

Maximum Actual Measured KW X 90%
Power Factor (%)

3.11 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 or Seller's power supplier and shall be and remain the property of Seller or Seller's power supplier.

(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 in accordance with applicable rules and regulations of the Public Service Commission of Kentucky.

(d) The metering point shall be at Customer's main substation at the Plant Site shown in Exhibit A at the 161,000 voltage level.

3.12 Facilities Provided by Customer. Customer shall provide, or cause to be provided, without cost to Seller, the following facilities which are or may be necessary for Seller or its power supplier to supply the electric consuming facilities of Customer with retail electric service:

(a) Easements for rights-of-way upon Customer's property, at such locations and of such dimensions as mutually agreed upon and which are necessary for the construction of facilities which Seller or its power supplier must furnish to

provide electric service herein; provided, however, that if Customer wishes to move such facilities in the future, Seller will cooperate in identifying alternate satisfactory locations so long as any relocation is at Customer's expense. Customer shall also provide or cause to be provided, without cost to Seller, a suitable switching station site in fee, rough-graded to Seller's requirements, located adjacent to Customer's substation, for the construction and erection of such new facilities and future alterations to existing facilities as may from time to time be necessary to serve Customer; provided, however, Seller shall reconvey any such site back to Customer in the event that this Agreement is terminated and Seller is not then using such site for any other customer, or in the event that Customer has a need for such site and is willing to provide Seller with a satisfactory alternate site and pay all relocation costs.

(b) Except as provided in Paragraph 3.13 hereof, Customer shall furnish and install (or cause to be furnished or installed), operate and maintain such substation facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the Point of Delivery, including one power transformer and low voltage distribution equipment (including switchgear, supporting structures, associated bus and hardware, and such protective devices as may be reasonably necessary to protect the system of Seller from disturbances caused by Customer). Plans for equipment to be installed for such protection shall be submitted to Seller for prior approval, provided that (1) Seller shall respond promptly

to any such submission either with its approval or describing in detail what changes Seller requires in order to grant its approval, (ii) such review shall be at Seller's expense, (iii) approval shall not be unreasonably withheld, and (iv) Seller shall not require any greater degree of protection than would be required by generally accepted standards of prudent electrical practice.

3.13 Facilities Provided by Seller. Seller shall furnish and install (or cause to be furnished and installed), at no extra charge to Customer, all of the facilities required for the delivery of electric power and energy to the Point of Delivery, including the following facilities:

(a) No later than June 1, 1993, or the Effective Date hereof (as defined in Paragraph 11.02 below), whichever is later, one 161,000 volt radial transmission line, to be operated at 69,000 volts, extending from one of the existing 69,000 volt transmission lines on Big Rivers Electric Corporation's existing transmission system to a temporary 69 KV/13.8 KV transformer to be provided by Seller at the Plant Site;

(b) No later than the Phase II Commencement Date, one 161,000 volt radial feed transmission line, incorporating the Phase I Transmission Line, extending from one of the existing substations on Big Rivers Electric Corporation's existing transmission line system to the Point of Delivery; provided, however, that if either (a) Customer subsequently increases its demand to a level in excess of 45,000 KW, or (b) the radial feed line fails to meet mutually established standards for reliable service, then Seller shall also furnish and install (or have its power supplier furnish and

install) reasonably promptly a second 161,000 volt transmission line extending from another of the existing substations on Big Rivers Electric Corporation's existing transmission system to Customer's substation at the Plant Site, and the equipment related thereto necessary to form a loop feed. If a second 161,000 volt transmission line is installed, Customer and Seller agree that this Agreement shall be amended to provide protection for Seller's investment in that transmission line similar to that provided in paragraphs 3.02 and 3.04 above.

(c) Metering, communications, relaying, control circuits, and associated equipment necessary to properly measure, control, and coordinate the delivery of electrical power and energy between Seller's and Customer's facilities.

3.14 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 or its power supplier and required to supply retail electric service to Customer in accordance with the terms hereof.

(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 either party 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 such party's electric system or electric systems connected to such party's electric system.

3.15 Right of Removal. Any and all equipment, apparatus, devices, or facilities placed or installed, or caused to be placed or installed, by either of the parties on or in the premises of the other party shall be and remain the property of the party owning and installing such equipment, apparatus, devices or facilities regardless of the mode or manner of annexation or attachment to real property of the other and upon the termination of this Agreement the owner thereof shall have the right to enter upon the premises of the other and shall within a reasonable time remove such equipment, apparatus, devices or facilities, and in such event Customer may not recover any easements or sites conveyed to Seller as referred to in Paragraph 3.12 hereof except to the extent that Seller no longer has a need to make use of such easements or sites.

3.16 Failure to Install Paper Machine. If Customer fails to complete the installation of a paper machine at the Plant Site and is unwilling to agree to the minimum billing demands associated with Approval of No. 1 PM as set forth in paragraph 4.03 below, Customer and Seller agree that, unless Customer elects to terminate this Agreement, they will renegotiate this Agreement to the extent necessary to accommodate such change in circumstances.

4. PAYMENT

4.01 Rates. On and after the commencement of the First Phase referred to in Paragraph 3.01 above, Customer shall pay Seller for

service hereunder at the rates set forth in Exhibit C, attached hereto 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 Public Service Commission of Kentucky (the "Commission"), provided that in the case of any filing with the Commission which changes or affects the terms, conditions, or rates under this Agreement Seller gives Customer notice in accordance with Article 9 of this Agreement (entitled "NOTICES") and in accordance with law and the Commission's regulations and orders so that Customer has the opportunity to participate in any proceeding at the Commission affecting the terms, conditions, or rates hereunder.

Any such changes in rates, terms or conditions shall automatically be incorporated into this Agreement.

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

4.03 Billing Demand.

(a) Because of the irregularity in demand which will be caused by the starting-up and testing of Customer's new equipment, Customer shall be permitted a total of 36 "Testing Months" during which the monthly billing demand shall be the greater of the maximum integrated thirty-minute demand during each current billing month or the minimum billing demand (which 36 months must be consecutive, except as provided below). During all months other than Testing Months, the monthly billing demand shall be the greater of the twelve-month peak demand or the minimum billing demand. The Testing Months shall commence with the start-up of

Phase I, or receipt by Seller of written notice of Approval of No. 1 PM, whichever occurs later, and continue until Customer gives Seller notice that it wishes to suspend the Testing Months, until cancellation or abandonment of Phase II by Customer, or until the 36th month after such start-up, whichever occurs earliest; provided, however, that if Customer gives Seller such notice prior to such 36th month, Customer can resume the Testing Months at anytime thereafter by giving notice to Seller of its desire to do so, provided that the total number of Testing Months may not exceed 36 months and that Customer shall be permitted only one suspension of the 36 month period. The number of Testing Months shall be limited to twenty (20) unless and until Customer gives Seller written notice of Approval of No. 2 PM.

(b) Twelve-month peak demand shall mean the maximum integrated thirty-minute demand during each current billing month or during any of the previous eleven (11) billing 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 3.10 apply to the measured KW.

(c) The minimum billing demand of Customer prior to July 1, 1994, shall be zero; the minimum billing demand beginning July, 1994, shall be 3000 KW. If Approval of No.1 PM occurs, the minimum billing demand beginning with the twenty-third month after Approval of No.1 PM shall be 6,000 KW, and the minimum billing demand beginning with the twenty-ninth month after Approval of No.1 PM

shall be 12,000 KW. If Approval of No.2 PM occurs, the minimum billing demand beginning with the thirtieth month after Approval of No.2 PM shall be 20,000 KW; or if Customer's maximum integrated thirty-minute demand reaches 30,000 KW for 10% of the hours during each of six consecutive monthly billing periods, the minimum billing demand commencing with the month immediately after said six-month period shall be 20,000 KW (regardless of whether Approval of No.2 PM has occurred).

4.04 Initial Billing Period. The Initial billing period for Service For Permanent Equipment hereunder shall commence on the first day upon which Seller makes such service available for Customer's use and Customer makes use thereof. The demand charges will be prorated in accordance with the number of days in the billing period during which such service is actually utilized.

4.05 Incentive Rate Demand Charge Credit. Customer shall be entitled to demand charge credits earned as set out in the formula attached as Exhibit D.

4.06 Payment of Bills. Bills for service furnished during the preceding monthly billing period shall be processed and mailed to Customer, and a copy faxed to Customer, not later than the fifth (5th) day of each month. Bills for service hereunder shall be due and payable on or before the fifteenth (15th) day of the month (or on the next full work day should the 15th day fall on a Saturday, Sunday, or banking holiday). In the event payment of the current monthly bill (excluding any amounts as to which there is a bona fide dispute) is not received by Seller on or before the due date, Seller may discontinue delivery of electric power and energy

hereunder upon fifteen (15) days notice to Customer of its intention to do so, unless Seller receives payment before the end of such fifteen (15) day notice period. Simple interest equal to the prime lending rate as published in the "Money Rate" column of The Wall Street Journal 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.

4.07 Early Termination. Customer may elect to terminate this Agreement at any time upon giving Seller twelve months prior notice. If for any reason Customer should find it necessary to terminate this Agreement prior to the end of the Initial Term of this Agreement (as defined in Paragraph 6.01 below), in addition to any Facilities Abandonment Charge which Customer may have to pay, the Customer shall also repay Seller a percentage, based upon the schedule attached as Exhibit B, of the demand charge credits previously received by Customer. Said Facilities Abandonment Charge and said obligation to repay demand charge credits shall be the Customer's sole liability for early termination of this Agreement.

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 Customer occasioned by any failure, shortage, or interruption of service or for failure as a result of "Force Majeure" (as defined below).

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 power supplier from supplying power for Seller's resale to Customer, 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 in writing, to the other party within a reasonable time after the occurrence of the cause relied upon, 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, and the following provisions shall apply:

(a) Inability of Seller. Should Seller's ability to make power available to Customer 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 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) Inability of Customer. If a Force Majeure affects all or a portion of Customer's equipment so that for a period longer than 120 consecutive minutes Customer is unable to receive and utilize all or a portion of the power that it would have otherwise received and utilized, then an appropriate adjustment will be made in the monthly billing demand, and if the Force Majeure continues for an entire monthly billing period during which

the twelve-month peak demand and/or the minimum billing demand is greater than the maximum integrated thirty-minute demand for that billing period, the twelve-month peak demand (and the minimum billing demand, if applicable) shall be adjusted downward for purposes of calculating the monthly billing demand for that billing period by the amount of demand reduction attributable to the Force Majeure.

(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 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 causes which are not reasonably within the control of the party affected.

(d) The party unable to perform its obligations hereunder by reason of Force Majeure shall remedy such inability with all reasonable dispatch; provided, however, that Customer shall not be required to restore its plant and/or operations to the extent that it is not practical for Customer to do so. The party affected by an event of Force Majeure shall provide the other with a timely and reasonably full description of the nature and impact of any damage to its facilities and operations caused by such

event, and the anticipated duration of the effect thereof on that party's performance hereunder.

(e) The incentive rate demand charge credit formula and the termination charge provisions contained in this Agreement shall not be affected by an event of Force Majeure.

6. TERM

6.01 Initial Term and Renewals. This Agreement shall remain in full force and effect for a term beginning with the Effective Date hereof (as defined in Paragraph 11.02 below) and continuing through the 60th (sixtieth) month after the last month during which the Customer receives any incentive rate demand charge credit ("Initial Term"). This Agreement shall automatically renew annually thereafter for successive one-year terms upon the same terms and conditions stated herein and in any amendment hereto, until terminated by either party giving the other at least twelve (12) months notice prior to the effective date of such termination. Seller's right to terminate under this paragraph is limited to a right to require renegotiation of the terms upon which service is provided, and does not include the right to terminate its obligation to furnish Customer with electric power.

6.02 Assignment. This Agreement shall be assignable by Customer only (a) if Customer agrees in writing to guarantee all of Customer's obligations hereunder, or (b) if Customer obtains 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 reasonably require regarding the proposed

assignee, including the ability of the proposed assignee to fulfill its obligations hereunder.

7. CUSTOMER-GENERATED POWER

Seller recognizes that Customer's operations offer the potential for utilization of self-generated power at and upon its plant facilities specified herein, and in such event, acknowledges Customer's right at any future date to negotiate with Seller for an amendment of this Agreement with regard to such self-generated power and energy, and for any of the following types of service - - backup, maintenance, and/or supplementary service -- on either a firm or interruptible basis, at rates and on terms which are consistent with the General Principles set forth in Exhibit E attached hereto and hereby incorporated herein. In addition, should Customer decide to install self-generation, Seller will, upon request from Customer, use its best efforts to assist Customer in obtaining whatever rights Customer may seek to transmit Customer's self-generated power either to Seller's supplier of power or to any other electric utility.

8. RIGHT OF ACCESS

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

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

9. NOTICES

Any 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 addresses:

To the Seller:

Green River Electric Corporation
3111 Fairview Drive
P.O. Box 1389
Owensboro, KY 42302-1389
Attention: President and General Manager

To the Customer:

Scott Paper Company
280 Ellis-Smeathers Road
Owensboro, KY 42303
Attention: General Manager

With a Copy to:

Scott Paper Company
Scott Plaza
Philadelphia, PA 19113
Attention: General Counsel

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 March 12, 1993, except that said Effective Date shall be postponed and this Agreement shall not become effective unless and until:

(a) This Agreement is approved or approval is waived in writing by the Administrator of the Rural Electrification Administration and by the National Bank for Cooperatives, and

(b) This Agreement is approved by the Public Service Commission of Kentucky, either expressly or by operation of law.

11.03 Seller agrees to proceed promptly and use its best efforts to obtain the approvals (or waivers thereof) referred to in paragraphs 11.02(a) and 11.02(b) above as soon as practicable, and Customer agrees to offer Seller whatever reasonable assistance Seller may request in this regard. This Agreement shall automatically terminate if all of the approvals required in paragraph 11.02 are not obtained by June 1, 1993.

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 Customer is subject to the lawful orders of the Public Service Commission. All respective rights and obligations of the

parties shall be governed by the laws of the Commonwealth of Kentucky. Venue of any action, legal or equitable, related to this Agreement shall be Daviess County, Kentucky.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, as of the day and year first herein written.

GREEN RIVER ELECTRIC CORPORATION
Seller

By: Dean Stanley
Dean Stanley
President & General Manager

Attest:

Marion Cecil
Assistant Secretary

SCOTT PAPER COMPANY
Customer

By: Stephen D. Stangle
JHC

Attest:

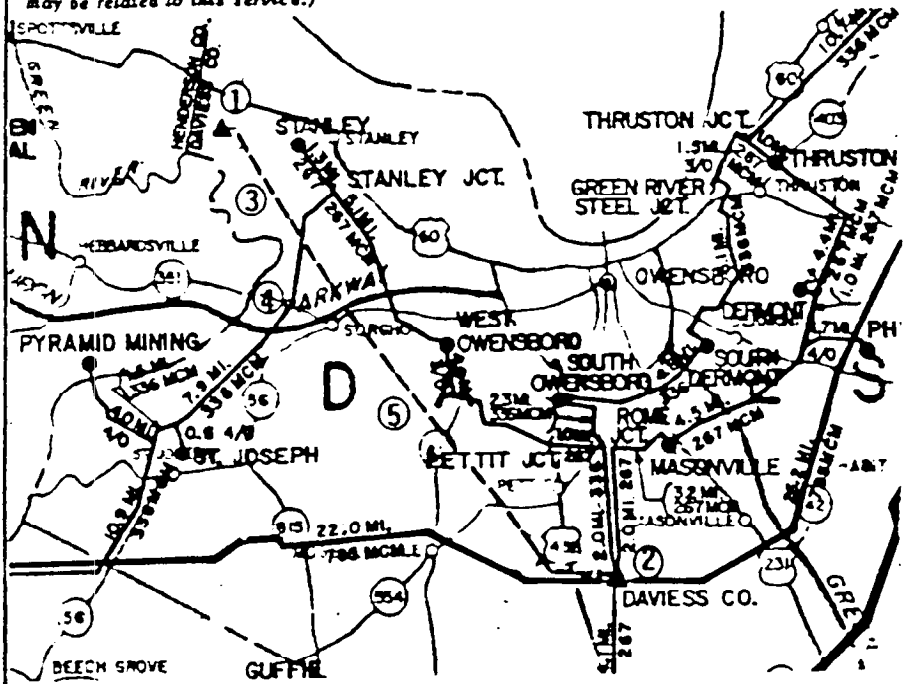
James B. Scott

JAC/jbs
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EXHIBIT A

DESCRIPTION AND LOCATION OF SERVICE			
TYPE OF OPERATION Manufacturing		USE OF SERVICE Paper Making	
SERVICE WILL BE MADE AVAILABLE ON OR BEFORE (date) June 1, 1993		SIZE OF LARGEST MOTOR Approximately 20-30 megawatts	
NUMBER OF ACRES	SECTION	TOWNSHIP	RANGE
APPROX. MILES 1.0	(Direction) South	FROM (Town) Newman, Kentucky	(Name of road) Sauer Lane
OWNER Scott Paper Company			
OWNER'S ADDRESS Scott Plaza, Philadelphia, PA 19113			
MAIL BILLS AND NOTICES TO See paragraph 9 of the Agreement For Electric Service			

(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.)

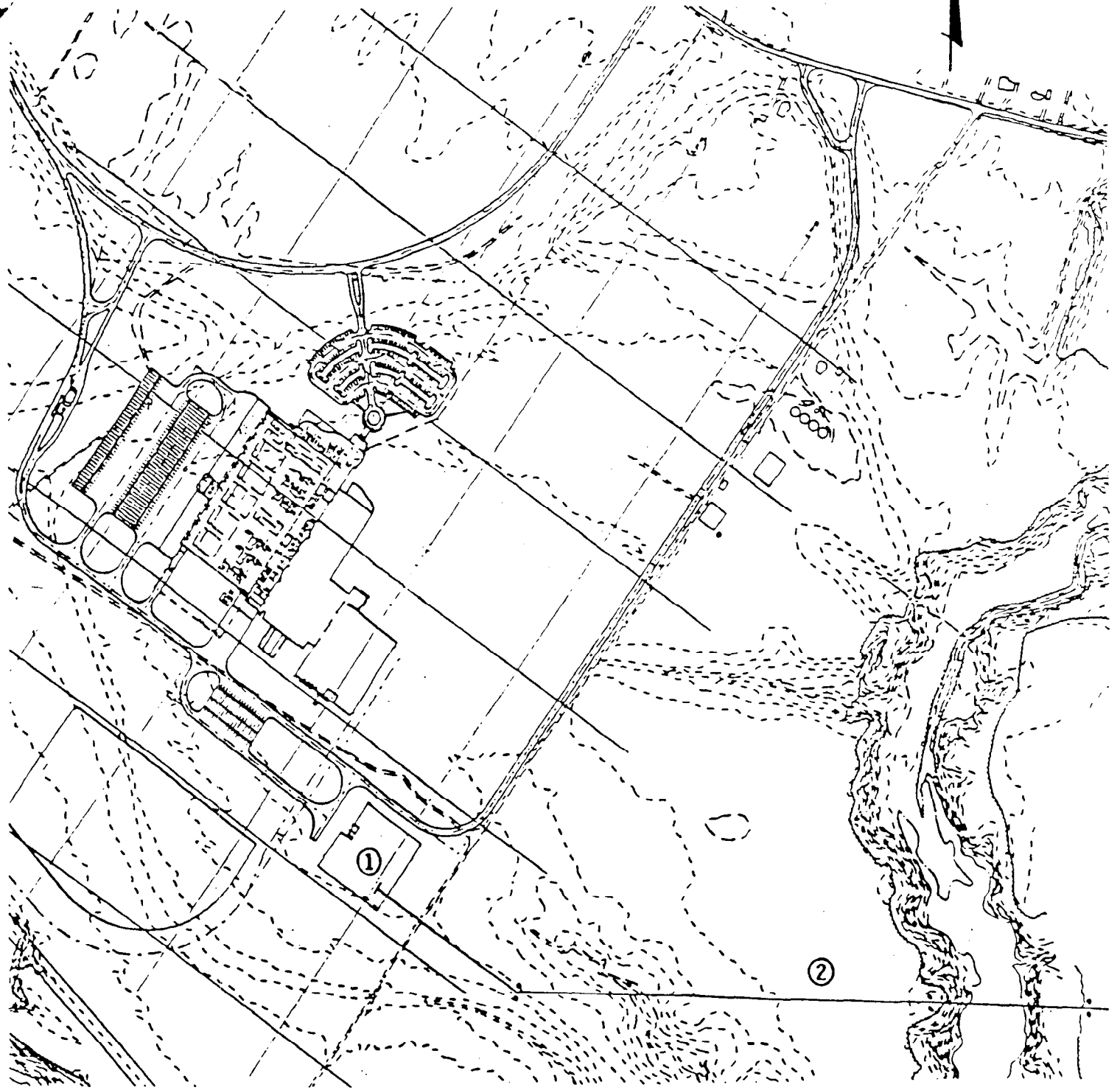


For detail of site, see page 2.

- ① NEWMAN SUBSTATION (SCOTT PAPER PLANT)
- ② DAVIESS COUNTY SUBSTATION (BREC)
- ③ NEWMAN SUBSTATION TO LINE 2-E TO BE ENERGIZED AT 69KV DURING PHASE 1.
- ④ BIG RIVERS 69KV LINE 2-E
- ⑤ PROPOSED NEWMAN SUBSTATION - DAVIESS COUNTY SUBSTATION 161KV LINE

EXHIBIT A

N



- ① SWITCHING STATION AND SUBSTATION SITE
- ② 161 KV TRANSMISSION LINE (OPERATED AT 69 KV FOR PHASE 1)

EXHIBIT B

DEMAND CHARGE CREDIT REPAYMENT SCHEDULE
 Percent Of Demand Charge Credit
 Repayment Upon Early Termination

Month After Month	Percent of Credit	Month After Month	Percent of Credit
<u>in Which 50% Credit First Allowed</u>	<u>to be Repaid</u>	<u>in Which 50% Credit First Allowed</u>	<u>to be Repaid</u>
60 & prior	100.00%		
61	98.33%	91	48.33%
62	96.67%	92	46.67%
63	95.00%	93	45.00%
64	93.33%	94	43.33%
65	91.67%	95	41.67%
66	90.00%	96	40.00%
67	88.33%	97	38.33%
68	86.67%	98	36.67%
69	85.00%	99	35.00%
70	83.33%	100	33.33%
71	81.67%	101	31.67%
72	80.00%	102	30.00%
73	78.33%	103	28.33%
74	76.67%	104	26.67%
75	75.00%	105	25.00%
76	73.33%	106	23.33%
77	71.67%	107	21.67%
78	70.00%	108	20.00%
79	68.33%	109	18.33%
80	66.67%	110	16.67%
81	65.00%	111	15.00%
82	63.33%	112	13.33%
83	61.67%	113	11.67%
84	60.00%	114	10.00%
85	58.33%	115	8.33%
86	56.67%	116	6.67%
87	55.00%	117	5.00%
88	53.33%	118	3.33%
89	51.67%	119	1.67%
90	50.00%	120	0.00%

EXHIBIT C

SCHEDULE OF RATES AND CHARGES
TO
SCOTT PAPER COMPANY

The monthly delivery point rate shall be:

1. A demand charge of \$10.20 per kilowatt of billing demand, plus
2. An energy charge of 19.0006 mills per KWH consumed, plus
3. A monthly fuel adjustment charge and charge for the Kentucky Sales Tax and the Kentucky Utility Gross Receipts License Tax for Schools as provided in Seller's tariff applicable to large industrial consumers served under special contracts. If, however, Customer obtains an energy direct pay authorization from the Kentucky Revenue Cabinet and/or from the Daviess County School District, Customer may notify Seller that Customer is assuming the responsibility to pay said taxes directly and, in such case, such taxes shall not be collected by Seller from Customer.

EXHIBIT D

DEMAND CHARGE CREDITS

The purpose of this Exhibit is to establish a formula for calculating the amount of the demand charge credit Customer shall receive each month under paragraph 4.05 of the Agreement.

§1. Definitions.

a. Metered Demand. Customer's Metered Demand is its maximum integrated 30-minute demand during a billing month measured in kilowatts.

b. Unit of New Demand. If Customer's Metered Demand in the current billing month exceeds its highest Metered Demand in any previous billing month (considering any adjustments made under §4, below), the range of demand between the two is a Unit of New Demand. For example, if Metered Demand in the current billing month is 2,500 kW and the highest Metered Demand in any previous billing month was 1,500 kW, the Unit of New Demand would be the 1,000 kilowatts in the range from 1,500 kW to 2,500 kW. A Unit of New Demand may be established in each of the sixty (60) consecutive months from June 1993 through May 1998.

c. Initial Credit Month. The month in which a Unit of New Demand is established is the Initial Credit Month for that Unit of New Demand.

§2. Calculation of Demand Charge Credit. Customer may earn demand charge credits on each of its Units of New Demand as follows:

a. Demand Charge Credits in the Initial Credit Month.

Customer shall have a credit against its demand charge in the Initial Credit Month equal to Customer's demand rate times the number of kilowatts in the Unit of New Demand created in that month times fifty percent (50%).

b. Demand Charge Credits on a Unit of New Demand in the Fifty-Nine Months Following the Initial Credit Month. If

Customer's Metered Demand in any of the 59 consecutive months following the Initial Credit Month enters the range of demand covered by the Unit of New Demand established in that Initial Credit Month, Customer shall have a demand charge credit in each of those months equal to Customer's Demand Rate times the number of kilowatts in that Unit of New Demand (or a pro rata portion thereof if the Metered Demand in the current billing month is less than the total Metered Demand in the Initial Credit Month) times the applicable percentage as follows:

<u>Month (beginning with Initial Credit Month)</u>	<u>Percentage Credit</u>
1 - 12	50%
13 - 24	40%
25 - 36	30%
37 - 48	20%
49 - 60	10%

c. Incorporated herein by reference is a computer printout prepared by Seller (consisting of 56 pages printed March 8, 1993, entitled "INCENTIVE RATE DEMAND CHARGE CREDIT") which

illustrates the proper calculation of demand charge credits based upon the assumed schedule of monthly demand usage attached hereto (identified as "Assumed Schedule of Monthly Demand Usage For Sample Calculation Of Demand Charge Credits").

§3. Period of Availability. All 50% demand charge credits shall cease on May 31, 1998. All 40% demand charge credits shall cease on May 31, 1999. All 30% demand charge credits shall cease on May 31, 2000. All 20% demand charge credits shall cease on May 31, 2001. All 10% demand charge credits shall cease on May 31, 2002.

§4. Postponement of Initial Credit Month. Customer anticipates that it may experience temporary aberrations in Metered Demand levels caused by test-starting equipment that must then be shut down for repairs, adjustments or replacements. In such event, and subject to the other terms of this Agreement, Customer may postpone recognition under this formula of the range of demand in any New Unit of Demand which is attributable to such equipment brought on line within the previous ninety (90) days by notifying Seller in writing and repaying previous demand charge credits allowed on that range of demand. The range of demand that resulted in the demand charge credits foregone or refunded under this paragraph shall be disregarded for purposes of subsequent demand charge credit calculations until that range of demand is included in a New Unit of Demand as a result of subsequent increases in Metered Demand.

ASSUMED SCHEDULE OF MONTHLY DEMAND
USAGE FOR SAMPLE CALCULATION OF
DEMAND CHARGE CREDITS

<u>Month</u>	<u>Demand</u>	<u>Month</u>	<u>Demand</u>	<u>Month</u>	<u>Demand</u>
1.	1750 kw	21.	20,317 kw	41.	58,932 kw
2.	2392	22.	21,684	42.	59,311
3.	2967	23.	21,849	43.	60,485
4.	3418	24.	28,056	44.	61,250
5.	4864	25.	31,492	45.	63,447
6.	6258	26.	33,671	46.	62,584
7.	7463	27.	36,121	47.	64,895
8.	7844	28.	36,839	48.	63,372
9.	9128	29.	38,277	49.	62,161
10.	9755	30.	40,114	50.	63,621
11.	10,063	31.	42,482	51.	64,264
12.	12,271	32.	44,393	52.	63,359
13.	11,482	33.	45,269	53.	62,936
14.	13,833	34.	46,195	54.	63,826
15.	15,724	35.	45,291	55.	64,266
16.	14,578	36.	48,627	56.	63,482
17.	16,388	37.	51,793	57.	62,749
18.	17,319	38.	54,228	58.	63,480
19.	16,859	39.	56,483	59.	64,122
20.	18,472	40.	58,016	60.	63,747

EXHIBIT E

GENERAL PRINCIPLES

Green River Electric Corporation ("Green River") has currently offered to provide Scott Paper Company ("Scott") backup, maintenance and supplementary service, on either a firm or interruptible basis, on the terms and conditions set out under "General Principles", below. Scott has determined that it has no immediate need for such service. If Scott elects at any time in the future to install a cogeneration facility to provide all or any portion of its own electrical requirements and/or to sell electricity, Green River agrees that it will negotiate with Scott to provide that service on the basis of these "General Principles", subject to any revisions compelled by changes in the assumptions upon which the current offer is made and subject to appropriate regulatory and other approvals.

GENERAL PRINCIPLES

1. Scott is entitled to whatever benefits are provided to it under the Public Utility Regulatory Policies Act as well as under the regulations promulgated thereunder by the Federal Energy Regulatory Commission and the Public Service Commission of Kentucky.

2. Green River will provide Scott with backup, maintenance, and supplementary service, on either a firm or interruptible basis, on the following terms and conditions:

(a) "Firm" maintenance service of up to 50,000 kW is available for a period of thirty (30) days scheduled ninety (90) days in advance at a mutually agreeable time during any of the ninety (90) consecutive days of the spring or of the fall during which Green River's wholesale power supplier has its lowest system load, for a weekly demand charge for each week of use, or portion thereof, of twenty-five percent (25%) of the monthly demand charge that Scott would pay as a full service customer, plus the same energy charge and fuel adjustment charge as Scott would pay as a full service customer. Scott shall have the option to extend any such maintenance service period for an additional thirty (30) days at the same demand and energy charge, provided that if Green River's wholesale power supplier is required to purchase capacity or energy off-system for the extension of the maintenance service period, Scott will be charged for any costs incurred which exceed those rates. For purposes of this paragraph, one week of use of maintenance service consists of use during any consecutive seven (7) day period regardless of the day of the week that such usage begins.

(b) "Firm" backup service of up to 50,000 kW will be available on terms to be negotiated

(c) "Interruptible" maintenance or backup service is available for one hundred twenty-five percent (125%) of the energy charge and fuel adjustment charge that Scott would pay as a full service customer, with no demand charge, provided, however, that if Green River's wholesale power supplier is required to purchase capacity or energy off-system to meet such service, Green River would notify Scott of Green River's best estimate of the cost of such capacity or energy and give Scott the option of taking such service, in which case Scott would pay Green River its cost of such service, plus ten percent (10%) and the retail demand and energy adders in the rates Scott pays as a full service customer.

(d) "Firm" supplementary service is available for the same rate as Scott would pay as a full service customer.

(e) "Interruptible" supplementary service is available on the same terms as interruptible backup or maintenance service.

(f) The rates set out above do not include facilities charges, if any, which may be applicable.