

**AMENDMENT NO. 1 TO  
FACILITIES AND SERVICES AGREEMENT**

**THIS AMENDMENT NO. 1 TO THE FACILITIES AND SERVICES AGREEMENT**, dated this 15<sup>th</sup> day of November, 2006, by and between East Kentucky Power Cooperative, Inc., a Kentucky corporation with its principal offices at 4775 Lexington Road, Winchester, Kentucky, 40392 ("EKPC"); and Tennessee Gas Pipeline Company, a Delaware corporation with its principal offices at 1001 Louisiana Street, P.O. Box 2511, Houston, Texas 77002 ("TGP").

**WITNESSETH:**

**Whereas**, TGP and Fleming Mason Energy Cooperative ("FMEC") entered into the Special Industrial Power Agreement dated September 21, 2000, to provide rates and terms for the providing of retail electric service by FMEC to TGP for gas pipeline facilities in Rowan County, Kentucky;

**Whereas**, In conjunction with the Special Industrial Power Agreement, TGP and EKPC entered into the Facilities and Services Agreement dated September 21, 2000, which contained provisions making TGP responsible for restoration costs of any major damage to a 138 kV radial transmission line which was constructed by EKPC solely to supply the TGP load, but which will no longer be required for the electric service to TGP after the construction of EKPC's new Cranston-Rowan 138 kV transmission line;

**Whereas**, The Parties have reached agreement on terms relating to necessary easements over TGP property for the Cranston-Rowan 138 kV transmission line;

**Whereas**, The Parties wish to delete the provisions relating to TGP responsibility for repairs to the 138 kV radial transmission line from the Facilities and Services Agreement effective on the completion of said transmission line;

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12/20/2006  
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SECTION 9 (1)**

By   
Executive Director

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein, the Parties agree as follows:

1. This Amendment No. 1 shall become effective on the first day of the first month following the completion and energization for commercial operation of EKPC's Cranston-Rowan 138 kV transmission line and successful connection to all facilities required for the delivery of electric service to TGP pursuant to the Special Industrial Power Agreement with FMEC dated September 21, 2000.

2. On the effective date, the Parties agree to waive any further requirement for TGP to be responsible for restoration costs relating to EKPC's 138 kV radial transmission line currently used to deliver electric service to TGP, and to delete Section 4 of the Facilities and Services Agreement.

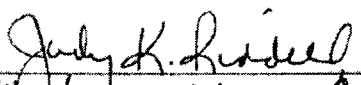
3. This Amendment No. 1 is contingent on the receipt of any necessary approvals of the Rural Utilities Service, any other lenders to EKPC, and/or the Kentucky Public Service Commission.

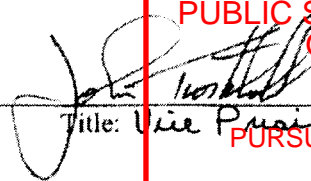
4. All other provisions of the Facilities and Services Agreement not affected by this Amendment No. 1 shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 1 to the Facilities and Services Agreement to be executed, in six original counterparts, by their respective officers, thereunto duly authorized, as of the day and year first above written.

ATTEST:

EAST KENTUCKY POWER  
COOPERATIVE, INC.

  
Title: Senior Admin. Assistant

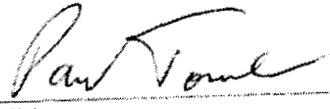
  
Title: Vice President

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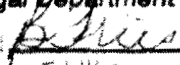
By   
Executive Director

ATTEST:


TENNESSEE GAS PIPELINE  
COMPANY

  
Title: ASSET OPTIMIZATION MGR

  
Title: Director

Legal Department  
Approved:   
Date: 11/15/06

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By   
Executive Director