

**AMENDMENT NO. 1 TO
SPECIAL WHOLESALE INDUSTRIAL POWER AGREEMENT**

THIS AMENDMENT NO. 1 TO THE SPECIAL WHOLESALE INDUSTRIAL POWER AGREEMENT, dated this 3 day of August, 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 Fleming-Mason Energy Cooperative, a Kentucky corporation with its principal offices at Elizaville Road, P. O. Box Drawer 328, Flemingsburg, Kentucky 41041 ("FMEC").

WITNESSETH:

Whereas, The Parties entered into the Special Wholesale Industrial Power Agreement dated September 28, 2000, to provide rates and terms for the providing of retail electric service by FMEC to Tennessee Gas Pipeline Company ("TGP") for gas pipeline facilities in Rowan County, Kentucky;

Whereas, The rates under the Special Wholesale Industrial Power Agreement include a monthly payment relating to taxes, operation and maintenance expenses (the "Monthly Facilities Payment") for a 138 kV radial transmission line 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 wish to delete the requirement for the Monthly Facilities Payment from the Special Wholesale Industrial Power Agreement, effective on the completion of said transmission line;

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

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SECTION 9 (1)

By 
Executive Director

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 payment of the monthly fixed charge of \$4,583 for taxes, operation and maintenance costs relating to EKPC's 138 kV radial transmission line currently used to deliver electric service to TGP, and to delete the final sentence of the "Facilities Charge" paragraph of Section 2 of the Special Wholesale Industrial Power Agreement.

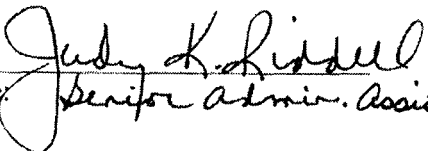
3. This Amendment No. 1 is contingent on the receipt of any necessary approvals of the Rural Utilities Service, any other lenders to the Parties, and/or the Kentucky Public Service Commission.

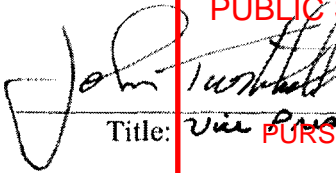
4. All other provisions of the Special Wholesale Industrial Power Agreement not affected by this Amendment No. 1 shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 1 to the Special Wholesale Industrial Power 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, Power Delivery

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Executive Director

ATTEST:

FLEMING MASON ENERGY
COOPERATIVE, INC.

Mary Hopper
Title: Executive Sec.

Andy D. Durb
Title: Pres./CSO

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OF KENTUCKY
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By [Signature]
Executive Director