

CAPACITOR AGREEMENT

Dated as of August 12, 2013

by and among

BIG RIVERS ELECTRIC CORPORATION,

KENERGY CORP.

and

CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP

**KENTUCKY
PUBLIC SERVICE COMMISSION**

**JEFF R. DEROUEN
EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

EFFECTIVE

8/20/2013

PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

CAPACITOR AGREEMENT

This CAPACITOR AGREEMENT ("Agreement") is made and entered into as of August 12, 2013, by and among BIG RIVERS ELECTRIC CORPORATION, a Kentucky electric generation and transmission cooperative ("Big Rivers"), KENERGY CORP., a Kentucky electric cooperative corporation ("Kenergy"), and CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP, a Kentucky general partnership ("Century"). Big Rivers, Kenergy and Century are sometimes referred to herein collectively as the "Parties" and individually as a "Party."

RECITALS

A. Century owns and operates an aluminum reduction plant in Hawesville, Kentucky and purchases electric services pursuant to a Retail Electric Service Agreement, dated July 1, 2009, with Kenergy (the "Existing Agreement").

B. Century issued a notice of termination with respect to the Existing Agreement, effective as of August 20, 2013.

C. To facilitate entry into new electric service arrangements intended to be effective upon termination of the Existing Agreement (the "Transaction"), the Parties desire to enter into this Agreement to set forth the Parties' respective rights and obligations relating to electrical capacitors and related equipment more particularly described in Exhibit A hereto (the "Capacitor Additions").

D. Century intends that the Capacitor Additions will support serving its requirements for electric services under an Electric Service Agreement to be entered into between Century and Kenergy (the "Electric Service Agreement") as part of the Transaction, in circumstances where Big Rivers has idled its Kenneth C. Coleman Plant, a three unit, coal-fired steam electric generating facility located near Hawesville, Kentucky (the "Coleman Generation Station").

E. In satisfaction of the condition of Big Rivers and Kenergy set forth herein to the effectiveness of this Agreement, Century Aluminum Company, a Delaware corporation and the indirect owner of Century ("Guarantor"), is entering into a Guarantee, dated as of the date hereof, for the benefit of Big Rivers and Kenergy ("the "Guarantee"), guaranteeing to Big Rivers and Kenergy the payment, performance and all other obligations of Century arising out of or relating to this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the Parties, intending to be legally bound, hereby covenant and agree as follows:

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JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
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ARTICLE 1

DEFINITIONS; RULES OF INTERPRETATION

1.1 Definitions. Capitalized terms when used in this Agreement have the meanings specified herein, including the definitions provided in this Section 1.1, unless stated otherwise or the context requires otherwise.

1.1.1 AAA Rules: As defined in Section 6.4.2.

1.1.2 Accounting Principles: Generally accepted accounting principles consistently applied or, if generally accepted accounting principles in accordance with the uniform system of accounts of an applicable Governmental Authority or RUS are required, the generally accepted accounting principles consistently applied in accordance with such uniform system of accounts, each as in effect from time to time.

1.1.3 Agreement: As defined in the preamble to this Agreement.

1.1.4 Applicable Law: All laws, statutes, codes, treaties, ordinances, judgments, decrees, injunctions, writs, orders, rules, regulations, interpretations, issuances, enactments, decisions, authorizations, permits or directives of any Governmental Authority having jurisdiction over the matter in question.

1.1.5 Approval: Any valid waiver, exemption, declaration, variance, franchise, permit, authorization, approval, consent, lease, ruling, tariff, rate, certification, license or similar order of or from, or filing or registration with, or notice to, or other action by, any Governmental Authority with jurisdiction over the matter in question.

1.1.6 Arrangement Agreement: An Arrangement and Procurement Agreement, to be entered into by Kenergy and Big Rivers, to facilitate Big Rivers' obtainment of electric energy and related services from the wholesale electric market including pursuant to bilateral contracts, for resale to Kenergy, for delivery to Century under the Electric Service Agreement.

1.1.7 Big Rivers: As defined in the preamble to this Agreement.

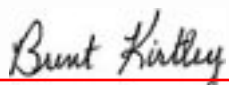
1.1.8 Business Day: Mondays through Fridays of each week except legal holidays established by federal law in the United States of America or state law in the Commonwealth of Kentucky.

1.1.9 Capacitor Additions: As defined in the Recitals.

1.1.10 Century: As defined in the preamble to this Agreement.

1.1.11 Coleman Generation Station: As defined in the Recitals.

1.1.12 Delivery Point: The existing set of meters at the substation of Coleman Generation Station or such other point of delivery mutually agreed by the Parties.

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1.1.13 Dispute: Any and all disputes, controversies and claims between or among the Parties and arising under, relating to or in connection with, this Agreement, in any manner whatsoever, whether in contract, in tort, or otherwise, and including any dispute or controversy regarding the existence, validity or enforceability of this Agreement, and whether brought by a Party or any of its parents, subsidiaries, affiliates, officers, directors or agents on the one hand, against a Party or any of its parents, subsidiaries, affiliates, officers, directors or agents, on the other hand.

1.1.14 Electric Service Agreement: As defined in the Recitals.

1.1.15 Existing Agreement: As defined in the Recitals.

1.1.16 FERC: Federal Energy Regulatory Commission.

1.1.17 Good Utility Practice: Any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period; or any of the practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time a decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be any and all generally accepted practices, methods, or acts.

1.1.18 Governmental Authority: Any international, national, federal, state, territorial, local or other government, or any political subdivision thereof, and any governmental, judicial, public or statutory instrumentality, tribunal, agency, authority, body or entity having legal jurisdiction over the matter or Person in question, a RTO (including MISO) or ISO, any electric reliability authority, including NERC and SERC, and the KPSC.

1.1.19 Guarantee: As defined in the Recitals.

1.1.20 Guarantor: As defined in the Recitals.

1.1.21 Harmonic Distortion: As defined in Section 5.1.

1.1.22 Hawesville Smelter: The aluminum reduction plant owned and operated by Century and located in Hawesville, Kentucky, including any expansions, additions, improvements and replacements thereof or thereto at the existing site.

1.1.23 ICDR: As defined in Section 6.4.2.

1.1.24 Indemnified Liability: As defined in Section 3.1.

1.1.25 Indemnified Person: As defined in Section 3.1.

1.1.26 ISO: An Independent System Operator, as defined and approved by FERC.

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1.1.27 Kenergy: As defined in the preamble to this Agreement.

1.1.28 KPSC: Kentucky Public Service Commission.

1.1.29 MISO: The Midcontinent Independent Transmission System Operator, Inc.

1.1.30 NERC: North American Electric Reliability Corporation.

1.1.31 Party or Parties: As defined in the preamble to this Agreement.

1.1.32 Person: Any individual, corporation, cooperative, partnership, joint venture, association, joint-stock company, limited partnership, limited liability company, limited liability partnership, trust, unincorporated organization or Governmental Authority.

1.1.33 Phase Imbalance: As defined in Section 5.1.

1.1.34 Prime Rate: The then-effective prime commercial lending rate per annum published in the "Money Rates" section of *The Wall Street Journal*. If *The Wall Street Journal* discontinues publication of the prime commercial lending rate, the Parties shall agree on a mutually acceptable alternative source for that rate.

1.1.35 RTO: A regional transmission organization as defined and approved by FERC.

1.1.36 RUS: United States Department of Agriculture Rural Utilities Service.

1.1.37 SERC: SERC Reliability Corporation.

1.1.38 Specifications: As defined in Section 2.4.

1.1.39 System Disturbance: As defined in Section 5.1.

1.1.40 Transaction: As defined in the Recitals.

1.1.41 Wholesale Transmission System: As defined in Section 5.1.

1.1.42 Work: As defined in Section 2.1.

1.2 Rules of Interpretation. Unless otherwise required by the context in which any term appears: (a) capitalized terms used in this Agreement will have the meanings specified in this Article 1 unless the context requires otherwise; (b) the singular will include the plural and vice versa; (c) references to "Articles," "Recitals," "Sections" or "Exhibits" are to the articles, recitals, sections or exhibits of this Agreement, unless otherwise specified; (d) a reference to a particular Person in any capacity will be deemed to refer also to such Person's authorized agents, permitted successors and assigns in such capacity; (e) the words "herein," "hereof," "hereunder" will refer to this Agreement as a whole and not to any particular section or subsection hereof; (f) the words "include," "includes" and "including" will be deemed to be followed by the phrase "without limitation" and will not be construed to mean:

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given are an exclusive list of the topics covered; (g) references to this Agreement will include a reference to all exhibits hereto; (h) references to any agreement, document or instrument will be construed at a particular time to refer to such agreement, document or instrument as the same may be amended, modified, supplemented or replaced as of such time; (i) the masculine will include the feminine and neuter and vice versa; (j) references to any tariff, rate, or order of any Governmental Authority will mean such tariff, rate or order, as the same may be amended, modified, supplemented or restated and be in effect from time to time; (k) if any action or obligation is required to be taken or performed on any day that is not a Business Day, such action or obligation must be performed on the next succeeding Business Day; (l) references to an Applicable Law will mean a reference to such Applicable Law as the same may be amended, modified, supplemented or restated and be in effect from time to time; (m) all accounting terms not defined in this Agreement will be construed in accordance with Accounting Principles; (n) all references to a time of day shall be a reference to the prevailing time in Henderson, Kentucky; and (o) the word "or" shall not be exclusive. The Parties collectively have prepared this Agreement, and none of the provisions hereof will be construed against one Party on the ground that it is the author of this Agreement or any part hereof.

ARTICLE 2

CAPACITOR ADDITIONS

2.1 General. Century shall perform, or cause to be performed, all work and services necessary or appropriate to engineer, design, develop, procure, install, own, operate and maintain the Capacitor Additions (the "Work") in accordance with this Agreement and subject to the rights and obligations of Big Rivers and Kenergy set forth herein.

2.2 Standard of Care. Century shall perform the Work or cause the Work to be performed (a) in a professional, prudent, good and workman-like manner; (b) in a manner that minimizes to the extent commercially reasonable any adverse impact on the transmission facilities of Big Rivers; and (c) in accordance with the terms of this Agreement, all Applicable Laws, all applicable Approvals of Governmental Authorities, consents of third parties obtained by any Party necessary in connection herewith, Good Utility Practice, including all applicable (i) engineering, environmental, construction and safety codes and standards, (ii) the terms of the insurance policies of Century relating to the Capacitor Additions, and (iii) the standards, rules and regulations of any Governmental Authority. If Big Rivers or Kenergy must obtain any consent from a third party relating to the Work, Big Rivers or Kenergy, as applicable, promptly shall notify Century of the need for such consent. Century shall not be responsible for performing any Work in accordance with any such consent until such consent has been obtained and the notice has been given to Century.

2.3 Schedule of Installation and Operation. Century shall use commercially reasonable efforts to cause the Capacitor Additions to be installed and operational on or prior to the effective date of Kenergy's obligation to provide electric services to Century pursuant to the Electric Service Agreement. Failure of the Capacitor Additions to be installed and operational on or prior to such date shall not (a) affect Century's obligations hereunder, (b) result in any liability of Kenergy or Big Rivers to Century or any other Person, or (c) delay the effective date of Kenergy's or Big Rivers' obligation to provide electric services to Century pursuant to the Electric Service Agreement and the Arrangement Agreement.

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2.4 Specifications. Century shall prepare or cause to be prepared all engineering and design drawings and specifications relating to the design, installation and operation and maintenance of the Capacitor Additions, including drawings, specifications and other documents necessary to (a) illustrate the scale and relationship of the components of the Capacitor Additions; (b) fix and describe engineering, structural, mechanical and electric systems of the Capacitor Additions; and (c) complete construction of the Capacitor Additions (collectively, the “Specifications”). Century shall submit the Specifications to Big Rivers in an electronic format designated by Big Rivers for its review and comment. Big Rivers shall use commercially reasonable efforts to review the Specifications expeditiously but in all cases within seven days of Big Rivers’ receipt of the Specifications. Century shall accept and incorporate into the Specifications any comments of Big Rivers to the extent that such comments relate to compliance with the standards, rules and regulations of any Governmental Authority with jurisdiction relating to the Work.

2.5 No Approval or Reliance. Big Rivers’ review of and comments with respect to the Specifications shall not constitute: (a) approval of the proposed Work or design of the Capacitor Additions or an evaluation or determination that the Specifications meet, or the Work or the proposed Capacitor Additions will meet or comply with, Section 2.2 or are otherwise suitable for their intended purpose; or (b) a waiver of, or release of Century from, any liability for errors or omissions related to or arising out of the Specifications, the Work or the Capacitor Additions. Century shall retain all documentation applicable to the Capacitor Additions for a period of three years following the earlier of (i) cessation of operation of the Capacitor Additions or (ii) the termination of this Agreement. Century acknowledges and agrees that (A) Kenergy and Big Rivers are entering into this Agreement to accommodate Century’s desire to perform the Work based on Century’s assessment that the Capacitor Additions will serve Century’s intended purpose, (B) neither Kenergy nor Big Rivers has undertaken or will undertake any evaluation or analysis as to whether the Capacitor Additions will have the results desired by Century, (C) neither Kenergy nor Big Rivers has any duty, fiduciary or otherwise, regarding the suitability of the Work or the Capacitor Additions for their intended purpose, including whether the Work or the Capacitor Additions will meet any applicable requirements of any Governmental Authority, and (D) it is not relying on Kenergy or Big Rivers for engineering, legal, regulatory, financial or other advice but instead is seeking and will rely on the advice of its own professionals and advisors for such matters.

2.6 Certification and Seal. All engineering work performed or caused to be performed by Century pursuant to Section 2.1 requiring certification shall be certified, and all Specifications requiring sealing shall be sealed, by professional engineers licensed and properly qualified to perform such engineering services in all appropriate jurisdictions.

2.7 Location and Access. The Capacitor Additions shall be located on real property owned by Century. Neither Big Rivers nor Kenergy shall have any obligation to provide access to real estate or otherwise make available to Century any space for the Capacitor Additions or the Work.

2.8 Payments and Reimbursements. Century shall own the Capacitor Additions. Century shall directly pay for the Work and any other costs attributable to ownership of the Specifications, the Work and the Capacitor Additions. Century shall reimburse

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Kenergy for all out-of-pocket costs and expenses incurred by Big Rivers or Kenergy, as applicable, relating to the Specifications, the Work and the Capacitor Additions within ten (10) Business Days of Century's receipt from Big Rivers or Kenergy, as applicable, of an invoice setting forth such costs in reasonable detail.

2.9 Approvals. Century shall obtain, or cause to be obtained, any and all Approvals necessary for the Work, including any and all Approvals required by MISO, on or prior to the time such Approvals are required by Applicable Law to be duly obtained, given, accomplished or renewed, and all such Approvals shall be maintained in full force and effect and any conditions therein shall have been satisfied or waived. Century's obligations under this Section 2.9 shall include continuous compliance with all electric reliability standards, rules and regulations of SERC, NERC and FERC relating to the Work, including the ownership or operation and maintenance of the Capacitor Additions, or the performance of Century's obligations hereunder. Big Rivers and Kenergy shall cooperate with Century and support any requests for Approvals of Governmental Authorities required hereunder as long as Big Rivers and Kenergy have no objections to or concerns about the course of action proposed by Century with respect to any such Approval. Century shall be solely responsible for the contents of any such requests. Such cooperation shall include Big Rivers or Kenergy using reasonable commercial efforts to promptly submit on Century's behalf, if necessary, any request for such Approvals following completion thereof.

2.10 Protection of Persons and Property. Century shall be responsible for the safety and protection of its employees and agents and third parties, as well as its and their respective property, in connection with the performance of the Work. Century shall cause its employees and agents to comply with all safety programs relating to the Work. Other than due to its own gross negligence or willful conduct, neither Big Rivers nor Kenergy shall be held liable for any injury or death of any such Persons or any damage to any such personal property that may occur in connection with the performance of the Work.

2.11 Contractors. Notwithstanding any agreement with any contractor or subcontractor, as between Century, on one hand, and Big Rivers or Kenergy, on the other hand, Century is solely responsible for the Work and will not be excused from its obligations hereunder if any portion of the Work is defective, non-operational or not performed in accordance with the requirements of this Agreement. Century has complete and sole responsibility as a principal for its agents and all other Persons hired to perform or assist in performing the Work, including contractors.

2.12 No Agency. Nothing in this Agreement is intended by the Parties, and nothing in this Agreement shall be construed, to create an agency, partnership, joint venture or similar relationship between the Parties with respect to the Capacitor Additions or any Work.

2.13 Insurance. Century shall maintain (a) property insurance for the Capacitor Additions in an amount equal to the replacement cost thereof and (b) other insurance (including liability insurance) with respect to the Capacitor Additions and the Work in accordance with Good Utility Practice and Applicable Law. At the request of Big Rivers, Century shall provide information regarding the insurance program maintained by Century in connection with this Agreement, including certificates or other reasonable evidence of any require

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coverage. The insurance coverage required to be maintained hereunder shall not limit, restrict or otherwise affect Century's liabilities in connection with this Agreement.

2.14 Guarantee. Century acknowledges and agrees that (a) the Guarantee has been entered into as a condition to the entry into this Agreement by Big Rivers and Kenergy, and (b) Century shall cause a Substitute Guarantee (as defined in the Guarantee) to be entered into in the circumstances required therefor under the Guarantee.

2.15 Cessation of Smelting Operations; Survival. The Parties acknowledge and agree that (a) Century may permanently cease smelting operations at the Hawesville Smelter, including ceasing operation of the Capacitor Additions, and (b) in such case, Century's obligations under Sections 2.3, 2.4, 2.6 and 2.13, the first sentence of each of Sections 2.7 and 2.8, and Article 5 shall terminate.

ARTICLE 3

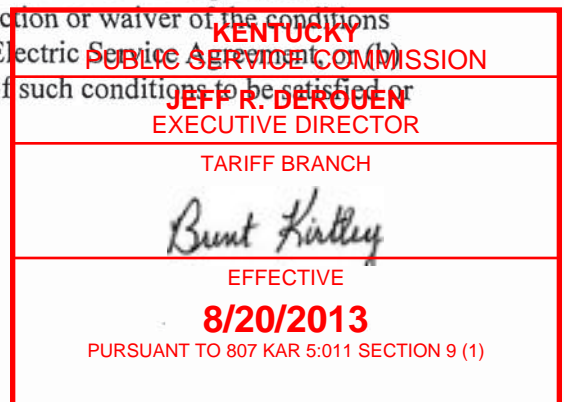
INDEMNIFICATION

3.1 Claims. In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant to this Agreement or under law or in equity, Century hereby agrees that it will pay, and will protect, indemnify, and hold harmless each of Big Rivers and Kenergy and each of its respective designees, agents and contractors, and all of their respective directors, officers and employees (each, an "Indemnified Person"), on an after-tax basis, from and against (and will reimburse each Indemnified Person as the same are incurred for) any and all losses, claims, damages, liabilities, costs or other expenses (including, to the extent permitted by Applicable Law, the reasonable fees, disbursements and other charges of counsel) to which such Indemnified Person may become subject, excluding such losses, claims, damages, liabilities, costs and other expenses due to Big Rivers' or Kenergy's gross negligence or willful conduct, whether incurred directly or incurred based on claims of third Persons, arising out of or relating to the Specifications, the Work or the Capacitor Additions, whether arising before or after the date hereof, including any or all of the following (each, an "Indemnified Liability"):

3.1.1 The execution or delivery of this Agreement, or any agreement or instrument contemplated hereby, the performance by the parties hereto or thereto of their respective obligations hereunder or thereunder, including all obligations relating to the Specifications, the Work or the Capacitor Additions;

3.1.2 Any environmental liability related to or arising out of the Work or the Capacitor Additions;

3.1.3 Any liability relating to the Capacitor Additions or this Agreement resulting from (a) entry into this Agreement prior to the satisfaction or waiver of the conditions to the obligations of Kenergy to commence service under the Electric Service Agreement or (b) failure to enter into the Electric Service Agreement or failure of such conditions to be satisfied or waived;



3.1.4 Damage to or destruction of any plant, machinery or equipment of any Person, including (a) relating to or arising out of the failure, inoperability, or unavailability for their intended purpose of, the Capacitor Additions, or (b) due to the inaccuracy, faultiness or inadequacy in any respect of the Specifications or the Work;

3.1.5 Fines, penalties or other consequences resulting from the failure of the Capacitor Additions to perform their intended purpose, including assessments of Governmental Authorities, including MISO, NERC or SERC, or the failure to obtain or maintain, or satisfy any obligations relating to, any required Approval;

3.1.6 The out-of-pocket costs to obtain any consent of a third party necessary for the performance of the Work or the obligations of the Parties hereunder; or

3.1.7 Any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing Subsections 3.1.1 through 3.1.6, whether based on contract, tort or any other theory, whether brought by any third party or by Century or otherwise, and regardless of whether any Indemnified Person is a party thereto, such Subsections 3.1.1 through 3.1.6 including, to the extent permitted by Applicable Law, the fees of counsel selected by such Indemnified Person incurred in connection with any investigation, litigation or other proceeding or in connection with the recovery of costs under the provisions of this Section 3.1.

3.2 Primary Indemnity. Except to the extent there is insurance coverage available, no Indemnified Person shall be obligated to pursue first any recovery under any other indemnity or reimbursement obligation before seeking recovery under the indemnification and reimbursement obligations of Century under this Agreement.

3.3 Payments.

3.3.1 All sums paid and costs incurred by any Indemnified Person with respect to any matter indemnified hereunder shall bear interest at the Prime Rate. Each such Indemnified Person shall promptly notify Century in a timely manner of any such amounts payable by Century hereunder; *provided*, that any failure to provide such notice shall not affect Century's obligations under this Article 3.

3.3.2 Any amounts payable by Century pursuant to this Article 3, shall be payable within the later to occur of (i) ten (10) Business Days after Century receives an invoice for such amounts from any applicable Indemnified Person, and (ii) five (5) Business Days prior to the date on which such Indemnified Person expects to pay such costs on account of which Century's indemnity hereunder is payable, and if not paid by such applicable date shall bear interest at the Prime Rate from and after such applicable date until paid in full.

3.3.3 If any portion of any amounts invoiced hereunder is disputed by Century, the disputed amount must be paid, under protest, when due. If the disputed amount is found to be incorrect, Kenergy or Big Rivers, as applicable, shall promptly cause to be refunded to Century the amount that was not then due and payable, together with interest at the Prime Rate commencing on the first day after the date of payment and accruing on each day thereafter until the date the refund is made.

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3.4 Survival. The provisions of this Article 3 shall survive termination of this Agreement and shall be in addition to any other rights and remedies of any Indemnified Person.

3.5 Subrogation. Upon payment by Century pursuant to this Article 3 of any claim under Section 3.1 in respect of any Indemnified Liability, Century, without any further action, shall be subrogated to any and all claims that the applicable Indemnified Person may have relating thereto, and such Indemnified Person shall at the request and expense of Century cooperate with Century and give at the request and expense of Century such further assurances as are necessary or advisable to enable Century vigorously to pursue such claims.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

Each Party hereby represents and warrants to each other Party as of the date hereof as follows:

4.1 Organization, Power and Authority. Such Party (a) is duly incorporated or formed, as applicable, validly existing and in good standing under the laws of its jurisdiction of formation, and is authorized to do business in the Commonwealth of Kentucky; and (b) has the requisite power and authority to conduct its business as presently conducted, to own or hold under lease its properties, and to enter into and perform its obligations under this Agreement.

4.2 Due Authorization and Enforceability. This Agreement has been duly authorized, executed and delivered by such Party, and assuming the due authorization, execution and delivery of this Agreement by each other Party, constitutes a legal, valid and binding obligation of such Party, enforceable against it in accordance with the terms hereof, except as enforceability may be limited by bankruptcy, insolvency, reorganization, arrangement, moratorium or other laws relating to or affecting the rights of creditors generally and by general principles of equity.

4.3 No Violation. The execution and delivery of this Agreement by such Party and the compliance by it with the terms and provisions hereof do not and will not (a) contravene any Applicable Law relating to such Party or its organizational documents or by-laws, or (b) contravene the provisions of, or constitute a default (or an event that, with notice or passage of time, or both would constitute a default) by it under, any indenture, mortgage or other material contract, agreement or instrument to which such Party is a party or by which it, or its property, is bound.

4.4 Approvals. Except as set forth on Exhibit B, no Approval, authorization, consent or other action by, and no notice to or filing or registration with, and no new license from, any Person (including without limitation, any Governmental Authority) or under any Applicable Law to which such Party is subject is required for the due execution, delivery or performance by it of this Agreement. There are no conditions to the effectiveness of this Agreement with respect to such Party that have not been satisfied or irrevocably waived.

4.5 Proceedings. There is no pending or, to such Party's knowledge, pending or threatened litigation, action, suit, proceeding, arbitration, investigation or audit against it by any Person before any Governmental Authority that: (a) questions the validity of this Agreement or the ability of such Party to perform its obligations hereunder, (b) affects or relates to such Party's ability to perform its obligations hereunder, (c) affects or relates to such Party's ability to perform its obligations hereunder, or (d) affects or relates to such Party's ability to perform its obligations hereunder.

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relating to the Work or the Capacitor Additions, or (c) if determined adversely to such Party, would materially adversely affect its ability to perform under this Agreement.

4.6 Independent Decision. Such Party has, independently and without reliance upon any other Party and based on such documents and information as it has deemed appropriate, made its own analysis and decision to enter into this Agreement.

ARTICLE 5

SYSTEM DISTURBANCES

5.1 General. Century shall not use the Capacitor Additions or perform the Work in such manner as to cause a "System Disturbance." A "System Disturbance" is a use of electric power and energy that directly or indirectly results in a risk of harm to any Person or material damage to or interference with the transmission system of a wholesale power supplier of Kenergy or the transmission system of Big Rivers (the "Wholesale Transmission System"), a system connected with the Wholesale Transmission System or facilities or other property in proximity to the Wholesale Transmission System, or the plant, facility, equipment or operations of any other Person served directly or indirectly from the Wholesale Transmission System. A System Disturbance includes, but is not limited to "Harmonic Distortion" and "Phase Imbalance." A "Harmonic Distortion" is a level of current harmonic total demand distortion measured at the Delivery Point that exceeds the limits on total demand distortion described in IEEE Standard 519, Section 10. A "Phase Imbalance" is a use of capacity and energy in such a manner that causes a current imbalance between phases greater than 5% at the Delivery Point.

5.2 Changes. Kenergy or Big Rivers may require and Century shall, at Century's expense, make such changes in the Capacitor Additions as may be reasonably necessary to eliminate System Disturbances. If Century's use of power and energy creates an imbalance between phases that causes a System Disturbance, and Century fails to make changes in the Capacitor Additions requested by Big Rivers or Kenergy to correct such condition, in addition to any other available remedies, Big Rivers or Kenergy may, in its determination of billing demand, assume that the load on each phase is equal to the greatest load on any phase.

ARTICLE 6

MISCELLANEOUS

6.1 Entire Agreement. This Agreement constitutes the entire agreement of the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements, whether oral or written. This Agreement may be amended only by a written document signed by each of the Parties hereto. Each Party acknowledges that it has not relied upon any representations, statements or warranties of the other Party in executing this Agreement except for those representations and warranties expressly set forth in this Agreement.

6.2 Waiver. The waiver by a Party of any breach of any term, covenant or condition contained herein will not be deemed a waiver of any other term, covenant or condition, nor will it be deemed a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein.

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TARIFF BRANCH

Brent Kirtley

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6.3 Notices. A notice, consent, approval or other communication under this Agreement must, except as otherwise provided herein, be delivered in writing, addressed to the Person to whom it is to be delivered, and must be (a) personally delivered to that Person's address (which will include delivery by a nationally recognized overnight courier service), or (b) transmitted by facsimile to that Person's address, with a duplicate notice sent by a nationally recognized overnight courier service to that Person's address. A notice given to a Person in accordance with this Section 6.3 will be deemed to have been delivered (i) if personally delivered to a Person's address, on the day of delivery if such day is a Business Day, or otherwise on the next Business Day, or (ii) if transmitted by facsimile to a Person's facsimile number and a correct and complete transmission report is received, or receipt is confirmed by telephone, on the day of transmission if such day is a Business Day, or otherwise on the next Business Day; *provided, however*, that such facsimile transmission will be followed on the same day with the sending to such Person of a duplicate notice by a nationally recognized overnight courier to that Person's address. For the purpose of this Section 6.3, the address of a Party is the address set out below or such other address that that Party may from time to time deliver by notice to the other Party in accordance with this Section 6.3:

If to Big Rivers: Big Rivers Electric Corporation
201 Third Street
Henderson, Kentucky 42420
Attn: President and CEO
Fax: (270) 827-2558

If to Kenergy: Kenergy Corp.
6402 Old Corydon Road
Henderson, Kentucky 42420
Attn: President and CEO
Fax: (270) 826-3999

If to Century: Century Aluminum Company
P.O. Box 500
State Route 271 North
Hawesville, Kentucky 42348
Attn: Plant Manager
Fax: (270) 852-2882

With copy to: Century Aluminum Company
One South Wacker Drive
Suite 1000
Chicago, Illinois 60606
Attn: General Counsel
Fax: (312) 696-3102

6.4 Dispute Resolution.

6.4.1 If a Dispute arises, a Party may request a meeting among ~~authorized~~ representatives of the Parties to discuss and attempt to reach a resolution of the

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meeting will take place within ten (10) Business Days or such shorter or longer time as agreed upon by the Parties.

6.4.2 Absent resolution of the Dispute pursuant to Section 6.4.1, and subject to a minimum amount in controversy of \$100,000.00, the Parties shall submit the matter to be settled, subject to Section 6.4.9, by binding arbitration by a tribunal of three (3) arbitrators constituted and acting under the International Arbitration Rules then in effect of the International Centre for Dispute Resolution (“ICDR”) of the American Arbitration Association (the “AAA Rules”), in accordance with the following terms and conditions:

- (a) In the event of any conflict between the AAA Rules and the provisions of this Agreement, the provisions of this Agreement shall apply.
- (b) The ICDR shall administer the arbitration.
- (c) The seat of arbitration shall be Henderson, Kentucky, unless otherwise agreed by the Parties, and the fact that hearings are held elsewhere shall not affect the seat of arbitration.

6.4.3 Subject to Sections 6.4.1 and 6.4.2, any Party may pursue any remedy available at law or equity with respect to any dispute or breach under this Agreement. Nothing in this Agreement shall expand or reduce the jurisdiction of any Governmental Authority.

6.4.4 The following procedures shall govern the selection of arbitrators:

(a) The claimant Party or Parties shall appoint one arbitrator in accordance with the AAA Rules, the respondent Party or Parties shall appoint one arbitrator in accordance with the AAA Rules within thirty (30) days after the appointment of the first arbitrator, and the two arbitrators so appointed shall appoint the third (and presiding) arbitrator in accordance with the AAA Rules within thirty (30) days after the appointment of the second arbitrator.

(b) In the event of an inability by the two Party-nominated arbitrators to agree on an arbitrator in accordance with Section 6.4.4(a), the appointing authority for the third arbitrator shall be the ICDR, acting in accordance with such rules as it may adopt for such purpose. The ICDR shall use its best efforts to appoint such third arbitrator within thirty (30) days of an application being made for such purpose.

(c) Notwithstanding Sections 6.4.4(a) and 6.4.4(b), each arbitrator selected pursuant to this Section 6.4.4 shall (i) have substantial experience in the electric utility sector, and (ii) not have been employed or been a consultant to any Party in the past.

6.4.5 The arbitration tribunal shall have the power to grant any relief that it deems just and equitable and that is in accordance with the terms of this Agreement, including specific performance and injunctive relief, whether interim or final, and any interim, provisional or conservatory measure ordered by the arbitral tribunal may be specifically enforced by any court of competent jurisdiction.

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6.4.6 The losing Party shall pay the fees and costs of the prevailing Party.

6.4.7 The award of the arbitral tribunal shall be subject to appeal or requests for rehearing pursuant to Section 6.7.

6.4.8 The award of the tribunal may be enforced by any court of competent jurisdiction and may be executed against the person and assets of the losing Party in any competent jurisdiction. For the avoidance of doubt, the Parties acknowledge and agree that a court of any jurisdiction where the assets of a Party against which enforcement is sought may be found, or a court that has subject matter jurisdiction over any proceeding to confirm or enhance the award, is a court of competent jurisdiction and venue, and the Parties irrevocably consent to the exercise of personal jurisdiction in any such court, and irrevocably waive any claim that any such jurisdiction is an inconvenient forum.

6.4.9 Except for arbitration proceedings pursuant to this Section 6.4, no action, lawsuit or other proceeding (other than proceedings for the confirmation or enforcement of an arbitration award, an action to compel arbitration or an application for interim, provisional or conservatory measures in connection with the arbitration, or to obtain documentary or testimonial evidence) shall be brought by or between the Parties in connection with any Dispute; *provided*, that, where delay in doing so could result in irreparable harm, each Party to the arbitration proceeding retains the right to seek interim, provisional or conservatory measures in accordance with Section 6.7, and any such request shall not be deemed incompatible with this Agreement to arbitrate or constitute a waiver of the right to arbitrate.

6.5 Successors and Assigns.

6.5.1 This Agreement will inure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns. No interest in this Agreement may be transferred or assigned by either Party, in whole or in part, by instrument or operation of law, without the prior written consent of the other Parties, except as provided in Section 6.5.4, and except that, subject to satisfaction of the conditions of Section 6.5.2, assignment may be made by a Party to such Person as acquires all or substantially all the assets of the assigning Party or that merges with or acquires all or substantially all of the equity of such Party. When consent is required, consent may not be unreasonably withheld, conditioned or delayed.

6.5.2 In no event may a Party assign this Agreement (including as part of a sale of all or substantially all the assets of the assigning Party or a merger with or purchase of substantially all the equity interests of such Party) (i) to any Person that does not have adequate financial capacity as demonstrated to the reasonable satisfaction of the non-assigning Parties or that would otherwise be unable to perform the obligations of the assigning Party pursuant to this Agreement, (ii) to any Person that does not agree to assume all rights and obligations of the assigning Party under this Agreement, or (iii) on any terms at variance from those set forth in this Agreement except as agreed to in writing by the Parties.

6.5.3 No permitted assignment or transfer will change the duties of the Parties, or impair the performance under this Agreement except to the extent set forth in such permitted

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assignment and approved in writing by the Parties. No Party is released from its obligations under this Agreement pursuant to any assignment, unless such release is granted in writing.

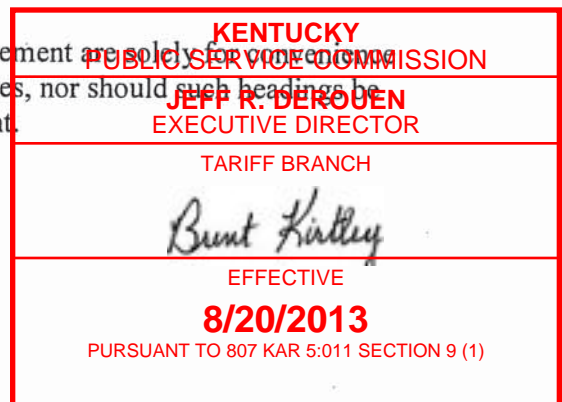
6.5.4 A Party may, without the approval of any other Party, assign this Agreement as collateral security or grant one or more mortgages (including one or more deeds of trust or indentures) on or security interests in its interest under this Agreement in connection with the general financing of its assets or operations.

6.6 Governing Law. This Agreement shall be interpreted, governed by and construed under the laws of the Commonwealth of Kentucky, without regard to its conflicts of law rules.

6.7 Jurisdiction. Subject to Section 6.4, the Parties hereby agree that the courts of the Commonwealth of Kentucky will have exclusive jurisdiction over any and all Disputes, *provided* that the subject matter of such Dispute is not a matter reserved to the U.S. federal judicial system (in which event exclusive jurisdiction and venue will lie with the U.S. District Court for the Western District of Kentucky), and the Parties hereby agree to submit to the jurisdiction of Kentucky courts for such purpose. Venue in state court actions will be in the Henderson Circuit Court as the court in which venue will lie for the resolution of any related Disputes under this Agreement. Each Party hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action, suit or proceeding as provided in this Section 6.7 and any claim that such action, suit or proceeding brought in accordance with this Section 6.7 has been brought in an inconvenient forum. Nothing in Section 6.4 or this Section 6.7 prohibits a Party from referring to FERC or any other Governmental Authority any matter properly within its jurisdiction. Nothing in this Agreement shall limit or expand the jurisdiction of any Governmental Authority over Kenergy or Big Rivers. In any proceeding hereunder, each Party irrevocably waives, to the fullest extent allowed by law, its right, if any, to trial by jury. For the avoidance of doubt, each Party hereby agrees to accept service of any papers or process in any arbitration under Section 6.4, or any action or proceeding arising under or relating to such arbitration, at the address set forth in Section 6.3, and agrees that such service shall be, for all purposes, good and sufficient.

6.8 Good Faith Efforts. The Parties agree that each will in good faith take all reasonable actions within their reasonable control as are necessary to permit each other Party to fulfill its obligations under this Agreement; *provided* that no Party will be obligated to expend money or incur material economic loss in order to facilitate performance by any other Party. Where the consent, agreement, or approval of any Party must be obtained hereunder, such consent, agreement or approval may not be unreasonably withheld, conditioned, or delayed unless otherwise provided herein. Where any Party is required or permitted to act or fail to act based upon its opinion or judgment, such opinion or judgment may not be unreasonably exercised. Where notice to any Party is required to be given herein, and no notice period is specified, reasonable notice shall be given.

6.9 Headings. The headings contained in this Agreement are solely for convenience and do not constitute a part of the agreement between the Parties, nor should such headings be used to aid in any manner in the construction of this Agreement.



6.10 Third-Party Beneficiaries. Nothing in this Agreement may be construed to create any duty to, or standard of care with reference to, or any liability to, or any benefit for, any Person not a Party to this Agreement.

6.11 No Power Sales Commitment. Nothing contained in this Agreement shall be deemed to be or create an agreement or commitment of Big Rivers or Kenergy to sell to Century, or an agreement of Century to purchase from Big Rivers or Kenergy, any electric energy or ancillary or related services, including reactive power.

6.12 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

[Signatures Follow on Next Page]



IN WITNESS WHEREOF, this Agreement is hereby executed as of the day and year first above written.

BIG RIVERS ELECTRIC CORPORATION

By: Mark A. Bailey
Name: Mark A. Bailey
Title: President and Chief Executive Officer

KENERGY CORP.

By: _____
Name: Gregory J. Starheim
Title: President and Chief Executive Officer

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: _____
Name:
Title:

KENTUCKY
PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN
EXECUTIVE DIRECTOR
TARIFF BRANCH
Brent Kirtley
EFFECTIVE
CAPACITOR AGREEMENT
8/20/2013
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

IN WITNESS WHEREOF, this Agreement is hereby executed as of the day and year first above written.

BIG RIVERS ELECTRIC CORPORATION

By: _____
Name: Mark A. Bailey
Title: President and Chief Executive Officer

KENERGY CORP.

By: *Gregory J. Starheim*
Name: Gregory J. Starheim
Title: President and Chief Executive Officer

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: _____
Name:
Title:

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i> CAPACITY AGREEMENT EFFECTIVE
8/20/2013 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

IN WITNESS WHEREOF, this Agreement is hereby executed as of the day and year first above written.


BIG RIVERS ELECTRIC CORPORATION

By: _____
Name: Mark A. Bailey
Title: President and Chief Executive Officer

KENERGY CORP.

By: _____
Name: Gregory J. Starheim
Title: President and Chief Executive Officer

CENTURY ALUMINUM OF KENTUCKY
GENERAL PARTNERSHIP

By: 
Name: Sean M. Byrne
Title: Plant Manager Hawesville

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TARIFF BRANCH  CA Brent Kirtley
EFFECTIVE 8/20/2013 PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

EXHIBIT A

CAPACITOR ADDITIONS

Consistent with the expected MISO Operating Guide, the Capacitor Additions are sized to provide the necessary voltage support for the Hawesville Smelter to operate at up to 492 MW with all units of the Coleman Generation Station idled.

OHSUSA:753707741.10

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EXHIBIT B

REQUIRED CONSENTS

No approval or consent is required, but MISO will review this Agreement as part of its verification or confirmation of the Base Load and Curtailable Load that will be permitted pursuant to the Electric Service Agreement and Attachment Y to MISO's Open Access Transmission Tariff.

OHSUSA:753707741.10

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EXECUTIVE DIRECTOR**

TARIFF BRANCH

Brent Kirtley

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