



201 Third Street  
P.O. Box 24  
Henderson, KY 42419-0024  
270-827-2561  
www.bigrivers.com

May 19, 2017

Mr. Jeff Hohn  
Kenergy Corp.  
6402 Corydon Road  
P.O. Box 18  
Henderson, KY 42419-0018

Re: Retail Electric Service Agreement  
Hartshorne Mining Group, LLC

Dear Jeff:

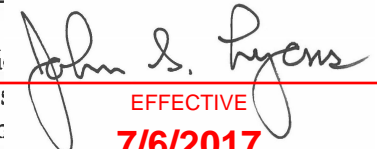
This letter agreement ("*Letter Agreement*") will evidence Big Rivers' concurrence with the terms of Kenergy's electric service agreement with Hartshorne Mining Group, LLC (the "*Retail Customer*") dated May 18, 2017, a copy of which is attached hereto as Exhibit 1 (the "*Retail Agreement*"), and the agreement between Big Rivers and Kenergy with respect thereto.

(1) **Existing Agreement and Tariffs.** The terms and conditions of the June 11, 1962, wholesale power agreement, as amended, between Big Rivers and Kenergy, and Big Rivers' filed tariffs shall continue in full force and effect except as expressly modified by this Letter Agreement.

(2) **Additional Rights and Obligations of Big Rivers.** Big Rivers shall make available to Kenergy the electric power required during the term of the Retail Agreement to perform the power supply obligations assumed by Kenergy in the Retail Agreement, and Big Rivers shall have the benefit of Retail Customer's obligations to Kenergy in such agreement. Big Rivers will supply the facilities required to deliver power to the delivery point, as defined in the Retail Agreement, and to meter electrical usage by Retail Customer.

(3) **Obligations of Kenergy.** Kenergy shall take and pay for (i) electric power and energy delivered by Big Rivers in accordance with Big Rivers' Rate Schedule LIC, or any successor to that rate schedule, with demand and energy being measured in accordance with Big Rivers' tariff, (ii) the Contract Demand stated in the Retail Agreement, and (iii) facilities charges incurred by Big Rivers in connection with extending service to the Retail Customer's delivery point, subject to paragraph 4 of this Letter Agreement. Kenergy will promptly forward to Big Rivers a copy of any notices received by Kenergy from the Retail Customer under the terms of the Retail Agreement. Kenergy agrees cooperate with Big Rivers to assure that Big Rivers receives the benefit of Retail Customer's obligations in the Retail Agreement, and to take no action that interferes with Big Rivers receiving the benefit of Retail Customer's obligations.

(4) **Obligation of Kenergy for Minimum Billing Demand Charge.** Kenergy agrees to bill Retail Customer for any minimum billing measured demand, and any termination charges or other amounts due and are related to services or facilities provided by Big Rivers. Kenergy agrees: funds actually collected under such billings, including but not limited to ar

<b>KENTUCKY PUBLIC SERVICE COMMISSION</b>	
<b>John Lyons ACTING EXECUTIVE DIRECTOR</b>	
	
<b>EFFECTIVE 7/6/2017</b>	
<b>PURSUANT TO 807 KAR 5:011 SECTION 9 (1)</b>	

respecting the Big Rivers Facilities (as those terms are defined in the Retail Agreement). The terms of this paragraph do not affect the obligation of Kenergy to pay Big Rivers in accordance with Big Rivers' tariff as and when billed for the wholesale charges for electric power and energy actually consumed by Retail Customer. Kenergy will promptly and diligently enforce its rights in the Retail Agreement, including but not limited to pursuing any rights Kenergy has against third parties in connection with a guarantee or other security provided to Kenergy by Retail Customer under the terms of the Retail Agreement.

(5) **Division of Any Partial Payments.** Kenergy will pay to Big Rivers a pro rata share of any partial payment for electric usage made to Kenergy by or on behalf of Retail Customer, and the full amount of any payments for minimum billing demand charges and termination charges related to facilities provided by Big Rivers.

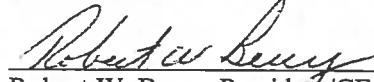
(6) **Effective Date.** This Letter Agreement will become effective upon execution by both parties, except that the obligations of Big Rivers shall not be enforceable against it unless and until (i) service pursuant to the Retail Agreement and this Letter Agreement are authorized by Kentucky Revised Statutes Chapter 278 or, if suspended by order of the Commission, are approved in writing by the Commission or otherwise become effective under the law of the Commonwealth of Kentucky, (ii) the Letter Agreement has received all reviews and approvals from the Rural Utilities Service ("RUS") required by Big Rivers' credit agreements, and (iii) the items of security for Retail Customer's obligations provided for in Sections 7C and 7D of the Retail Agreement have been delivered and are in full force and effect. Big Rivers will provide Kenergy written notice when the required reviews and approvals of RUS have been received.

(7) **Entire Agreement and Amendment.** This Letter Agreement represents the entire agreement of the parties on the subject matter herein, and cannot be amended except in writing, duly authorized and signed by Big Rivers and Kenergy. The Retail Agreement shall not be amended without the advance written approval of Big Rivers. Big Rivers shall have the right to approve the terms and issuer(s) of the letter(s) of credit contemplated by the Retail Agreement to secure the obligations of the Retail Customer for minimum demand charges and termination charges.

If this Letter Agreement is acceptable to Kenergy, please indicate that acceptance by signing in the space provided and returning four signed counterparts to us.

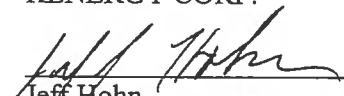
Sincerely yours,

BIG RIVERS ELECTRIC CORPORATION

  
Robert W. Berry, President/CEO

ACCEPTED:

KENERGY CORP.

  
Jeff Hohn  
President/CEO

Date: May 23, 2017

**KENTUCKY  
PUBLIC SERVICE COMMISSION**

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7/6/2017**

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