

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT dated as of the 2nd day of September, 2005 by and between the CITY OF HENDERSON UTILITY COMMISSION (d/b/a Henderson Municipal Power & Light), a body corporate and politic organized pursuant to KRS 96.530 ("Supplier") and KENERGY CORP., a Kentucky corporation organized under KRS Chapter 279 ("Kenergy").

RECITALS:

1. Supplier and Kenergy entered into an Agreement for Tier 3 Energy dated September 30, 2004 ("Tier 3 Agreement") pursuant to which Supplier agreed to sell to Kenergy and Kenergy agreed to purchase for resale to Alcan Primary Products Corporation ("Alcan") certain volumes of electric energy ("Tier 3 Energy");
2. Supplier and Kenergy now desire to terminate the Tier 3 Agreement as of September 2, 2005; and
3. Alcan has consented to termination of the Agreement .

NOW, THEREFORE, for valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Supplier and Kenergy agree that the Tier 3 Agreement is hereby terminated as of midnight September 2, 2005. Thereafter Supplier shall have no obligation to deliver Tier 3 Energy and Kenergy shall have no obligation to receive and pay for Tier 3 Energy.
2. Supplier and Kenergy agree that the obligations of each party to the other under the Tier 3 Agreement have been fully satisfied, and each party hereby releases the other from any and all claims, expense, liability or cause of action arising out of or in connection with the Tier 3 Agreement.

WITNESS the signature of the parties as of the date hereinabove first written.

CITY OF HENDERSON UTILITY COMMISSION

By: Mary De Baur

Title: Interim General Manager

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
12/9/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By: [Signature]
Executive Director

KENERGY CORP.

By: Mark A. Bailey
Mark A. Bailey
President and CEO

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
12/9/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)


By: [Signature]
Executive Director

CONSENT

Alcan Primary Products Corporation ("Alcan") hereby consents to the Termination Agreement dated as of September 2, 2005 by and between Kenergy Corp. and City of Henderson Utility Commission pursuant to which the Agreement for Tier 3 Energy dated September 30, 2004 between said parties for the benefit of Alcan shall be terminated as of midnight on September 2, 2005.

Dated: September 2, 2005

ALCAN PRIMARY PRODUCTS CORPORATION

By: 
Pam Schneider
Treasurer

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
12/9/2005
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By: 
Executive Director