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AGREEMENT

DATED JANUARY 13, 1967

BETWEEN

GREEN RIVER RURAL ELECTRIC COOPERATIVE CORPORATION
OWENSBORO, KENTUCKY

AND

SOUTHWIRE COMPANY
CARROLLTON, GEORGIA

JAN 13 1967

U. S. DEPARTMENT OF AGRICULTURE
RURAL ELECTRIFICATION ADMINISTRATION

REA BORROWER DESIGNATION Kentucky 33 Division

THE WITHIN Agreement for Electric Service dated

January 13, 1967, with the Southwire Company

SUBMITTED BY THE ABOVE DESIGNATED BORROWER PURSUANT TO THE
TERMS OF THE LOAN CONTRACT, IS HEREBY APPROVED SOLELY FOR THE
PURPOSES OF SUCH CONTRACT.



FOR THE ADMINISTRATION

DATED

JAN 17 1967

AGREEMENT FOR ELECTRIC SERVICE

This Agreement made and entered into this 13th day of January, 1967, by and between GREEN RIVER RURAL ELECTRIC COOPERATIVE CORPORATION, a Kentucky Corporation, of Owensboro, Kentucky, hereinafter referred to as "Cooperative" and SOUTHWIRE COMPANY, a Georgia Corporation, hereinafter referred to as "Customer".

WHEREAS, the Cooperative presently provides electric service to and within Hancock County, Kentucky, hereinafter referred to as the "Cooperative Service Area", and

WHEREAS, Customer proposes to construct and operate an Aluminum Reduction Plant, and other manufacturing facilities (hereinafter called "Reduction Plant") in Hancock County, Kentucky, and

WHEREAS, Customer desires to purchase from Cooperative and Cooperative desires to sell and deliver, subject to the terms of this Agreement, all electric power and energy to be used by Customer in the Reduction Plant;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

1. General Obligations. Cooperative shall supply firm power which Cooperative assures as being continuously available to the Customer to meet its load requirements as specified in Contract Demands, (Section 18 hereof) and Customer shall take and pay for all the electric power and energy required for the operation of the Reduction Plant at the rates and on the terms and conditions hereinafter specified. None of such electric power and energy shall be resold to third parties
2. Characteristics of Service and Point of Delivery. Electric service to be supplied by Cooperative to Customer under this Agreement shall be three-phase, sixty cycle at 161,000 volts to be delivered at the Coleman Substation of Big Rivers Rural Electric Cooperative Corporation (hereinafter

referred to as "Big Rivers"), in Hancock County, Kentucky, or at such other point of delivery as may be mutually agreed upon.

Regulation of voltage shall be within such limits as shall be mutually agreed between the parties hereto, and within the limits prescribed by the applicable rules and regulations of the Public Service Commission of Kentucky.

3. Facilities to be Provided by Customer. (a) Customer will provide or cause to be provided (without cost to Cooperative), all easements for rights-of-way upon Customer's property at the Reduction Plant (At such locations and of such dimensions as may be mutually agreed upon) for Cooperative's or Cooperative's power supplier, Big Rivers transmission lines operating at 12,470 volts and higher.

(b) Customer shall furnish and install, or cause to be furnished or installed, such facilities and equipment as may be necessary to enable it to receive and use electric power and energy purchased hereunder at and from the point of delivery, including such protective devices as may be reasonably necessary to protect the systems of the Cooperative and Big Rivers from disturbance to such systems caused by Customer.

Plans for equipment to be installed for such protection of the facilities of the Cooperative or Big Rivers shall be submitted to the Cooperative for prior approval.

4. Facilities to be Provided by Cooperative. Cooperative shall furnish and install, or cause to be furnished and installed, all of the facilities required for the delivery of power to the point of delivery.

5. Operation and Maintenance of Facilities. Cooperative will operate maintain or cause to be operated and maintained all of the facilities owned by the Cooperative or Big Rivers. Customer will operate and maintain all of the transmission lines, substation facilities, and equipment owned by it.

6. Construction Standards. Cooperative and Customer shall construct and maintain its transmission facilities in accordance with standard electric utility practices of the National Electric Safety Code of the United States Bureau of Standards, and applicable codes, rules, and regulations of the Public Service Commission of Kentucky.

7. Right of Access. Each party grants to the other party and to Big Rivers right of access to their respective premises to install, maintain, operate, repair, and renew any and all equipment, apparatus, and devices owned by such other party and necessary in the performance of this Agreement.

8. Right of Removal. Any and all equipment, apparatus, devices or facilities placed or installed, or caused to be placed or installed, by either of the parties hereto or by Big Rivers on or in the premises of the other party shall be and remain the property of the party owning and installing such equipment, apparatus, devices or facilities regardless of the mode or manner of annexation or attachment to real property of the other and upon the termination of this Agreement the owner thereof shall have the right to enter upon the premises of the other and shall within a reasonable time remove such equipment, apparatus, devices or facilities

9. Rates. Customer agrees to pay monthly for the power and energy hereunder in accordance with the following rate schedules:

(A) Monthly Rate applicable from January 1, 1969 through ~~July~~ 31, 1970:

First 5000 KW of Billing Demand at \$2.00 per kilowatt
Next 15000 KW of Billing Demand at \$1.35 per kilowatt
All kilowatts of Billing Demand in excess of 20,000 at \$0.00 per kilowatt
Plus an energy charge:

(a) For the first 31,000,000 KWH per month of:

(I) 4.0 mills per kilowatt hour for the first 200 KWH per kilowatt of Billing Demand

(II) 2.5 mills for all KWH over 200 hours per kilowatt of Billing Demand to apply to any portion of the first 31,000,000 KWH not used by application of subparagraph (I) above

(b) For all kilowatt hours over 31,000,000 of:

2.0 mills per kilowatt hour

Qth AUGUST

(B) Monthly Rate Applicable after July 31, 1970:

First 20,000 kilowatts of Billing Demand at \$1.35 per kilowatt.
All kilowatts of Billing Demand in excess of 20,000 at \$0.60 per kilowatt

Plus an energy charge:

- (a) For the first 31,000,000 KWH per month of:
 - (I) 3.5 mills per kilowatt hour for the first 250 KWH per kilowatt of Billing Demand.
 - (II) 2.4 mills for all KWH over 250 hours per kilowatt of Billing Demand to apply to any portion of the first 31,000,000 KWH not used by application of subparagraph (I) above
- (b) For all kilowatt hours over 31,000,000 of:
 - 2.0 mills per kilowatt hour

10. Billing Demand. The Billing Demand in kilowatts shall be Customer's Maximum integrated thirty-minute demand during each billing month, determined by meters which will record on tape at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty-minutes, or the Contract Demand, whichever shall be the greater.

11. Fuel Adjustment. The energy charge shall be increased or decreased at the rate of 0.01 mills per kilowatt hour for each 0.1 cent, or fraction thereof, by which the weighted average delivered cost of fuel burned during each month in Big Rivers' thermal generating plants exceeds or is less than 15.6 cents per million BTU. The delivered cost of fuel shall be the net cost invoiced to Big Rivers by its coal suppliers.

12. State Sales Tax. The sales tax of the State of Kentucky is not included in the above rates but, if applicable will be paid by Customer.

13. Tax Adjustment. There shall be added to or subtracted from the monthly demand charge the following adjustment to reflect changes in taxes imposed on Big Rivers:

(a) In ad valorem taxes:

$$\$0.045 \frac{A}{(0.0024)} - \$0.045 \text{ per kilowatt of Billing Demand.}$$

WHERE: A equals the ratio of total ad valorem taxes imposed on Big Rivers for the preceding year to the average total plant investment of Big Rivers for such year.

(B) In pay roll taxes paid by Big Rivers:

\$0.01 $\frac{B}{(0.048)}$ - \$0.01 per kilowatt of Billing Demand.

WHERE: B equals the ratio of payroll taxes imposed upon Big Rivers during the preceding month to the total payroll of Big Rivers for such month. and

(C) In the proportionate share of any other taxes imposed on Big Rivers allocated equitably among all customers of Big Rivers. If, in Cooperative's judgment, it is not feasible to determine the relationship of any tax imposed to service to Customer, the total of such tax imposed shall be deemed to be assignable to sales to Customer and to others in proportion to the relationship of gross revenues from classes of service affecting or being affected by such taxes.

14. Labor Cost Adjustment. The monthly demand charge shall be increased or decreased by 0.05¢ per kilowatt for each full cent by which the average hourly earnings of production workers on Electric Companies and Systems as reported by the U.S. Department of Labor, Bureau of Labor Statistics, exceeds or is less than \$3.22 per hour for the preceding calendar year.

15. Power Factor. Customer shall maintain a power factor at the point of delivery as nearly as practicable to unity. The power factor shall not be allowed to fall below 0.90 leading or lagging with respect to power delivered hereunder.

16. Reductions in Cost of Service. Cooperative is a non-profit Kentucky corporation and Customer will benefit from any savings or reductions in cost of service in the same manner as any comparable customer authorized by the Kentucky Revised Statutes, and by Cooperative's Articles of Incorporation.

poration and Bylaws as now in effect; provided, however, that Cooperative's board of directors may defer retirement of so much of the capital credited to patrons for any year which reflects capital credited to the Cooperative by a wholesale power supplier until such supplier shall have retired such capital credited to the Cooperative. Customer shall not participate in Cooperative's capital credit existing at the effective date of this Agreement, but shall participate in Cooperative's capital credits accruing from and after such effective date as authorized by the Kentucky Revised Statutes, Cooperative's Articles of Incorporation and Bylaws. In addition, Cooperative will extend to Customer the capital credits accruing to Cooperative from Big Rivers and attributable to service to Customer hereunder. Capital credits shall be promptly distributed to Customer in accordance with the Kentucky Revised Statutes, Cooperative's Articles of Incorporation and Bylaws and subject to such requirements as may be imposed by Rural Electrification Administration; and Cooperative will endeavor to obtain the agreement of Big Rivers to similarly distribute its capital credits.

17. Electric Disturbances and Phase Balancing. Customer shall not use the energy delivered under this Agreement in such manner as to cause electric disturbances which may be reasonably expected to (A) cause damage to or interference with Cooperative's system, systems connected with Cooperative's system, or facilities or other property in proximity to Cooperative's system; or (B) prevent Cooperative from serving other purchasers satisfactorily.

Cooperative may, at any time during the term of this Agreement, notify Customer (as provided in Section 28 hereof or by oral or written notice to Customer's plant management in Hancock County, Kentucky) of any such disturbances and, before attempting to take any other action,

shall afford Customer a reasonable time and opportunity, under the circumstances involved, to correct or suppress the disturbances. If Customer does not so correct or suppress the disturbances, then Cooperative may suspend or discontinue service (but only to the extent appropriate). Cooperative may, at any time during the term of the Agreement, require Customer to make such changes of its system as are necessary so that Customer's thirty-minute integrated demands on one phase at point of delivery for any half-hour shall not exceed the integrated demand on any other phase at such point for the same half-hour by more than ten percent (10%).

Any suspension or discontinuance of service which becomes necessary by reason of a violation of this section shall not relieve Customer from its obligation to pay Cooperative the monthly charges as specified herein

18. Contract Demands. (1) Customer's contract demand during the period commencing September 1, 1969 and ending ~~July~~ ^{AUGUST} 31, 1970 shall be 100,000 kilowatts. *RR.*

(2) Commencing ~~August~~ ^{SEPTEMBER} 1, 1970 the Contract Demand shall be 230,000 kilowatts, except as provided in subsection (3) of this Section 18 and in Section 30 hereof, and Cooperative shall not be obligated to deliver power and energy in excess of the Contract Demand, except as provided in Section 20 hereof

(3) Customer may reduce the aforesaid Contract Demand of 230,000 kilowatts in blocks not to exceed 25,000 kilowatts, effective August 1, 1980, and thereafter, by giving Cooperative written notice of not less than 36 months before the date Customer wishes such reduction to become effective. Not more than one reduction shall be made in any three-year period.

19. Minimum Bill. All electric power and energy supplied under this Agreement shall be at the rate specified in Section 9 hereof (subject to adjustment pursuant to Sections 11 through 14 hereof, inclusive), but in no event shall the monthly charge for service hereunder be less than:

- (A) \$ 1.35 per kilowatt of Billing Demand for the period commencing July 1, 1969 and ending July 31, 1970, and
- (B) \$1.35 per kilowatt of Billing Demand after July 31, 1970;

The foregoing monthly charges shall, in each instance, be subject to adjustment pursuant to Sections 12 through 14 hereof, as provided in Section 18 above, plus the cost of fuel actually expended during such month to serve Customer.

20. Notice of Load Changes. Customer will give Cooperative notice, as far in advance as practicable, of Customer's day by day load requirements, and any anticipated change in load conditions or characteristics. In the event Customer desires to use capacity in excess of the Contract Demand (as provided in Section 18), it may take such excess capacity, if in the sole discretion of Cooperative such excess capacity is available to Cooperative, under the rates, terms and conditions of Section 9 through 14 hereof, upon Customer giving Cooperative at least twenty-four (24) hours notice of its excess requirements, and the period of time for which it desires such excess capacity to be scheduled.

21. Metering. Cooperative will install, maintain and operate the metering equipment which is to be located at the point of delivery. Cooperative shall have the option of metering at (A) 161,000 volts, or (B) metering at 18,000 volts with compensation for transformation. Each meter used under

this Agreement shall be read on the last day of each month (or such other date as may be mutually agreed upon) by a representative of the Cooperative, and may be simultaneously read by representative of the Customer if the Customer so elects. Once each 12 months Cooperative will make such tests and inspections of the meters as may be necessary to maintain them at the highest practical commercial standard of accuracy. If periodic tests show that a meter used for billing is accurate within 1% slow or fast, no correction shall be made in the billing to the proper party for the period during which the parties agree that the inaccuracy existed. The Cooperative will make additional tests of meters at the request and expense of the Customer and in the presence of Customer's representative. In all other respects meters shall be installed, operated, maintained and tested in accordance with the Rules and Regulations of the Public Service Commission of Kentucky.

22. Force Majeure. (a) In the event either party shall be unable, wholly or in part, by force majeure to carry out its obligations, on such party's giving notice and reasonably full particulars of such force majeure first by telephone and then confirmed in writing or by telegraph, to the other party within a reasonable time after the occurrence of the cause relied on, then the obligations of the parties, to the extent that they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period, except as follows:

(b) If Cooperative's ability to make power available to Customer in the amount provided by this contract is interrupted or curtailed for a period longer than 5 consecutive minutes because of force majeure, for the period of and to the extent of such interruption or curtailment,

the rates and charges for service hereunder shall be reduced as follows:

(1) The Billing Demand, the number of kilowatts in each block of demand, and the number of kilowatt-hours in each energy block (except for the final energy block) will be reduced by the ratio of A to B where: A equals the product of the capacity in kilowatts Cooperative is unable to deliver because of force majeure times the number of full minutes such capacity was not available, and B equals the product of the Billing Demand times the total number of minutes in the billing period.

(2) The minimum bill provided in Section 19 shall not apply.

(c) If Customer's ability to operate one or more of the potlines in its Reduction Plant is interrupted for a period of 24 or more consecutive hours because of force majeure suffered by Customer at its Reduction Plant, Customer shall pay for power and energy supplied hereunder at rates provided in Sections 9 through 14 and 19 hereof for the period and to the extent of such interruption; except that:

(1) The Billing Demand shall be reduced by the ratio of C to D where: C equals the product of the capacity Customer is unable to take by virtue of force majeure multiplied by the number of full days Customer is unable to take such capacity, and D equals the product of billing demand as defined in section 10 hereof multiplied by the number of full days in the billing period; and

(2) The charges provided in section 19 hereof shall be reduced to \$1.00 per kilowatt for each kilowatt by which the Billing Demand was reduced in accordance with the formula above.

(d) In the event Customer is unable to receive and utilize capacity hereunder because of force majeure, the parties shall agree on the length of time required to remove such inability and Cooperative, upon request of Customer, will use its best efforts to sell such capacity and associated energy to other parties for such period of time, and upon written approval of any such sale by Customer, Cooperative shall apply all revenues derived from such sale, in excess of the cost of fuel consumed and other direct costs associated with such sale, as a credit to the extent of the minimum bill applicable because of force majeure as provided in paragraph (c) above.

(e) The term "force majeure", as used herein, shall mean acts of God, strikes, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of the Government, whether Federal, State, or local, civil or military, civil disturbances, explosions, breakage of or accident to machinery, equipment or transmission lines, inability of either party hereto to obtain necessary materials, supplies, or permits due to existing or future rules, regulations, orders, laws or proclamations of governmental authorities (whether Federal, State, or local) including both civil and military, and any other forces which are not reasonably within the control of the party claiming suspension.

(f) The party unable to perform its obligations hereunder by reason of force majeure shall remedy such inability with all reasonable dispatch.

24. Payment of Bills. Electric power and energy furnished hereunder shall be paid for at the office of the Cooperative monthly within fifteen (15) days after the bill therefor is mailed to the Customer. If the Customer shall fail to pay any such bill within such fifteen-day period,

the Cooperative may discontinue delivery of electric power and energy hereunder upon fifteen (15) days' written notice to the Customer of its intention to do so. Such discontinuance for non-payment shall not in any way affect the obligations of the Customer to pay the minimum bill.

25. Effective Date and Required Approvals. This Agreement shall become fully effective and binding upon its execution by the parties hereto. It is understood and agreed, however, that performance hereunder by Cooperative of the within Agreement is conditioned upon Cooperative and Big Rivers obtention of the following:

(A) Approval of this contract by the Administrator of the Rural Electrification Administration of the United States and the granting of a loan and disbursement of funds thereunder for construction of the proposed power facilities in Hancock County, Kentucky, including all necessary transmission and substation facilities, as may be necessary to fulfill the requirements of this Agreement, and

(B) Final and unreviewable approval and authority from the Public Service Commission of Kentucky of this Agreement together with Certificates of Convenience and Necessity to construct the power facilities in Hancock County, Kentucky, as herein proposed, including all necessary transmission and substation facilities as may be required in order to fulfill the requirements of this Agreement.

26. Term. This Agreement shall remain in full force and effect until December 31, 1996, provided, however, Customer shall have the exclusive right and option to extend this Agreement for a further term of five (5) years commencing at the expiration of the original term, under the same terms and conditions as provided herein, by giving written notice to Cooperative not later than December 31, 1991. Should Customer elect

to extend the term of this Agreement for an additional term of five (5) years, then in like manner it shall have the further option to extend the same for a second additional term of five (5) years commencing at the expiration of the first extended term on December 31, 2001, under the terms and conditions herein set forth, provided that notice of the exercise of such option shall be given by Customer to Cooperative not later than December 31, 1996. At the expiration of the original term or if extended, then at the expiration of any extension thereof, this Agreement shall remain in effect until terminated by either party giving the other party not less than five (5) years notice in writing of its intent to terminate this Agreement.

27. Remedies of the Parties. Except as otherwise provided herein nothing contained in this Agreement shall be construed to abridge, limit, or deprive either party of any means of enforcing any remedy either at law or at equity for the breach of any of the provisions herein.

Waiver at any time by either party of rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any subsequent default or matter.

28. Notices. Any written notice, demand or request required or authorized under this Agreement shall be deemed properly given to or served on the Cooperative if mailed to it: Green River Rural Electric Cooperative Corporation, P. O. Box 709, Owensboro, Kentucky. Any such notice, demand or request shall be deemed properly given to or served on the Customer if mailed to: Southwire Company, P. O. Box 1000, Carrollton, Georgia, 30117.

Each party shall have the right to change the name of the person or location to whom or where the notices are to be given or served by notifying the other party, in writing, of such change.

29. Reports and Information. Each party hereto shall furnish to the other such reports and information concerning its operations as the other party may reasonably request from time to time.

30. Future Energy Requirements. If during the term of this Agreement, Customer requires additional quantities of electric energy, beyond those referred to in this Agreement, it shall first negotiate with Cooperative as to any such future load requirements before negotiating with any other supplier of electric energy. Should Customer at any time notify Cooperative that it desires to negotiate as to such future load requirements, Cooperative agrees that it will expeditiously do so and will exercise its best efforts to agree upon reasonable terms as to rates and conditions of service.

If Customer and Cooperative fail to reach agreement on future additional load requirements, Customer may purchase, or otherwise obtain, such additional

power from other sources, provided, however the maximum demand and load factor supplied by the Cooperative under this Contract is not reduced thereby, and such additional power is metered separately.

31. Successors in Interest. The terms and conditions of this Agreement shall inure to and be binding upon the parties together with their respective successors and assigns. The Customer may, at its election, assign or transfer this Agreement to any subsidiary or affiliate of Customer which may become engaged in the operation of the Reduction Plant; and, in such event, if such assignee or transferee shall assume all obligations or responsibilities of Customer under this Agreement, then Customer shall become only secondarily liable for such obligations and responsibilities.

32. Entire Agreement. The terms, covenants and conditions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations or agreements, either verbal or written, between the parties hereto with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused their names to be hereunto subscribed by their representatives thereunto duly authorized as of the day and year first above written.

ATTEST:

GREEN RIVER RURAL ELECTRIC COOPERATIVE CORPORATION

BY

JR Miller

ATTEST:

Margaret Sample
Margaret Sample, Secretary

SOUTHWIRE COMPANY

BY

Roy Richards
Roy Richards, President

John C. Chandler, Jr.
Assistant Vice President