

*Revised
July 31, 1958
shreding*

C O N T R A C T

This contract made and entered into this the first day of December, 1955, by and between KENTUCKY UTILITIES COMPANY, a Kentucky corporation with its principal office and place of business in Lexington, Kentucky, party of the first part, hereinafter called "Kentucky", and FLEMING-MASON RURAL ELECTRIC COOPERATIVE CORPORATION, a Kentucky corporation with its principal office and place of business in Flemingsburg, Kentucky, hereinafter called "Fleming-Mason", party of the second part, witnesseth:

WHEREAS, Kentucky has heretofore entered into a contract for the furnishing of electric service to Texas Eastern Transmission Corporation, of Shreveport, Louisiana, at said Corporation's pump station near Owingsville, Bath County, Kentucky, Said Contract being dated June 20, 1955, and a true copy thereof being attached to this contract and made a part hereto the same as if fully copied and set out at length herein, and

WHEREAS, Kentucky has heretofore commenced but has not yet completed the construction of a transmission line from the transmission line of East Kentucky Rural Electric Cooperative Corporation, in Bath County, to said pump station of the Texas Eastern Transmission Corporation for the purpose of transmitting electrical energy from the transmission line of said East Kentucky Rural Electric Cooperative Corporation to said customer's pump station for the purpose of fulfilling the contract dated June 20, 1955, above referred to, and

WHEREAS, It is the desire and intention of the parties hereto for Fleming-Mason to take over the completion of said transmission line to said customer's pump station, and to tap and make the connection with the transmission line of the East Kentucky Rural Electric Cooperative Corporation, above referred to, and to take over the performance of the obligation and duties of Kentucky under said contract dated June 20, 1955, above referred to.

NOW, THEREFORE, in consideration of the foregoing, and in further consideration of the mutual promises and agreements hereinafter set forth, it is contracted and agreed between the parties hereto as follows:

1. Kentucky will, as quickly as practicable, transfer and assign to Fleming-Mason the easements over and across which the transmission line from East Kentucky Rural Electric Cooperative Corporation to said Texas Eastern Transmission Corporation's pump station are being constructed and will be constructed, together with all transmission line facilities already erected upon said easements by Kentucky.
2. Fleming-Mason will promptly pay to Kentucky all monies expended or incurred by Kentucky to the date of this contract for the acquisition of the above mentioned easements, and the construction of such transmission line facilities as have already been done by Kentucky.
3. Fleming-Mason will complete, as soon as practicable, the construction of said transmission line facilities, and will cause same to be tapped to the transmission line of East Kentucky Rural Electric Cooperative Corporation, and do all things necessary in order to

commence proper service to Texas Eastern Transmission Corporation's pump station, above referred to. Said work to be done in a proper and workmanlike manner, and according to approved methods of transmission line construction.

4. Immediately upon the completion of said facilities Fleming-Mason will commence to furnish electric service to said Texas Eastern Transmission Corporation's pump station, and during the life of said contract dated June 20, 1955, above referred to will perform all of the duties and obligations of said contract for and on behalf of Kentucky.

5. Fleming-Mason agrees and binds itself to maintain said transmission line facilities at its own expense, and without expense or cost to Kentucky, and, in the event of any breakdown or disruption of service, will proceed with all possible dispatch to repair said facilities so that proper service may be resumed thereon. If, for any reason, Fleming-Mason is unable to proceed promptly with the repair of such transmission line facilities so as to enable service to be promptly and properly resumed, Kentucky shall have the right, after notice to Fleming-Mason, to proceed with its own crews and workmen to repair such facilities, so that such service may be promptly and properly resumed. In such case when Kentucky has undertaken such repair work, Fleming-Mason will permit Kentucky's crews to complete said work, unless by agreement between said parties Kentucky's workmen and crews are withdrawn, and Fleming-Mason's workmen and crews take over. Fleming-Mason binds itself further to promptly pay to Kentucky, when billed therefor, for the actual expense of Kentucky in making such repairs.

6. It is understood between the parties that Fleming-Mason will purchase electric power from East Kentucky Rural Electric Cooperative Corporation at the point of connection with said East Kentucky's transmission line above referred to, for the purpose of servicing said Texas Eastern Transmission Corporation's pump station. Fleming Mason will furnish Kentucky, each month, with meter readings as shown on a meter to be placed upon the premises of Texas Eastern, above referred to, showing the amount of electrical energy furnished to said Texas Eastern Transmission Corporation at the point of service, together with other information necessary for billing said customer according to the terms of the contract, copy of which is attached hereto, and Kentucky will thereafter promptly bill Texas Eastern Transmission Corporation at the rate set forth in the contract, attached hereto and above referred to, and upon receipt of payment from Texas Eastern Transmission Corporation will, after deducting from said monthly payment the sum of \$10.00 for the cost of billing and handling same, promptly transmit the balance of the amount so received to Fleming-Mason.

7. It is understood and agreed between the parties hereto that the effective term and life of this contract shall continue so long as the contract between Kentucky and Texas Eastern Transmission Corporation, dated June 20, 1955, copy of which is attached hereto, shall continue in force and effect, either upon its original term or any extension thereof, but it is further agreed and understood between the parties that Kentucky shall not be obligated upon the termination of this contract for any reason to repurchase the easements or the transmission line facilities constructed by the parties for the purpose of serving the said Texas Eastern Transmission Corporation's pump station, above referred to.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their duly authorized representatives this the day and year first above written.

KENTUCKY UTILITIES COMPANY

By (S)
W.H. Skinner, Vice President

ATTEST:

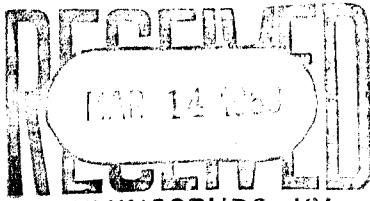
(S)
G.M. Kilgus, Assistant Secretary

FLEMING-MASON RURAL ELECTRIC
COOPERATIVE CORPORATION

By (S)
Frank L. Hinton, President

ATTEST:

(S)
Lutie Whaley, Secretary



FLEMINGSBURG, KY.

CONTRACT FOR ELECTRIC SERVICE

K.U. Office _____

Route No. _____

Acct. No. _____

This contract and agreement made and entered into this 20 day of June 1955 by and between the KENTUCKY UTILITIES COMPANY, hereinafter called "Company" and Texas Eastern Transmission Corp., Shreveport, Louisiana hereinafter called "Customer".

Witnesseth: For a period of five (5) years, beginning when service is available Date 12/30/55 and subject to the Company's general Rules and Regulations or Terms and Conditions, the Company will sell and deliver to Customer at Customer's Pump Station near Owingsville, Ky. and Customer will receive and pay for electric energy for the operation of auxiliary equipment. If Customer continues service after the expiration of the above period this contract automatically will be renewed in accordance with provisions of the rate schedule.

The energy will be delivered as 3 phase, 60 cycle, alternating current of a nominal voltage of 480 volts at the point of delivery and in the amount of approximately kilowatts, consisting of 197 Horse Power Power and 30 KW Lighting, and 107 KW heating.

All energy taken under this agreement will be measured as Secondary Service.

The Customer may from time to time cause to be increased the amount of energy to be delivered hereunder by making written request upon the Company, stating the amount of additional energy desired, such request to be made at least 90 days prior to the time such additional energy is required by the Customer.

Each month the Customer will pay to the Company at its office, within 10 days of rendition of bills, for all energy delivered to the Customer during the preceding month or bi-month determined in accordance with rate schedule number LP, which is made a part of this contract. The minimum bill will be as provided in the rate schedule but not less than \$8,400.00 a Annually.

A "month" or "bi-month" as used in this contract will mean the period between any two consecutive regular readings by the Company of the meters at the Customer's premises, such readings to be taken as nearly as may be practicable every thirty days for "month" or every 60 days for "bi-month".

Where rate schedule has optional clause and/or service is metered at other than delivered voltage, and/or minimum other than standard minimum is required, give explanation hereon.

RULES AND REGULATIONS

It is mutually agreed that the Company's general Rules and Regulations or Terms and Conditions and rate applicable to the service supplied hereunder, which are on file with the Public Service Commission of Kentucky, are made a part of this contract as fully as if written herein.

In Witness Whereof, the parties hereto have caused this contract to be executed by these duly authorized representatives this day and year shown above.

KENTUCKY UTILITIES COMPANY

Texas Eastern Transmission Corp. Customer

By (S) _____

By (S) _____

Division Manager Official Capacity

Vice President Official Capacity

Attest: _____

Attest: _____

(S) Asst. Secretary

KENTUCKY UTILITIES COMPANY
INCORPORATED

P. S. C. No. 3

ELECTRIC RATE SCHEDULE

L.P.

Billing Code No. 56

Combined Lighting and Power Service

APPLICABLE: In all territory served by the Company.

AVAILABILITY

This rate schedule is available for secondary, primary or transmission line service on an annual basis for lighting and/or heating and/or power where no class rate is available.

It is optional with the customer whether service will be billed under this schedule for the entire requirements, or under various other schedules applicable to the various services. The customer having selected this schedule will continue to be billed under it for not less than twelve (12) consecutive months, unless there should be a material and permanent change in the customer's service.

CHARACTER OF SERVICE

The electric service furnished under this rate schedule will be 60 cycle, alternating current. The nominal secondary voltages delivered from load centers and the phase are as follows: Single phase, 120 volts, two wire, or 120/240 volts, three wire, or 120/208Y volts, three wire where network system is used. Where company has three phase service available, such service will be supplied at 240, 480 volts, or 208 Y volts when delivered from network system. The nominal primary voltages of company where available are 2400, 4160 Y, 7200, 8320 Y and 12,470 Y.

RATE**Maximum Load Charge**

Secondary Service at nominal voltages of 120/240/440 or 208Y as available.

\$1.50 per kilowatt of the maximum load in the month, but not less than \$180.00 per year.

Primary Service at nominal voltages of 2400, 4160 Y, 7200, 8320 Y and 12,470 Y as available.

\$1.35 per kilowatt of the maximum load in the month, but not less than \$405.00 per year.

Transmission Line Service at voltages of 34,500 or 69,000 as available.

\$1.25 per kilowatt of the maximum load in the month, but with minimum depending upon the facilities necessary to serve.

Plus an Energy Charge of:

2.5 cents per kilowatt-hour for the first	2,000 kwh used per month
1.7 cents per kilowatt-hour for the next	8,000 kwh used per month
1.1 cents per kilowatt-hour for the next	40,000 kwh used per month
1.0 cent per kilowatt-hour for the next	50,000 kwh used per month
.9 cent per kilowatt-hour for the next	400,000 kwh used per month
.8 cent per kilowatt-hour for the next	500,000 kwh used per month
.7 cent per kilowatt-hour for all in excess of 1,000,000 kwh used per month	

DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kilowatt load used by the Customer during the 15 minute period of maximum use during the month.

MINIMUM ANNUAL BILL

Service under this schedule is subject to an annual minimum of \$18.00 per kilowatt for secondary delivery and \$16.20 per kilowatt for primary delivery for each yearly period based on the highest monthly maximum load during such yearly period, but not less than \$180.00 per year for secondary delivery or \$405.00 per year for primary delivery. Payments to be made monthly of not less than 1/12 of the Annual Minimum, until the aggregate payments during the contract year equal the Annual Minimum. However, payments made in excess of the amount based on above rate schedule will be applied as a credit on billings for energy used during contract year. A new customer or an existing customer having made a permanent change in the operation of his electrical equipment that materially affects the use in kilowatt-hours and/or use in kilowatts of maximum load will be given an opportunity to determine his new service requirements, in order to select the most favorable contract year period and rate applicable.

DUE DATE OF BILL

Customer's monthly bill will be due within 10 days from date of bill.

FUEL CLAUSE

If the average cost of fuel consumed by the Company's steam generating stations is in excess of 21 cents or less than 16 cents per million BTU, as determined from the Company's three most recent monthly Operating Reports available, prior to the months of January, April, July and October, an additional charge or credit will be made on the kilowatt-hours purchased by the customer at the rate of .0013 cent per kilowatt-hour for each .1 cent or fraction thereof variation in the cost of fuel above 21 cents or below 16 cents per 1,000,000 BTU, for the three months beginning with January, April, July and October each year.

TERM OF CONTRACT

For a fixed term of not less than one year and for such time thereafter until terminated by either party giving 30 days written notice to the other of the desire to terminate.

RULES AND REGULATIONS

The Customer, in order to earn the Primary or Transmission Service Rate must own and maintain or lease all transformers and other facilities necessary to take service at the Primary or Transmission voltage delivered.

Service will be furnished under the Company's RULES AND REGULATIONS or TERMS AND CONDITIONS.

Date of Issue: January 15, 1958

Date Effective: January 15, 1958

Issued by

W. H. SKINNER, Vice President

Lexington, Kentucky

Issued by authority of K.P.S.C. Order No. 3324