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PUBLIC SERVICE COMMISSION

#### DELIVERY POINT AGREEMENT

This agreement ("<u>Agreement</u>") is made and entered into on this the first day of July, 2009, between and among KENERGY CORP., a Kentucky electric cooperative corporation, with its principal office located at 6402 Old Corydon Road, P.O. Box 18, Henderson, Kentucky 42419-0018 ("<u>Kenergy</u>"), BIG RIVERS ELECTRIC CORPORATION ("<u>Big Rivers</u>"), a Kentucky electric cooperative corporation, with its principal office located at 201 Third Street, Henderson, KY 42420, SOUTHWIRE COMPANY, a Delaware corporation, with its principal office located at One Southwire Drive, Carrollton, GA 30119 ("<u>Southwire</u>") and CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP, a Kentucky general partnership, with its principal office located at 500 State Route 271 North, Hawesville, Kentucky 42348 ("<u>Century</u>"). Kenergy, Big Rivers, Southwire and Century are individually referred to herein as a "<u>Party</u>" and collectively as the "<u>Parties</u>".

WHEREAS, Southwire and Green River Electric Corporation ("<u>GREC</u>"), Kenergy's predecessor in interest, entered into an Agreement for Electric Service dated July 15, 1998, (as amended, the "<u>1998 Retail Agreement</u>"), and related agreements, under which GREC agreed to supply electric service to Southwire for use at Southwire's primary aluminum smelter ("<u>Smelter</u>") and Southwire's adjacent rod and cable mill ("<u>Rod and Cable Mill</u>"), both located in Hancock County, Kentucky;

WHEREAS, Century now owns the Smelter and the physical assets through which both the Smelter and the Rod and Cable Mill accept electric service at the existing set of meters at Big Rivers' Coleman substation (the "<u>Century Delivery Point</u>");

WHEREAS, Century now also owns the physical assets through which electric power and energy is both transformed and delivered from the Century Delivery Point to the existing set of meters at which the Rod and Cable Mill accepts electric service at 13,800 volts (the "<u>Southwire Metering Point</u>"), such physical assets from the Century Delivery Point to the Southwire Metering Point being referred to herein as the "<u>Southwire Interconnection</u>";

WHEREAS, Kenergy and Southwire have entered into a new retail electric service agreement of even date herewith (the "2009 Retail Agreement") that anticipates establishment of a new, dedicated delivery point for electric service to the Rod and Cable Mill that cannot be completed prior to the effective date of such agreement;

WHEREAS, the Parties desire to enter into this Agreement that will allow the delivery point for power and energy under the 2009 Retail Agreement to be the Century Delivery Point until the necessary transmission and distribution facilities required to establish a new dedicated delivery point for the Rod and Capie MilO(the Property MilSSION Delivery Point" as defined in the 2009 Retail Agreement) can be constructed EFFECTIVE

NOW, THEREFORE, in consideration of the mutual covenants contained herein, PURSUANT TO 807 KAR 5:011 the Parties agree as follows: SECTION 9 (1)

Director

1. <u>Basic Obligations</u>. Century agrees that Kenergy, through Big Rivers, may deliver electric power and energy to the Rod and Cable Mill under the 2009 Retail Agreement at the Century Delivery Point until the earlier of (i) such time as the Prospective Delivery Point becomes commercially operable, or (ii) March 31, 2011. Kenergy and Big Rivers agree to proceed at no expense to Century with the construction of the distribution and transmission facilities required to establish the Prospective Delivery Point with all reasonable dispatch following the effective date of the 2009 Retail Agreement. Southwire agrees to accept delivery of electric power and energy under the 2009 Retail Agreement at the Century Delivery Point until the Prospective Delivery Point becomes commercially operable.

2. <u>Metering and Billing</u>. The Parties agree that, for the period that the Century Delivery Point remains in use for purposes of the 2009 Retail Agreement; (a) the electric power and energy delivered by Kenergy to Southwire for the Rod and Cable Mill shall be metered for billing purposes at the Southwire Metering Point; (b) for purposes of monthly billings by Kenergy to Southwire, the billing determinants for hourly and monthly demand and energy shall be adjusted by adding one percent (1%) to the actual meter readings at the Southwire Metering Point ("<u>Adjusted Billing Determinants</u>"); and (c) for purposes of monthly billing by Kenergy to Century pursuant to that certain "<u>Retail</u> <u>Electric Service Agreement</u>" between Kenergy and Century of even date herewith, the billing determinants for hourly and monthly demand and energy as determined by meter readings at the Century Delivery Point shall be correspondingly reduced by subtracting the Adjusted Billing Determinants applicable to the Rod and Cable Mill.

3. Payment Obligations and Indemnifications.

a. Kenergy and Big Rivers agree to indemnify, release and hold harmless Century for any and all payment obligations of Southwire to Kenergy and Big Rivers, including but not limited to payment obligations incurred by Southwire under the 2009 Retail Agreement, and further agree that in the event of Southwire's non-payment of any obligation or any other occurrence that would result in the physical termination of electric service by Kenergy to the Rod and Cable Mill during the term of this Agreement, such physical termination shall be effected by disconnection either at the Southwire Metering Point or at the Century Delivery Point. Century agrees that it will disconnect electric service to Southwire on a date and at a time directed by Kenergy, provided that (i) Century shall be responsible for the means, methods and techniques employed to implement the disconnection, and (ii) Kenergy and Big Rivers agree to defend, indemnify, release and hold harmless Century and each of its directors, officers, employees and agents from and against any and all claims, demands, causes of action liabilities, damages, judgments, fines, penalties, awards, losses, costs, expenses of any kind or character, including, without limitation, reasonable attorney's fees and costs of litigation, which Century may sustain as a result of following such direction the sub-Kenergy to disconnect electric service to Southwire. 7/1/2009

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Director

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b. Kenergy and Big Rivers agree to indemnify, release and hold harmless Southwire for any and all payment obligations of Century to Kenergy and Big Rivers, including but not limited to payment obligations incurred by Century under the Retail Electric Service Agreement.

c. Southwire agrees to indemnify, release and hold harmless Kenergy and Big Rivers for any failure of Kenergy and Big Rivers to deliver power and energy to the Rod and Cable Mill resulting from a proper implementation of a remedy by Kenergy against Century, including a disconnection of electric service at the Century Delivery Point. During the term of this Agreement, if Kenergy issues to either Century or Southwire a notice of intent to disconnect electric service for non-payment, a copy of that notice shall be delivered to both Century and Southwire to provide them with the opportunity to make appropriate alterations to the equipment within the Southwire Interconnection to preserve continuity of service to the Party that is not in default on its payment obligations, provided that neither Kenergy nor Big Rivers shall have any responsibility to make or participate in the costs of making any such alterations.

d. Southwire agrees to defend, indemnify, release and hold harmless each of Kenergy and Big Rivers and each of their respective directors, officers, employees and agents from and against any and all claims, demands, causes of action, liabilities, damages, judgments, fines, penalties, awards, losses, costs, expenses of any kind or character, including, without limitation, reasonable attorney's fees and costs of litigation, which they may sustain for damage to or loss of any real or personal property (including property of the companies or agencies) and for personal injury to or illness or death of any person or entity in any way attributable to the handling, transmittal and use of the electric power and energy delivered to the Century Delivery Point under the 2009 Retail Agreement from the moment it is delivered to the Century Delivery Point through the point in time it is used by the Rod and Cable Mill, regardless of whether same resulted from Southwire's claimed or actual, sole or joint, negligence (including subcontractors, agents, or employees) or Kenergy's or Big Rivers' claimed or actual, sole or joint, negligence (including their subcontractors, agents or employees), or any combination of these.

e. Southwire agrees to indemnify, release and hold harmless Century for any failure of power and energy to be delivered to the Rod and Cable Mill resulting from any cause except for the gross negligence or willful misconduct of Century, including a disconnection of electric service at the Century Delivery Point and damage or disconnection between the Century Delivery Point and the Rod and Cable Mill.

f. Southwire and Century agree that for the period commencing with the Effective Date and ending on the termination date as set forth in Section 9 hereof, Southwire shall pay to Century a monthly fee (the "Fadilated F&FRIVICE COMMISSION consideration of the continuing operation, maintenance and repair of the Center TUCKY Delivery Point and the Southwire Interconnection. The Facilities Fee shall be in the amount of two thousand five hundred dollars (\$2,500.00) for each calendar month by fixed of the 5:011 the case of any partial calendar month during the subject period, the amount of the g (1)

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Facilities Fee shall be pro-rated based on the number of days in the partial calendar month.

4. <u>Reactive Power</u>. Century and Southwire acknowledge and agree that Southwire is entitled to receive at no cost to Century, with respect to the Rod and Cable Mill, an entitlement to 4,000 kilovars acquired by Southwire pursuant to the 1998 Retail Agreement, as amended, for the purpose of financially mitigating the reactive demand incurred at the Rod and Cable Mill in excess of the reactive demand, measured in kilovars, to which Southwire otherwise would be entitled without further compensation based on the Rod and Cable Mill's monthly billing demand and a power factor of ninety percent (90%). This Section 4 shall survive this Agreement and shall remain in full force and effect for so long as any agreement for electric service between Kenergy and Southwire (for the benefit of the Rod and Cable Mill) shall remain in effect.

5. <u>Notice</u>. Any notice, demand, or request required or authorized under this Agreement shall be deemed properly given to or served upon the other Party if the notice is in writing and placed in this mail, postage prepaid, or delivered to the other Party at the following addresses:

| If to Kenergy:    | Kenergy Corp.<br>6402 Old Corydon<br>Henderson, Kentue<br>Facsimile: (270) 8<br>Attn: President an                    | cky 42420<br>30-6934   |
|-------------------|---|--|
| If to Big Rivers: | Big Rivers Electric<br>201 Third Street<br>Henderson, Kentu<br>Facsimile: (270) 8<br>Attn: President an               | cky 42420<br>27-2558   |
| If to Century:    | Century Aluminur<br>P.O. Box 500<br>State Route 271 N<br>Hawesville, Kentu<br>Attn: Plant Manag<br>Facsimile: (270) 8 | orth<br>ucky 42348<br>ger  |
| With a copy to:   | Attn: General Cou<br>Facsimile: (831) 6   | 200<br>40PUBLIC SERVICE COMMISSION<br>nsel OF KENTUCKY<br>42-9328 7/1/2009<br>PURSUANT TO 807 KAR 5:011<br>SECTION 9 (1)<br>By W W W |
|                   | 4   | V W Executive Director   |

If to Southwire:

Southwire Company One Southwire Drive Carrollton, GA 30119 Attn: General Counsel Facsimile: (770) 832-5374

Each Party shall have the right to change the name of the person or location to whom or where notice shall be given or served by notifying the other Parties in writing of such change.

6. <u>Severability</u>. The invalidity of any portion of this Agreement shall not affect the validity of the remainder thereof.

7. <u>Succession</u>. This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives, and permitted assigns of the respective Parties hereto.

8. <u>Effective Date</u>. The "<u>Effective Date</u>" of this Agreement shall be the date hereof, except that said Effective Date shall be postponed and this Agreement shall not become effective unless and until the 2009 Retail Agreement is approved or accepted in writing by the Kentucky Public Service Commission (the "<u>Commission</u>"), the 2009 Wholesale Power Agreement Amendment (as defined in the 2009 Retail Agreement) is approved or accepted in writing by the Commission and the Rural Utilities Service of the U. S. Department of Agriculture, and the 1998 Retail Agreement shall have been terminated.

9. <u>Termination Date</u>. This Agreement shall terminate and be of no further force or effect upon the earliest to occur of (a) the first day of the calendar month following the calendar month in which the Prospective Delivery Point shall become commercially operable, (b) the date on which the 2009 Retail Agreement shall terminate or expire, or (c) March 31, 2011. Kenergy shall be responsible for notifying the other Parties of the termination date of this Agreement upon the occurrence of either of the events set forth in clauses (a) and (b) of the prior sentence.

10. <u>Entire Agreement</u>. The terms, covenants, and conditions contained herein constitute the entire agreement among the Parties and shall supersede all previous communications, representations, or agreements, either oral or written, between the Parties hereto with respect to the terms applicable to the temporary use by Kenergy, Big Rivers and Southwire of the Century Delivery Point, the Southwire Interconnection, and the Southwire Metering Point.

11. <u>Governing Law, Jurisdiction, and Venue</u>. All respective rights and obligations of the Parties shall be governed by the laws of the Common wealth of Kentucky, with GOMMISSION regard to its conflicts of law rules. The Parties hereby agree that the courts of the UCKY Commonwealth of Kentucky will have exclusive jurisdic ion over each and every dudicial action brought under or in relationship to this Agreement provided that the subject KAR 5:011 matter of such dispute is not a matter reserved by law to the U.S. federal gudicial 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 of any state court action, legal or equitable, related to this Agreement shall be Henderson County, Kentucky.

12. <u>Waiver</u>. The waiver by either 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.

13. <u>Amendments</u>. This Agreement may be amended, revised, or modified by, and only by, a written instrument duly executed by all Parties.

14. <u>Counterparts</u>. This Agreement may be executed in any number of counterparts, which together will constitute but one and the same instrument, and each counterpart will have the same force and effect as if they were one original.

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

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement, as of the day and year first above written.

[SIGNATURES ON NEXT PAGE]



KENERGY CORP. Jonach P By: c Yms Sanford Novick

President and CEO

## BIG RIVERS ELECTRIC CORPORATION

By:\_\_

Mark A. Bailey President and CEO

SOUTHWIRE COMPANY

By:\_\_\_\_\_
Printed Name:\_\_\_\_\_
Title:\_\_\_\_\_

CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP

By:\_\_\_\_\_ Printed Name:\_\_\_\_\_ Title:\_\_\_\_\_



### KENERGY CORP.

By: \_

Sanford Novick President and CEO

# BIG RIVERS ELECTRIC CORPORATION

By: Mark A. Bailey President and CEO

## SOUTHWIRE COMPANY

By:\_\_\_\_\_ Printed Name:\_\_\_\_\_ Title:\_\_\_\_\_

CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP

| Ву:           |  |
|---------------|--|
| Printed Name: |  |
| Title:        |  |



#### KENERGY CORP.

By:

Sanford Novick President and CEO

### BIG RIVERS ELECTRIC CORPORATION

By:

Mark A. Bailey President and CEO

SOUTHWIRE COMPANY.

By: \_\_\_\_\_\_\_\_ Printed Name: leff Herrin Title: Executive Vice President, Operations

CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP

| By:           |  |
|---------------|--|
| Printed Name: |  |
| Title:        |  |



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

### KENERGY CORP.

By:\_\_

Sanford Novick President and CEO

### BIG RIVERS ELECTRIC CORPORATION

By:\_

Mark. A Bailey President and CEO

SOUTHWIRE COMPANY

By:\_\_\_\_\_ Printed Name:\_\_\_\_\_ Title:

CENTURY ALUMINUM OF KENTUCKY GENERAL PARTNERSHIP

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| PUBLIC SERVICE COMMISSION |
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| PURSUANT TO 807 KAR 5:011 |
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Executive Director

[Delivery Point Agreement]