POWER PURCHASE AND INTERCONNECTION AGREEMENT

This Power Purchase and Interconnection Agreement is made and entered into this 4th day of May 2018, among Big Rivers Electric Corporation (a Kentucky cooperative corporation with its principal office at 201 Third Street, Henderson, Kentucky 42420, herein referred to as "Big Rivers"), Jackson Purchase Energy Corporation (a Kentucky cooperative corporation with its principal office at 2900 Irvin Cobb Drive, Paducah, Kentucky 42003, herein referred to as "Member"), and Commonwealth of Kentucky Finance and Administration Cabinet, Department for Facilities Management, Division of Engineering, Frankfort, Kentucky, herein referred to as "Seller").

WITNESSETH:

WHEREAS, Seller intends to own and operate a small power production facility that qualifies as a Qualifying Facility under 807 KAR 5:054 Section 1(8), and Seller desires to produce from its Qualifying Facility electric energy and capacity for its own use and in excess of its own use and to sell the energy and capacity in excess of its own use to Big Rivers;

WHEREAS, Big Rivers desires to purchase the excess electric energy from Seller's Qualifying Facility pursuant to 807 KAR 5:054 and Big Rivers' Standard Rate – QFP – Cogeneration/Small Power Production Purchase Tariff – Over 100 kW;

WHEREAS, Member is a Retail Electric Supplier of energy and capacity in the Commonwealth of Kentucky, and the Qualifying Facility is or will be located within Member's certified territory; and

WHEREAS, Big Rivers and Member are willing to permit Seller to be interconnected and operated in parallel with Member's System subject to the terms of this Agreement, so that Seller will be able to deliver to Big Rivers through Member's System such energy produced by the Qualifying Facility as will be sold to Big Rivers;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Parties hereby agree as follows:

ARTICLE I - DEFINITIONS

1.1 "Agreement" shall mean this Power Purchase and Interconnection Agreement and all schedules hereto.

1.2 "ANSI" shall mean the American National Standards Institute.

1.3 "Applicable Laws and Regulations" shall mean all duly enacted applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees, judgments, directives, or judicial or administrative orders, permits and other duly authorized actions of any Governmental Authority.

1.4 "Authorization" shall mean any license, permit, approval, filing, waiver,

exemption, variance, clearance, entitlement, allowance, franchise, or other authorization from or by a Governmental Authority.

1.5 "Authorization Date" shall mean the date that the last Authorization required to be given in order for the Parties to perform this Agreement is granted by the Kentucky Public Service Commission, the Administrator of the Rural Utilities Service or any other applicable Governmental Authority.

1.6 "Bankruptcy Law" shall mean Title 11 of the U.S. Code, or any similar federal or state law for the relief of debtors.

1.7 "Big Rivers" shall mean Big Rivers Electric Corporation.

1.8 "Delivery Point" shall mean the meter at the point of connection of the 12,470 volt facilities of Member and the 12,470 volt facilities of Seller.

1.9 "Early Termination Date" shall have the meaning given in Section 10.3(a).

1.10 "Energy Purchase Rate" shall mean the rate Big Rivers pays Seller for firm energy purchases.

1.11 "Environmental Attributes" shall mean: 1) production tax credits applicable to energy produced from certain renewable resources pursuant to 26 U.S.C. § 45, or any successor thereto or equivalent thereof; 2) any other federal or state tax deductions, credits or incentives for which the Qualifying Facility is eligible based upon its generation of energy from solar energy resources; 3) any grants or other payments from a Governmental Authority or non-profit entity (other than a cooperative corporation formed under KRS Chapter 279 and to the extent permitted by law) for which the Qualifying Facility is eligible based upon its generation of energy from solar energy resources; 4) environmental air quality credits, off-sets, emission reductions, allowance or other benefits related to the generation of energy from the Qualifying Facility in a manner which reduces, displaces or off-sets emissions resulting from fuel combustion at another Seller location pursuant to any law; and 5) credits, off-sets, environmental and other certificates, green pricing programs, renewable energy credit trading programs or any similar program.

1.12 "Event of Default" shall have the meaning given in Section 10.1 and Section 10.2.

1.13 "Excess Demand" shall have the meaning set forth in the Big Rivers Standard Rate – QFS – Cogeneration/Small Power Production Sales Tariff – Over 100 kW.

1.14 "Force Majeure" shall have the meaning given in Section 8.1.

1.15 "Good Utility Practice" shall mean any of the practices, methods and acts employed by owners and/or lessors, operators or maintainers of electric generation, transmission or distribution facilities similar in size and operational characteristics to the Qualifying Facility, Interconnection Facilities, Member's System and Big Rivers' transmission system which, in the exercise of reasonable judgment in the light of the facts known or that reasonably should have been known at the time that a decision was made, could reasonably have been expected to accomplish the desired result at the lowest reasonable cost, consistent with licensing and regulatory considerations, environmental considerations,

reliability, safety, protection of lives and property, expedition, the technical specifications and manufacturer's maintenance requirements, and the applicable requirements of any Governmental Authority. Good Utility Practice is not intended to be limited to the optimum practice, method or act, to the exclusion of all others, but rather to be a spectrum of possible practices, methods or acts generally accepted in the region.

1.16 "Governmental Authority" shall mean the federal government of the United States and any department thereof, and any state, county or local government, and any regulatory department, body, political subdivision, commission (including the Kentucky Public Service Commission, Federal Energy Regulatory Commission, and Rural Utilities Service), agency, instrumentality, ministry, court, judicial or administrative body, taxing authority, or other authority of any of the foregoing (including any corporation or other entity owned or controlled by any of the foregoing), any regional transmission organization or independent system operator, any national or regional reliability organization or council (including the North American Electric Reliability Corporation) or any reliability coordinator, in each case, having jurisdiction or authority over the Agreement (or any portion thereof), Seller, Big Rivers, Member, the Qualifying Facility, the Interconnection Facilities, the Member's System or Big Rivers' transmission system, whether acting under actual or assumed authority.

1.17 "IEEE" shall mean the Institute of Electrical and Electronics Engineers.

1.18 "Indemnified Party" shall have the meaning set forth in Section 9.2(a)(i).

1.19 "Indemnifying Party" shall have the meaning set forth in Section 9.2(a)(i).

1.20 "Interconnection Costs" shall mean all reasonable costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by Big Rivers or the Member directly related to the installation and maintenance of physical facilities necessary to permit interconnected operations with the Qualifying Facility, to the extent those costs are in excess of corresponding costs which Big Rivers or the Member would have incurred if either had not engaged in interconnected operations with the Qualifying Facility but instead had generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity or both from other sources. Interconnection costs shall not include any costs included in the calculation of Big Rivers' or Member's avoided costs.

1.21 "Interconnection Facilities" shall mean all facilities, lines, equipment, appurtenances and meters, as identified and designated on Schedule A, between the Qualifying Facility and the Member's System that are necessary to physically and electrically interconnect the Qualifying Facility to the Member's System, regardless of whether owned by Big Rivers, Member or Seller.

1.22 "Interconnection Service Charge" shall have the meaning given in Schedule B hereto.

1.23 "Maintenance Service" shall have the meaning set forth in the Big Rivers Standard Rate – QFS – Cogeneration/Small Power Production Sales Tariff – Over 100 kW.

1.24 "Maximum Unscheduled Capacity" shall have the meaning given in Section 3.2.

1.25 "Member" shall mean Jackson Purchase Energy Corporation.

1.26 "Member's System" shall mean the Member's facilities and equipment used to distribute power to end users directly from nearby generators or from interconnection with Big Rivers' transmission system.

1.27 "Notice of Early Termination" shall have the meaning given in Section 10.3(a).

1.28 "Operating Requirements" shall mean any operating and technical requirements that may be imposed by a regional transmission organization, independent system operator, control area coordinator, balancing authority, Governmental Authority, Member or Big Rivers, including without limitation, SERC Reliability Corporation guidelines, the most recent IEEE Standard 1547 and other applicable IEEE standards, ANSI C84.1 and other applicable ANSI standards, and in accordance with industry standard prudent engineering practices.

1.29 "Party" shall mean individually Big Rivers, Member, or Seller, and "Parties" shall mean Big Rivers, Member, and Seller collectively.

1.30 "Proprietary Information" shall have the meaning set forth in Section 13.5(f)(i).

1.31 "Qualifying Facility" shall mean the small power production facility satisfying the definition of same as set forth in 807 KAR 5:054 Section 1(8) that is located at Seller's Facility, within the service territory of Member; having a nameplate rating of 210 kW dc; and, unless the context requires otherwise, including all interconnection and safety equipment owned by Seller (as designated on Schedule A) and used in connection with its solar electric generation facilities.

1.32 "Reactive Power" shall have the meaning set forth in Section 3.3.

1.33 "Reactive Power Service Charge" shall have the meaning set forth in Section 3.3.

1.34 "Retail Electric Supplier" shall have the meaning set forth in KRS 278.010.

1.35 "Secured Party" shall have the meaning set forth in Section 12.3.

1.36 "Seller" shall mean Commonwealth of Kentucky Finance and Administration Cabinet, Department for Facilities Management, Division of Engineering, Frankfort, Kentucky.

1.37 "Seller's Facility" is the facility of Seller located at 8000 State Route 3520, West Paducah, Kentucky 42806, in McCracken County, Kentucky.

1.38 "Seller's System" shall mean the Qualifying Facility and any Interconnection Facilities owned by Seller.

1.39 "Supplementary Service" shall have the meaning set forth in the Big Rivers Standard Rate – QFS – Cogeneration/Small Power Production Sales Tariff – Over 100 kW.

1.40 "Term" shall have the meaning set forth in Section 13.2.

1.41 "Termination Payment" shall have the meaning set forth in Section 10.3(a).

1.42 "Transferee" shall have the meaning set forth in Section 13.5(a).

1.43 "Transferor" shall have the meaning set forth in Section 13.5(a).

1.44 "Unscheduled Back-up Service" shall have the meaning set forth in the Big Rivers Standard Rate – QFS – Cogeneration/Small Power Production Sales Tariff – Over 100 kW.

ARTICLE II – SALES TO BIG RIVERS

2.1 Sales of Energy to Big Rivers. Except as provided in this Agreement, Seller will sell, and Big Rivers will purchase, all energy from Seller's Qualifying Facility in excess of Seller's own needs, at the Delivery Point, on a non-dispatchable basis.

a. Delivery of Energy. Seller shall interconnect with the Member's System and shall deliver energy to the Member's side of the Delivery Point consistent with the terms of this Agreement and any Operating Requirements.

b. Quality of Power. Seller must provide good quality electric power within a reasonable range of voltage, frequency, flicker, harmonic currents, and power factor, including, but not limited to:

i. The energy delivered hereunder shall be in the form of three-phase, at a frequency of 60-hertz, alternating current and within three percent (3%) above or below a nominal voltage of 12,470 volts or a nominal operating voltage to be determined by Member from actual operating experience.

ii. Seller shall provide for proper synchronization of the Qualifying Facility with Member's System such that synchronism is accomplished without causing undesirable harmful currents, surges, or voltage dips on Member's System or the transmission systems owned by Big Rivers and other interconnected utilities.

iii. The energy delivered by Seller shall not cause unusual fluctuations or disturbances on the Member's System or the transmission systems owned by Big Rivers and other interconnected utilities. Accordingly, Seller shall provide, at Seller's expense, suitable apparatus which will keep such fluctuations or disturbances within reasonable limits established by Member and Big Rivers in accordance with IEEE Standard 519 and other applicable standards.

iv. Seller shall install a safety switch that will fully disconnect the generation circuit of its Qualifying Facility from Member's System. The switch shall be of the visible break type which can be secured by a padlock by Member. The disconnect switch shall be accessible to Member and Big Rivers personnel at all times.

A. The switch shall be a type that can be secured in an open position by a lock owned by Member. If Member has locked the disconnect

switch open, Seller shall not operate or close the disconnect switch.

B. Both Big Rivers and Member shall have the right to lock the switch open when, in either's sole judgment:

1. It is necessary to maintain safe electrical operating and/or maintenance conditions,

2. The Qualifying Facility adversely affects Big Rivers' transmission system or Member's System, or

3. There is a system emergency or other abnormal operating condition warranting disconnection.

C. Big Rivers and Member reserve the right to operate the disconnect switch for the protection of their systems even if it affects Seller's System. In the event Big Rivers or Member opens and/or closes the disconnect switch:

1. Neither Big Rivers nor Member shall be responsible for energization or restoration of parallel operation of the Qualifying Facility.

2. Big Rivers or Member will make reasonable efforts to notify Seller.

3. Seller will not bypass the disconnect switch at any time for any reason.

D. Signage shall be placed by Seller at the disconnect switch indicating the purpose of the switch along with contact names and numbers of both Big Rivers and Member.

E. Should Member lose power serving Seller's Facility for any reason, Seller shall not operate the Qualifying Facility.

2.2 Rate for Sales to Big Rivers.

a. Capacity Purchase Rate. No capacity purchases by Big Rivers are agreed to or implied through this agreement.

b. Energy Purchase Rate. Big Rivers shall pay Seller for all energy purchased in accordance with Section 2.1 herein at the Energy Purchase Rate and on the terms and conditions set forth in Big Rivers' Standard Rate – QFP - Cogeneration/Small Power Production Purchase Tariff – Over 100 kW on file with the Kentucky Public Service Commission at the time of the purchase.

2.3 Adjustment for Losses. Energy purchased by Big Rivers under this Agreement shall be subject to an adjustment, as determined by Big Rivers, to reflect losses between the Delivery Point and the point of delivery to the Big Rivers transmission system, which is the Big Rivers 69 kV circuit as it terminates at the Member-owned substation. The

payment for any such adjustment shall be the responsibility of Seller.

2.4 Exclusivity. Seller agrees that its Qualifying Facility will be installed and, except for sales of energy to Big Rivers in accordance with this Agreement, will be used at all times for the sole purpose of Seller's benefit at Seller's Facility, and energy and capacity generated by said Qualifying Facility shall not be otherwise transmitted, shared, or sold by Seller to any person other than Big Rivers, throughout the Term of this Agreement.

2.5 System Emergencies. Big Rivers may discontinue purchases from the Qualifying Facility during system emergencies as provided in 807 KAR 5:054 Section 6.

ARTICLE III – SALES TO SELLER AND MEMBER

3.1 Membership of Seller. Seller shall remain a member of Member during the Term of this Agreement, Seller shall meet and comply with Member's membership and service requirements, and Seller shall comply with Member's applicable tariffs and Big Rivers' Standard Rate – QFP – Cogeneration/Small Power Production Purchase Tariff – Over 100 kW, which are on file with the Kentucky Public Service Commission, as revised from time to time.

3.2 Sales of Energy and Capacity to Seller and Member. Except as otherwise provided in this Agreement, Big Rivers shall be responsible for providing to Member and Member shall be responsible for providing to Seller all Supplementary Service up to the Maximum Unscheduled Capacity, Excess Demand, and Reactive Power support required by Seller at Seller's Facility.

a. The rates for such service provided by Big Rivers shall be according to the rates set forth in Section 3.3 of this Agreement and Big Rivers' Standard Rate - RDS tariff and Standard Rate – QFS – Cogeneration/Small Power Production Sales Tariff – Over 100 kW, which are on file with the Kentucky Public Service Commission, as revised from time to time. The rates and terms for such service provided by Member shall be subject to Member's current Schedule D - Commercial and Industrial Demand Less Than 3,000 kW tariff, contained in Schedule C of this Agreement, or other applicable tariffs which may be revised from time to time and approved by and on file with the Kentucky Public Service Commission.

b. Big Rivers shall not be required to provide to Member, and Member shall not be required to provide to Seller, Unscheduled Back-up Service or Maintenance Service as those terms are defined in Big Rivers' Standard Rate – QFS – Cogeneration/Small Power Production Sales Tariff – Over 100 kW.

c. The Maximum Unscheduled Capacity to be provided by Big Rivers to Member and Member to Seller is herein defined as 236 kW.

3.3 Reactive Power. Seller shall operate its Qualifying Facility to furnish its own Reactive Power (kvar) requirements, within the following parameters:

a. Under the conditions wherein the Seller generates all of its own power

requirements and/or supplies excess energy to Big Rivers, Reactive Power (kvar) flow from Member toward the Seller shall be subject to the Reactive Power Service Charge. The Reactive Power Service Charge shall be equal to the Big Rivers reactive supply and voltage control rate included within Schedule 2 of the Midcontinent Independent System Operator, Inc. Open Access Transmission Tariff, Attachment O in effect for Big Rivers at the time the service is provided.

b. Under the conditions wherein Member supplies all or a portion of Seller's power requirements, the Seller shall be subject to Member's standard tariffs applicable to Seller on file with the Kentucky Public Service Commission as revised from time to time.

c. A maximum of 115 kvar Reactive Power flow toward Member from the Seller is permitted. At any time the 115 kvar limit is exceeded, Seller will cease operation of the Qualifying Facility if directed to do so by Member. Seller shall not restart operation of its Qualifying Facility until Member approval is received.

3.4 System Emergencies. Member may discontinue service to the Qualifying Facility during system emergencies as provided in 807 KAR 5:054 Section 6.

ARTICLE IV – METERING

4.1 Separate Metering. Any energy purchased by Big Rivers from Seller shall be metered and accounted for separately from energy and capacity and Reactive Power support delivered and sold to Seller by Member.

4.2 Meters. Big Rivers and Member shall specify, own, install, operate and maintain the metering equipment, which is specified in Schedule A and which Big Rivers and Member deem appropriate, based on the size and other characteristics of the Qualifying Facility. Big Rivers and Member shall use such metering equipment to measure the energy sold by Seller to Big Rivers, measure service provided to Seller by Member, and monitor voltage and reactive power flows on the interconnection. The metering equipment for Member and the metering equipment for Big Rivers may be collectively designated by the reference "utility meter."

4.3 Readings. Big Rivers shall read the meter at the Delivery Point following the end of each month. The amount of power delivered to Big Rivers during the preceding month shall be determined from such readings, as such readings may be adjusted pursuant to Section 2.3. Member shall read its meter measuring service to Seller in accordance with Member's normal business practice and the regulations of the Kentucky Public Service Commission. Big Rivers shall read its meter measuring service to Member for Member's service to Seller in accordance with Big Rivers' normal business practice and the regulations of the Kentucky Public Service Commission.

ARTICLE V – BILLING AND PAYMENT

5.1 Billing.

a. An accounting for amounts due Seller by Big Rivers hereunder shall be rendered by Big Rivers as soon as is reasonably practicable following the meter reading, and shall incorporate such information as may reasonably be necessary or desirable to determine the payments for power delivered by Seller to the Delivery Point during the preceding month, and other amounts due hereunder.

b. In the event that Seller owes any amount to Big Rivers pursuant to this Agreement, Big Rivers shall send Seller a statement of the amount then due and shall incorporate such information as may be reasonably necessary or desirable to determine the payments and other amounts due hereunder.

c. Big Rivers shall bill Member for any Supplementary Service in accordance with Big Rivers' standard billing practices.

d. Member shall bill Seller monthly for amounts due hereunder in accordance with Member's standard billing practices.

5.2 Payment and Interest.

a. Payments. All amounts shown to be due to one Party by another Party shall be paid no later than thirty (30) days from the date such amount is invoiced.

b. Disputes. If the paying party, in good faith, disputes a portion of any billing statement, the paying party shall render payment for the undisputed portion of such bill to the billing party. The disputed portion shall be placed in an escrow account. Upon resolution of the dispute, any amount found to be due and payable to the billing party shall be paid to the billing party. The paying party shall render payment by wire transfer, or such other payment method as the Parties mutually agree.

c. Interest. If the paying party fails to pay all or a portion of the undisputed amounts when due, the paying party shall owe interest on the unpaid portion of the bill, as set forth in Member's standard tariffs applicable to Seller on file with the Kentucky Public Service Commission.

d. Offsets. Any Party may at any time offset any amounts owed by it against any and all amounts that may be due and owed to another Party under this Agreement.

ARTICLE VI – CONSTRUCTION, INTERCONNECTION, AND OPERATION OF THE QUALIFYING FACILITY AND INTERCONNECTION FACILITIES

6.1 Design and Construction of the Qualifying Facility and Interconnection Facilities. Seller shall design, construct and interconnect the Qualifying Facility at its own expense

and in accordance with this Agreement, Good Utility Practice, Operating Requirements, and all Applicable Laws and Regulations. Each Party shall (at Seller's expense) design, construct and install the Interconnection Facilities that they respectively own (as shown on Schedule A hereto) in accordance with this Agreement, Good Utility Practice, Operating Requirements, and all Applicable Laws and Regulations. Neither Big Rivers nor Member shall be under any obligation to design, order or install equipment or incur any other costs or expenses relating to the subject Interconnection Facilities until payment of the estimated Interconnection Costs has been received, and security for the remaining Interconnection Costs has been provided by Seller in accordance with Section 6.2 herein.

a. Approval of Plans. Plans, specifications, and operating characteristics for the Qualifying Facility and the Interconnection Facilities must be approved in writing by Big Rivers and Member before the Qualifying Facility is connected to Member's System, and may not be materially revised or modified without Big Rivers' and Member's written approvals. Seller shall notify Big Rivers and Member in writing at least two (2) weeks in advance of energizing the interconnection between the Qualifying Facility and Member's System to permit Big Rivers and Member to inspect and test the Qualifying Facility and Interconnection Facilities to determine that the Qualifying Facility and Interconnection Facilities are in compliance with this Agreement, Good Utility Practice, Operating Requirements, and all Applicable Laws and Regulations. Any deficiencies noted must be corrected by Seller prior to energization. Seller shall not, after energization, modify or change in any way the design or operating characteristics of the Qualifying Facility or the Interconnection Facilities without Big Rivers' and Member's written approvals.

b. Disclaimer. Big Rivers' and Member's acceptance of the plans specifications, and operating characteristics for the Seller's System, or any revisions or modification thereof, and Big Rivers' and Member's inspection of Seller's System and subsequent authorization to energize the interconnection, or later consent to any change or modification of the design or operating characteristics of Seller's System, shall not be construed as confirming or endorsing the design, or as warranting the safety, durability, or reliability of Seller's System. Neither Big Rivers nor Member assumes any duty to review or inspect Seller's System to assess its safety, durability, or reliability. Big Rivers and Member shall not, by reason of any review, acceptance, inspection, or failure to review or inspect, be responsible for any aspect of Seller's System, including, but not limited to its safety, details of design, adequacy, or capacity thereof, nor shall Big Rivers' or Member's acceptance or approval be deemed to be an endorsement of the safe condition of the Seller's System.

6.2 Estimated Payment and Security for Interconnection Costs. Big Rivers and Member shall be reimbursed by Seller for their respective Interconnection Costs associated with designing, acquiring, constructing and installing the Interconnection Facilities described in Schedule A. Seller's payment of the estimated Interconnection Costs set forth in Schedule B shall be made no later than thirty (30) days after the Authorization Date. Unless expressly waived in writing by both Big Rivers and Member, Seller shall provide security to Big Rivers and Member for the payment of the remaining Interconnection Costs by the furnishing of an irrevocable letter of credit satisfactory to Big Rivers and Member.

6.3 Final Payment for Interconnection Costs. Within thirty (30) days after completion of the Interconnection Facilities, Big Rivers and Member will invoice Seller for the final and actual Interconnection Costs. To the extent the actual Interconnection Costs exceed the estimated costs paid by Seller, Seller shall pay the remaining amount within thirty (30) days of the date of said invoice(s). To the extent the estimated costs paid by Seller exceed the actual Interconnection Costs, Big Rivers and Member shall pay any refunds due to Seller within sixty (60) days after completion of the Interconnection Facilities.

6.4 Interconnection Service Charge. Seller shall pay a monthly Interconnection Service Charge as specified in Schedule B hereto in order to reimburse Big Rivers and Member for any transmission, operational, maintenance and administrative costs related to the ongoing usage, operation and maintenance of the Interconnection Facilities that would not have been incurred by either of them if Big Rivers and Member did not engage in interconnected operation with Seller. These monthly charges shall be determined on the basis of utility cost recovery concepts and may be adjusted by Big Rivers and Member on an annual basis.

6.5 Operation and Maintenance of the Qualifying Facility and Seller's Interconnection Facilities. At all times during the Term of this Agreement, Seller has the sole duty and responsibility for operation and maintenance of Seller's System, and neither Big Rivers nor Member shall be required to furnish service personnel or material and equipment to Seller for the maintenance or operation of the Seller's System, unless separately agreed to and invoiced by Big Rivers and/or Member. Seller shall operate and maintain the Qualifying Facility in accordance with this Agreement, Good Utility Practice, Operating Requirements, and all Applicable Laws and Regulations.

6.6 Operation and Maintenance of the Interconnection Facilities. Each Party shall operate and maintain the Interconnection Facilities that that Party respectively owns, as set forth in Schedule A, in accordance with this Agreement, Good Utility Practice, Operating Requirements, and all Applicable Laws and Regulations.

6.7 Disconnection. Big Rivers and Member shall each have the right, in their sole discretion, to discontinue the interconnection of the Qualifying Facility due to reasons such as safety concerns, reliability issues, power quality issues, breach of this Agreement or any other issue, which Big Rivers or Member considers to be a reasonable basis for such action. Any disconnection may be without prior notice.

6.8 Protection of the Qualifying Facility. Seller shall protect the Qualifying Facility from disturbances occurring on the Member's System and the transmission systems owned by Big Rivers and other interconnected utilities. Seller shall have the sole responsibility for the safety and electrical protection of its facilities, regardless of the condition of Member's or Big Rivers' Interconnection Facilities. This protection shall include, but not be limited to, automatic sensing and immediate disconnection from a faulted or de-energized line, and shall prevent Seller from energizing a de-energized Member line.

6.9 Parallel Operation. Switching to place the generator in Seller's Qualifying Facility in or out of service and parallel operation with Big Rivers' or Member's system shall be coordinated with the Big Rivers system operator and designated Member operating personnel.

6.10 Modifications and Upgrades of Interconnection Facilities. Seller is responsible for all costs in relation to changes in its interconnection and protective equipment as may be required from time to time to meet changing conditions and requirements on the Member's System or the transmission systems owned by Big Rivers and other interconnected utilities. In the event that load growth or other needs on the Big Rivers transmission system or Member's System require the construction of new facilities in the future to replace or supplement the Interconnection Facilities identified in Schedule A, Big Rivers or Member, as applicable, shall give Seller six (6) months advance notice, including a cost estimate for the new facilities and a date when costs for said facilities are anticipated to be incurred. Seller shall pay such estimated costs or provide Big Rivers and/or Member with security for payment in a form acceptable to Big Rivers and/or Member by the date specified in such notice. Seller shall pay all actual costs incurred for such new interconnection facilities prior to the in-service date for such facilities.

6.11 Notice of Change in Seller's System.

a. Seller shall notify Big Rivers and Member in writing thirty (30) days in advance of Seller making any change affecting the characteristics, performance, or protection of Seller's System.

b. If any modification undertaken by Seller will create or has created conditions which may be unsafe or adversely affect Member's System or the transmission systems owned by Big Rivers and other interconnected utilities, Seller shall immediately correct such conditions or be subject to immediate disconnection from Member's System.

c. Any change in the operating characteristics of Seller's System including, but not limited to, size of generator, total facility capacity, nature of facility, fuel source, site change, hours of operation, or type used, may, at the sole discretion of either Big Rivers or Member, require a new application process, including, but not limited to, application form, appropriate interconnection agreement, and interconnection plans.

6.12 Testing and Record Keeping.

a. Seller will test all aspects of the protection systems up to and including tripping of the generator and interconnection point at start-up and thereafter as required. Testing will verify all protective set points and relay/breaker trip timing and shall include procedures to functionally test all protective elements of the system. Big Rivers and Member shall have the right to witness the testing.

b. Seller shall maintain records of all maintenance of the Qualifying Facility and Interconnection Facilities, and upon reasonable prior notice, Seller shall make those records available for inspection by Big Rivers and Member during regular business hours.

ARTICLE VII – PROPERTY RIGHTS AND ACCESS

7.1 Communications and Data Logging Systems. Seller shall provide Big Rivers with adequate space within the centralized control house or similar structure of the Qualifying

Facility to accommodate a reasonable remote terminal owned by Big Rivers. Seller shall also provide Big Rivers with access to the Qualifying Facility, upon reasonable advance notice and during normal business hours, as may be necessary and appropriate to enable Big Rivers to install and maintain such remote terminal in a manner consistent with Good Utility Practice, provided that such access shall not unreasonably interfere with Seller's normal business operations. While at the Qualifying Facility, Big Rivers personnel shall observe such safety precautions as may be reasonably required by Seller and communicated to Big Rivers in writing.

7.2 Right of Access. Persons authorized by Big Rivers or Member shall have the right to enter Seller's Facility and related property for purposes of testing, operating the disconnect switch, reading or testing the metering equipment, maintaining right-of-way, inspecting and maintaining equipment, carrying out the terms of this Agreement, and providing service to Seller. Such entry onto Seller's property may be without notice. If Seller erects or maintains locked gates or other barriers, Seller will furnish Big Rivers and Member with convenient means to circumvent the barrier for immediate full access for the above-mentioned reasons. Any inspections or testing shall not relieve Seller from its obligations to maintain the facilities in satisfactory operating conditions and shall, in no way, be deemed an endorsement of the safe condition of the Qualifying Facility. While present on the property of Seller, Big Rivers and Member personnel shall observe such safety precautions as may be reasonably required by Seller and communicated to Big Rivers and Member in writing.

7.3 Removal of Equipment. Upon termination or expiration of this Agreement for any reason, any part or all of the Interconnection Facilities then owned by Big Rivers or the Member may be removed by such owner at such owner's cost and expense. Any portion of the Interconnection Facilities owned by Seller at the termination of this Agreement shall remain Seller's property.

ARTICLE VIII – FORCE MAJEURE

8.1 Force Majeure Defined. "Force Majeure" shall mean an event or circumstance beyond the reasonable control of and without the fault or negligence of the Party claiming Force Majeure, which, despite the exercise of reasonable diligence, cannot be or be caused to be prevented, avoided or removed by such Party. Force Majeure shall include, to the extent consistent with the preceding sentence: an act of God; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; banditry; terrorist activity or a threat of terrorist activity which, under the circumstances, would be considered a precursor to actual terrorist activity; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out that are of an industry or sector-wide nature and that are not directed solely or specifically at the affected Party; explosion; fire; earthquake or seaquake; abnormal weather condition; hurricane; flood; lightning; high winds; drought; peril of the sea; the binding order of any Governmental Authority (provided that the affected Party has in good faith considered reasonably contesting such order); the failure to act on the part of any Governmental Authority (provided that such action has been timely requested and diligently pursued); unavailability of equipment, supplies or products, but only to the extent caused by an event of Force Majeure; and failure of equipment. With respect to Seller, Force Majeure shall also include (to the extent beyond the reasonable control of and without the fault or negligence of Seller) any

interruption in distribution service on Member's side of the Delivery Point. No Party shall be deemed to have suffered an event of Force Majeure due to the failure of equipment which that Party is responsible for operating or maintaining unless the equipment has been operated and maintained in accordance with Good Utility Practice. Neither the lack of money nor changes in market conditions shall constitute an event of Force Majeure.

8.2 Effect of Force Majeure. If any Party is rendered wholly or partly unable to perform its obligations under this Agreement or its performance is delayed because of Force Majeure, that Party shall be excused from whatever performance it is unable to perform or delayed in performing due to the Force Majeure to the extent so affected, provided that: a) the Party affected by such Force Majeure, as soon as reasonably practical after the commencement of such affect, gives the other Parties prompt oral notice, followed by a written notice within forty-eight (48) hours after such oral notice, fully describing the particulars of the occurrence; b) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure event; and c) the Party whose performance is affected by such Force Majeure uses its commercially reasonable efforts to overcome and remedy its inability to perform as soon as possible.

8.3 Effect on Payment Obligations. Notwithstanding any other provision of this Agreement, a Party suffering a Force Majeure event is not relieved from tendering payment(s) that are obligated to be paid pursuant to this Agreement. Force Majeure shall not be a defense to any payment that is lawfully owed.

8.4 Deadlines Extended; Termination. Whenever a Party is required to commence or complete any action within a specified period and is prevented or delayed by Force Majeure from commencing or completing such action within the specified period, such period shall be extended by an amount equal to the duration of such event of Force Majeure occurring or continuing during such period except as otherwise specifically provided in this Agreement: provided, however, that in no event shall a Force Majeure extend the Term of this Agreement. If any Force Majeure prevents Seller from delivering power for more than thirty (30) consecutive days, then Big Rivers may terminate this Agreement upon written notice to Seller, and no Party shall have any liability arising out of such termination.

ARTICLE IX – RISK OF LOSS AND INDEMNIFICATION

9.1 Environmental Claims. Seller assumes liability for any and all claims, demands, actions, violations, notices or causes of action of any kind arising from or relating to the design, construction, installation, operation, maintenance or dismantling of Seller's System that arise from or relate to violations of any environmental statutes, regulations, rules or orders whether federal, state or local in nature.

9.2 Indemnification. Each Party shall indemnify, defend and hold the other Parties and their respective employees, directors, officers, managers, members and agents, harmless from and against any and all third party claims, suits, damages, losses, liabilities, expenses and costs (including reasonable attorneys' fees) including, but not limited to, those arising out of property damage to the property of the indemnified Parties or others, environmental claims, and personal injury and bodily injury (including death, sickness and disease) to the extent caused by the indemnifying Party's: (i) material breach of any obligation,

representation or warranty contained in this Agreement; or (ii) negligence or willful misconduct.

a. Notice and Participation.

i. If any Party entitled to indemnification hereunder (the "Indemnified Party") intends to seek indemnification under this Article from another Party (the "Indemnifying Party") with respect to any claim, cause or demand, the Indemnified Party shall give the Indemnifying Party notice of such claim, cause or demand upon the receipt of actual knowledge or information by the Indemnified Party of any possible claim, cause or demand or of the commencement of such claim, which notice shall in no event be later than the later of: (A) fifteen (15) business days prior to the last day for responding to such claim, cause or demand; or (B) one-half of the period allowed for responding to such claim, cause or demand. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall have no liability under this Article for any claim, cause or demand for which such notice is not provided, but only to the extent that the failure to give such notice materially impairs the ability of the Indemnifying Party to respond to or to defend the claim, cause or demand.

ii. The Indemnifying Party shall have the right to assume the defense of any claim, cause or demand, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party; provided, however, that if the defendants in any such proceeding include both the Indemnified Party and the Indemnifying Party, and the Indemnified Party shall have reasonably concluded that there may be legal defenses available to it which are different from or additional to those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel, at the Indemnifying Party's expense, to assert such legal defenses and to otherwise participate in the defense of such claim, cause or demand on behalf of such Indemnified Party, and the Indemnifying Party shall be responsible for the reasonable fees and expenses of such separate counsel.

iii. Should any Indemnified Party be entitled to indemnification under this Article as a result of a claim, cause or demand by a third party, and should the Indemnifying Party fail to assume the defense of such claim, cause or demand within a reasonable period of time, the Indemnified Party may, at the expense of the Indemnifying Party, contest (or, with or without the prior consent of the Indemnifying Party), settle such claim, cause or demand.

iv. Except to the extent expressly provided herein, no Indemnified Party shall settle any claim, cause or demand with respect to which it has sought or is entitled to seek indemnification pursuant to this Article unless: (A) it has obtained the prior written consent of the Indemnifying Party; or (B) the Indemnifying Party has failed to provide, within a reasonable period of time, security, in a form reasonably satisfactory to the Indemnified Party, securing the payment of any cost or expense, up to the amount of the

proposed settlement.

v. Except to the extent expressly provided otherwise herein, no Indemnifying Party shall settle any claim, cause or demand with respect to which it may be liable to provide indemnification pursuant to this Article without the prior written consent of the Indemnified Party, provided, however, that if the Indemnifying Party has reached a bona fide settlement agreement with the plaintiff(s) in any such proceeding, which settlement includes a full release of the Indemnified Party for any and all liability with respect to such claim, cause or demand, and the Indemnified Party does not consent to such settlement agreement, then the dollar amount specified in the settlement agreement, plus the Indemnified Party's reasonable legal fees and other costs related to the defense of the claim, cause or demand paid or incurred prior to the date of such settlement agreement, shall act as an absolute maximum limit on the indemnification obligation of the Indemnifying Party with respect to the claim, cause or demand, or portion thereof, that is the subject of such settlement agreement.

b. Net Amount. In the event that an Indemnifying Party is obligated to indemnify and hold any Indemnified Party harmless under this Article, the amount owing to the Indemnified Party shall be the amount of such Indemnified Party's actual cost and expense, net of any insurance or other recovery actually received by the Indemnified Party.

c. No Release of Insurers. The provisions of this Article shall not be deemed or construed to release any insurer from its obligation to pay any insurance proceeds in accordance with the terms and conditions of valid and collectible insurance policies.

d. Survival of Obligation. The duty to indemnify under this Article shall continue in full force and effect notwithstanding the expiration or termination of this Agreement, with respect to any cost or expense arising out of an event or condition which occurred or existed prior to such expiration or termination.

ARTICLE X - EVENTS OF DEFAULT AND REMEDIES

10.1 Events of Default by Big Rivers or Member. Big Rivers or Member, respectively, shall be in default under this Agreement upon the happening or occurrence of any of the following events or conditions, each of which shall be an "Event of Default" for purposes of this Agreement:

a. Big Rivers or Member breaches or fails to observe or perform any of its material obligations under this Agreement, other than the obligations described in Section 10.1(c), unless within thirty (30) days after written notice from another Party specifying the nature of such breach or failure, Big Rivers or Member either cures such breach or failure or, if such cure cannot reasonably be effected by the payment of money and cannot reasonably be completed within thirty (30) days, commences such cure during the initial thirty (30) day period and thereafter diligently pursues such cure during such additional period of time as is reasonably necessary to cure such breach or failure.

b. Big Rivers or Member is dissolved, or its existence is terminated or its business is discontinued, unless: (i) this Agreement is assigned to a successor pursuant to ARTICLE XII - SALE, TRANSFER OR ASSIGNMENT; or (ii) it is merged into a successor corporation which continues substantially all of its business activities.

c. Big Rivers or Member fails to pay, when due, any amount due hereunder, and such failure continues for a period of seven (7) business days following the receipt by it of a written notice of such failure from another Party.

d. Any representation or warranty of Big Rivers or Member set forth in this Agreement was false or misleading in any material respect when made, unless: (i) the fact, circumstance or condition that is the subject of such representation or warranty is made true within thirty (30) days after another Party has given notice thereof to it; provided, however, that if the fact, circumstance or condition that is the subject of such representation or warranty cannot be corrected within such thirty (30) day period and if it commences to correct the fact, circumstance or condition that is the subject of such representation during the initial thirty (30) day period, and thereafter proceeds with all due diligence, to correct the fact, circumstance or condition that is the subject of such representation or warranty, such period shall be extended for such further period as shall be reasonably necessary for it to correct the same with all due diligence; and (ii) such cure removes any adverse effect on the other Parties of such fact, circumstance or condition being otherwise than as first represented, or such fact, circumstance or condition being otherwise than as first represented does not materially adversely affect the other Parties.

e. Big Rivers or Member shall: (i) file a voluntary petition in bankruptcy or file a voluntary petition or otherwise commence any action or proceeding seeking reorganization, liquidation, arrangement or readjustment of its debts or for any other relief under Bankruptcy Law, or consent to, approve of, or acquiesce in, any such petition, action or proceeding; (ii) apply for or acquiesce in the appointment of a receiver, liquidator, sequestrator, custodian, trustee or similar officer for it or for all or any part of its property; (iii) make an assignment of this Agreement for the benefit of creditors except for assignments permitted by Section 12.3; or (iv) be insolvent or be unable generally to pay its debts as they become due.

f. A proceeding or case is commenced, without the application or consent of Big Rivers or Member, in any court of competent jurisdiction, seeking: (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of its debts; (ii) the appointment of a trustee, receiver, custodian, liquidator or the like, of it or of all or any substantial part of its assets; or (iii) similar relief in respect of it under any Bankruptcy Law, and such proceeding or case shall continue un-dismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue un-stayed and in effect, for a period of ninety (90) days from commencement of such proceeding or case or the date of such order, judgment or decree.

g. Big Rivers or Member makes an assignment of this Agreement in violation of Article XII.

h. In no circumstance shall Big Rivers be liable for an Event of Default by Member nor shall Member be liable for an Event of Default by Big Rivers.

10.2 Events of Default By Seller. Seller shall be in default under this Agreement upon the happening or occurrence of any of the following events or conditions, each of which shall be an "Event of Default" for purposes of this Agreement:

a. Seller breaches or fails to observe or perform any of Seller's material obligations under this Agreement, other than the obligations described in Section 10.2(c), (g) and (i), unless within thirty (30) days after written notice from Big Rivers or Member specifying the nature of such breach or failure, Seller either cures such breach or failure or, if such cure cannot reasonably be effected by the payment of money and cannot reasonably be completed within thirty (30) days, commences such cure during the initial thirty (30) day period and thereafter diligently pursues such cure during such additional period of time as is reasonably necessary to cure such breach or failure.

b. Seller is dissolved, or Seller's existence is terminated or its business is discontinued, unless this Agreement is assigned to a successor pursuant to Article XII.

c. Seller fails to pay, when due, any amount due hereunder, and such failure continues for a period of seven (7) business days following the receipt by Seller of a written notice of such failure from Big Rivers or Member.

d. Any representation or warranty of Seller set forth in this Agreement was false or misleading in any material respect when made, unless: (i) the fact, circumstance or condition that is the subject of such representation or warranty is made true within thirty (30) days after Big Rivers or Member has given notice thereof to Seller; provided, however, that if the fact, circumstance or condition that is the subject of such representation or warranty cannot be corrected within such thirty (30) day period and if Seller commences to correct the fact, circumstance or condition that is the subject of such representation during the initial thirty (30) day period, and thereafter proceeds with all due diligence, to correct the fact, circumstance or condition that is the subject of such representation or warranty, such period shall be extended for such further period as shall be reasonably necessary for Seller to correct the same with all due diligence; and (ii) such cure removes any adverse effect on Big Rivers and Member of such fact, circumstance or condition being otherwise than as first represented, or such fact, circumstance or condition being otherwise than as first represented does not materially adversely affect Big Rivers or Member.

e. Seller shall: (i) file a voluntary petition in bankruptcy or file a voluntary petition or otherwise commence any action or proceeding seeking reorganization, liquidation, arrangement or readjustment of its debts or for any other relief under any Bankruptcy Law, or consent to, approve of, or acquiesce in, any such petition, action or proceeding; (ii) apply for or acquiesce in the appointment of a receiver, liquidator, sequestrator, custodian, trustee or similar officer for it or for all or any part of its property; (iii) make an assignment of this

Agreement for the benefit of creditors; or (iv) be insolvent or be unable generally to pay its debts as they become due.

f. A proceeding or case is commenced, without the application or consent of Seller in any court of competent jurisdiction, seeking: (i) the liquidation, reorganization, dissolution, winding-up, or composition or adjustment of debts of Seller; (ii) the appointment of a trustee, receiver, custodian, liquidator or the like, of Seller or of all or any substantial part of its assets; or (iii) similar relief in respect of Seller under any Bankruptcy Law, and such proceeding or case shall continue un-dismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue un-stayed and in effect, for a period of ninety (90) Days from commencement of such proceeding or case or the date of such order, judgment or decree.

g. Any letter of credit provided by Seller pursuant to Section 6.2 lapses or defaults.

h. Seller shall sell, assign, transfer or otherwise divert to a third party all or any portion of the energy produced from the Qualifying Facility.

i. Seller shall relinquish all possession and control of the Qualifying Facility, except for as permitted pursuant to Article XII or to a contractor of Seller in accordance with Good Utility Practice, if such relinquishment of possession and control is not cured within thirty (30) days following the receipt by Seller of a written notice thereof from Big Rivers or Member.

j. Seller makes an assignment of this Agreement in violation of Article XII.

10.3 Remedies.

a. General. Upon an Event of Default by a Party, both or either of the other Parties shall have the right, but not the obligation, to terminate this Agreement with respect to all obligations arising after the date a notice identifying the applicable Event(s) of Default and terminating the Agreement is delivered to the defaulting Party ("Notice of Early Termination"). A Notice of Early Termination is effective on the date it is delivered to the defaulting Party ("Early Termination Date"). Delivery of a Notice of Early Termination shall not relieve the non-defaulting Party of making timely payment for any amounts owed relating to obligations arising prior to the delivery of the Notice of Early Termination. If an Event of Default by a Party under this Agreement leads to termination of this Agreement, the non-defaulting Party may pursue all remedies available to it in law or equity, provided that the measure of damages for the defaulting Party's liability hereunder shall be determined as follows:

i. For a termination arising from an Event of Default by Seller, the Seller shall be liable for a Termination Payment equal to the sum of: (A) all sums actually expended by Big Rivers and Member through the date the Notice of Early Termination is delivered to the defaulting Party, both dates inclusive; and which have not yet been paid by Seller; and (B) any amounts due for services covered by Article III, Schedule B, or Schedule C. For purposes of

the preceding sentence, "sums actually expended" shall include all payments and obligations to make future payments by Big Rivers or Member arising from or in any way relating to the terms of this Agreement, whether incurred in the planning, designing, permitting, seeking of regulatory approval, development, construction or interconnection of the Qualifying Facility and associated energy and capacity.

ii. For a termination arising from an Event of Default by Big Rivers, Big Rivers shall be liable for a Termination Payment equal to the sum of: (A) the amount of all unpaid billing statements for power delivered by Seller; and (B) any refund due to Seller for overpayment of Interconnection Costs.

iii. For a termination arising from an Event of Default by Member, Member shall be liable for a Termination Payment to Seller equal to the amount of any refund due to Seller for overpayment of Interconnection Costs, and a Termination Payment to Big Rivers for any amount due Big Rivers for service provided by Big Rivers to Member relating in any way to this Agreement.

b. Termination of Service. If an Event of Default exists with regard to Seller's failure to make any payment to Member when due, Member may terminate service to Seller's Facility.

c. Survival. Obligations of a Party accrued under this Agreement on the date this Agreement is terminated or otherwise expires shall survive that termination or expiration.

d. Election of Remedies. Except as specifically limited in this Agreement, each and every right, power and remedy of a Party, whether specifically stated in this Agreement, or otherwise existing, may be exercised concurrently or separately, from time to time, and so often and in such order as may be deemed expedient by the exercising Party, and the exercise or the beginning of the exercise of any such right, power or remedy shall not be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy. No delay or omission of a Party in the exercise of any right, power or remedy shall impair or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing.

e. Costs, Expenses and Attorneys' Fees. In pursuing and collecting any damages pursuant to this Agreement, the non-defaulting Parties shall also be entitled to recover any reasonable costs, expenses or attorneys' fees arising from or relating to the pursuit of remedies set forth above.

10.4 No Waiver. Any waiver at any time by any Party of its rights with respect to an Event of Default under this Agreement, or with respect to any other matters arising in connection with this Agreement, shall not be deemed to be a waiver with respect to any subsequent Event of Default or other matter. Any waiver under this Agreement must be in writing.

10.5 Limitation of Liability. For a breach of any provision of this Agreement for which an express remedy or measure of damages is provided, such express remedy or measure of

damages shall be the sole and exclusive remedy. Unless expressly herein provided, no Party shall be liable for consequential, incidental, punitive exemplary or indirect damages, lost profits or other business interruption damages, by statute (to the extent permitted by law), in tort or contract or otherwise (except to the extent that an Indemnifying Party is obligated under Section 9.2 to indemnify against third party claims for consequential, incidental, punitive, exemplary or indirect damages or lost profits or business interruption damages). The limitations herein imposed on remedies and the measure of damages is without regard to the cause or causes related thereto, including the negligence of any Party, whether such negligence be sole, joint or concurrent, or active or passive. To the extent any damages required to be paid hereunder for a breach are liquidated, the Parties acknowledge that the liquidated damages are reasonable in light of the anticipated harm that would be caused by the breach, the difficulties of proof of loss, and the inconvenience or non-feasibility of otherwise obtaining an adequate remedy. EXCEPT AS SET FORTH IN THIS AGREEMENT, THERE ARE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SUBJECT MATTER OF THIS AGREEMENT.

ARTICLE XI – INSURANCE

11.1 Coverage and Amounts. Seller, and all contractors and subcontractors performing any services in connection with the operation or maintenance of Seller's System, shall obtain and maintain in force commercial general liability and umbrella or excess liability insurance, public liability coverage and property insurance for injury to persons and property, automobile liability insurance and workman's compensation insurance, all in amounts and under terms which are generally carried by owners or lessees, operators or maintainers of projects similar to the Qualifying Facility, but in no case less than $1,000,000.00 for public liability for bodily injury and $500,000.00 for property damage. Seller's liability under this Agreement is not limited to the amount of insurance coverage required herein.

11.2 Evidence of Insurance. Upon request made on or after the Authorization Date, Seller shall provide Big Rivers and Member with insurance certificates reasonably acceptable to Big Rivers and Member evidencing that insurance coverages for the Qualifying Facility are in compliance with the specifications for insurance coverage set forth in this Article. Such insurance and certificates shall: (a) include Big Rivers and Member as additional insured beneficiaries under the commercial general liability and umbrella liability policies; (b) provide a waiver of any rights of subrogation against Big Rivers and Member, and their affiliates and subsidiaries; and (c) indicate that the commercial general liability and umbrella liability policies have been extended as described above. All policies shall be written with insurers with A.M. Best Company ratings of at least A-. All policies shall be written on an occurrence basis, except as provided in Section 11.4. The commercial general liability and umbrella liability policies shall: (i) provide that Seller's policy shall be primary in all instances regardless of like coverages, if any, carried by Big Rivers or Member; and (ii) provide for claims by one insured against another such that, except for the limits of insurance, the insurance shall apply separately to each insured against whom a claim is made or suit is brought.

11.3 Modification of Insurance. If any insurance required to be maintained by Seller

hereunder ceases to be available on commercially reasonable terms in the commercial insurance market, Seller shall provide written notice of such fact to Big Rivers and Member, accompanied by a certificate from an independent insurance advisor of recognized national standing, certifying that such insurance is not available on commercially reasonable terms in the commercial insurance market for electric generating plants of similar type, geographic location and design. Upon delivery of such notice, Seller shall be relieved of the affected obligation, and Seller shall use commercially reasonable efforts to obtain other insurance that would provide comparable protection against the risk to be insured.

11.4 Term Insurance. All insurance required under this Agreement shall cover occurrences during the Term of this Agreement. In the event that any insurance as required herein is commercially available only on a "claims-made" basis, such insurance shall provide for a retroactive date not later than the Authorization Date and such insurance shall be maintained by Seller, with a retroactive date not later than the retroactive date required above, for a minimum of three (3) years after the expiration of the Term of this Agreement.

ARTICLE XII - SALE, TRANSFER OR ASSIGNMENT

12.1 Assignment to Non-Affiliates. Except as provided in Sections 12.2 and 12.3 herein, and with the exception of Big Rivers' right, title and interest in Environmental Attributes, this Agreement may not be assigned, in whole or in part, by any Party without the prior written consent of the other Parties. Such consent may require that: (i) the assignee agrees in writing, in form and substance satisfactory to the non-assigning Parties, to assume and to perform each and every obligation of the assignor under this Agreement; (ii) the assignment does not impair any security given by the assigning Party hereunder unless the assignee posts replacement security which meets the requirements of this Agreement; and (iii) the assignee has obtained, prior to the assignment, such Authorizations as may be required by Applicable Law and Regulations. Any assignment in violation hereof shall be null and void and shall constitute an Event of Default by the assigning Party.

12.2 Assignment to Affiliates. Notwithstanding Section 12.1, any Party may assign this Agreement to an affiliate of such Party without the consent of the other Parties, provided, however, that the assigning Party shall remain liable for all of its obligations under this Agreement unless and until the consent of the non-assigning Parties is secured in accordance with Section 12.1. The assigning Party shall notify the other Parties of the occurrence of any event described in this paragraph.

12.3 Assignment by Big Rivers to Secured Parties. Notwithstanding any other provision of this Agreement to the contrary, Big Rivers may, without the written consent of the other Parties and without relieving itself from liability hereunder, assign, transfer, mortgage or pledge this Agreement to create a security interest for the benefit of the United States of America, acting through the Rural Utilities Service, or other secured party (directly or through an indenture trustee or other collateral agent; collectively, including such indenture trustee or other collateral agent, a "Secured Party"). Thereafter, a Secured Party, without the written consent of the other Parties hereto, may (i) cause this Agreement (and all obligations hereunder) to be sold, assigned, transferred or otherwise disposed of to a third party pursuant to the terms governing such security interest, or (ii) if the Rural Utilities Service first acquires this Agreement pursuant to 7 U.S.C. § 907 or if any other Secured

Party otherwise first acquires this Agreement, sell, assign, transfer or otherwise dispose of this Agreement (and all obligations hereunder) to a third party; provided, however, that in either case (a) Big Rivers is in default of its obligations that are secured by such security interest and that the applicable Secured Party has given the other Parties hereto written notice of such default; and (b) the applicable Secured Party has given the other Parties hereto not less than thirty (30) days' prior written notice of its intention to sell, assign, transfer or otherwise dispose of this Agreement (and all obligations hereunder) indicating the identity of the intended third-party assignee or purchaser. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and permitted assigns. For the avoidance of doubt, the limitations on assignment set forth in Section 12.1 shall not apply to assignments to sales, assignments, transfers or other dispositions pursuant to this Section 12.3.

ARTICLE XIII - MISCELLANEOUS

13.1 Representations and Warranties.

a. Representations and Warranties of Big Rivers and Member. Big Rivers and Member, solely as applied to each of them in their individual capacity, make the following representations and warranties to Seller:

i. It is a cooperative corporation duly organized and in good standing under the laws of the Commonwealth of Kentucky, and is duly qualified to conduct business in Kentucky.

ii. It possesses all requisite legal power and authority to enter into and perform its obligations under this Agreement and to carry out the transaction(s) contemplated herein. It has all legal power and authority to transact the business in which it engages or proposes to engage, and holds or reasonably expects to obtain all Authorizations necessary and required therefore.

iii. Its execution, delivery and performance of this Agreement have been duly authorized by, and are in accordance with, its articles of incorporation or other organization documents; this Agreement has been duly executed and delivered for it by the signatories so authorized; and this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms thereof.

iv. Its execution and delivery of this Agreement will not result in a material breach or violation of, or constitute a material default under, any applicable law or Authorization, or any contract, lease or other agreement or instrument to which it is a party, or by which it or its properties may be bound or affected.

v. Its performance of this Agreement: (A) will not result in a material breach or violation of, or constitute a material default under, any applicable law or Authorization, or any contract, lease or other agreement or instrument to which it is a party, or by which it or its properties may be bound or affected; and (B) does not require any Authorization, or the consent, authorization or notification of any other person, or any other actions by or with respect to

any other person, other than: (1) the approval of the Kentucky Public Service Commission; (2) the approval of the Rural Utilities Service; (3) notice to other creditors; (4) the approval of the Big Rivers Board of Directors; and (5) such Authorizations, consents, authorizations, notifications, and other actions as have already been obtained, made, or taken, as applicable..

vi. No suit, action or arbitration, or legal, administrative or other proceeding is pending, or to its knowledge, has been threatened against it that would affect the validity or enforceability of this Agreement or its ability to perform its obligations hereunder in any material respect, or that would, if adversely determined, have a material adverse effect on its business or financial condition. There are no bankruptcy, insolvency, reorganization, receivership or other arrangements proceedings, pending against or being contemplated by it, or, to its knowledge, threatened against it.

b. Representations and Warranties of Seller. Seller makes the following representations and warranties to Big Rivers and Member:

i. Seller is a corporation duly organized and in good standing under the laws of the Commonwealth of Kentucky, and is duly qualified to conduct business in Kentucky.

ii. Seller possesses all requisite legal power and authority to enter into and perform its obligations under this Agreement and to carry out the transaction(s) contemplated herein. Seller has all legal power and authority to transact the business in which it engages or proposes to engage, and holds or reasonably expects to obtain all Authorizations necessary and required therefore.

iii. Seller's execution, delivery and performance of this Agreement have been duly authorized by, and are in accordance with, its articles of incorporation or other organization documents; this Agreement has been duly executed and delivered for it by the signatories so authorized; and this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms thereof.

iv. Seller's performance of this Agreement: (A) will not result in a material breach or violation of, or constitute a material default under, any applicable law or Authorization, or any contract, lease or other agreement or instrument to which it is a party, or by which it or its properties may be bound or affected; and (B) does not require any Authorization, or the consent, authorization or notification of any other person, or any other actions by or with respect to any other person, other than such Authorizations, consents, authorizations, notifications, and other actions as have already been obtained, made, or taken, as applicable.

v. No suit, action or arbitration, or legal, administrative or other proceeding is pending, or to Seller's knowledge, has been threatened against Seller that would affect the validity or enforceability of this Agreement or the ability of

Seller to perform its obligations hereunder in any material respect, or that would, if adversely determined, have a material adverse effect on the business or financial condition of Seller. There are no bankruptcy, insolvency, reorganization, receivership or other arrangements proceedings, pending against or being contemplated by Seller, or, to Seller's knowledge, threatened against it.

13.2 Term. The "Term" of this Agreement shall begin as of the Authorization Date and shall extend through and include the date one (1) year from the Authorization Date, unless earlier terminated in accordance with Section 10.3, and shall automatically be extended for successive one (1) year evergreen renewal terms unless terminated in accordance with Section 10.3 or Section 13.3

13.3 Termination. Any Party may terminate this Agreement at the expiration of the initial term or any subsequent one year renewal term by giving the other Parties at least one year's written notice. Termination shall not affect any obligation accrued prior to such termination or any other obligation which, pursuant to the terms of this Agreement, survives termination.

13.4 Notices. Any notice required by this Agreement to be given in writing shall be deemed properly given if and when delivered in person, or sent by registered or certified mail, postage prepaid to the person specified below:

If to Big Rivers:

Vice President System Operations
Big Rivers Electric Corporation
201 Third Street
P.O. Box 24
Henderson, Kentucky 42419-0024

If to Member:

President & Chief Executive Officer
Jackson Purchase Energy Corporation
2900 Irvin Cobb Drive,
P.O. Box 4030
Paducah, KY 42002

If to Seller:

Energy Manager
Commonwealth of Kentucky Department of Military Affairs
Construction and Facilities Management Office
100 Minuteman Parkway, Building 162
Frankfort, KY 40601

Notice may also be delivered to such other person or address as a Party may have designated in a written notice given to the other Parties in accordance with this Section

13.5 Confidentiality.

a. Duty of Confidentiality. Any Proprietary Information of a Party (the "Transferor") which is disclosed to or otherwise received or obtained by another Party (the "Transferee") incident to this Agreement is disclosed, and shall be held, in confidence, and the Transferee shall not (subject to paragraphs (b) and (c) below) publish or otherwise disclose any Proprietary Information of the Transferor to any person for any reason or purpose whatsoever, or use any Proprietary Information for any purpose other than performance under this Agreement, without the prior written approval of the Transferor, which approval may be granted or withheld by the Transferor in its sole discretion. Without limiting the generality of the foregoing, each Party shall observe at a minimum the same safeguards and precautions with regard to the Transferor's Proprietary Information which such Party observes with respect to its own information of the same or similar kind.

b. Disclosures to Employees, Contractors and Affiliates. Each Party agrees that it will make available Proprietary Information received from another Party to its employees, contractors and affiliates only on a need-to-know basis, and that all persons to whom such Proprietary Information is made available will be made aware of the confidential nature of such Proprietary Information, and will be required to agree to hold such Proprietary Information in confidence under terms substantially identical to the terms hereof.

c. Disclosures to Governmental Authorities. Notwithstanding the foregoing:

i. A Transferee may provide any Proprietary Information to any Governmental Authority having jurisdiction over or asserting a right to obtain such information, provided that: (A) such Governmental Authority orders that such Proprietary Information be provided; and (B) unless prohibited from so doing by applicable law, the Transferee promptly advises the Transferor of any request for such information by such Governmental Authority and cooperates in giving the Transferor an opportunity to present objections, requests for limitation, and/or requests for confidentiality or other restrictions on disclosure or access, to such Governmental Authority.

ii. Each Party may, to the extent required, disclose Proprietary Information to any Governmental Authority in connection with the application for any required Authorization, provided that, unless prohibited from so doing by applicable law, the Transferee shall advise the Transferor of any Proprietary Information that Transferee will disclose to the Governmental Authority prior thereto and shall cooperate in giving the Transferor an opportunity to present objections, requests for limitation, and/or requests for confidentiality or other restrictions on disclosure or access, to such Governmental Authority.

iii. Any Party may disclose such Proprietary Information regarding the terms of this Agreement as such Party deems necessary to enable it to comply with the Securities Exchange Act of 1934, or the rules, regulations and forms of the Securities and Exchange Commission, issued thereunder or the

applicable rules of any stock exchange.

d. Injunctive Relief. In the event of a breach or threatened breach of the provisions of paragraph (a) of this Section 13.5 by any Transferee, the Transferor shall be entitled to an injunction restraining the Transferee from such breach. Nothing contained herein shall be construed as prohibiting the Transferor from pursuing any other remedies available at law or equity for such breach or threatened breach of this Agreement.

e. Continuing Obligation. The obligation to retain Proprietary Information in confidence shall continue in full force and effect during the Term of the Agreement and for a period of two (2) years thereafter, notwithstanding the expiration or termination of this Agreement, with respect to any information obtained by any Party prior to such expiration or termination.

f. Definition of Proprietary Information:

i. The term "Proprietary Information" means all information, written or oral, which has been or is disclosed by the Transferor, or by any person on behalf of the Transferor, or which otherwise becomes known to the Transferee, or to any person associated with such Transferee, or any other person in a confidential relationship with, the Transferee, and which the Transferor expressly designates in writing to be confidential.

ii. Notwithstanding anything to the contrary in the preceding paragraph, Proprietary Information shall exclude information falling into any of the following categories:

A. information that, at the time of disclosure hereunder, is in the public domain, other than information that entered the public domain by breach of this Agreement by Transferee;

B. information that, after disclosure hereunder, enters the public domain, other than information that enters the public domain by breach of this Agreement by Transferee;

C. information, other than that obtained from third parties, that prior to disclosure hereunder, was already in Transferee's possession, either without limitation on disclosure to others or subsequently becoming free of such limitation;

D. information obtained by Transferee from a third party having an independent right to disclose the information; or

E. information that is available through independent research without use of or access to the Proprietary Information.

13.6 Effectiveness of Agreement. The effectiveness of this Agreement and the Parties obligations hereunder are subject to the receipt of Authorizations from the Kentucky Public Service Commission and the Rural Utilities Service.

13.7 No Partnership. Notwithstanding any provision of this Agreement to the contrary, Seller, Big Rivers and Member do not intend to create hereby any lease, joint venture, partnership, association taxable as a corporation, or other entity for the conduct of any business for profit. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, another Party. The Parties agree to take, on a timely basis, all voluntary action as may be necessary to be excluded from treatment as a partnership under the Internal Revenue Code, and, if it should appear that one or more changes to this Agreement would be required in order to prevent the creation of such a business entity, the Parties agree to negotiate promptly in good faith with respect to such changes.

13.8 No Duty To Third Parties. This Agreement is for the sole benefit of the Parties hereto, and nothing in this Agreement nor any action taken hereunder shall be construed to create any duty, liability or standard of care to any person not a party to this Agreement. Except as specifically provided herein, no person shall have any rights or interest, direct or indirect, in this Agreement or the services to be provided hereunder, or both, except the Parties hereto. Except as provided in Article XI, the Parties specifically disclaim any intent to create any rights in any person as a third-party beneficiary to this Agreement or the services to be provided hereunder, or both.

13.9 Dedication. No undertaking by one Party to the other under this Agreement shall constitute the dedication of that Party's system or any portion thereof to another Party or to the public or affect the status of Seller as an independent entity and not a public utility or public service company.

13.10 Entire Agreement. This Agreement contains the entire agreement among the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter. Except for any modification which this Agreement expressly authorizes a party to make unilaterally, no modification or waiver of any term or provision of this Agreement shall be effective unless it is in writing and signed by all of the Parties.

13.11 Interpretation. The article and section headings in this Agreement have been inserted for convenience only and shall in no way affect the interpretation of any of the terms or provisions hereof.

13.12 Applicable Law and Venue. This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Kentucky. Any action, case, proceeding, matter or dispute shall be filed with the Kentucky Public Service Commission or in the Circuit Court of McCracken County, Kentucky.

13.13 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid, but if any provision of this Agreement or the application thereof shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any other provision which can be given without the invalid provision or application, and to this end the provisions of this Agreement are declared to be severable.

13.14 Counterparts. This Agreement may be executed simultaneously in one (1) or more

counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers and have caused their seals to be affixed as of the date first written above.

BIG RIVERS ELECTRIC CORPORATION

By: _____

Name: Robert W. Berry

Title President and CEO

JACKSON PURCHASE ENERGY CORPORATION

By: _____

Name: Dennis L. Cannon

Title President and CEO

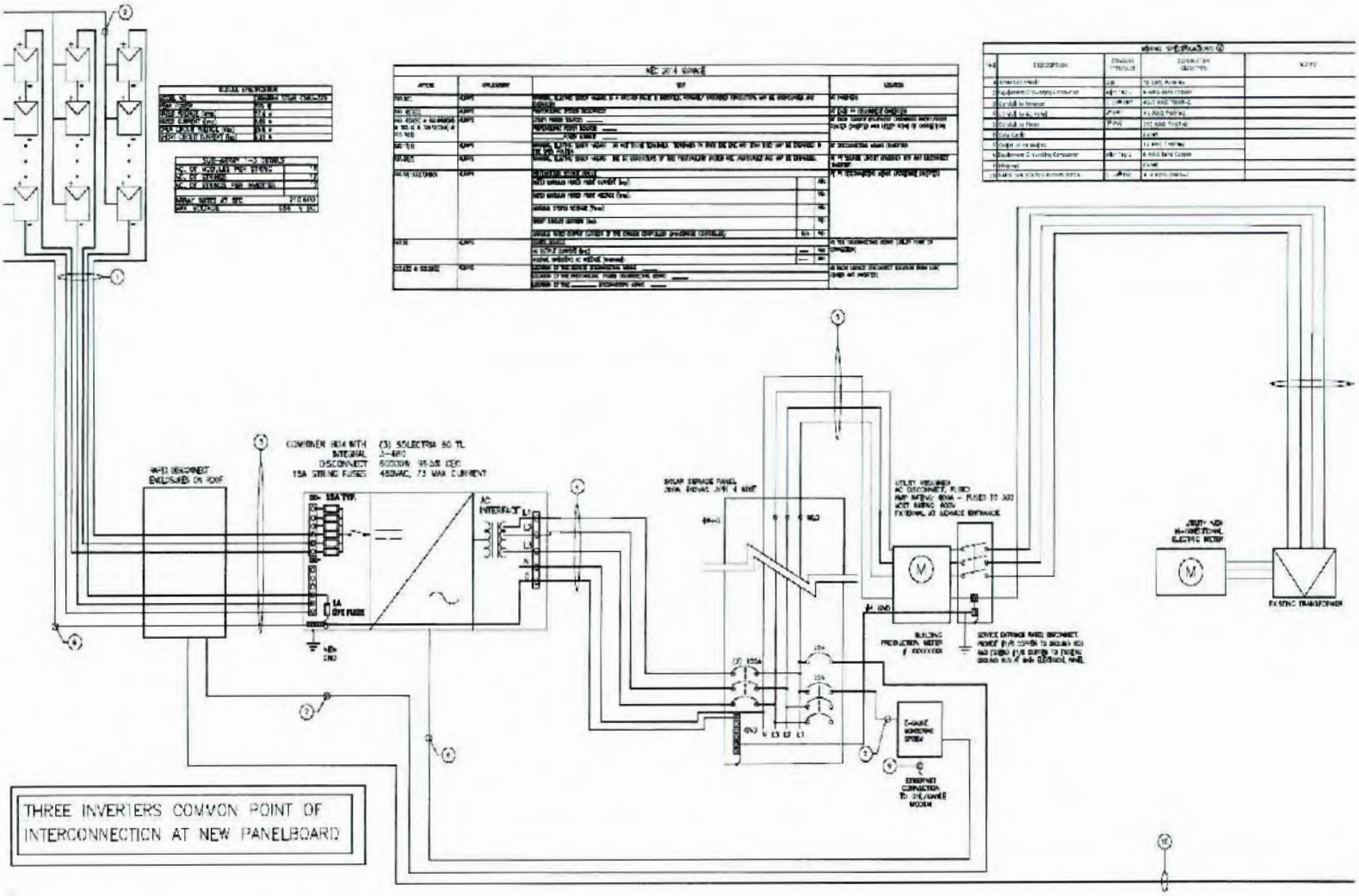
SELLER

By: _____

Name: WILL S. PHILLIPS

Title ENERGY MANAGER DMA, CFMO

Schedule A – Interconnection Facilities



Schedule B – Interconnection Costs and Interconnection Service Charge

I. Big Rivers and Member Interconnection Costs

Pursuant to Section 6.3 of this Agreement, Seller shall pay to Big Rivers and Member their estimated Interconnection Costs no later than thirty (30) days after the Authorization Date, as follows:

Big Rivers' estimated Interconnection Costs: $5,500; and

Member's estimated Interconnection costs: $5,500.

II. Monthly Interconnection Service Charges

Pursuant to Section 6.5 of the Agreement, Seller shall pay to Big Rivers and Member monthly Interconnection Service Charges. The monthly Interconnection Service Charges are initially established as follows:

Big Rivers' monthly Interconnection Service Charge to Seller: $100; and

Member's monthly Interconnection Service Charge to Seller: $0.00.

Big Rivers and/or Member will review and update the applicable monthly Interconnection Service Charge on an annual basis to reflect changes in their actual and anticipated costs.