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September 20, 2018

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Duke Energy Ohio, Inc., ER18-2458-000
Revised Interconnection Agreement

Dear Secretary Bose:

Pursuant to section 205 of the Federal Power Act (“FPA”),¹ Part 35 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”),² and Part VI of the PJM Interconnection, L.L.C. Open Access Transmission Tariff (“PJM Tariff”), Duke Energy Ohio, Inc. (“Duke Ohio”) ³ submits for filing an executed amended interconnection agreement, dated July 30, 2018 (“Interconnection Agreement”) between Duke Energy Business Services, LLC, acting as agent for Duke Ohio and Duke Energy Kentucky, Inc. (“Duke Energy”) and East Kentucky Power Cooperative, Inc. (“East Kentucky”). PJM Interconnection, L.L.C. (“PJM”) has designated the Interconnection Agreement as Service Agreement No. 3141.

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Pt. 35.

³ Pursuant to Electronic Tariff Filings, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008) (“Order No. 714”), this filing is being submitted by PJM on behalf of Duke Ohio as part of an XML filing package that conforms to the Commission’s regulations. PJM has agreed to make all filings on behalf of the PJM Transmission Owners in order to retain administrative control over the PJM Tariff. Thus, Duke Ohio has requested PJM submit this Interconnection Agreement in the eTariff system as part of PJM’s electronic Service Agreements Tariff. Filing the Interconnection Agreement as a service agreement under the PJM Tariff is consistent with Commission precedent. *See American Electric Power Service Corporation, et al.*, 112 FERC ¶ 61,128 (2005).

DESCRIPTION OF FILING

On July 30, 2018, in FERC Docket No. ER18-2108, Duke Ohio filed an unexecuted amended interconnection, PJM SA No. 3137, among Duke Ohio, EKPC, and PJM which was not executed by PJM due to timing issues. The amended Interconnection Agreement submitted in this docket is fully executed, that is all of the parties, including PJM have signed the Interconnection Agreement. Duke Energy will submit a notice of withdrawal in FERC Docket No. ER18-2108, to withdraw the interconnection agreement that was not fully executed.

For background, on June 30, 2018, Duke Ohio, Dayton Power & Light Company, and American Electric Power Service Corporation, on behalf of OPCo (collectively, “Transferring Parties”) transferred certain transmission assets among themselves to realign the ownership interests in those assets such that the Transferring Parties would no longer co-own them as tenants in common.⁴ Each transmission asset is now owned solely by one of the Transferring Parties. FERC policy is that service providers’ filed contracts reflect all of the most current and effective provisions.⁵ After the transaction consummated on June 30th, Duke Ohio recognized that with the change in ownership, certain provisions of its existing IAs were no longer accurate, including the Duke Ohio/EKPC interconnection agreement. Given the Commission’s policy that service agreements may be filed up to 30 days after service begins under the most current terms and conditions, and the recent recognition of the need to replace or amend the IAs, the Transferring Parties worked diligently to meet the July 30th deadline to reflect the ownership changes. However, as stated above, due to the timing, PJM was not able to execute the EKPC/Duke Ohio interconnection agreement and it was filed unexecuted as to PJM.

The Interconnection Agreement submitted amends the existing interconnection agreement which Duke Ohio will continue to designate as PJM SA No. 3141. The modifications to the Duke Ohio-EKPC Interconnection Agreement are fairly minimal and virtually all relate to the addition of a new

⁴ On January 30, 2018, the Commission approved the Transferring Parties’ application seeking authorization to transfer the transmission assets. *Ohio Power Company*, 162 FERC ¶ 62,069 (2018). On July 2, 2018, in FERC Docket No. EC18-31, the Transferring Parties submitted a Notice of Consummation notifying the Commission that the transfer was consummated on June 30, 2018.

⁵ *E.g.*, *Boston Edison Co.*, 98 FERC ¶ 61,292 at P 20 (2002) (holding that tariffs must reflect only effective tariff language); *Davis Wright Tremaine LLP*, 100 FERC ¶ 61,228 at P 9 (2002) (noting requirement to have current and complete tariffs on file with the Commission).

interconnection point (Spurlock/Meldahl) or are quite minor housekeeping edits, as reflected in the Marked Tariff Attachment. The changes relating to addition of the new interconnection point are found primarily in Appendix A and B.

A. REQUESTED EFFECTIVE DATE

Duke Ohio respectfully requests that the Commission accept the Interconnection Agreement effective as of June 30, 2018. Given that the Interconnection Agreement is considered a service agreement under the PJM Tariff, this agreement is timely submitted under the policies set forth in *Prior Notice*.⁶ To the extent necessary, Duke Ohio requests any and all waivers needed to permit this Interconnection Agreement to become effective on the requested effective date.

B. SERVICE & COMMUNICATIONS

Correspondence relating to this filing should be addressed to:

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A copy of this filing will be available on the Commission's eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission's regulations and Order No. 714.

Duke Ohio has served a copy on East Kentucky.

CONTENTS OF FILING

The following documents are included in this filing in addition to the two tariff records that comprise the Interconnection Agreement:

1. This transmittal letter;

⁶ *Prior Notice and Filing Requirements under Part II of the Federal Power Act*, 64 FEREC ¶ 61,139 (1993).

2. Marked Tariff version of the Interconnection Agreement; and
3. Clean Tariff version of the Interconnection Agreement.
4. Exhibit A – PDF of signature pages.

C. CONCLUSION

Duke Ohio respectfully requests that the Commission accept the revised Interconnection Agreement as just, reasonable, and not unduly preferential under Section 205 of the Federal Power Act and grant the requested effective date.

If you have any questions regarding this filing, or if we may be of further assistance, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ Sheri Hylton May
Sheri Hylton May
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Service Agreement No. 3141

**AMENDED AND RESTATED
INTERCONNECTION AGREEMENT**

BETWEEN

**DUKE ENERGY BUSINESS SERVICES, LLC
acting as agent for Duke Energy Ohio, Inc.
and Duke Energy Kentucky, Inc.,**

AND

EAST KENTUCKY POWER COOPERATIVE, INC.

INTERCONNECTION AGREEMENT

This Interconnection Agreement ~~was originally made and entered into as of 1st day of March 2010 (the "Agreement"), and~~ is being amended and restated effective the ~~13th~~^{30th} day of ~~April 2015~~^{July 2018} by and among DUKE ENERGY BUSINESS SERVICES, LLC ("Duke Energy"), a corporation organized and existing under the laws of the State of Delaware, acting as agent for and on behalf of its operating companies Duke Energy Ohio, Inc., a public utility corporation organized and existing under the laws of the State of Ohio ("Duke Energy Ohio"), and Duke Energy Kentucky, Inc., a public utility corporation organized and existing under the laws of the Commonwealth of Kentucky ("Duke Energy Kentucky") and EAST KENTUCKY POWER COOPERATIVE, INC., a generation and transmission cooperative organized and existing under the laws of the Commonwealth of Kentucky ("East Kentucky"). Duke Energy and East Kentucky are sometimes referred to individually as a "Party" and collectively as the "Parties." For the avoidance of doubt, the term "Party" and "Parties" shall not include PJM Interconnection, L.L.C. ("PJM").

WITNESSETH

WHEREAS, Duke Energy Ohio, Duke Energy Kentucky and East Kentucky each owns electric facilities and is engaged in generation, transmission, distribution (solely in the case of Duke Energy) and sale of electric power and energy; and

WHEREAS, all the terms and conditions of this Agreement entered into by Duke Energy are binding upon Duke Energy Ohio and Duke Energy Kentucky, and Duke Energy has the authority to act on behalf of Duke Energy Ohio and Duke Energy Kentucky and is authorized to enter into and to perform its obligations under this Agreement; and

WHEREAS, Duke Energy on behalf of Duke Energy Ohio and Duke Energy Kentucky is a participating transmission owner in PJM and PJM has functional control of the operation of Duke Energy's Transmission system and is responsible for providing transmission and interconnection service on the transmission facilities under its functional control; and

WHEREAS, East Kentucky is a participating transmission owner in PJM as of June 1, 2013, and PJM has functional control of the operation of that portion of East Kentucky's Transmission System that East Kentucky committed to PJM and PJM is responsible for providing transmission and interconnection service on the transmission facilities under its functional control; and

WHEREAS the Federal Energy Regulatory Commission ("FERC") has required the Parties to this Agreement to include PJM as a signatory to this Agreement in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise; and

WHEREAS, Duke Energy and East Kentucky are parties to an Interconnection Agreement, effective ~~March 1, 2010~~^{April 13, 2015} and designated as PJM Original Service Agreement No. 3141 and desire to amend and update the Agreement to add the ~~Hebron~~^{Spurlock/Meldahl} interconnection point (see Appendix A, Facility Schedule No. ~~4011~~) and to make minor modifications to the Agreement.-

~~WHEREAS, it is anticipated that the Hebron interconnection will be energized on June 1,~~

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NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1.0 DEFINITIONS

- 1.1 Defined Terms. Terms used in this Agreement with initial capitalization not otherwise defined below shall have the meanings specified in the PJM Open Access Transmission Tariff (“Tariff”).
- 1.1.1 “Abnormal Condition” means, in respect of a Party’s Interconnection Facilities or Transmission System, any condition on such Interconnection Facilities or Transmission System which is outside normal operating parameters, such that such Interconnection Facilities or Transmission System are operating outside their normal ratings or reasonable operating limits have been exceeded but which has not resulted in an Emergency Condition. An Abnormal Condition may include, but is not limited to, high or low deviations in voltage, frequency, power flow, equipment temperature, equipment pressures, and other equipment and operating parameters.
- 1.1.2 “Affiliate” means, with respect to any Person, (a) each entity that such Person Controls, (b) each Person that Controls such Person, and (c) each entity that is under common Control with such Person.
- 1.1.3 “Agreement” means this Agreement, including all exhibits, attachments, and appendices hereto that may from time to time exist.
- 1.1.4 “Assignment” has the meaning provided in Section 13.2 of this Agreement.
- 1.1.5 “Control” means the possession, directly or indirectly, through one or more intermediaries, of the following:
- (a) (i) in the case of a corporation, fifty percent (50%) or more of the outstanding voting securities thereof; (ii) in the case of a limited liability company, partnership, limited partnership or venture, the right to fifty percent (50%) or more of the distributions there from (including liquidating distributions); (iii) in the case of a trust or estate, including a business trust, fifty percent (50%) or more of the beneficial interest therein; and (iv) in the case of any other entity, fifty percent (50%) or more of the economic or beneficial interest therein; and
 - (b) in the case of any entity, the power or authority, through ownership of

voting securities, by contract or otherwise, to exercise a controlling influence over the management of the entity.

- 1.1.6 “Default” has the meaning provided in Section 14.4 of this Agreement.
- 1.1.7 “Defaulting Transmission-Owning Party” has the meaning provided in Section 14.4 of this Agreement.
- 1.1.8 “Delivery Point” means a location where a Party’s load is served from the other Party’s electric transmission system or distribution system.
- 1.1.9 “Dispute” has the meaning provided in Section 19.3.1 of this Agreement.
- 1.1.10 “Dispute Notice” has the meaning provided in Section 19.3.3 of this Agreement.
- 1.1.11 “Disputing Party” has the meaning provided in Section 19.3.3 of this Agreement.
- 1.1.12 “Duke Energy” has the meaning provided in the preamble to this Agreement.
- 1.1.13 “Duke Energy Kentucky” has the meaning provided in the preamble to this Agreement.
- 1.1.14 “Duke Energy Ohio” has the meaning provided in the preamble to this Agreement.
- 1.1.15 “Duke Energy-Owned Interconnection Facilities” means all those facilities owned, operated or controlled by Duke Energy, Duke Energy Ohio or Duke Energy Kentucky which, in conjunction with the East Kentucky-Owned Interconnection Facilities, are necessary to effect the transfer of energy to and from the Transmission Systems, as such facilities are identified and described in Facility Schedule(s), and shall include any modifications, additions or upgrades made to those facilities.
- 1.1.16 “Duke Energy Transmission System” means the transmission facilities (including conductors, circuit breakers, switches, transformers and other associated equipment used to control the transfer of energy from one place to another) owned, operated or controlled by Duke Energy, Duke Energy Ohio or Duke Energy Kentucky, including any modifications, additions or upgrades made thereto.
- 1.1.17 “East Kentucky” has the meaning provided in the preamble to this Agreement.
- 1.1.18 “East Kentucky-Owned Interconnection Facilities” means all those facilities owned, operated or controlled by East Kentucky which, in conjunction with the Duke Energy-Owned Interconnection Facilities, are necessary to effect the transfer of energy to and from the Transmission Systems, as such facilities are identified and described in Facility Schedule(s), and shall include any modifications, additions or upgrades made to those facilities.

- 1.1.19 “East Kentucky Transmission System” means the transmission facilities (including conductors, circuit breakers, switches, transformers and other associated equipment used to control the transfer of energy from one place to another) owned, operated or controlled by East Kentucky, including any modifications, additions or upgrades thereto.
- 1.1.20 “Emergency Condition” means, in respect of a Party’s Interconnection Facilities or Transmission System, a condition or situation that is imminently likely (a) to endanger life or property or (b) to cause a material adverse effect on the security of, or damage to, such Transmission System or Interconnection Facilities or the electric systems of others to which such Transmission System is directly connected.
- 1.1.21 “Facility Schedule” means the terms and conditions agreed to by the Parties attached hereto as Appendix A and incorporated herein by reference, which specify the responsibilities of the Parties for the ownership, operation and maintenance applicable to each Point of Interconnection.
- 1.1.22 “FERC” means the Federal Energy Regulatory Commission or any successor agency.
- 1.1.23 “Force Majeure” means any cause beyond the reasonable control of the Party affected, including acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, acts of public enemy, terrorist acts, sabotage, insurrection, riot, civil disturbance or disobedience, labor disputes, labor or material shortage, explosions, breakage or accident to machinery or equipment (which is caused by an event of Force Majeure), orders, regulations or restrictions imposed by governmental, military or lawfully established civilian authorities, provided that “Force Majeure” shall not include any act of negligence or intentional wrongdoing by such Party.
- 1.1.24 “Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision is made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. “Good Utility Practice” is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather, intended to include acceptable practices, methods or acts generally accepted in the region, but are not necessarily codified.
- 1.1.25 “Indemnified Party” has the meaning provided in Section 15.1 of this Agreement.
- 1.1.26 “Indemnifying Party” has the meaning provided in Section 15.1 of this Agreement.
- 1.1.27 “Initial Term” has the meaning provided in Section 14.1 of this Agreement.

- 1.1.28 “Interconnection Facilities” means the Duke Energy-Owned Interconnection Facilities and the East Kentucky-Owned Interconnection Facilities.
- 1.1.30 “Open Access Transmission Tariff” or “OATT” means PJM’s Open Access Transmission Tariff, as accepted for filing by FERC, as the same may be amended from time to time.
- 1.1.31 “Operating Committee” has the meaning provided in Section 3.2 of this Agreement.
- 1.1.32 “Parent” means, with respect to any Person, the Person that Controls such Person and that is not itself controlled by any other Person.
- 1.1.33 “Party” and “Parties” has the meaning provided in the preamble to this Agreement.
- 1.1.34 “Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint-stock company, a trust, an unincorporated organization or any governmental or political subdivision thereof.
- 1.1.35 “PJM” means PJM Interconnection, L.L.C. or its successor(s).
- 1.1.36 “Point of Interconnection” and “Points of Interconnection” shall mean the point or points at which the Transmission Systems are connected as specified in Appendix A attached to this Agreement, as the same may be added, deleted or otherwise changed from time to time in accordance with this Agreement.
- 1.1.37 “Reliability Coordinator” or “RC” means the Person that performs the functions of the Reliability Coordinator under the OATT or Tariff.
- 1.1.38 “Renewal Term” has the meaning provided in Section 14.1 of this Agreement.
- 1.1.39 “Representatives” means, in respect of a Party, such Party’s Parent, subsidiaries, Affiliates, members, managers, shareholders, directors, officers, employees, agents, successors or assigns.
- 1.1.40 “RFC” means the Reliability First Corporation, a regional reliability organization.
- 1.1.41 “RUS” means the Rural Utilities Service of the United States Department of Agriculture, or any successor agency.
- 1.1.42 “SERC” means the SERC Reliability Corporation, a regional reliability organization.
- 1.1.43 “System Operator” means, with respect to each Party, the operation personnel in the control center for such Party that is responsible for the real time monitoring and operation of such Party’s Transmission System.

1.1.44 “Tariff” means the Open Access Transmission Tariff filed by PJM with the FERC and as it may be amended from time to time, or any successor tariff.

Transmission Service” means the service obtained by a Party under the PJM OATT or Tariff, whichever is appropriate.

1.1.46 “Transmission Systems” means the Duke Energy Transmission System, the East Kentucky Transmission System, or both, as the context requires.

1.2. Interpretation. Except as otherwise expressly provided herein, the rules of interpretation and construction set forth below shall apply to this Agreement:

- 1.2.1 all defined terms in the singular shall have the same meaning when used in the plural and vice versa;
- 1.2.2 the words “hereof,” “herein” and “hereto” and similar words refer to this entire Agreement and not to any particular Section, Appendix or any other subdivision of this Agreement;
- 1.2.3 the capitalized terms “Section” and “Appendix” refer, respectively, to sections of, or appendices to, this Agreement;
- 1.2.4 reference to any law, statute, rule, regulation, tariff, notification or statutory provision shall be construed as a reference to such law, statute, rule, regulation, tariff, notification or statutory provision as it applies to this Agreement and the Parties and as it may have been, or may from time to time be, amended, modified or re-enacted;
- 1.2.5 the words “includes” and “including” and similar phrases shall mean “including without limitation”;
- 1.2.6 the captions, section numbers and headings in this Agreement are included for convenience of reference only and shall not in any way affect the meaning or interpretation of this Agreement;
- 1.2.7 the word “or” may not be mutually exclusive, and can be construed to mean “and” where the context requires there to be a multiple rather than as alternative obligation; and
- 1.2.8 reference to a particular Party or Person includes such Party’s or Person’s successors and assigns to the extent not prohibited by this Agreement.

SECTION 2.0
POINTS OF INTERCONNECTION, CONTINUING OBLIGATIONS AND
RESPONSIBILITIES

- 2.1 Points of Interconnection. The Points of Interconnection between the Parties are specified herein, and shall be operated and maintained in accordance with the terms and conditions in this Agreement, including the Facility Schedule(s) listed in Appendix A of this Agreement and the One-line Diagrams included in Appendix B of this Agreement.
- 2.2 Delivery Points. The Delivery Points shall be operated and maintained in accordance with the terms and conditions in this Agreement. The Delivery Points are included in Appendix A of this Agreement.
- 2.3 Service Conditions.
- 2.3.1 The Points of Interconnection and Delivery Points, other than those designated as normally open on Appendix A of this Agreement, shall be operated in continuous synchronization through such interconnection, except in cases of interruption of such synchronous operation due to (a) mutually agreed upon maintenance, (b) directives from PJM or the RC in accordance with applicable North American Electric Reliability Council standards or (c) Force Majeure. If synchronous operation is interrupted, the Parties shall cooperate so as to remove the cause of such interruption as soon as practicable, consistent with Good Utility Practice.
- 2.3.2 All Points of Interconnection and Delivery Points shall conform to such operating guidelines as the Operating Committee shall agree upon.
- 2.4 Additional Services.
- 2.4.1 This Agreement is applicable only to the physical interconnection of the Parties' Transmission Systems and Interconnection Facilities at the Points of Interconnection and Delivery Points and does not obligate either Party to receive or provide any service. Other services provided by one Party to the other Party shall be governed by such other agreements as the Parties may enter into from time to time.
- 2.4.2 This Agreement provides only for the physical interconnection of the Parties' transmission facilities at the designated Points of Interconnection and Delivery Points. Transmission service, or any other service, must be acquired by the desiring Party through appropriate processes outside of this Agreement. In furtherance of the foregoing, a Party whose load or contractual load is isolated onto the other Party's Transmission System shall be responsible for making arrangements to obtain Transmission Service with respect to such load.
- 2.4.3 No Party shall be obligated to deliver reactive power for the benefit of the other Party. No Party shall be obligated to receive reactive power when to do so might introduce objectionable operating conditions on its system. Subject to the foregoing, the Parties, through the Operating Committee, shall establish from time to time (a) voltage levels to be maintained and (b) operating procedures for establishing and maintaining an equitable distribution of reactive power.
- 2.5 Safety.

2.5.1 Responsibility for Safety of Employees, Etc. Except as otherwise provided in Section 16.0 of this Agreement, each Party shall be solely responsible for and assume all liability for the safety and supervision of its respective employees, agents, representatives and subcontractors.

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2.5.2 Compliance with Applicable Laws. All work performed hereunder by any Party, will be performed in accordance with Good Utility Practice and all applicable laws, rules and regulations pertaining to the safety of persons or property.

SECTION 3.0 OPERATION AND MAINTENANCE; OPERATING COMMITTEE

3.1 Operation and Maintenance. Unless otherwise provided by the Facility Schedules, each Party shall, at its own risk and expense (a) use commercially reasonable efforts to operate and maintain the facilities (including its Transmission System and Interconnection Facilities) and equipment that are owned, controlled, or operated by it or on its behalf, or hereafter may be owned, controlled or operated by it or on its behalf, and (b) design and install equipment and facilities (including all apparatus and necessary protective devices) on its side of each Point of Interconnection or Delivery Point, in each case, in accordance with Good Utility Practice so as to reasonably minimize the likelihood of a disturbance originating on its Transmission System or Interconnection Facilities from affecting or impairing the other Party's Transmission System or Interconnection Facilities or other transmission systems to which it is interconnected. Such design and installation will be carried out in coordination with PJM as required by the terms of its Tariff.

3.2 Operating Committee.

3.2.1 Representatives. The Parties shall establish a committee of authorized representatives to be known as the Operating Committee. Each Party shall designate in writing delivered to the other Party, its representative on the Operating Committee (and the person or persons who may serve as an alternate or alternates whenever such representative is unable to act). Such representative and alternate(s) shall be familiar with the Transmission System and Interconnection Facilities of the Party he or she represents, and shall be fully authorized to perform the functions delegated to the Operating Committee.

3.2.2 Authority of the Operating Committee. The Operating Committee shall be authorized to address the following:

3.2.2.1 Coordination of maintenance of the Transmission Systems and Interconnection Facilities but only to the extent such maintenance is not subject to directives from the RC or PJM.

3.2.2.2 Control of time, frequency, energy flow, power factor, voltage and other similar matters bearing upon the satisfactory synchronous operation of the

Transmission Systems and Interconnection Facilities.

- 3.2.2.3 Establishment of criteria, rules and standards for the testing and calibration of metering equipment required pursuant to Section 5.0 of this Agreement.
- 3.2.2.4 Monitoring and confirming the Parties' compliance with Section 2.4.3 of this Agreement.
- 3.2.2.5 Such other functions not specifically provided for herein which the Parties mutually agree upon.
- 3.2.3 No Authority to Amend. The Operating Committee shall not have authority to modify any of the terms or conditions of this Agreement. The Operating Committee may, to the extent appropriate, solicit input from the RC or PJM, and in any event shall perform its functions consistent with any directives of the RC or PJM.
- 3.2.4 Disputes. If the Operating Committee is unable to take action on any matter to be acted upon by it under this Agreement because of a dispute between the representatives as to such matter, then the matter shall be resolved in accordance with Section 19.3 of this Agreement.

SECTION 4.0
RIGHTS OF ACCESS; EQUIPMENT INSTALLATION AND REMOVAL

- 4.1 Rights of Access. Each Party shall permit duly authorized representatives and employees of the other Party to enter upon its premises for the purpose of (a) inspecting, testing, repairing, renewing or exchanging any of the equipment owned by such other Party located on its premises or (b) performing any work necessary in the performance of this Agreement, in each case, upon reasonable notice to the Party, at reasonable times and in compliance with Good Utility Practice and the Party's reasonable rules and regulations.
- 4.2 Equipment Installation. Each Party shall permit duly authorized representatives and employees of the other Party to install, maintain and operate on its premises the necessary equipment, apparatus and devices required for the performance of this Agreement. Any such installation, maintenance and operation to be performed, except in Emergency Conditions, shall be performed after reasonable notice of the schedule of activity is submitted to the Party, at reasonable times and in compliance with Good Utility Practice and the Party's reasonable rules and regulations. Any equipment, apparatus and devices installed pursuant to this Section 4.2 shall be clearly marked by the Party with appropriate ownership identification.
- 4.3 Equipment Removal. Any and all equipment, apparatus, devices and facilities placed or

installed, or caused to be placed or installed by one Party on, or in, the premises of the other Party, shall be and remain the property of the Party owning and installing such equipment, apparatus, devices or facilities, regardless of the mode and manner of annexation or attachment to real property, unless mutually agreed otherwise by the Parties. Upon the termination of any Point of Interconnection in accordance with this Agreement, the Party owning and installing such equipment, apparatus, devices or facilities at the Point of Interconnection shall have the right (a) to sell such equipment, apparatus, devices or facilities to the other Party if the other Party wishes to purchase such equipment, apparatus, devices or facilities, or (b) enter the premises of the other Party and remove, at the owning Party's cost, such equipment, apparatus, devices or facilities that are salvageable upon reasonable notice to the other Party, at reasonable times and in compliance with Good Utility Practice and the other Party's reasonable rules and regulations.

SECTION 5.0 DELIVERY AND METERING

- 5.1 Delivery.
- 5.1.1 Interconnection Points. All energy delivered to or flowing through a Point of Interconnection shall be in the form of three-phase, sixty (60) hertz alternating current.
- 5.1.2 Delivery Points. All electric energy delivered under this Agreement shall be of the character commonly known as three-phase, 60 Hz energy and shall be delivered at the Delivery Point(s) specified under Appendix A of this Agreement at standard nominal voltages or such other voltages as may be specified in Appendix A of this Agreement.
- 5.2 Sealing of Meters. All meters shall be sealed, and such seals may be broken only by its owner on such occasions when the meters are to be inspected, tested, calibrated or adjusted. Each Party shall comply with any reasonable request of the other Party concerning (a) sealing of meters, (b) the presence of a representative of the other Party when the seals are broken, and (c) other matters affecting interchange measurements.
- 5.3 Meter Standards. All metering equipment shall be maintained by the respective owners thereof. Each respective owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards. Each respective owner shall make periodic tests and inspections of its meters, at its own expense, at intervals specified by the Operating Committee under Section 3.2 of this Agreement. If either Party believes that there has been a meter inaccuracy, failure or stoppage, that Party shall immediately notify the other Party ("Official Notice"). Each Party shall advise the other Party when the tests will be made so that such Party may witness the tests.. Each Party will make additional tests of its meters upon receipt of a request ("Official Request") of the other Party, but the expense of such test will be borne by the Party requesting such test if the meter is found to be within a margin allowed under Section 5.4.

5.4 **Meter Inaccuracy.** If, at any time, any metering equipment is found to be inaccurate by a margin of greater than that allowed under any applicable PJM, RFC, SERC (or any successor entity to which either Party becomes subject in the future), Operating Committee, or any other applicable mandatory criteria, rules and standards, each Party shall cause its metering equipment to be made accurate or replaced; provided that, in the event of a conflict between any PJM, RFC, SERC, Operating Committee or other applicable mandatory criteria, rules and standards, the Operating Committee criteria, rules and standards shall govern. Meter readings for the period of inaccuracy shall be adjusted, for accounting purposes, by correcting all measurements made by the inaccurate meter for (a) the actual period during which inaccurate measurements were made, if the period can be determined, or if not, (b) the period immediately preceding the test of the metering equipment equal to one-half the time from the date of the last previous test of the metering equipment; provided that the estimated period covered by the correction under this Section 5.4 shall not exceed six (6) months unless a longer resettlement period is permissible under applicable provisions of the PJM Tariff or PJM Business Practices, for those meters which are associated with PJM Balancing Authority interconnection points between the Parties.

5.5 Losses.

5.5.1 Interconnection Points. If a metering point, as shown in the Facility Schedule(s), and the applicable Point of Interconnection are not at the same location, the metering equipment shall record delivery of energy in a manner that accounts for losses occurring between the metering point and the applicable Point of Interconnection. Losses occurring between the metering point and the applicable Point of Interconnection shall be allocated pursuant to the applicable Tariff or other applicable agreement then in effect between the Parties.

5.5.2 Delivery Points. Energy losses assigned to Delivery Point(s) will be determined and mutually agreed by the Parties based on the following guidelines.

- a. The most current system data that is readily and practically available for actual energy losses for each Party.
- b. The specific configuration of the electric transmission and distribution system components supplying each Delivery Point at the time of the calculations.
- c. c. The Parties shall utilize the same basic method(s) to determine the energy losses and the method(s) will be applicable to all documented delivery points.

5.6 Communications with Meters. Access to the meters discussed in Section 5.0 shall be permitted in accordance with the provisions of Section 4.1 of this Agreement. Both Parties will be permitted to communicate electronically to the meters discussed in Section 5.0 of this Agreement in accordance with the provisions of Section 4.2 of this

Agreement.

SECTION 6.0
RECORDS AND BILLING

- 6.1 Maintenance of Books and Records. Each Party shall maintain, in accordance with normal utility accounting procedures, complete books and records of its respective costs and expenses incurred in connection with any upgrades to or new Points of Interconnection pursuant to Section 7.0 of this Agreement. Each Party will make available to the other Party for inspection, through its employees, agents or independent public accountant, all records used to establish charges, if any, in accordance with this Agreement. All inspections will be performed at the inspecting Party's own expense during normal business hours in the offices of the Party in possession of such records, upon reasonable notice.
- 6.2 Duration. All books, records and other pertinent data associated with this Agreement shall be maintained for the most recent historical four (4) years during the term of this Agreement and for two (2) years following the expiration or early termination of this Agreement.
- 6.3 Billing. If a Party is owed a payment or other amount under this Agreement, then such Party shall invoice the other Party for such payment or amount and the other Party shall pay the undisputed amount of such payment or amount within twenty (20) calendar days of the date of the invoice. Interest on unpaid amounts shall accrue at the applicable prime rate for each calendar month, or part thereof, published in the Federal Reserve Statistical Release H.15, or its successor publication, rounded to the nearest one-hundredths of one percent (.01%), but in no event more than the maximum allowed by applicable law, and shall accrue and be payable from the date due until the date upon which payment is made. Unless otherwise agreed upon, a calendar month shall be the standard monthly period for the purpose of settlements under this Agreement.
- 6.4 Billing Disputes. In the event a Party wishes to contest a portion of an invoiced amount, such Party shall pay the portion not contested, and interest shall accrue pursuant to Section 6.3 of this Agreement on the unpaid portion while resolution of the contested amount is pending, from the date such payment was due until the date on which payment is made, and shall apply only to that portion of the disputed amount which is determined to be payable.

SECTION 7.0
REQUESTED UPGRADES AND ADDITIONAL POINTS OF INTERCONNECTION

- 7.1 Requested Upgrades or Additional Point of Interconnection. If a Party believes that upgrades to one or more Points of Interconnection are necessary or that one or more additional Points of Interconnection are necessary, then such Party shall promptly notify the other Party in writing, including, as appropriate, a description of the Point(s) of

Interconnection which the Party desires to upgrade and the reasons why, the desired location and designation of any additional Point(s) of Interconnection, the desired in-service date for the requested upgrade(s) or additional Point(s) of Interconnection, and any other information relevant to the requested upgrade or additional Point(s) of Interconnection, including any relevant studies or analyses. The Parties shall cooperate to study or cause to be studied the requested upgrades or additional Point(s) of Interconnection in accordance with their applicable interconnection procedures, and consistent with any applicable directives from the RC or PJM.

7.2 Facility Schedules. If the Parties mutually agree to upgrade a Point of Interconnection or to add a Point of Interconnection pursuant to Section 7.1 of this Agreement, then the Parties shall amend the appropriate Facility Schedule and One-line Diagram, or add a new Facility Schedule and One-line Diagram, which shall be separately executed and attached hereto, and the upgrade or additional Point of Interconnection shall be effective as of the date such amendment(s) are accepted for filing by FERC.

7.4

7.3 No Waiver. Nothing in this Section 7.0 shall waive or limit in any way, a Party's rights under applicable provisions of the Federal Power Act and the FERC's rules and regulations promulgated there under to request an upgrade to a Point of Interconnection or add a Point of Interconnection.

SECTION 8.0 INFORMATION AND OTHER REQUIREMENTS

8.1 Upon request, a Party shall promptly provide to the other Party such engineering information, including load forecasts and generation data, regarding plans, practices and conditions of operation and equipment as is reasonably necessary to enable the other Party to adequately plan, design and install, for practical and efficient operation, its Transmission System and Interconnection Facilities in accordance with this Agreement, subject to any confidentiality requirements.

SECTION 9.0 ABNORMAL OR EMERGENCY CONDITION

9.1 Notification. If a Party reasonably determines (or is informed by the RC or PJM) that an Abnormal Condition or Emergency Condition affecting its Transmission System or Interconnection Facilities may reasonably be expected to damage or to adversely affect the security or operations of the other Party's Transmission System and Interconnection Facilities, then the Party shall provide prompt notification by telephone thereof to the other Party's System Operator. Such notifications shall indicate, to the extent known, the expected damage to, or adverse effect of, the Abnormal Condition or Emergency Condition on the security or operation of the other Party's Transmission System and

Interconnection Facilities, its expected duration and any recommended corrective action to be taken.

9.2 Actions by Parties.

9.2.1 If a Party reasonably determines (or is informed by the RC or PJM) that an Abnormal Condition or Emergency Condition affecting its Transmission System or Interconnection Facilities exists, then it may take such action(s), consistent with Good Utility Practice, as may be reasonable to prevent, avoid or mitigate (a) any danger to life or property or (b) any material adverse effect to the security of, or damage to its Transmission System, Interconnection Facilities or the electric systems of others to which its Transmission System is directly connected, in each case, that is caused by such Abnormal Condition or Emergency Condition. Consistent with Good Utility Practice, the Party responding to an Emergency Condition shall endeavor in good faith to avoid or minimize any adverse impacts on the other Party's system.

9.2.2 If a Party believes in its good faith judgment that the continued operation of the other Party's Interconnection Facilities is creating or contributing to an Emergency Condition on the Party's Interconnection Facilities or Transmission System, then the Party may, consistent with Good Utility Practice, temporarily isolate the other Party's Interconnection Facilities, provided that the Party shall make reasonable efforts, consistent with Good Utility Practice, to notify the other Party prior to such isolation. Consistent with Good Utility Practice, the Party responding to an Emergency Condition shall endeavor in good faith to avoid or minimize any adverse impacts on the other Party's system.

9.3 Actions by Party. In addition to any rights provided for in this Section 9.0, a Party may exercise any of its rights under the applicable Tariff or OATT with respect to an Emergency Condition.

SECTION 10.0
FORCE MAJEURE

10.1 No Breach or Default. No Party shall be considered in breach or Default of its obligations under this Agreement if and to the extent that such Party is prevented from performing such obligations by reason of Force Majeure.

10.2 Notice. If a Party is prevented from performing its obligations under this Agreement because of Force Majeure, it shall so notify the other Parties within a reasonable time after the occurrence of such Force Majeure.

10.3 Duration of Force Majeure. A Party shall be excused from whatever performance is

affected by Force Majeure only for the duration of the Force Majeure and only for so long as such Party uses reasonable efforts to attempt to alleviate or remove the cause of its failure to perform, consistent with Good Utility Practice, provided that no Party shall be obligated to appeal from any administrative or judicial ruling, or to agree to any settlement of any strike or labor disturbance, which, in the affected Party's opinion, may be inadvisable or detrimental.

- 10.4 Obligation to Make Payments. Notwithstanding any provision in this Agreement to the contrary, no Party shall be relieved from its obligation to make payments under this Agreement due to Force Majeure.

SECTION 11.0 WAIVERS

Any waiver at any time by any Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or matter. Any delay short of the statutory period of limitation in asserting or enforcing any right shall not be deemed a waiver of such right.

SECTION 12.0 NOTICES

Unless otherwise expressly provided for in this Agreement, all notices and communications between or among the Parties and/or PJM pursuant to this Agreement shall be: (a) in writing, by letter or by email; (b) delivered to the other Party or Parties and/or PJM at the address listed below or email address listed below; and (c) deemed to have been duly delivered: (i) upon personal delivery thereof, including by overnight mail or next Business Day or courier service; (ii) in the case of notice by United States mail, if sent by certified or registered mail, postage prepaid, return receipt requested, upon receipt thereof; or (iii) in the case of email, upon transmission thereof, provided that in addition to such transmission a confirmation copy of the notice is also provided by either of the methods set forth in clause (i) or (ii) above, and provided that the sender does not receive any message indicating that the email message was not delivered to the persons to which notices are to be delivered pursuant to this Agreement. All communications between or among the Parties and/or PJM pursuant to this Agreement shall be addressed as provided below, or to such other address as any Party and/or PJM may designate by written notice to the other Parties and/or PJM given in accordance with this Section 12.0:

If to Duke Energy:

Duke Energy Business Services, LLC

~~139 East 4th~~ Att. Doug Hils
315 Main Street, M/C Ex 651

Doug.Hils@duke-energy.com

Cincinnati, OH 45202

AgreementNotices@duke-energy.com <<mailto:AgreementNotices@duke-energy.com>>

For emergencies contact 24 hour desk: 800-382-4400

If to East Kentucky:

East Kentucky Power Cooperative, Inc.

Attn: Denver York

P.O. Box 707

Winchester, Kentucky 40392-0707

Telephone: (859) 745-9235

Email: denver.york@ekpc.coop

Email: denver.york@ekpc.coop <<mailto:denver.york@ekpc.coop>>

If to PJM:

Vice President - Government Policy

PJM Interconnection, L.L.C.

1200 G Street, NW, Suite 600

Washington, D.C. 20005

And

General Counsel

PJM Interconnection, L.L.C.

2750 Monroe Blvd.

Audubon, PA 19403

SECTION 13.0
SUCCESSORS, ASSIGNS,
AND THIRD PARTY BENEFICIARIES

- 13.1 Binding On Parties, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their permitted successors and assigns. No person shall have any rights, benefits or interests, direct or indirect, arising from this Agreement except the Parties, their permitted successors and assigns. The Parties expressly disclaim any intent to create any rights in any Person as a third party beneficiary of this Agreement.
- 13.2 Assignment. Except as provided below, no Party may assign, transfer, sell, convey or otherwise dispose of in any manner, directly or indirectly (collectively, "Assignment"), all or any portion of this Agreement or its rights, benefits, duties, obligations and liabilities under this Agreement, without the prior written consent of the other Parties, which consent shall not be unreasonably withheld. Any Assignment made without such

prior written consent shall be null and void; provided, however, that such written consent shall not be required by a Party in connection with an Assignment to (a) a successor entity to which all or substantially all of the business and assets of such Party are transferred; or (b) an Affiliate or wholly-owned direct or indirect subsidiary of the Parent of such Party capable of assuming and performing its obligations hereunder, provided that each such assignee pursuant to clause (a) and (b) above assumes in writing all rights, benefits, duties, obligations and liabilities of the assigning Party arising under this Agreement and provided that such Affiliate is of equal or better creditworthiness as the assignor on the date of assignment and is otherwise fully capable of assuming and performing its obligations hereunder. Notwithstanding the foregoing, nothing in this Agreement shall limit in any way any Party's rights to intervene in and/or protest any filing made by any other Party with the FERC or any other government authority in regards to the sale, merger or transfer of all or substantially all of the business and assets of a Party, including its Transmission System and Interconnection Facilities.

- 13.3 Assigning Party to Remain Responsible. Any Assignments authorized as provided for in Section 13.2 of this Agreement will not operate to relieve the Assigning Party of any of its duties, obligations or liabilities arising under this Agreement up to the date of such Assignment unless, and only to the extent that, the other Party consents in writing, which consent shall not be unreasonably withheld.

SECTION 14.0 TERM AND TERMINATION OF AGREEMENT; DEFAULT

- 14.1 Term. This Agreement shall be effective as of the date hereof, subject to its approval or acceptance for filing by the FERC and RUS, and shall continue in effect until the date falling on the twentieth (20th) anniversary of the date hereof (the "Initial Term"), and, thereafter, for successive twelve (12) month periods ("Renewal Terms"). Either Party may terminate this Agreement after the Initial Term by providing to the other Party at least twelve (12) month's advance written notice of its intent to terminate this Agreement, in which case this Agreement shall terminate at the end of such notice period without regard to the expiration of any Renewal Term. Notwithstanding the above, this Agreement may be terminated earlier (a) if the Parties mutually agree and provide notice to PJM or (b) as otherwise expressly provided for in this Agreement. Notwithstanding anything to the contrary contained in this Section 14.1, no termination shall become effective until the Parties have complied with all laws and regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC. Termination of this Agreement shall not terminate the physical Interconnections absent agreement of the Parties or a final order of the FERC authorizing discontinuance of any or all of the Interconnections.
- 14.2 Effect of Expiration or Termination of Agreement on Liabilities and Obligations. Expiration or early termination of this Agreement shall not relieve any Party of its duties, obligations and liabilities arising hereunder prior to the date such expiration or early termination becomes effective, or of its duties, obligations or liabilities that survive

termination by operation of the express terms of this Agreement or by operation of law.

14.3 Effectiveness of Certain Provisions After Expiration or Termination of Agreement. The applicable provisions of this Agreement (including Sections 15, 16, and 19) will continue in effect after expiration or early termination hereof to the extent necessary to provide for final billings, if any, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect.

14.4 Default. A Party (a “Defaulting Party”) shall be in default under this Agreement (each, “Default”) if:

14.4.1 the Defaulting Party fails to perform any of its material duties or obligations under this Agreement, which failure continues for thirty (30) days after written notice thereof from the other Party; provided that if such failure (other than the failure to make payment of any amounts due and payable hereunder) is not capable of being cured within such thirty (30)-day period with the exercise of reasonable diligence, then such cure period shall be extended for an additional reasonable period of time, not to exceed thirty (30) days so long as the Defaulting Party is exercising reasonable diligence to cure such failure;

The Defaulting Party: (a) applies for or consent to the appointment of a trustee, receiver, liquidator, custodian, or the like for itself or its properties, (b) is unable, or admits in writing its inability to pay its debts as they mature; (c) makes a general assignment for the benefit of its creditors; (d) commences a voluntary case under a chapter of the Bankruptcy Reform Act of 1978 or other applicable legal requirement, or files a petition, answer or consent seeking reorganization or an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization, or insolvency proceedings, or fails to controvert in a timely and appropriate manner (or acquiesce in writing to) any such petition, or (e) takes any corporate or partnership action for the purposes of effecting any of the foregoing; or

A proceeding or case is commenced, without the application or consent of the Defaulting Party against which the proceeding or case is commenced, in any court of competent jurisdiction, seeking; (a) its liquidation, reorganization of its debts, dissolution or winding-up or the composition or readjustment of its debts; (b) the appointment of a receiver, custodian, liquidator or the like of the Defaulting Party or of all or any substantial part of its assets; (c) similar relief in respect of Defaulting Party under any law relating to bankruptcy, insolvency, reorganization of its debts, winding-up, composition or adjustment of debt.

14.5 Remedies of Parties Upon Default. Upon a Default by a Party, the other Party may, at its option, (a) take action to terminate this Agreement by providing written notice of termination to the Defaulting Party or PJM and requesting the FERC to terminate this Agreement, provided that any such termination shall not take effect until the FERC authorizes such requested termination, and/or (b) take any other action at law or in equity

as may be permitted under this Agreement, or available to such Party under applicable law, to enforce the performance or observance of any rights, remedies, duties, obligations or liabilities under this Agreement.

- 14.6 Remedies Cumulative. No remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue any other available remedies.

SECTION 15.0 INDEMNITY

- 15.1 Indemnity. Each Party (the “Indemnifying Party”) shall, at its own cost and expense, defend, indemnify and hold harmless the other Party and its Representatives (each an “Indemnified Party”) from and against any and all losses, liabilities, damages, claims, demands, actions, causes of action, costs or expenses, including damage and liability for bodily injury to or death of persons, or damage to property (including reasonable attorneys’ fees and expenses) to extent arising out of, in connection with or resulting from: (a) the Indemnifying Party’s breach of its obligations under this Agreement; or (b) the negligence or willful misconduct of the Indemnifying Party or any of its Representatives, except, in each case, to the extent to which such losses, liabilities, damages, claims, demands, actions, causes of action, costs or expenses are caused by the negligence or willful misconduct of the Indemnified Party.
- 15.2 Cooperation Regarding Claims. If any Indemnified Party receives notice or has knowledge of any claim that may result in a claim for indemnification by such Indemnified Party against the Indemnifying Party pursuant to Section 15.1, such Indemnified Party shall promptly give the Indemnifying Party notice of such claim, including a reasonably detailed description of the facts and circumstances relating to such claim, a complete copy of all notices, pleadings and other papers related thereto, and in reasonable detail the basis for its claim for indemnification with respect thereto. Failure to promptly give such notice or to provide such information and documents shall not relieve the Indemnifying Party from the obligation hereunder to respond to or defend the Indemnified Party against such claim unless such failure shall materially diminish the ability of the Indemnifying Party to respond to or to defend the Indemnified Party against such claim. The Indemnifying Party, upon its acknowledgment in writing of its obligation to indemnify the Indemnified Party in accordance with this Section 15.0, shall be entitled to assume the defense or to represent the interest of the Indemnified Party with respect to such claim, which shall include the right to select and direct legal counsel and other consultants reasonably acceptable to the Indemnified Party, appear in proceedings on behalf of such Indemnified Party and propose, accept or reject offers of settlement, all at its sole cost; provided, however, that the Indemnifying Party shall have the right to settle such claim only if (i) the settlement involves only the payment of money and execution of appropriate releases of the Indemnified Party, (ii) there is no finding or admission of any violation of law or violation of the rights of the Indemnified Party,

and (c) the Indemnified Party will have no liability with respect to such compromise or settlement. Otherwise, no such claim shall be settled without the prior written consent of the Indemnified Party. If in the reasonable opinion of legal counsel for the Indemnified Party (i) such claim involves the potential imposition of a criminal liability on the Indemnified Party or (ii) an actual or potential conflict of interest exists where it is advisable for such Indemnified Party to be represented by separate counsel, then the Indemnified Party shall be entitled to control and assume responsibility for the defense of such claim at the cost and expense of the Indemnifying Party. The Indemnified Party and Indemnifying Party shall cooperate in good faith in connection with such claim. Nothing herein shall prevent an Indemnified Party from retaining its own legal counsel and other consultants and participating in its own defense at its own cost and expense.

15.3 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 15.0 as a result of a claim by a third party, and the Indemnifying Party fails to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle, consent to the entry of any judgment with respect to, or pay in full, such claim.

SECTION 16.0 LIMITATION OF LIABILITY

16.1 Responsibility of the Parties.

- 16.1.1 Except as otherwise provided in Sections 14.0 and 15.0 of this Agreement, neither Party shall be responsible for or liable to the other Party or any of its Affiliates or any of their respective Representatives for injury to any person or damage to any property, equipment or facilities owned by the other Party or its Affiliates (including its Transmission System and Interconnection Facilities) regardless of who brings the claim and regardless of who caused the injury or damage (including injury or damage arising, occurring or resulting from, in any manner, the receiving, transmission, control, use, application or distribution by the other Party of electricity), and such other Party will not seek recovery or reimbursement from the Party for such injury or damage. The obligations under this Section 16.1 are not limited in any way by any limitation on any Party's insurance.
- 16.1.2 Notwithstanding any provision to the contrary contained in this Agreement, no Party shall be liable to any other Party for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and consistent with Good Utility Practice.
- 16.1.3 Unless otherwise provided for in the Facility Schedules or agreed to in writing by the Parties, neither Party assumes any responsibility, in whole or in part, with respect to the construction, installation, maintenance or operation of the other Party's Transmission System, Interconnection Facilities or other facilities or equipment of any kind which are owned, controlled or operated by or on behalf of the other Party on the other Party's side of a Point of Interconnection.

16.1.4 Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM and the Parties expressly waive any claims that may arise against PJM under this Agreement.

16.2 No Consequential Damages. No Party nor any of its Representatives shall be liable under this Agreement, whether in contract, tort (including negligence and strict liability) or otherwise, to another Party or any of its Representatives for incidental, punitive, special, indirect, multiple, exemplary or consequential damages (including, without limitation, lost profits or revenue, or loss of goodwill) relating to or resulting from performance or non-performance of this Agreement or otherwise.

SECTION 17.0 SEVERABILITY

If any provision of this Agreement or the application thereof to any person or circumstances is, to any extent, held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held to be invalid or unenforceable, will not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

SECTION 18.0 APPROVALS AND AMENDMENT

- 18.1 Regulatory Approval. The Parties agree to support the filing of this Agreement with the FERC and RUS. Any material changes or conditions imposed by any governmental authority with competent jurisdiction, any of which are unacceptable to a Party after the Parties' good faith attempt to negotiate a resolution to such objectionable change or condition, shall be cause for termination of this Agreement upon thirty (30) days' prior written notice by the non-consenting Party to the other Parties.
- 18.2 Withdrawal from PJM. If at any time Duke Energy or East Kentucky elects to withdraw from PJM, then it shall so notify the other Party. Effective as of the date of such withdrawal by either Party, PJM shall no longer have functional control of the operation of that Party's Interconnection Facilities and Transmission System and shall no longer be responsible for providing transmission and interconnection service on such Transmission System. The Parties agree that they shall amend this Agreement as may reasonably be necessary to recognize any changes to this Agreement that result from Duke Energy's or East Kentucky's withdrawal from PJM.
- 18.3 Section 205 Rights. Notwithstanding any provision in this Agreement to the contrary, the Parties may unilaterally make application to the FERC under Section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or related to this Agreement. Notwithstanding any provision in this Agreement to

the contrary, PJM may unilaterally make application to the FERC under Section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated there under for a change in any term, condition, classification of service, rule or regulation under or related to this Agreement. The standard of review the FERC shall apply when acting on proposed modifications to this Agreement, either on the Commission's own motion or on behalf of a signatory or a non-signatory, shall be the 'just and reasonable' standard of review rather than the 'public interest' standard of review. In the event that a Party exercises its rights under this Section 18.3, it shall provide to the other Parties a copy of its filing with the FERC exercising such rights on the first business day immediately following the date on which such filing is made with the FERC.

- 18.4 206 Rights. Notwithstanding any provision in this Agreement to the contrary, the Parties may exercise their rights under Section 206 of the Federal Power Act and pursuant to the FERC's rules and regulations promulgated there under with respect to any rate, term, condition, charge, classification of service, rule or regulation for any services provided under this Agreement over which the FERC has jurisdiction. The standard of review the FERC shall apply when acting on proposed modifications to this Agreement, either on the Commission's own motion or on behalf of a signatory or a non-signatory, shall be the 'just and reasonable' standard of review rather than the 'public interest' standard of review. In the event that a Party exercises its rights under this Section 18.4, it shall provide to the other Parties a copy of its filing with the FERC exercising such rights on the first business day immediately following the date on which such filing is made with the FERC.
- 18.5 Amendments. Except as provided for in this Section 18.0, this Agreement may only be modified, amended, changed or supplemented in writing signed by all of the Parties and acknowledged by PJM. Any amendment executed pursuant to the terms of this Section 18.5 shall not be effective until approved or accepted for filing by FERC.

SECTION 19.0 GOVERNING LAW; DISPUTE RESOLUTION AND INTERPRETATION

- 19.1 Applicable Law. This Agreement and all rights, obligations and performances hereunder are subject to all applicable federal and state laws and to all duly promulgated orders and other duly authorized action of any governmental authority with competent jurisdiction.
- 19.2 Governing Law. This Agreement is to be governed by and construed in accordance with federal law where applicable and, when not in conflict with or preempted by federal law, applicable laws of the State of Kentucky.
- 19.3 Dispute Resolution.
- 19.3.1 Any controversy, claim or dispute of whatsoever nature or kind between the Parties arising out of or in connection with this Agreement or its validity or interpretation (each "Dispute") shall be resolved pursuant to the procedures of this Section 19.3.

- 19.3.2 If a Dispute arises between the Parties with respect to the Tariff, OATT or other applicable open access transmission tariff, then the Dispute shall be resolved in accordance with the dispute resolution terms therein. All other Disputes arising between the Parties shall be resolved in accordance with Section 19.3.3 of this Agreement.
- 19.3.3 Either Party to a Dispute arising out of or in connection with this Agreement may provide written notice thereof to the other Party, including a reasonably detailed description of the subject matter of the Dispute (the “Dispute Notice”). The Dispute Notice shall identify the other Party to the Dispute, which shall participate in the Dispute resolution process. The Party in receipt of a Dispute Notice shall inform the other Party in writing whether it will participate in the Dispute resolution process. The Party providing the Dispute Notice and the other Party identified in the Dispute Notice as a Party to the Dispute shall be referred to as a “Disputing Party.”
- 19.3.4 Upon the issuance or receipt of a Dispute Notice, each Disputing Party shall promptly designate a senior executive to be responsible for the subject matter of the Dispute who shall have authority to resolve the Dispute. The senior executives shall promptly meet at a time and place mutually acceptable to the senior executives.
- 19.3.5 Disputes which are not resolved by the designated senior executives or authorized representatives within thirty (30) days of their first meeting, or such later date as the senior executives or authorized representatives may mutually agree, may, upon mutual agreement of the Parties, be submitted to arbitration in accordance with the following provisions of this Section 19.3.5. In the event the Parties do not agree to submit such dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law, consistent with the terms of this Agreement.
- 19.3.5.1 Any arbitration initiated under this Section 19.3.5 shall be conducted before a single neutral arbitrator appointed by the Disputing Parties, unless the Parties are unable to agree on a single arbitrator. If the Disputing Parties fail to reach agreement on a single arbitrator within ten (10) days of referral of the dispute to arbitration, the arbitration will be conducted by a panel of three arbitrators. In such event, each Disputing Party shall select an arbitrator and provide notice thereof to the other Disputing Party. All arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with either of the Disputing Parties, except prior arbitrations. The respective selected arbitrators shall promptly meet and select a third neutral arbitrator who shall preside over the arbitral proceedings. If the two (2) arbitrators cannot agree on a third arbitrator, then the matter shall be resolved pursuant to the Commercial Arbitration Rules of the American Arbitration

Association.

- 19.3.5.2 Except as otherwise expressly set forth herein to the contrary, the arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in force and effect.
- 19.3.5.3 Unless otherwise agreed by the Disputing Parties, the arbitrators shall, subject to the immediately following sentence, render a decision within ninety (90) days of appointment and shall notify the Disputing Parties in writing of such decision and the reasons therefore. Due account of the nature of the dispute, the need (if any) for and extent of discovery, and other matters affecting litigation of the matter in a manner that promotes expediency and cost efficiency without depriving either Party of a fair opportunity to present its case, shall be taken in determining the procedures and timetables for the arbitration.
- 19.3.5.4 The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change this Agreement in any manner.
- 19.3.5.5 The decision of the arbitrator(s) shall be final and binding upon the Disputing Parties, and judgment on the award may be entered into any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on grounds that the conduct of the arbitrator(s), or the decision itself, violated standards set forth in Federal Arbitration Act, or that the arbitrator(s) exceeded their jurisdiction.
- 19.3.5.6 Each Disputing Party shall be responsible for its own costs incurred during the arbitration process and shall equitably share the costs of the arbitrators. The Parties shall equally share the cost of a single arbitrator. If the dispute is arbitrated before more than one arbitrator, each Party shall bear the cost of the arbitrator appointed by that Party and shall equally share the cost of the neutral arbitrator.

19.3.5.6.7 Nothing in this Article shall restrict the rights of any Party to file a complaint at FERC under the relevant provisions of the Federal Power Act.

19.4 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

19.5 Conflicts Between Main Body of Agreement and Appendices. In the event of a conflict between the main body of this Agreement and any Appendices hereto, the terms of the main body of this Agreement shall govern.

SECTION 20

CONFIDENTIAL INFORMATION

- 20.1 "CONFIDENTIAL INFORMATION" means any and all data, documentation, methods, processes, materials, and all other information relating to the past, present and future business of the respective Party that is labeled as "Confidential Information." . Confidential Information also includes all information owned by customers, suppliers or other third parties to whom a Party who discloses Confidential Information ("Disclosing Party") or its affiliates owes an obligation of confidentiality. Confidential Information does not include any information that is publicly available or becomes publicly available through no breach of this Agreement or other confidentiality agreement by a Party who received Confidential Information ("Receiving Party") or its employees or information that Receiving Party can show, by written records, was known to Receiving Party prior to the date of this Agreement. Confidential Information must be clearly designated or marked in writing as confidential or if the information is conveyed orally then the party providing the information orally must inform the Party receiving such information that the information is confidential.

During the term of this Agreement and thereafter, except as Disclosing Party may authorize in writing, Receiving Party shall and shall cause its employees to: (i) treat and cause to be treated as confidential all Confidential Information; (ii) not disclose any Confidential Information to any third party or make available any reports, recommendations, extracts, summaries, analysis or conclusions based on the Confidential Information; (iii) reveal the Confidential Information only to those employees of Receiving Party who require such access in order to perform the respective obligations as provided under this Agreement; (iv) use or grant access to Confidential Information only in connection with the performance of the respective obligations as provided under this Agreement; or (v) make copies of any tangible embodiment of Confidential Information only as necessary for the performance of respective obligations as provided under this Agreement.

Receiving Party may disclose only such Confidential Information as is necessary to comply with a regulatory, legal, or governmental request and only after providing immediate notification to Disclosing Party allowing sufficient time for Disclosing Party to seek a protective or limiting order or otherwise prohibiting the disclosure of the requested Confidential Information as Disclosing Party deems necessary in its sole discretion. Receiving Party shall act in good faith to assist Disclosing Party where appropriate with respect to Disclosing Party's efforts to seek a protective order or order

limiting disclosure.

In performing its obligations under this Agreement, at a minimum, Receiving Party shall employ industry standard data and system security measures for securing Confidential Information so as to reasonably ensure that Confidential Information is not lost or stolen, or otherwise used, modified or accessed, attempted to be accessed, or allow access to any third party without Disclosing Party's prior express written approval or by any Receiving Party employee or agent who is not authorized to access the Confidential Information. Receiving Party shall upon discovery of any breach of security or unauthorized access, immediately: (i) notify Disclosing Party of any loss or unauthorized disclosure, possession, use or modification of the Confidential Information or any suspected attempt at such activity or breach of Receiving Party's security measures, by any person or entity; (ii) investigate and take corrective action in response thereto; and (iii) provide assurance to Disclosing Party's reasonable satisfaction that such activities or breach or potential breach shall not reoccur.

Upon termination of this Agreement, Receiving Party, at Disclosing Party's discretion, shall either return the Confidential Information to Disclosing Party or comply with the following minimum standards regarding the proper disposal of Confidential Information: (i) implement and monitor compliance with policies and procedures that prohibit unauthorized access to, acquisition of, or use of Confidential Information during the collection, transportation and disposal of Confidential Information; (ii) paper documents containing Confidential Information shall be either redacted, burned, pulverized or shredded so that Confidential Information cannot practicably be read or reconstructed; and (iii) electronic media and other non-paper media containing Confidential Information shall be destroyed or erased so that Confidential Information cannot practicably be read or reconstructed.

20.2 Irreparable Harm Receiving Party acknowledges that the breach of any of the covenants contained in this Article will result in irreparable harm and continuing damages to Disclosing Party and Disclosing Party's business, and that Disclosing Party's remedy at law for any such breach or threatened breach would be inadequate. Accordingly, in addition to such remedies as may be available to Disclosing Party at law or in equity in the event of any such breach, any court of competent jurisdiction may issue an injunction (both preliminary and permanent), without bond, enjoining and restricting the breach or threatened breach of any such covenant, including an injunction restraining Receiving Party from disclosing, in whole or in part, any Confidential

Information. Receiving Party shall pay all of Disclosing Party's costs and expenses, including reasonable attorneys' fees and accountants' fees, incurred in enforcing such covenants.

20.3 The obligations of this Article shall survive any termination of this Agreement

SECTION 21.0
ENTIRE AGREEMENT

the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, oral or written, with respect thereto, in each case, as the same may have been modified, amended, changed or supplemented prior to the date hereof.

~~SECTION 2~~

SECTION 22.0
COUNTERPARTS

This Agreement may be executed in separate or multiple counterparts, all of which shall evidence a single agreement.

SECTION 23.0
EFFECT OF PJM SIGNATURE

The Parties acknowledge and understand that the signature of the authorized ~~officer~~ representative of PJM on this Agreement is for the limited purpose of acknowledging that a representative of PJM has read the terms of this Agreement. The Parties and PJM further state that they understand that the FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the authorized ~~officer~~ representative of PJM shall not in any way be deemed to imply that PJM is taking responsibility for the actions of either Party, that PJM has any affirmative duties under this Agreement or that PJM is liable in any way under this Agreement.

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IN WITNESS HEREOF, this Interconnection Agreement has been duly executed by the Parties hereto.

EAST KENTUCKY POWER COOPERATIVE, INC.

By: _____
By: /s/ Denver York
Name: Denver York
Title: Senior Vice President, Power Delivery

DUKE ENERGY BUSINESS SERVICES, LLC,
acting as agent for Duke Energy Ohio, Inc.
and Duke Energy Kentucky, Inc.

By: /s/ Sam Holeman
Name: ~~V. Nelson Peeler~~ Sam Holeman
Title: Vice President, Transmission System Planning and Operations
~~Duke Energy Business Services, LLC~~

The signature below of the authorized officer of PJM is for the limited purpose of acknowledging that ~~an authorized~~ representative of PJM has read this Agreement as of the _____
11 day of _____, September 2015~~2018~~.

PJM INTERCONNECTION, L.L.C.

By: _____ /s/ Kenneth S. Seiler
Name: ~~Steven R. Herling~~ Kenneth S. Seiler
Title: ~~Vice President, Planning~~ Executive Director, System Planning

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APPENDIX A

List of Facility Schedules

(Points of Interconnection, Delivery Points and Non-Continuous Connections)

Facility Schedule	Description	Company Served	Voltage in (KV)		
			Local Substation	Delivered	Metered
Interconnection Points					
No. 1	Boone-Mt Zion	EKPC or DEO		138	138
No. 2	Hebron 138 kV	EKPC or DEO		138	138
No. 3	Webster Road	EKPC or DEO		138	138
No. 10	Hebron 69 kV	EKPC or DEK		69	69
No. 11	Meldahl-Spurlock	EKPC or DEO		345	345
Delivery Points					
No. 4	W.M. Smith No. 1	EKPC	69/12	69	12
No. 5	W.M. Smith No. 2	EKPC	69/12	69	12
No. 6	Downing No. 1	EKPC	69/12	69	12
No. 7	Downing No. 2	EKPC	69/12	69	12
No. 8	Longbranch	DEK	138/12	138	138
Non-Continuous Connections					
No. 9	Williamstown	EKPC or DEK		69	69
EKPC = East Kentucky Power Cooperative					
DEK = Duke Energy Kentucky					
DEO = Duke Energy Ohio					

APPENDIX A

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 1

1. Name: Boone-Mt Zion Interconnection Point
2. Facility Location: At a point near Mt Zion, Kentucky along the Boone-Bufferington 138 kV line.
3. Duke Energy-Owned Interconnection Facilities: 138 Interconnection Metering, 3.67 miles of 138 kV, single circuit transmission line.
4. East Kentucky-Owned Interconnection Facilities: 5.95 miles of 138 kV, single circuit transmission line.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 1.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: Tie-line metering is installed at the Duke Energy Longbranch Substation and compensated back to the point of interconnection.

APPENDIX A

List of Facility Schedules

(Points (Point of Interconnection and Delivery))

FACILITY SCHEDULE NO. 2

1. Name: Hebron 138 kV Interconnection Point
2. Facility Location: Adjacent to Duke Energy's Hebron Substation located on Graves Road, approximately 1 mile Southwest of Kentucky Route 237 in Hebron, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 138 kV interconnection metering and communications equipment, 3-138kV circuit breakers, transformer high-side motor operated air break switch and the 138 kV bus.
4. East Kentucky-Owned Interconnection Facilities: A 138-69 kV and 138-12 kV transformers and associated equipment.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 2.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

List of Facility Schedules

(Points (Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 3

1. Name: Webster Road Interconnection Point
2. **Facility Location:** At a site located off of Kentucky Route 1829 approximately 1.5 miles West of Kentucky Route 17 in Independence, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 138 kV interconnection metering and communications equipment, 3-138kV circuit breakers, transformer high-side motor operated air break switch and the 138 kV bus.
4. East Kentucky-Owned Interconnection Facilities: A 138-69 kV transformer and associated equipment.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 3.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

List of Facility Schedules

The cost(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 4

1. Name: W.M. Smith No. 1 Delivery Point
2. Facility Location: Mineola Pike north of Kentucky State Route 1017 in Boone County, Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 275 feet of 69 kV line, 69 kV air break switch
4. East Kentucky-Owned Interconnection Facilities: a 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

Webster(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 5

1. Name: W.M. Smith No. 2 Delivery Point
2. Facility Location: Mineola Pike north of Kentucky State Route 1017 in Boone County, Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 275 feet of 69 kV line, 69 kV air break switch
4. East Kentucky-Owned Interconnection Facilities: a 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 6

1. Name: Downing No. 1 Delivery Point
2. Facility Location: Elijah Creek Road north of Interstate 275 in Boone County Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 250 feet of 69 kV line, two 69 kV air break switches (facilities are common with Downing No. 2 Delivery Point.)
4. East Kentucky-Owned Interconnection Facilities: approximately 320 feet of 69 kV line, one 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 7

1. Name: Downing No. 2 Delivery Point
2. Facility Location: Elijah Creek Road north of Interstate 275 in Boone County Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 250 feet of 69 kV line, two 69 kV air break switches (facilities are common with Downing No. 1 Delivery Point.)
4. East Kentucky-Owned Interconnection Facilities: approximately 140 feet of 69 kV line, one 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 8

1. Name: Longbranch Delivery Point
2. Facility Location: US Route 42 north of Old Union Road in Union, Kentucky
3. Duke Energy-Owned Interconnection Facilities: a 138-12 kV transformer and associated equipment
4. East Kentucky-Owned Interconnection Facilities: approximately 310 feet of 138 kV line, three 138 kV air break switches.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 5.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 9

1. Name: Williamstown Interconnection Point
2. Facility Location: At the 69 kV bus in the EKPC Williamstown Substation on Barnes Road west of Interstate 75 in Grant County, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 69 kV air break switch, approximately 1.1 miles of 69 kV line
4. East Kentucky-Owned Interconnection Facilities: 69 kV air break switch
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 6.
7. Normal Operation of Interconnection: Open
8. Delivered Voltage: 69 kV Metered Voltage: 69 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A
(Point of Interconnection and Delivery)
FACILITY SCHEDULE NO. 10

1. Name: Hebron 69 kV Interconnection Point
2. Facility Location: At Duke Energy's Hebron Substation located on Graves Road, approximately 1 mile Southwest of Kentucky Route 237 in Hebron, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 69 kV interconnection metering and communications equipment, 1-69 kV circuit breaker and associated equipment.
4. East Kentucky-Owned Interconnection Facilities: 69 kV line (approximately 500 feet in length) between the EKP Hebron Station and the Duke Hebron Station, 1-69 kV circuit breaker and associated equipment.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 7.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 69 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

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APPENDIX BA

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 11

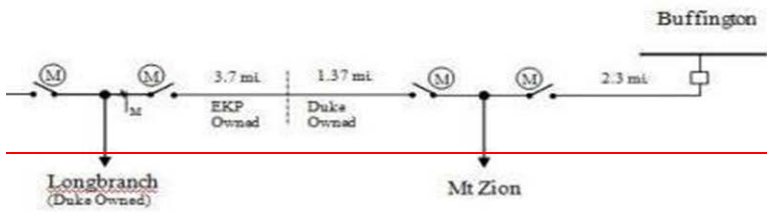
1. Name: Meldahl-Spurlock Interconnection Point
2. Facility Location: At the structure identified as tower no. 36 in the Meldahl-Spurlock 345 kV line.
3. Duke Energy-Owned Interconnection Facilities: 345 kV Interconnection Metering, 21.78 miles of 345 kV, single circuit transmission line.
4. East Kentucky-Owned Interconnection Facilities: 3.48 miles of 345 kV, single circuit transmission line including Tower 36 and all supporting insulators and jumpers.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 8.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 345 kV Metered Voltage: 345 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: Tie-line metering is installed at the Duke Energy Meldahl Substation and losses will be compensated to the point of interconnection at some point in the future.

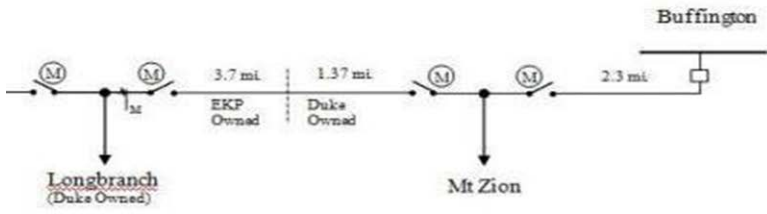
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APPENDIX B

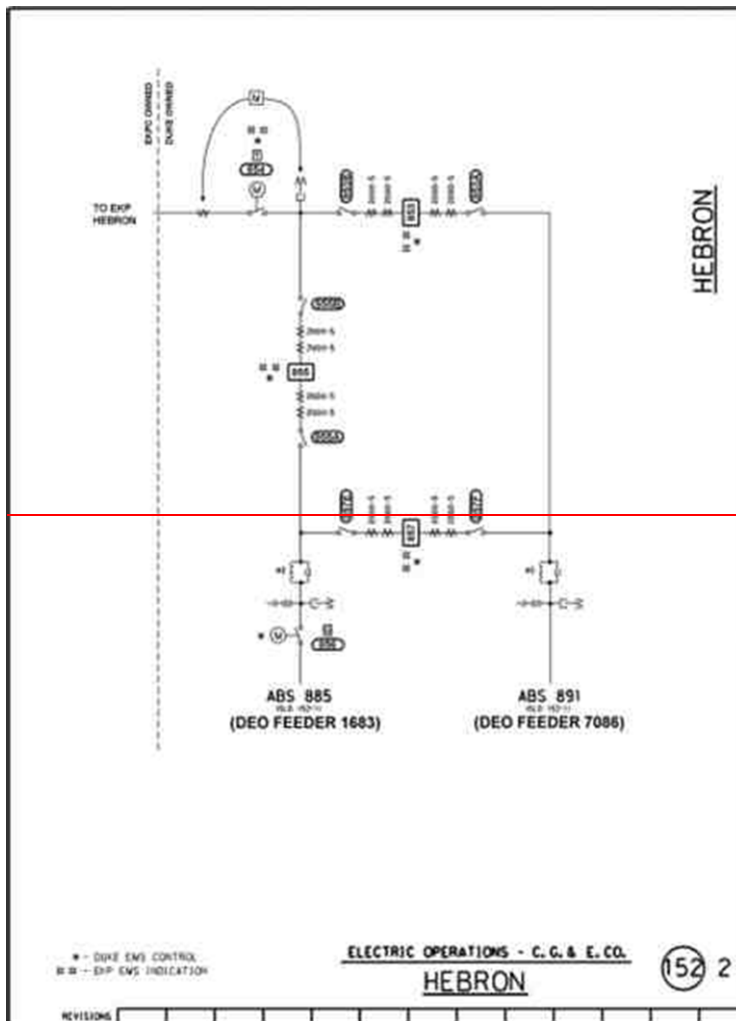
Figure 1
Boone - Mt Zion Interconnection Point

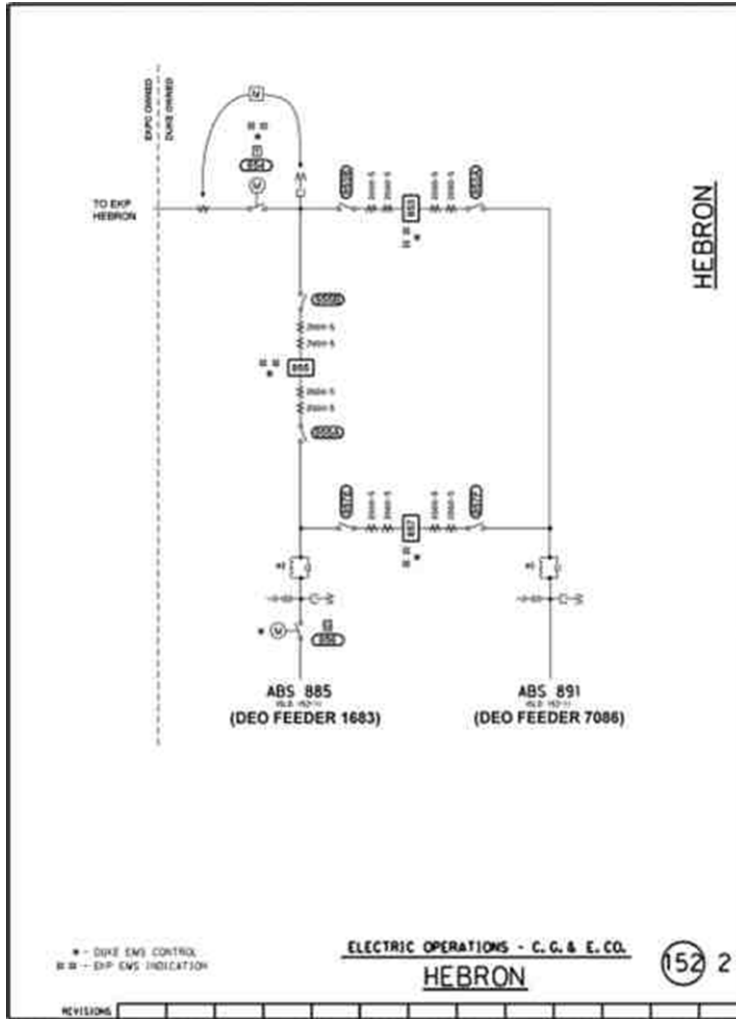




APPENDIX B

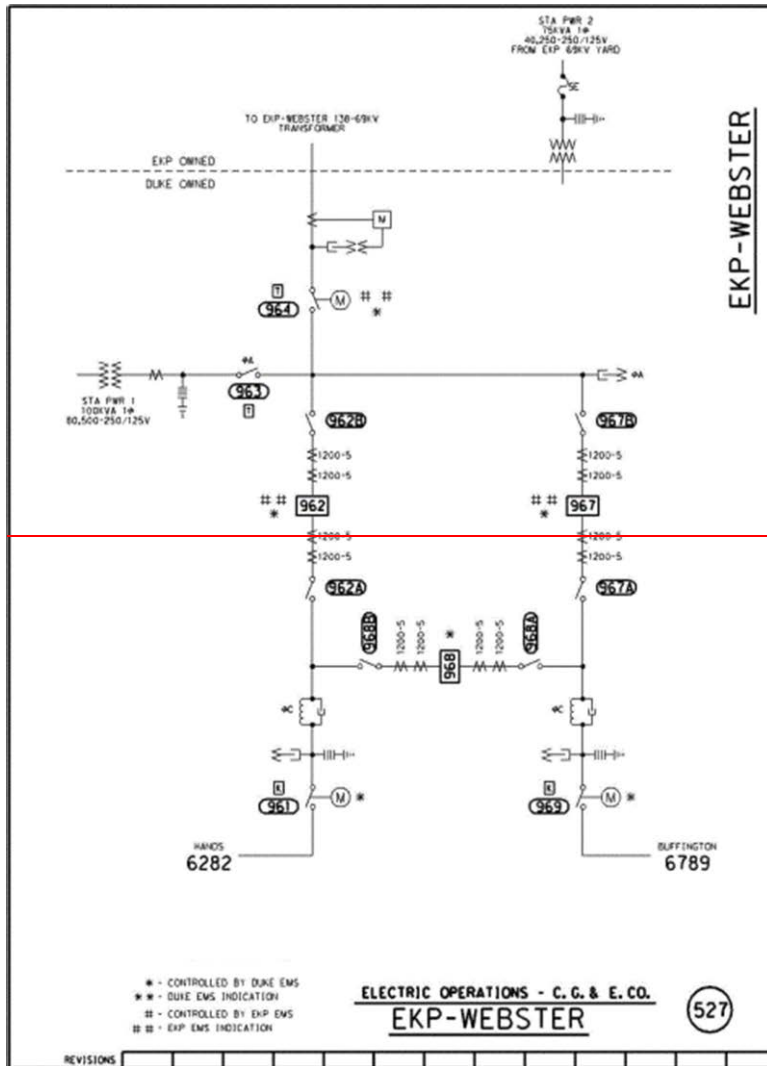
Figure 2
Hebron 138 kV Interconnection Point

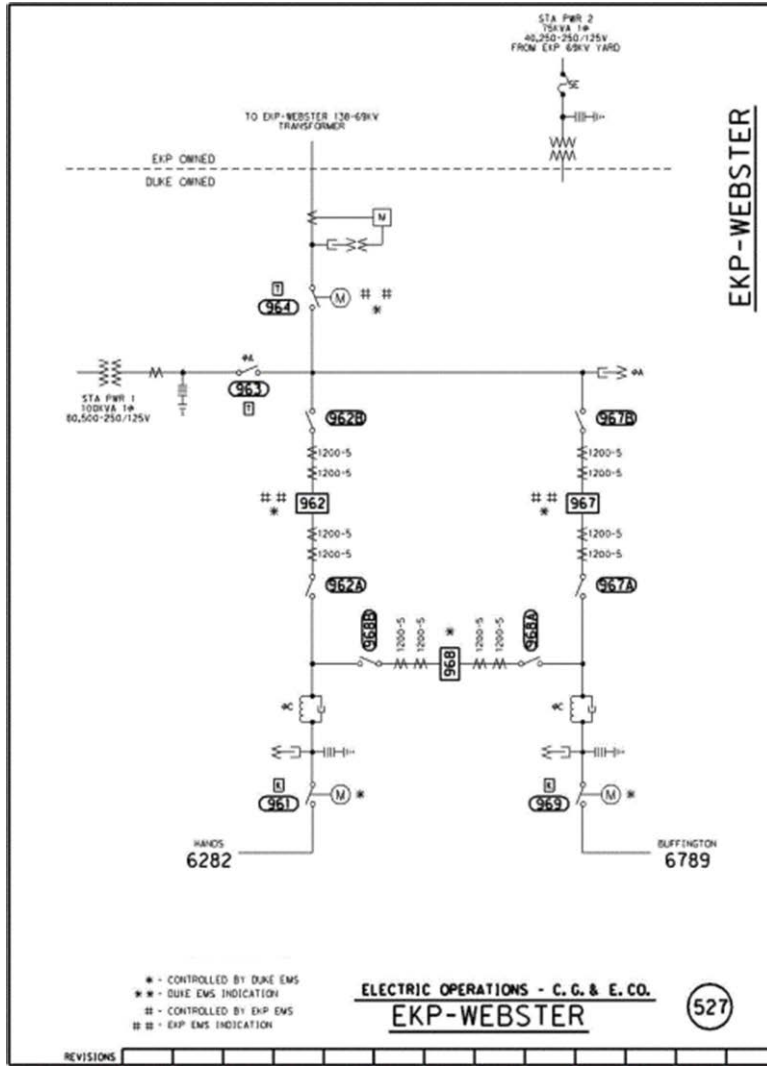




APPENDIX B

Figure 3
Webster Interconnection Point

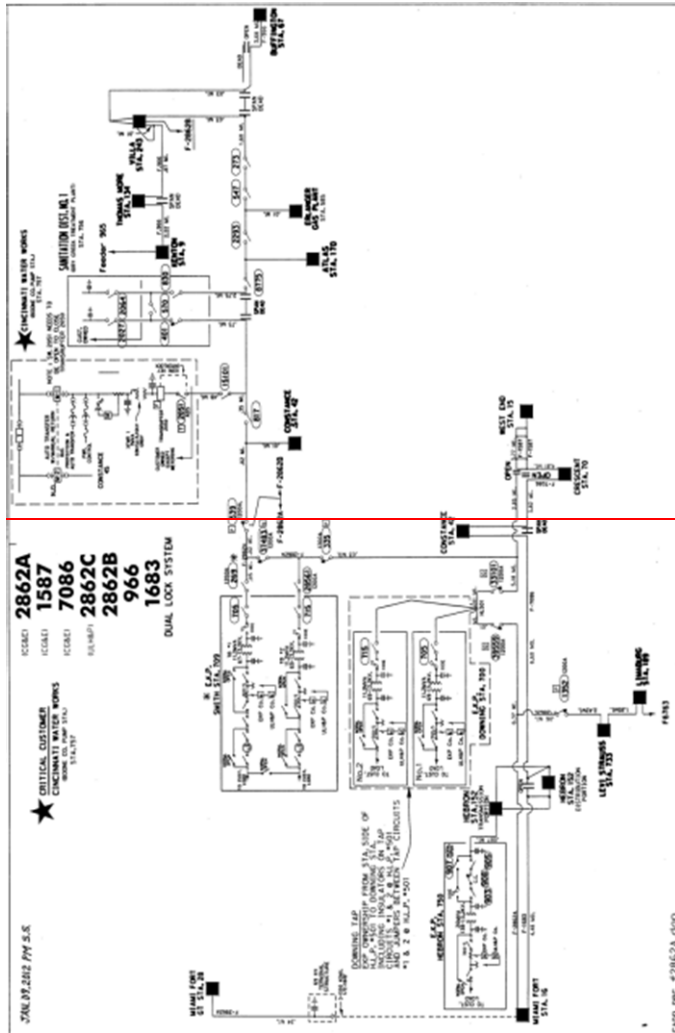


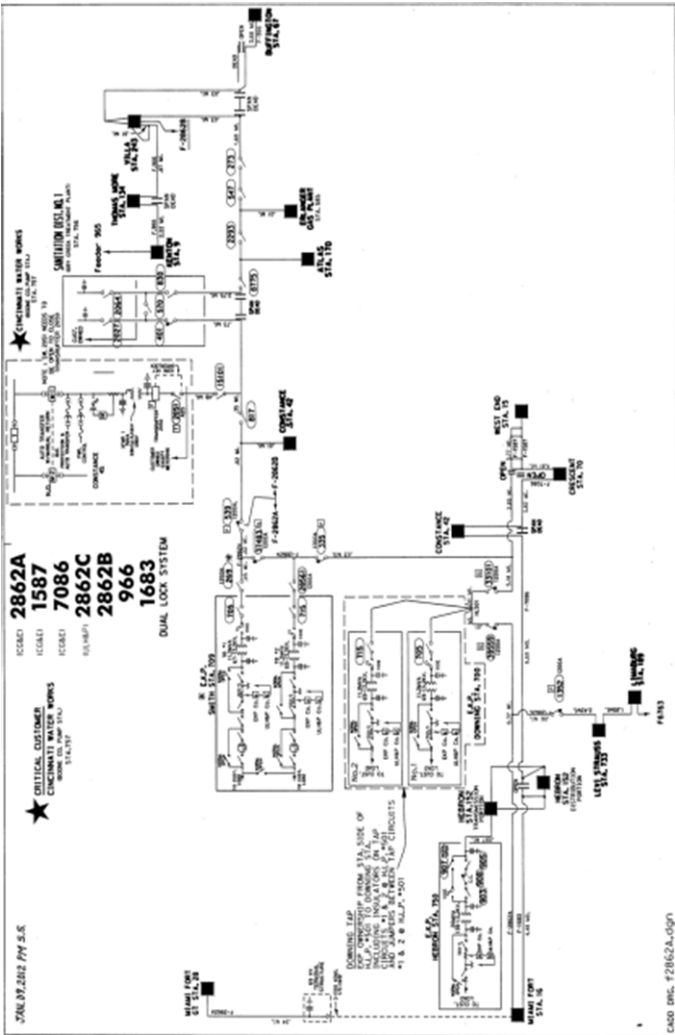


APPENDIX B

Figure 4
Smith No. 1 Delivery Point
Smith No. 2 Delivery Point

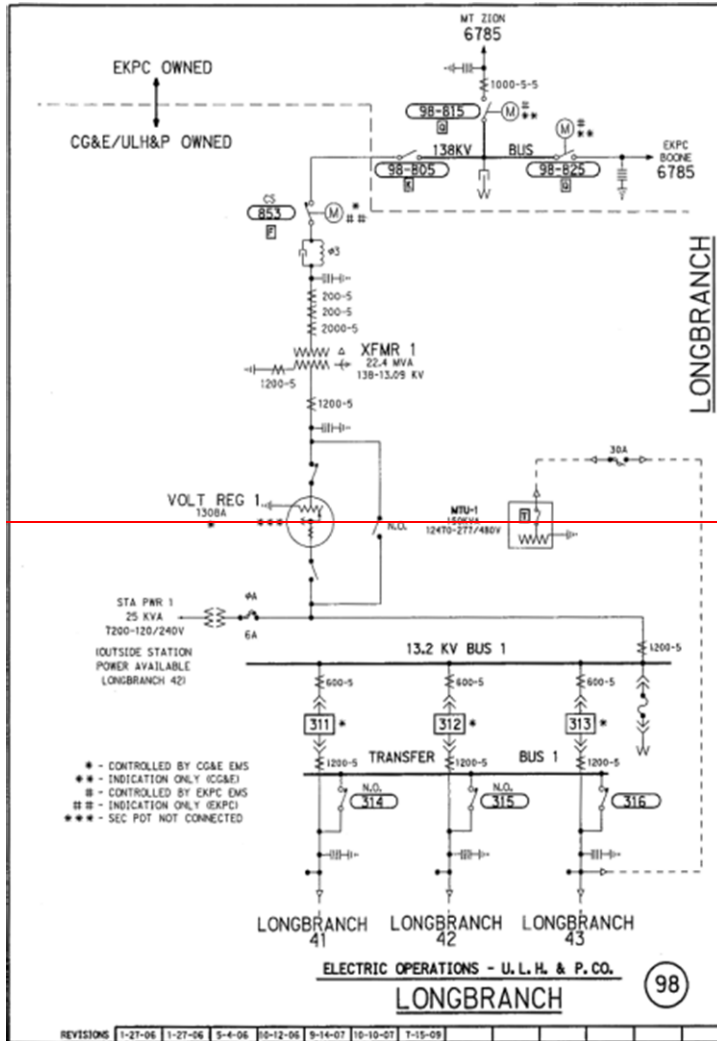
Downing No. 1 Delivery Point
Downing No. 2 Delivery Point

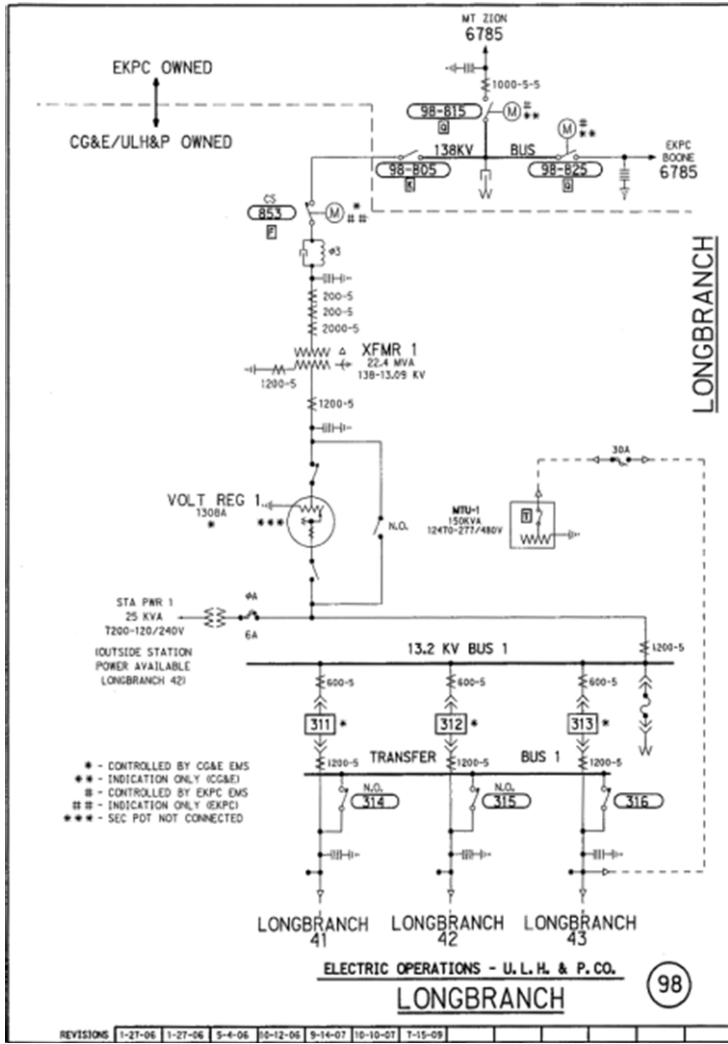




APPENDIX B

Figure 5
Longbranch Delivery Point

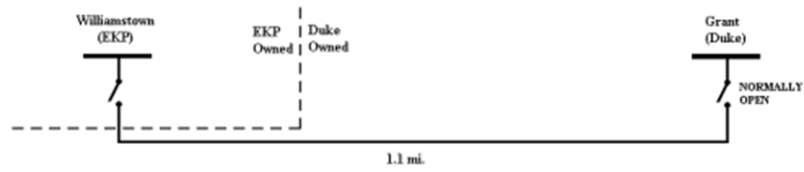
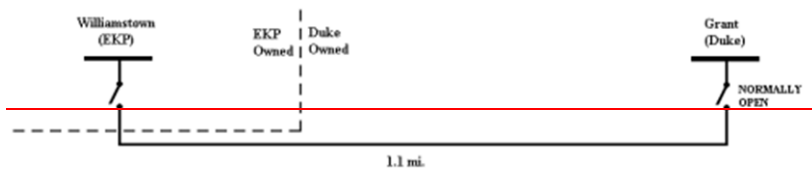




APPENDIX B

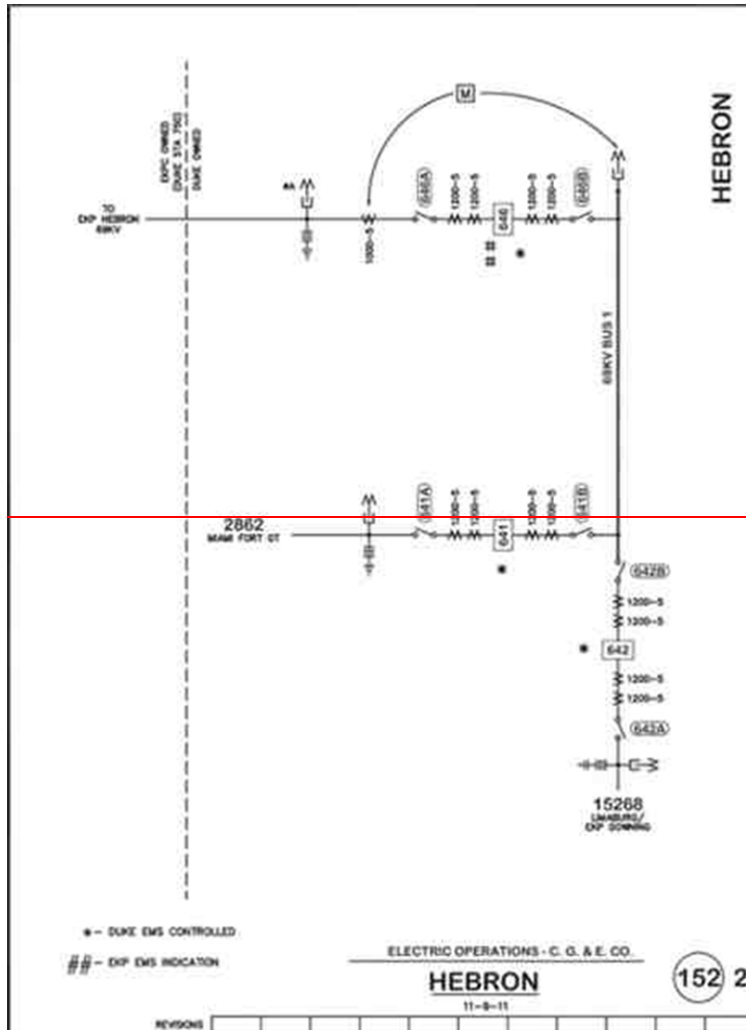
Figure 6

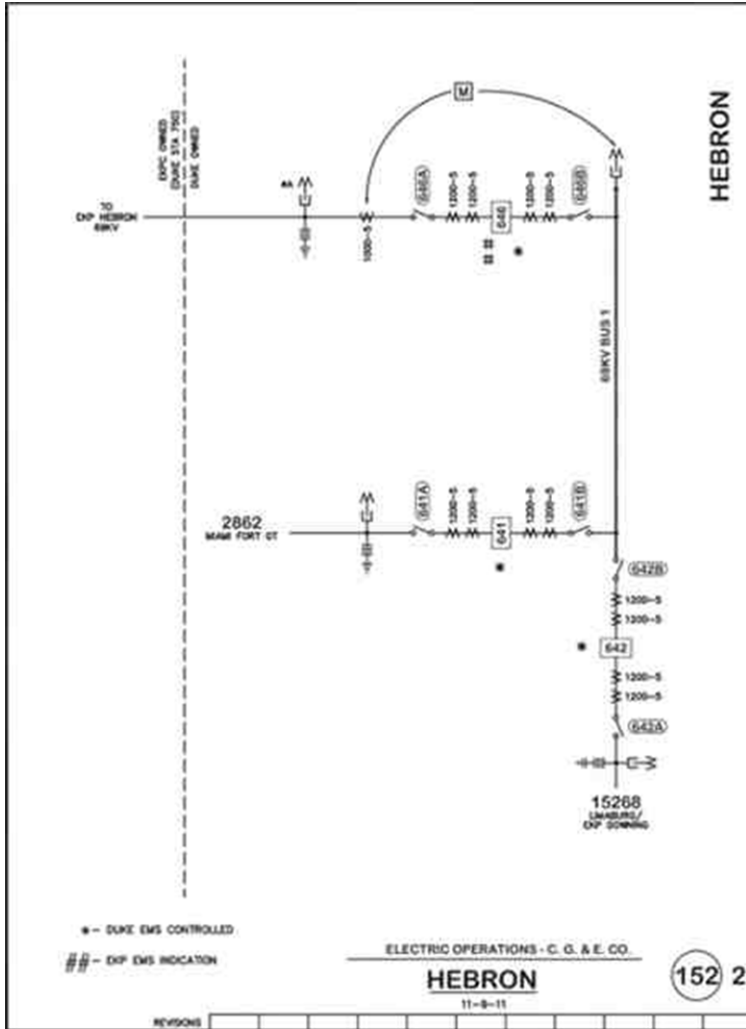
Williamstown Interconnection Point



APPENDIX B

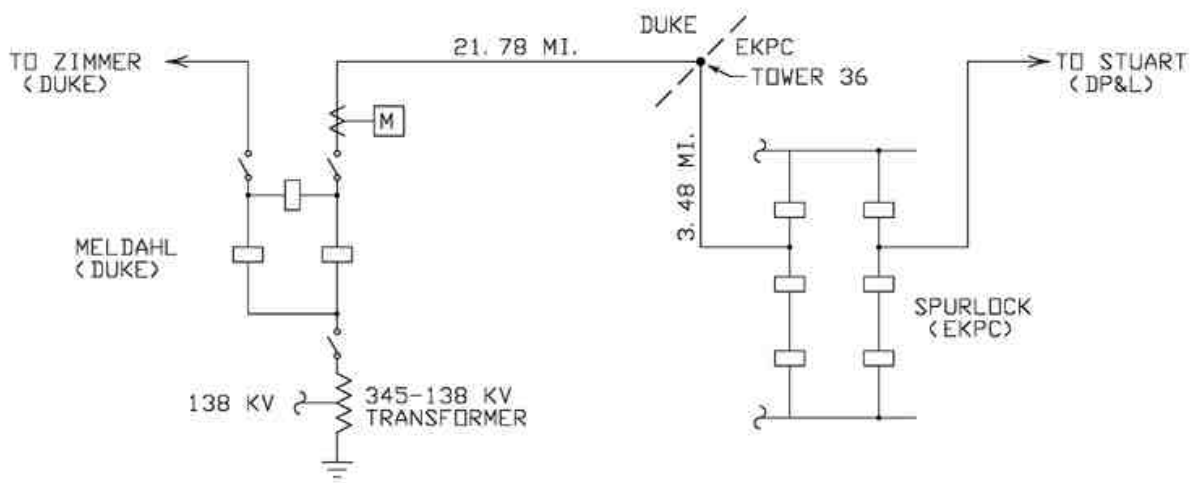
Figure 7
Hebron 69 kV Interconnection Point





APPENDIX B

Figure 8
Meldahl - Spurlock Interconnection Point



DUKE - EKPC
MELDAHL TO SPURLOCK INTERCONNECTION DIAGRAM

**AMENDED AND RESTATED
INTERCONNECTION AGREEMENT**

BETWEEN

**DUKE ENERGY BUSINESS SERVICES, LLC
acting as agent for Duke Energy Ohio, Inc.
and Duke Energy Kentucky, Inc.,**

AND

EAST KENTUCKY POWER COOPERATIVE, INC.

INTERCONNECTION AGREEMENT

This Interconnection Agreement is being amended and restated effective the 30th day of July 2018 by and among DUKE ENERGY BUSINESS SERVICES, LLC (“Duke Energy”), a corporation organized and existing under the laws of the State of Delaware, acting as agent for and on behalf of its operating companies Duke Energy Ohio, Inc., a public utility corporation organized and existing under the laws of the State of Ohio (“Duke Energy Ohio”), and Duke Energy Kentucky, Inc., a public utility corporation organized and existing under the laws of the Commonwealth of Kentucky (“Duke Energy Kentucky”) and EAST KENTUCKY POWER COOPERATIVE, INC., a generation and transmission cooperative organized and existing under the laws of the Commonwealth of Kentucky (“East Kentucky”). Duke Energy and East Kentucky are sometimes referred to individually as a “Party” and collectively as the “Parties.” For the avoidance of doubt, the term “Party” and “Parties” shall not include PJM Interconnection, L.L.C. (“PJM”).

WITNESSETH

WHEREAS, Duke Energy Ohio, Duke Energy Kentucky and East Kentucky each owns electric facilities and is engaged in generation, transmission, distribution (solely in the case of Duke Energy) and sale of electric power and energy; and

WHEREAS, all the terms and conditions of this Agreement entered into by Duke Energy are binding upon Duke Energy Ohio and Duke Energy Kentucky, and Duke Energy has the authority to act on behalf of Duke Energy Ohio and Duke Energy Kentucky and is authorized to enter into and to perform its obligations under this Agreement; and

WHEREAS, Duke Energy on behalf of Duke Energy Ohio and Duke Energy Kentucky is a participating transmission owner in PJM and PJM has functional control of the operation of Duke Energy’s Transmission system and is responsible for providing transmission and interconnection service on the transmission facilities under its functional control; and

WHEREAS, East Kentucky is a participating transmission owner in PJM as of June 1, 2013,, and PJM has functional control of the operation of that portion of East Kentucky’s Transmission System that East Kentucky committed to PJM and PJM is responsible for providing transmission and interconnection service on the transmission facilities under its functional control; and

WHEREAS the Federal Energy Regulatory Commission (“FERC”) has required the Parties to this Agreement to include PJM as a signatory to this Agreement in order to ensure that PJM is kept fully apprised of the matters addressed herein and so that PJM may be kept aware of any reliability and planning issues that may arise; and

WHEREAS, Duke Energy and East Kentucky are parties to an Interconnection Agreement, effective April 13, 2015 and designated as PJM Original Service Agreement No. 3141 and desire to amend and update the Agreement to add the Spurlock/Meldahl interconnection point (see Appendix A, Facility Schedule No. 11) and to make minor modifications to the Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and

other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1.0 DEFINITIONS

- 1.1 Defined Terms. Terms used in this Agreement with initial capitalization not otherwise defined below shall have the meanings specified in the PJM Open Access Transmission Tariff (“Tariff”).
- 1.1.1 “Abnormal Condition” means, in respect of a Party’s Interconnection Facilities or Transmission System, any condition on such Interconnection Facilities or Transmission System which is outside normal operating parameters, such that such Interconnection Facilities or Transmission System are operating outside their normal ratings or reasonable operating limits have been exceeded but which has not resulted in an Emergency Condition. An Abnormal Condition may include, but is not limited to, high or low deviations in voltage, frequency, power flow, equipment temperature, equipment pressures, and other equipment and operating parameters.
- 1.1.2 “Affiliate” means, with respect to any Person, (a) each entity that such Person Controls, (b) each Person that Controls such Person, and (c) each entity that is under common Control with such Person.
- 1.1.3 “Agreement” means this Agreement, including all exhibits, attachments, and appendices hereto that may from time to time exist.
- 1.1.4 “Assignment” has the meaning provided in Section 13.2 of this Agreement.
- 1.1.5 “Control” means the possession, directly or indirectly, through one or more intermediaries, of the following:
- (a) (i) in the case of a corporation, fifty percent (50%) or more of the outstanding voting securities thereof; (ii) in the case of a limited liability company, partnership, limited partnership or venture, the right to fifty percent (50%) or more of the distributions there from (including liquidating distributions); (iii) in the case of a trust or estate, including a business trust, fifty percent (50%) or more of the beneficial interest therein; and (iv) in the case of any other entity, fifty percent (50%) or more of the economic or beneficial interest therein; and
 - (b) in the case of any entity, the power or authority, through ownership of voting securities, by contract or otherwise, to exercise a controlling influence over the management of the entity.
- 1.1.6 “Default” has the meaning provided in Section 14.4 of this Agreement.
- 1.1.7 “Defaulting Transmission-Owning Party” has the meaning provided in Section

14.4 of this Agreement.

- 1.1.8 “Delivery Point” means a location where a Party’s load is served from the other Party’s electric transmission system or distribution system.
- 1.1.9 “Dispute” has the meaning provided in Section 19.3.1 of this Agreement.
- 1.1.10 “Dispute Notice” has the meaning provided in Section 19.3.3 of this Agreement.
- 1.1.11 “Disputing Party” has the meaning provided in Section 19.3.3 of this Agreement.
- 1.1.12 “Duke Energy” has the meaning provided in the preamble to this Agreement.
- 1.1.13 “Duke Energy Kentucky” has the meaning provided in the preamble to this Agreement.
- 1.1.14 “Duke Energy Ohio” has the meaning provided in the preamble to this Agreement.
- 1.1.15 “Duke Energy-Owned Interconnection Facilities” means all those facilities owned, operated or controlled by Duke Energy, Duke Energy Ohio or Duke Energy Kentucky which, in conjunction with the East Kentucky-Owned Interconnection Facilities, are necessary to effect the transfer of energy to and from the Transmission Systems, as such facilities are identified and described in Facility Schedule(s), and shall include any modifications, additions or upgrades made to those facilities.
- 1.1.16 “Duke Energy Transmission System” means the transmission facilities (including conductors, circuit breakers, switches, transformers and other associated equipment used to control the transfer of energy from one place to another) owned, operated or controlled by Duke Energy, Duke Energy Ohio or Duke Energy Kentucky, including any modifications, additions or upgrades made thereto.
- 1.1.17 “East Kentucky” has the meaning provided in the preamble to this Agreement.
- 1.1.18 “East Kentucky-Owned Interconnection Facilities” means all those facilities owned, operated or controlled by East Kentucky which, in conjunction with the Duke Energy-Owned Interconnection Facilities, are necessary to effect the transfer of energy to and from the Transmission Systems, as such facilities are identified and described in Facility Schedule(s), and shall include any modifications, additions or upgrades made to those facilities.
- 1.1.19 “East Kentucky Transmission System” means the transmission facilities (including conductors, circuit breakers, switches, transformers and other associated equipment used to control the transfer of energy from one place to another) owned, operated or controlled by East Kentucky, including any modifications, additions or upgrades thereto.
- 1.1.20 “Emergency Condition” means, in respect of a Party’s Interconnection Facilities or

Transmission System, a condition or situation that is imminently likely (a) to endanger life or property or (b) to cause a material adverse effect on the security of, or damage to, such Transmission System or Interconnection Facilities or the electric systems of others to which such Transmission System is directly connected.

- 1.1.21 “Facility Schedule” means the terms and conditions agreed to by the Parties attached hereto as Appendix A and incorporated herein by reference, which specify the responsibilities of the Parties for the ownership, operation and maintenance applicable to each Point of Interconnection.
- 1.1.22 “FERC” means the Federal Energy Regulatory Commission or any successor agency.
- 1.1.23 “Force Majeure” means any cause beyond the reasonable control of the Party affected, including acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, acts of public enemy, terrorist acts, sabotage, insurrection, riot, civil disturbance or disobedience, labor disputes, labor or material shortage, explosions, breakage or accident to machinery or equipment (which is caused by an event of Force Majeure), orders, regulations or restrictions imposed by governmental, military or lawfully established civilian authorities, provided that “Force Majeure” shall not include any act of negligence or intentional wrongdoing by such Party.
- 1.1.24 “Good Utility Practice” means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision is made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. “Good Utility Practice” is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather, intended to include acceptable practices, methods or acts generally accepted in the region, but are not necessarily codified.
- 1.1.25 “Indemnified Party” has the meaning provided in Section 15.1 of this Agreement.
- 1.1.26 “Indemnifying Party” has the meaning provided in Section 15.1 of this Agreement.
- 1.1.27 “Initial Term” has the meaning provided in Section 14.1 of this Agreement.
- 1.1.28 “Interconnection Facilities” means the Duke Energy-Owned Interconnection Facilities and the East Kentucky-Owned Interconnection Facilities.
- 1.1.30 “Open Access Transmission Tariff” or “OATT” means PJM’s Open Access Transmission Tariff, as accepted for filing by FERC, as the same may be amended from time to time.
- 1.1.31 “Operating Committee” has the meaning provided in Section 3.2 of this

Agreement.

- 1.1.32 “Parent” means, with respect to any Person, the Person that Controls such Person and that is not itself controlled by any other Person.
- 1.1.33 “Party” and “Parties” has the meaning provided in the preamble to this Agreement.
- 1.1.34 “Person” means an individual, a corporation, a partnership, a limited liability company, an association, a joint-stock company, a trust, an unincorporated organization or any governmental or political subdivision thereof.
- 1.1.35 “PJM” means PJM Interconnection, L.L.C. or its successor(s).
- 1.1.36 “Point of Interconnection” and “Points of Interconnection” shall mean the point or points at which the Transmission Systems are connected as specified in Appendix A attached to this Agreement, as the same may be added, deleted or otherwise changed from time to time in accordance with this Agreement.
- 1.1.37 “Reliability Coordinator” or “RC” means the Person that performs the functions of the Reliability Coordinator under the OATT or Tariff.
- 1.1.38 “Renewal Term” has the meaning provided in Section 14.1 of this Agreement.
- 1.1.39 “Representatives” means, in respect of a Party, such Party’s Parent, subsidiaries, Affiliates, members, managers, shareholders, directors, officers, employees, agents, successors or assigns.
- 1.1.40 “RFC” means the Reliability First Corporation, a regional reliability organization.
- 1.1.41 “RUS” means the Rural Utilities Service of the United States Department of Agriculture, or any successor agency.
- 1.1.42 “SERC” means the SERC Reliability Corporation, a regional reliability organization.
- 1.1.43 “System Operator” means, with respect to each Party, the operation personnel in the control center for such Party that is responsible for the real time monitoring and operation of such Party’s Transmission System.
- 1.1.44 “Tariff” means the Open Access Transmission Tariff filed by PJM with the FERC and as it may be amended from time to time, or any successor tariff.
- Transmission Service” means the service obtained by a Party under the PJM OATT or Tariff, whichever is appropriate.
- 1.1.46 “Transmission Systems” means the Duke Energy Transmission System, the East Kentucky Transmission System, or both, as the context requires.

- 1.2. Interpretation. Except as otherwise expressly provided herein, the rules of interpretation and construction set forth below shall apply to this Agreement:
- 1.2.1 all defined terms in the singular shall have the same meaning when used in the plural and vice versa;
 - 1.2.2 the words “hereof,” “herein” and “hereto” and similar words refer to this entire Agreement and not to any particular Section, Appendix or any other subdivision of this Agreement;
 - 1.2.3 the capitalized terms “Section” and “Appendix” refer, respectively, to sections of, or appendices to, this Agreement;
 - 1.2.4 reference to any law, statute, rule, regulation, tariff, notification or statutory provision shall be construed as a reference to such law, statute, rule, regulation, tariff, notification or statutory provision as it applies to this Agreement and the Parties and as it may have been, or may from time to time be, amended, modified or re-enacted;
 - 1.2.5 the words “includes” and “including” and similar phrases shall mean “including without limitation”;
 - 1.2.6 the captions, section numbers and headings in this Agreement are included for convenience of reference only and shall not in any way affect the meaning or interpretation of this Agreement;
 - 1.2.7 the word “or” may not be mutually exclusive, and can be construed to mean “and” where the context requires there to be a multiple rather than as alternative obligation; and
 - 1.2.8 reference to a particular Party or Person includes such Party’s or Person’s successors and assigns to the extent not prohibited by this Agreement.

SECTION 2.0
POINTS OF INTERCONNECTION, CONTINUING OBLIGATIONS AND
RESPONSIBILITIES

- 2.1 Points of Interconnection. The Points of Interconnection between the Parties are specified herein, and shall be operated and maintained in accordance with the terms and conditions in this Agreement, including the Facility Schedule(s) listed in Appendix A of this Agreement and the One-line Diagrams included in Appendix B of this Agreement.
- 2.2 Delivery Points. The Delivery Points shall be operated and maintained in accordance with the terms and conditions in this Agreement. The Delivery Points are included in Appendix A of this Agreement.
- 2.3 Service Conditions.

- 2.3.1 The Points of Interconnection and Delivery Points, other than those designated as normally open on Appendix A of this Agreement, shall be operated in continuous synchronization through such interconnection, except in cases of interruption of such synchronous operation due to (a) mutually agreed upon maintenance, (b) directives from PJM or the RC in accordance with applicable North American Electric Reliability Council standards or (c) Force Majeure. If synchronous operation is interrupted, the Parties shall cooperate so as to remove the cause of such interruption as soon as practicable, consistent with Good Utility Practice.
- 2.3.2 All Points of Interconnection and Delivery Points shall conform to such operating guidelines as the Operating Committee shall agree upon.

2.4 Additional Services.

- 2.4.1 This Agreement is applicable only to the physical interconnection of the Parties' Transmission Systems and Interconnection Facilities at the Points of Interconnection and Delivery Points and does not obligate either Party to receive or provide any service. Other services provided by one Party to the other Party shall be governed by such other agreements as the Parties may enter into from time to time.
- 2.4.2 This Agreement provides only for the physical interconnection of the Parties' transmission facilities at the designated Points of Interconnection and Delivery Points. Transmission service, or any other service, must be acquired by the desiring Party through appropriate processes outside of this Agreement. In furtherance of the foregoing, a Party whose load or contractual load is isolated onto the other Party's Transmission System shall be responsible for making arrangements to obtain Transmission Service with respect to such load.
- 2.4.3 No Party shall be obligated to deliver reactive power for the benefit of the other Party. No Party shall be obligated to receive reactive power when to do so might introduce objectionable operating conditions on its system. Subject to the foregoing, the Parties, through the Operating Committee, shall establish from time to time (a) voltage levels to be maintained and (b) operating procedures for establishing and maintaining an equitable distribution of reactive power.

2.5 Safety.

- 2.5.1 Responsibility for Safety of Employees. Except as otherwise provided in Section 16.0 of this Agreement, each Party shall be solely responsible for and assume all liability for the safety and supervision of its respective employees, agents, representatives and subcontractors.
- 2.5.2 Compliance with Applicable Laws. All work performed hereunder by any Party, will be performed in accordance with Good Utility Practice and all applicable laws, rules and regulations pertaining to the safety of persons or property.

SECTION 3.0
OPERATION AND MAINTENANCE; OPERATING COMMITTEE

- 3.1 Operation and Maintenance. Unless otherwise provided by the Facility Schedules, each Party shall, at its own risk and expense (a) use commercially reasonable efforts to operate and maintain the facilities (including its Transmission System and Interconnection Facilities) and equipment that are owned, controlled, or operated by it or on its behalf, or hereafter may be owned, controlled or operated by it or on its behalf, and (b) design and install equipment and facilities (including all apparatus and necessary protective devices) on its side of each Point of Interconnection or Delivery Point, in each case, in accordance with Good Utility Practice so as to reasonably minimize the likelihood of a disturbance originating on its Transmission System or Interconnection Facilities from affecting or impairing the other Party's Transmission System or Interconnection Facilities or other transmission systems to which it is interconnected. Such design and installation will be carried out in coordination with PJM as required by the terms of its Tariff.
- 3.2 Operating Committee.
- 3.2.1 Representatives. The Parties shall establish a committee of authorized representatives to be known as the Operating Committee. Each Party shall designate in writing delivered to the other Party, its representative on the Operating Committee (and the person or persons who may serve as an alternate or alternates whenever such representative is unable to act). Such representative and alternate(s) shall be familiar with the Transmission System and Interconnection Facilities of the Party he or she represents, and shall be fully authorized to perform the functions delegated to the Operating Committee.
- 3.2.2 Authority of the Operating Committee. The Operating Committee shall be authorized to address the following:
- 3.2.2.1 Coordination of maintenance of the Transmission Systems and Interconnection Facilities but only to the extent such maintenance is not subject to directives from the RC or PJM.
- 3.2.2.2 Control of time, frequency, energy flow, power factor, voltage and other similar matters bearing upon the satisfactory synchronous operation of the Transmission Systems and Interconnection Facilities.
- 3.2.2.3 Establishment of criteria, rules and standards for the testing and calibration of metering equipment required pursuant to Section 5.0 of this Agreement.
- 3.2.2.4 Monitoring and confirming the Parties' compliance with Section 2.4.3 of this Agreement.
- 3.2.2.5 Such other functions not specifically provided for herein which the Parties mutually agree upon.

- 3.2.3 No Authority to Amend. The Operating Committee shall not have authority to modify any of the terms or conditions of this Agreement. The Operating Committee may, to the extent appropriate, solicit input from the RC or PJM, and in any event shall perform its functions consistent with any directives of the RC or PJM.
- 3.2.4 Disputes. If the Operating Committee is unable to take action on any matter to be acted upon by it under this Agreement because of a dispute between the representatives as to such matter, then the matter shall be resolved in accordance with Section 19.3 of this Agreement.

SECTION 4.0 RIGHTS OF ACCESS; EQUIPMENT INSTALLATION AND REMOVAL

- 4.1 Rights of Access. Each Party shall permit duly authorized representatives and employees of the other Party to enter upon its premises for the purpose of (a) inspecting, testing, repairing, renewing or exchanging any of the equipment owned by such other Party located on its premises or (b) performing any work necessary in the performance of this Agreement, in each case, upon reasonable notice to the Party, at reasonable times and in compliance with Good Utility Practice and the Party's reasonable rules and regulations.
- 4.2 Equipment Installation. Each Party shall permit duly authorized representatives and employees of the other Party to install, maintain and operate on its premises the necessary equipment, apparatus and devices required for the performance of this Agreement. Any such installation, maintenance and operation to be performed, except in Emergency Conditions, shall be performed after reasonable notice of the schedule of activity is submitted to the Party, at reasonable times and in compliance with Good Utility Practice and the Party's reasonable rules and regulations. Any equipment, apparatus and devices installed pursuant to this Section 4.2 shall be clearly marked by the Party with appropriate ownership identification.
- 4.3 Equipment Removal. Any and all equipment, apparatus, devices and facilities placed or installed, or caused to be placed or installed by one Party on, or in, the premises of the other Party, shall be and remain the property of the Party owning and installing such equipment, apparatus, devices or facilities, regardless of the mode and manner of annexation or attachment to real property, unless mutually agreed otherwise by the Parties. Upon the termination of any Point of Interconnection in accordance with this Agreement, the Party owning and installing such equipment, apparatus, devices or facilities at the Point of Interconnection shall have the right (a) to sell such equipment, apparatus, devices or facilities to the other Party if the other Party wishes to purchase such equipment, apparatus, devices or facilities, or (b) enter the premises of the other Party and remove, at the owning Party's cost, such equipment, apparatus, devices or facilities that are salvageable upon reasonable notice to the other Party, at reasonable times and in compliance with Good Utility Practice and the other Party's reasonable rules and regulations.

SECTION 5.0
DELIVERY AND METERING

5.1 Delivery.

5.1.1 Interconnection Points. All energy delivered to or flowing through a Point of Interconnection shall be in the form of three-phase, sixty (60) hertz alternating current.

5.1.2 Delivery Points. All electric energy delivered under this Agreement shall be of the character commonly known as three-phase, 60 Hz energy and shall be delivered at the Delivery Point(s) specified under Appendix A of this Agreement at standard nominal voltages or such other voltages as may be specified in Appendix A of this Agreement.

5.2 Sealing of Meters. All meters shall be sealed, and such seals may be broken only by its owner on such occasions when the meters are to be inspected, tested, calibrated or adjusted. Each Party shall comply with any reasonable request of the other Party concerning (a) sealing of meters, (b) the presence of a representative of the other Party when the seals are broken, and (c) other matters affecting interchange measurements.

5.3 Meter Standards. All metering equipment shall be maintained by the respective owners thereof. Each respective owner shall install, calibrate, and test revenue quality Metering Equipment in accordance with applicable ANSI standards. Each respective owner shall make periodic tests and inspections of its meters, at its own expense, at intervals specified by the Operating Committee under Section 3.2 of this Agreement. If either Party believes that there has been a meter inaccuracy, failure or stoppage, that Party shall immediately notify the other Party (“Official Notice”). Each Party shall advise the other Party when the tests will be made so that such Party may witness the tests.. Each Party will make additional tests of its meters upon receipt of a request (“Official Request”) of the other Party, but the expense of such test will be borne by the Party requesting such test if the meter is found to be within a margin allowed under Section 5.4.

5.4 Meter Inaccuracy. If, at any time, any metering equipment is found to be inaccurate by a margin of greater than that allowed under any applicable PJM, RFC, SERC (or any successor entity to which either Party becomes subject in the future), Operating Committee, or any other applicable mandatory criteria, rules and standards, each Party shall cause its metering equipment to be made accurate or replaced; provided that, in the event of a conflict between any PJM, RFC, SERC, Operating Committee or other applicable mandatory criteria, rules and standards, the Operating Committee criteria, rules and standards shall govern. Meter readings for the period of inaccuracy shall be adjusted, for accounting purposes, by correcting all measurements made by the inaccurate meter for (a) the actual period during which inaccurate measurements were made, if the period can be determined, or if not, (b) the period immediately preceding the test of the metering equipment equal to one-half the time from the date of the last previous test of the metering equipment; provided that the estimated period covered by the correction under this Section

5.4 shall not exceed six (6) months unless a longer resettlement period is permissible under applicable provisions of the PJM Tariff or PJM Business Practices, for those meters which are associated with PJM Balancing Authority interconnection points between the Parties.

5.5 Losses.

5.5.1 Interconnection Points. If a metering point, as shown in the Facility Schedule(s), and the applicable Point of Interconnection are not at the same location, the metering equipment shall record delivery of energy in a manner that accounts for losses occurring between the metering point and the applicable Point of Interconnection. Losses occurring between the metering point and the applicable Point of Interconnection shall be allocated pursuant to the applicable Tariff or other applicable agreement then in effect between the Parties.

5.5.2 Delivery Points. Energy losses assigned to Delivery Point(s) will be determined and mutually agreed by the Parties based on the following guidelines.

- a. The most current system data that is readily and practically available for actual energy losses for each Party.
- b. The specific configuration of the electric transmission and distribution system components supplying each Delivery Point at the time of the calculations.
- c. c. The Parties shall utilize the same basic method(s) to determine the energy losses and the method(s) will be applicable to all documented delivery points.

5.6 Communications with Meters. Access to the meters discussed in Section 5.0 shall be permitted in accordance with the provisions of Section 4.1 of this Agreement. Both Parties will be permitted to communicate electronically to the meters discussed in Section 5.0 of this Agreement in accordance with the provisions of Section 4.2 of this Agreement.

SECTION 6.0
RECORDS AND BILLING

6.1 Maintenance of Books and Records. Each Party shall maintain, in accordance with normal utility accounting procedures, complete books and records of its respective costs and expenses incurred in connection with any upgrades to or new Points of Interconnection pursuant to Section 7.0 of this Agreement. Each Party will make available to the other Party for inspection, through its employees, agents or independent public accountant, all records used to establish charges, if any, in accordance with this Agreement. All inspections will be performed at the inspecting Party's own expense during normal business hours in the offices of the Party in possession of such records, upon reasonable notice.

- 6.2 Duration. All books, records and other pertinent data associated with this Agreement shall be maintained for the most recent historical four (4) years during the term of this Agreement and for two (2) years following the expiration or early termination of this Agreement.
- 6.3 Billing. If a Party is owed a payment or other amount under this Agreement, then such Party shall invoice the other Party for such payment or amount and the other Party shall pay the undisputed amount of such payment or amount within twenty (20) calendar days of the date of the invoice. Interest on unpaid amounts shall accrue at the applicable prime rate for each calendar month, or part thereof, published in the Federal Reserve Statistical Release H.15, or its successor publication, rounded to the nearest one-hundredths of one percent (.01%), but in no event more than the maximum allowed by applicable law, and shall accrue and be payable from the date due until the date upon which payment is made. Unless otherwise agreed upon, a calendar month shall be the standard monthly period for the purpose of settlements under this Agreement.
- 6.4 Billing Disputes. In the event a Party wishes to contest a portion of an invoiced amount, such Party shall pay the portion not contested, and interest shall accrue pursuant to Section 6.3 of this Agreement on the unpaid portion while resolution of the contested amount is pending, from the date such payment was due until the date on which payment is made, and shall apply only to that portion of the disputed amount which is determined to be payable.

SECTION 7.0

REQUESTED UPGRADES AND ADDITIONAL POINTS OF INTERCONNECTION

- 7.1 Requested Upgrades or Additional Point of Interconnection. If a Party believes that upgrades to one or more Points of Interconnection are necessary or that one or more additional Points of Interconnection are necessary, then such Party shall promptly notify the other Party in writing, including, as appropriate, a description of the Point(s) of Interconnection which the Party desires to upgrade and the reasons why, the desired location and designation of any additional Point(s) of Interconnection, the desired in-service date for the requested upgrade(s) or additional Point(s) of Interconnection, and any other information relevant to the requested upgrade or additional Point(s) of Interconnection, including any relevant studies or analyses. The Parties shall cooperate to study or cause to be studied the requested upgrades or additional Point(s) of Interconnection in accordance with their applicable interconnection procedures, and consistent with any applicable directives from the RC or PJM.
- 7.2 Facility Schedules. If the Parties mutually agree to upgrade a Point of Interconnection or to add a Point of Interconnection pursuant to Section 7.1 of this Agreement, then the Parties shall amend the appropriate Facility Schedule and One-line Diagram, or add a new Facility Schedule and One-line Diagram, which shall be separately executed and attached hereto, and the upgrade or additional Point of Interconnection shall be effective as of the date such amendment(s) are accepted for filing by FERC.

7.4

7.3 No Waiver. Nothing in this Section 7.0 shall waive or limit in any way, a Party's rights under applicable provisions of the Federal Power Act and the FERC's rules and regulations promulgated there under to request an upgrade to a Point of Interconnection or add a Point of Interconnection.

SECTION 8.0 INFORMATION AND OTHER REQUIREMENTS

8.1 Upon request, a Party shall promptly provide to the other Party such engineering information, including load forecasts and generation data, regarding plans, practices and conditions of operation and equipment as is reasonably necessary to enable the other Party to adequately plan, design and install, for practical and efficient operation, its Transmission System and Interconnection Facilities in accordance with this Agreement, subject to any confidentiality requirements.

SECTION 9.0 ABNORMAL OR EMERGENCY CONDITION

9.1 Notification. If a Party reasonably determines (or is informed by the RC or PJM) that an Abnormal Condition or Emergency Condition affecting its Transmission System or Interconnection Facilities may reasonably be expected to damage or to adversely affect the security or operations of the other Party's Transmission System and Interconnection Facilities, then the Party shall provide prompt notification by telephone thereof to the other Party's System Operator. Such notifications shall indicate, to the extent known, the expected damage to, or adverse effect of, the Abnormal Condition or Emergency Condition on the security or operation of the other Party's Transmission System and Interconnection Facilities, its expected duration and any recommended corrective action to be taken.

9.2 Actions by Parties.

9.2.1 If a Party reasonably determines (or is informed by the RC or PJM) that an Abnormal Condition or Emergency Condition affecting its Transmission System or Interconnection Facilities exists, then it may take such action(s), consistent with Good Utility Practice, as may be reasonable to prevent, avoid or mitigate (a) any danger to life or property or (b) any material adverse effect to the security of, or damage to its Transmission System, Interconnection Facilities or the electric systems of others to which its Transmission System is directly connected, in each case, that is caused by such Abnormal Condition or Emergency Condition. Consistent with Good Utility Practice, the Party responding to an Emergency Condition shall endeavor in good faith to avoid or minimize any adverse impacts on the other Party's system.

- 9.2.2 If a Party believes in its good faith judgment that the continued operation of the other Party's Interconnection Facilities is creating or contributing to an Emergency Condition on the Party's Interconnection Facilities or Transmission System, then the Party may, consistent with Good Utility Practice, temporarily isolate the other Party's Interconnection Facilities, provided that the Party shall make reasonable efforts, consistent with Good Utility Practice, to notify the other Party prior to such isolation. Consistent with Good Utility Practice, the Party responding to an Emergency Condition shall endeavor in good faith to avoid or minimize any adverse impacts on the other Party's system.
- 9.3 Actions by Party. In addition to any rights provided for in this Section 9.0, a Party may exercise any of its rights under the applicable Tariff or OATT with respect to an Emergency Condition.

SECTION 10.0 FORCE MAJEURE

- 10.1 No Breach or Default. No Party shall be considered in breach or Default of its obligations under this Agreement if and to the extent that such Party is prevented from performing such obligations by reason of Force Majeure.
- 10.2 Notice. If a Party is prevented from performing its obligations under this Agreement because of Force Majeure, it shall so notify the other Parties within a reasonable time after the occurrence of such Force Majeure.
- 10.3 Duration of Force Majeure. A Party shall be excused from whatever performance is affected by Force Majeure only for the duration of the Force Majeure and only for so long as such Party uses reasonable efforts to attempt to alleviate or remove the cause of its failure to perform, consistent with Good Utility Practice, provided that no Party shall be obligated to appeal from any administrative or judicial ruling, or to agree to any settlement of any strike or labor disturbance, which, in the affected Party's opinion, may be inadvisable or detrimental.
- 10.4 Obligation to Make Payments. Notwithstanding any provision in this Agreement to the contrary, no Party shall be relieved from its obligation to make payments under this Agreement due to Force Majeure.

SECTION 11.0 WAIVERS

Any waiver at any time by any Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any subsequent default or matter. Any delay

short of the statutory period of limitation in asserting or enforcing any right shall not be deemed a waiver of such right.

SECTION 12.0 NOTICES

Unless otherwise expressly provided for in this Agreement, all notices and communications between or among the Parties and/or PJM pursuant to this Agreement shall be: (a) in writing, by letter or by email; (b) delivered to the other Party or Parties and/or PJM at the address listed below or email address listed below; and (c) deemed to have been duly delivered: (i) upon personal delivery thereof, including by overnight mail or next Business Day or courier service; (ii) in the case of notice by United States mail, if sent by certified or registered mail, postage prepaid, return receipt requested, upon receipt thereof; or (iii) in the case of email, upon transmission thereof, provided that in addition to such transmission a confirmation copy of the notice is also provided by either of the methods set forth in clause (i) or (ii) above, and provided that the sender does not receive any message indicating that the email message was not delivered to the persons to which notices are to be delivered pursuant to this Agreement. All communications between or among the Parties and/or PJM pursuant to this Agreement shall be addressed as provided below, or to such other address as any Party and/or PJM may designate by written notice to the other Parties and/or PJM given in accordance with this Section 12.0:

If to Duke Energy:

Duke Energy Business Services, LLC
Att. Doug Hils
315 Main Street, M/C Ex 651

Doug.Hils@duke-energy.com
Cincinnati, OH 45202

AgreementNotices@duke-energy.com <<mailto:AgreementNotices@duke-energy.com>>
For emergencies contact 24 hour desk: 800-382-4400

If to East Kentucky:

East Kentucky Power Cooperative, Inc.
Attn: Denver York
P.O. Box 707
Winchester, Kentucky 40392-0707
Telephone: (859) 745-9235

Email: denver.york@ekpc.coop

Email: denver.york@ekpc.coop <<mailto:denver.york@ekpc.coop>>

If to PJM:

Vice President - Government Policy
PJM Interconnection, L.L.C.
1200 G Street, NW, Suite 600
Washington, D.C. 20005

And

General Counsel
PJM Interconnection, L.L.C.
2750 Monroe Blvd.
Audubon, PA 19403

SECTION 13.0
SUCCESSORS, ASSIGNS,
AND THIRD PARTY BENEFICIARIES

- 13.1 Binding On Parties, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their permitted successors and assigns. No person shall have any rights, benefits or interests, direct or indirect, arising from this Agreement except the Parties, their permitted successors and assigns. The Parties expressly disclaim any intent to create any rights in any Person as a third party beneficiary of this Agreement.
- 13.2 Assignment. Except as provided below, no Party may assign, transfer, sell, convey or otherwise dispose of in any manner, directly or indirectly (collectively, “Assignment”), all or any portion of this Agreement or its rights, benefits, duties, obligations and liabilities under this Agreement, without the prior written consent of the other Parties, which consent shall not be unreasonably withheld. Any Assignment made without such prior written consent shall be null and void; provided, however, that such written consent shall not be required by a Party in connection with an Assignment to (a) a successor entity to which all or substantially all of the business and assets of such Party are transferred; or (b) an Affiliate or wholly-owned direct or indirect subsidiary of the Parent of such Party capable of assuming and performing its obligations hereunder, provided that each such assignee pursuant to clause (a) and (b) above assumes in writing all rights, benefits, duties, obligations and liabilities of the assigning Party arising under this Agreement and provided that such Affiliate is of equal or better creditworthiness as the assignor on the date of assignment and is otherwise fully capable of assuming and performing its obligations hereunder. Notwithstanding the foregoing, nothing in this Agreement shall limit in any way any Party’s rights to intervene in and/or protest any filing made by any other Party with the FERC or any other government authority in regards to the sale, merger or transfer of all or substantially all of the business and assets of a Party, including its Transmission System and Interconnection Facilities.
- 13.3 Assigning Party to Remain Responsible. Any Assignments authorized as provided for in Section 13.2 of this Agreement will not operate to relieve the Assigning Party of any of its duties, obligations or liabilities arising under this Agreement up to the date of such Assignment unless, and only to the extent that, the other Party consents in writing, which consent shall not be unreasonably withheld.

SECTION 14.0
TERM AND TERMINATION OF AGREEMENT; DEFAULT

- 14.1 Term. This Agreement shall be effective as of the date hereof, subject to its approval or acceptance for filing by the FERC and RUS, and shall continue in effect until the date falling on the twentieth (20th) anniversary of the date hereof (the “Initial Term”), and, thereafter, for successive twelve (12) month periods (“Renewal Terms”). Either Party may terminate this Agreement after the Initial Term by providing to the other Party at least twelve (12) month’s advance written notice of its intent to terminate this Agreement, in which case this Agreement shall terminate at the end of such notice period without regard to the expiration of any Renewal Term. Notwithstanding the above, this Agreement may be terminated earlier (a) if the Parties mutually agree and provide notice to PJM or (b) as otherwise expressly provided for in this Agreement. Notwithstanding anything to the contrary contained in this Section 14.1, no termination shall become effective until the Parties have complied with all laws and regulations applicable to such termination, including the filing with FERC of a notice of termination of this Agreement, which notice has been accepted for filing by FERC. Termination of this Agreement shall not terminate the physical Interconnections absent agreement of the Parties or a final order of the FERC authorizing discontinuance of any or all of the Interconnections.
- 14.2 Effect of Expiration or Termination of Agreement on Liabilities and Obligations. Expiration or early termination of this Agreement shall not relieve any Party of its duties, obligations and liabilities arising hereunder prior to the date such expiration or early termination becomes effective, or of its duties, obligations or liabilities that survive termination by operation of the express terms of this Agreement or by operation of law.
- 14.3 Effectiveness of Certain Provisions After Expiration or Termination of Agreement. The applicable provisions of this Agreement (including Sections 15, 16, and 19) will continue in effect after expiration or early termination hereof to the extent necessary to provide for final billings, if any, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while this Agreement was in effect.
- 14.4 Default. A Party (a “Defaulting Party”) shall be in default under this Agreement (each, “Default”) if:
- 14.4.1 the Defaulting Party fails to perform any of its material duties or obligations under this Agreement, which failure continues for thirty (30) days after written notice thereof from the other Party; provided that if such failure (other than the failure to make payment of any amounts due and payable hereunder) is not capable of being cured within such thirty (30)-day period with the exercise of reasonable diligence, then such cure period shall be extended for an additional reasonable period of time, not to exceed thirty (30) days so long as the Defaulting Party is exercising reasonable diligence to cure such failure;

The Defaulting Party: (a) applies for or consent to the appointment of a trustee,

receiver, liquidator, custodian, or the like for itself or its properties, (b) is unable, or admits in writing its inability to pay its debts as they mature; (c) makes a general assignment for the benefit of its creditors; (d) commences a voluntary case under a chapter of the Bankruptcy Reform Act of 1978 or other applicable legal requirement, or files a petition, answer or consent seeking reorganization or an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization, or insolvency proceedings, or fails to controvert in a timely and appropriate manner (or acquiesce in writing to) any such petition, or (e) takes any corporate or partnership action for the purposes of effecting any of the foregoing; or

A proceeding or case is commenced, without the application or consent of the Defaulting Party against which the proceeding or case is commenced, in any court of competent jurisdiction, seeking; (a) its liquidation, reorganization of its debts, dissolution or winding-up or the composition or readjustment of its debts; (b) the appointment of a receiver, custodian, liquidator or the like of the Defaulting Party or of all or any substantial part of its assets; (c) similar relief in respect of Defaulting Party under any law relating to bankruptcy, insolvency, reorganization of its debts, winding-up, composition or adjustment of debt.

- 14.5 Remedies of Parties Upon Default. Upon a Default by a Party, the other Party may, at its option, (a) take action to terminate this Agreement by providing written notice of termination to the Defaulting Party or PJM and requesting the FERC to terminate this Agreement, provided that any such termination shall not take effect until the FERC authorizes such requested termination, and/or (b) take any other action at law or in equity as may be permitted under this Agreement, or available to such Party under applicable law, to enforce the performance or observance of any rights, remedies, duties, obligations or liabilities under this Agreement.
- 14.6 Remedies Cumulative. No remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue any other available remedies.

SECTION 15.0 INDEMNITY

- 15.1 Indemnity. Each Party (the “Indemnifying Party”) shall, at its own cost and expense, defend, indemnify and hold harmless the other Party and its Representatives (each an “Indemnified Party”) from and against any and all losses, liabilities, damages, claims, demands, actions, causes of action, costs or expenses, including damage and liability for bodily injury to or death of persons, or damage to property (including reasonable attorneys’ fees and expenses) to extent arising out of, in connection with or resulting from: (a) the Indemnifying Party’s breach of its obligations under this Agreement; or (b) the negligence or willful misconduct of the Indemnifying Party or any of its Representatives, except, in each case, to the extent to which such losses, liabilities, damages, claims, demands,

actions, causes of action, costs or expenses are caused by the negligence or willful misconduct of the Indemnified Party.

15.2 Cooperation Regarding Claims. If any Indemnified Party receives notice or has knowledge of any claim that may result in a claim for indemnification by such Indemnified Party against the Indemnifying Party pursuant to Section 15.1, such Indemnified Party shall promptly give the Indemnifying Party notice of such claim, including a reasonably detailed description of the facts and circumstances relating to such claim, a complete copy of all notices, pleadings and other papers related thereto, and in reasonable detail the basis for its claim for indemnification with respect thereto. Failure to promptly give such notice or to provide such information and documents shall not relieve the Indemnifying Party from the obligation hereunder to respond to or defend the Indemnified Party against such claim unless such failure shall materially diminish the ability of the Indemnifying Party to respond to or to defend the Indemnified Party against such claim. The Indemnifying Party, upon its acknowledgment in writing of its obligation to indemnify the Indemnified Party in accordance with this Section 15.0, shall be entitled to assume the defense or to represent the interest of the Indemnified Party with respect to such claim, which shall include the right to select and direct legal counsel and other consultants reasonably acceptable to the Indemnified Party, appear in proceedings on behalf of such Indemnified Party and propose, accept or reject offers of settlement, all at its sole cost; provided, however, that the Indemnifying Party shall have the right to settle such claim only if (i) the settlement involves only the payment of money and execution of appropriate releases of the Indemnified Party, (ii) there is no finding or admission of any violation of law or violation of the rights of the Indemnified Party, and (c) the Indemnified Party will have no liability with respect to such compromise or settlement. Otherwise, no such claim shall be settled without the prior written consent of the Indemnified Party. If in the reasonable opinion of legal counsel for the Indemnified Party (i) such claim involves the potential imposition of a criminal liability on the Indemnified Party or (ii) an actual or potential conflict of interest exists where it is advisable for such Indemnified Party to be represented by separate counsel, then the Indemnified Party shall be entitled to control and assume responsibility for the defense of such claim at the cost and expense of the Indemnifying Party. The Indemnified Party and Indemnifying Party shall cooperate in good faith in connection with such claim. Nothing herein shall prevent an Indemnified Party from retaining its own legal counsel and other consultants and participating in its own defense at its own cost and expense.

15.3 Indemnified Party. If an Indemnified Party is entitled to indemnification under this Section 15.0 as a result of a claim by a third party, and the Indemnifying Party fails to assume the defense of such claim, such Indemnified Party may at the expense of the Indemnifying Party contest, settle, consent to the entry of any judgment with respect to, or pay in full, such claim.

SECTION 16.0 LIMITATION OF LIABILITY

16.1 Responsibility of the Parties.

- 16.1.1 Except as otherwise provided in Sections 14.0 and 15.0 of this Agreement, neither Party shall be responsible for or liable to the other Party or any of its Affiliates or any of their respective Representatives for injury to any person or damage to any property, equipment or facilities owned by the other Party or its Affiliates (including its Transmission System and Interconnection Facilities) regardless of who brings the claim and regardless of who caused the injury or damage (including injury or damage arising, occurring or resulting from, in any manner, the receiving, transmission, control, use, application or distribution by the other Party of electricity), and such other Party will not seek recovery or reimbursement from the Party for such injury or damage. The obligations under this Section 16.1 are not limited in any way by any limitation on any Party's insurance.
- 16.1.2 Notwithstanding any provision to the contrary contained in this Agreement, no Party shall be liable to any other Party for any action it takes in responding to an Emergency Condition so long as such action is made in good faith and consistent with Good Utility Practice.
- 16.1.3 Unless otherwise provided for in the Facility Schedules or agreed to in writing by the Parties, neither Party assumes any responsibility, in whole or in part, with respect to the construction, installation, maintenance or operation of the other Party's Transmission System, Interconnection Facilities or other facilities or equipment of any kind which are owned, controlled or operated by or on behalf of the other Party on the other Party's side of a Point of Interconnection.
- 16.1.4 Nothing in this Agreement shall be construed to create or give rise to any liability on the part of PJM and the Parties expressly waive any claims that may arise against PJM under this Agreement.
- 16.2 No Consequential Damages. No Party nor any of its Representatives shall be liable under this Agreement, whether in contract, tort (including negligence and strict liability) or otherwise, to another Party or any of its Representatives for incidental, punitive, special, indirect, multiple, exemplary or consequential damages (including, without limitation, lost profits or revenue, or loss of goodwill) relating to or resulting from performance or non-performance of this Agreement or otherwise.

SECTION 17.0 SEVERABILITY

If any provision of this Agreement or the application thereof to any person or circumstances is, to any extent, held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held to be invalid or unenforceable, will not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

SECTION 18.0
APPROVALS AND AMENDMENT

- 18.1 Regulatory Approval. The Parties agree to support the filing of this Agreement with the FERC and RUS. Any material changes or conditions imposed by any governmental authority with competent jurisdiction, any of which are unacceptable to a Party after the Parties' good faith attempt to negotiate a resolution to such objectionable change or condition, shall be cause for termination of this Agreement upon thirty (30) days' prior written notice by the non-consenting Party to the other Parties.
- 18.2 Withdrawal from PJM. If at any time Duke Energy or East Kentucky elects to withdraw from PJM, then it shall so notify the other Party. Effective as of the date of such withdrawal by either Party, PJM shall no longer have functional control of the operation of that Party's Interconnection Facilities and Transmission System and shall no longer be responsible for providing transmission and interconnection service on such Transmission System. The Parties agree that they shall amend this Agreement as may reasonably be necessary to recognize any changes to this Agreement that result from Duke Energy's or East Kentucky's withdrawal from PJM.
- 18.3 Section 205 Rights. Notwithstanding any provision in this Agreement to the contrary, the Parties may unilaterally make application to the FERC under Section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated thereunder for a change in any rate, term, condition, charge, classification of service, rule or regulation under or related to this Agreement. Notwithstanding any provision in this Agreement to the contrary, PJM may unilaterally make application to the FERC under Section 205 of the Federal Power Act and pursuant to FERC's rules and regulations promulgated there under for a change in any term, condition, classification of service, rule or regulation under or related to this Agreement. The standard of review the FERC shall apply when acting on proposed modifications to this Agreement, either on the Commission's own motion or on behalf of a signatory or a non-signatory, shall be the 'just and reasonable' standard of review rather than the 'public interest' standard of review. In the event that a Party exercises its rights under this Section 18.3, it shall provide to the other Parties a copy of its filing with the FERC exercising such rights on the first business day immediately following the date on which such filing is made with the FERC.
- 18.4 206 Rights. Notwithstanding any provision in this Agreement to the contrary, the Parties may exercise their rights under Section 206 of the Federal Power Act and pursuant to the FERC's rules and regulations promulgated there under with respect to any rate, term, condition, charge, classification of service, rule or regulation for any services provided under this Agreement over which the FERC has jurisdiction. The standard of review the FERC shall apply when acting on proposed modifications to this Agreement, either on the Commission's own motion or on behalf of a signatory or a non-signatory, shall be the 'just and reasonable' standard of review rather than the 'public interest' standard of review. In the event that a Party exercises its rights under this Section 18.4, it shall provide to the other Parties a copy of its filing with the FERC exercising such rights on the first business day immediately following the date on which such filing is made with the FERC.

- 18.5 Amendments. Except as provided for in this Section 18.0, this Agreement may only be modified, amended, changed or supplemented in writing signed by all of the Parties and acknowledged by PJM. Any amendment executed pursuant to the terms of this Section 18.5 shall not be effective until approved or accepted for filing by FERC.

SECTION 19.0

GOVERNING LAW; DISPUTE RESOLUTION AND INTERPRETATION

- 19.1 Applicable Law. This Agreement and all rights, obligations and performances hereunder are subject to all applicable federal and state laws and to all duly promulgated orders and other duly authorized action of any governmental authority with competent jurisdiction.
- 19.2 Governing Law. This Agreement is to be governed by and construed in accordance with federal law where applicable and, when not in conflict with or preempted by federal law, applicable laws of the State of Kentucky.
- 19.3 Dispute Resolution.
- 19.3.1 Any controversy, claim or dispute of whatsoever nature or kind between the Parties arising out of or in connection with this Agreement or its validity or interpretation (each "Dispute") shall be resolved pursuant to the procedures of this Section 19.3.
- 19.3.2 If a Dispute arises between the Parties with respect to the Tariff, OATT or other applicable open access transmission tariff, then the Dispute shall be resolved in accordance with the dispute resolution terms therein. All other Disputes arising between the Parties shall be resolved in accordance with Section 19.3.3 of this Agreement.
- 19.3.3 Either Party to a Dispute arising out of or in connection with this Agreement may provide written notice thereof to the other Party, including a reasonably detailed description of the subject matter of the Dispute (the "Dispute Notice"). The Dispute Notice shall identify the other Party to the Dispute, which shall participate in the Dispute resolution process. The Party in receipt of a Dispute Notice shall inform the other Party in writing whether it will participate in the Dispute resolution process. The Party providing the Dispute Notice and the other Party identified in the Dispute Notice as a Party to the Dispute shall be referred to as a "Disputing Party."
- 19.3.4 Upon the issuance or receipt of a Dispute Notice, each Disputing Party shall promptly designate a senior executive to be responsible for the subject matter of the Dispute who shall have authority to resolve the Dispute. The senior executives shall promptly meet at a time and place mutually acceptable to the senior executives.
- 19.3.5 Disputes which are not resolved by the designated senior executives or authorized representatives within thirty (30) days of their first meeting, or such later date as the

senior executives or authorized representatives may mutually agree, may, upon mutual agreement of the Parties, be submitted to arbitration in accordance with the following provisions of this Section 19.3.5. In the event the Parties do not agree to submit such dispute to arbitration, each Party may exercise whatever rights and remedies it may have in equity or at law, consistent with the terms of this Agreement.

- 19.3.5.1 Any arbitration initiated under this Section 19.3.5 shall be conducted before a single neutral arbitrator appointed by the Disputing Parties, unless the Parties are unable to agree on a single arbitrator. If the Disputing Parties fail to reach agreement on a single arbitrator within ten (10) days of referral of the dispute to arbitration, the arbitration will be conducted by a panel of three arbitrators. In such event, each Disputing Party shall select an arbitrator and provide notice thereof to the other Disputing Party. All arbitrators shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with either of the Disputing Parties, except prior arbitrations. The respective selected arbitrators shall promptly meet and select a third neutral arbitrator who shall preside over the arbitral proceedings. If the two (2) arbitrators cannot agree on a third arbitrator, then the matter shall be resolved pursuant to the Commercial Arbitration Rules of the American Arbitration Association.
- 19.3.5.2 Except as otherwise expressly set forth herein to the contrary, the arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in force and effect.
- 19.3.5.3 Unless otherwise agreed by the Disputing Parties, the arbitrators shall, subject to the immediately following sentence, render a decision within ninety (90) days of appointment and shall notify the Disputing Parties in writing of such decision and the reasons therefore. Due account of the nature of the dispute, the need (if any) for and extent of discovery, and other matters affecting litigation of the matter in a manner that promotes expediency and cost efficiency without depriving either Party of a fair opportunity to present its case, shall be taken in determining the procedures and timetables for the arbitration.
- 19.3.5.4 The arbitrator(s) shall be authorized only to interpret and apply the provisions of this Agreement and shall have no power to modify or change this Agreement in any manner.
- 19.3.5.5 The decision of the arbitrator(s) shall be final and binding upon the Disputing Parties, and judgment on the award may be entered into any court having jurisdiction. The decision of the arbitrator(s) may be appealed solely on grounds that the conduct of the arbitrator(s), or

the decision itself, violated standards set forth in Federal Arbitration Act, or that the arbitrator(s) exceeded their jurisdiction.

19.3.5.6 Each Disputing Party shall be responsible for its own costs incurred during the arbitration process and shall equitably share the costs of the arbitrators. The Parties shall equally share the cost of a single arbitrator. If the dispute is arbitrated before more than one arbitrator, each Party shall bear the cost of the arbitrator appointed by that Party and shall equally share the cost of the neutral arbitrator.

19.3.5.6.7 Nothing in this Article shall restrict the rights of any Party to file a complaint at FERC under the relevant provisions of the Federal Power Act.

19.4 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

19.5 Conflicts Between Main Body of Agreement and Appendices. In the event of a conflict between the main body of this Agreement and any Appendices hereto, the terms of the main body of this Agreement shall govern.

SECTION 20

CONFIDENTIAL INFORMATION

20.1 CONFIDENTIAL INFORMATION” means any and all data, documentation, methods, processes, materials, and all other information relating to the past, present and future business of the respective Party that is labeled as “Confidential Information.” . Confidential Information also includes all information owned by customers, suppliers or other third parties to whom a Party who discloses Confidential Information (“Disclosing Party”) or its affiliates owes an obligation of confidentiality. Confidential Information does not include any information that is publicly available or becomes publicly available through no breach of this Agreement or other confidentiality agreement by a Party who received Confidential Information (“Receiving Party”) or its employees or information that Receiving Party can show, by written records, was known to Receiving Party prior to the date of this Agreement. Confidential Information must be clearly designated or marked in writing as confidential or if the information is conveyed orally then the party providing the information orally must inform the Party receiving such information that the information is confidential.

During the term of this Agreement and thereafter, except as Disclosing Party may authorize in writing, Receiving Party shall and shall cause its employees to: (i) treat and

cause to be treated as confidential all Confidential Information; (ii) not disclose any Confidential Information to any third party or make available any reports, recommendations, extracts, summaries, analysis or conclusions based on the Confidential Information; (iii) reveal the Confidential Information only to those employees of Receiving Party who require such access in order to perform the respective obligations as provided under this Agreement; (iv) use or grant access to Confidential Information only in connection with the performance of the respective obligations as provided under this Agreement; or (v) make copies of any tangible embodiment of Confidential Information only as necessary for the performance of respective obligations as provided under this Agreement.

Receiving Party may disclose only such Confidential Information as is necessary to comply with a regulatory, legal, or governmental request and only after providing immediate notification to Disclosing Party allowing sufficient time for Disclosing Party to seek a protective or limiting order or otherwise prohibiting the disclosure of the requested Confidential Information as Disclosing Party deems necessary in its sole discretion. Receiving Party shall act in good faith to assist Disclosing Party where appropriate with respect to Disclosing Party's efforts to seek a protective order or order limiting disclosure.

In performing its obligations under this Agreement, at a minimum, Receiving Party shall employ industry standard data and system security measures for securing Confidential Information so as to reasonably ensure that Confidential Information is not lost or stolen, or otherwise used, modified or accessed, attempted to be accessed, or allow access to any third party without Disclosing Party's prior express written approval or by any Receiving Party employee or agent who is not authorized to access the Confidential Information. Receiving Party shall upon discovery of any breach of security or unauthorized access, immediately: (i) notify Disclosing Party of any loss or unauthorized disclosure, possession, use or modification of the Confidential Information or any suspected attempt at such activity or breach of Receiving Party's security measures, by any person or entity; (ii) investigate and take corrective action in response thereto; and (iii) provide assurance to Disclosing Party's reasonable satisfaction that such activities or breach or potential breach shall not reoccur.

Upon termination of this Agreement, Receiving Party, at Disclosing Party's discretion, shall either return the Confidential Information to Disclosing Party or comply with the following minimum standards regarding the proper disposal of Confidential Information:

(i) implement and monitor compliance with policies and procedures that prohibit unauthorized access to, acquisition of, or use of Confidential Information during the collection, transportation and disposal of Confidential Information; (ii) paper documents containing Confidential Information shall be either redacted, burned, pulverized or shredded so that Confidential Information cannot practicably be read or reconstructed; and (iii) electronic media and other non-paper media containing Confidential Information shall be destroyed or erased so that Confidential Information cannot practicably be read or reconstructed.

20.2 Irreparable Harm Receiving Party acknowledges that the breach of any of the covenants contained in this Article will result in irreparable harm and continuing damages to Disclosing Party and Disclosing Party's business, and that Disclosing Party's remedy at law for any such breach or threatened breach would be inadequate. Accordingly, in addition to such remedies as may be available to Disclosing Party at law or in equity in the event of any such breach, any court of competent jurisdiction may issue an injunction (both preliminary and permanent), without bond, enjoining and restricting the breach or threatened breach of any such covenant, including an injunction restraining Receiving Party from disclosing, in whole or in part, any Confidential Information. Receiving Party shall pay all of Disclosing Party's costs and expenses, including reasonable attorneys' fees and accountants' fees, incurred in enforcing such covenants.

20.3 The obligations of this Article shall survive any termination of this Agreement

SECTION 21.0 ENTIRE AGREEMENT

the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, oral or written, with respect thereto, in each case, as the same may have been modified, amended, changed or supplemented prior to the date hereof.

SECTION 22.0 COUNTERPARTS

This Agreement may be executed in separate or multiple counterparts, all of which shall evidence a single agreement.

SECTION 23.0
EFFECT OF PJM SIGNATURE

The Parties acknowledge and understand that the signature of the authorized representative of PJM on this Agreement is for the limited purpose of acknowledging that a representative of PJM has read the terms of this Agreement. The Parties and PJM further state that they understand that the FERC desires that the Parties keep PJM fully apprised of the matters addressed herein as well as any reliability and planning issues that may arise under this Agreement, and that the signature of the authorized representative of PJM shall not in any way be deemed to imply that PJM is taking responsibility for the actions of either Party, that PJM has any affirmative duties under this Agreement or that PJM is liable in any way under this Agreement.

IN WITNESS HEREOF, this Interconnection Agreement has been duly executed by the Parties hereto.

EAST KENTUCKY POWER COOPERATIVE, INC.

By: /s/ Denver York
Name: Denver York
Title: Senior Vice President, Power Delivery

DUKE ENERGY BUSINESS SERVICES, LLC,
acting as agent for Duke Energy Ohio, Inc.
and Duke Energy Kentucky, Inc.

By: /s/ Sam Holeman
Name: Sam Holeman
Title: Vice President, Transmission System Planning and Operations

The signature below of the authorized officer of PJM is for the limited purpose of acknowledging that a representative of PJM has read this Agreement as of the 11 day of September 2018.

PJM INTERCONNECTION, L.L.C.

By: /s/ Kenneth S. Seiler
Name: Kenneth S. Seiler
Title: Executive Director, System Planning

APPENDIX A

List of Facility Schedules

(Points of Interconnection, Delivery Points and Non-Continuous Connections)

Facility Schedule	Description	Company Served	Voltage in (KV)		
			Local Substation	Delivered	Metered
Interconnection Points					
No. 1	Boone-Mt Zion	EKPC or DEO		138	138
No. 2	Hebron 138 kV	EKPC or DEO		138	138
No. 3	Webster Road	EKPC or DEO		138	138
No. 10	Hebron 69 kV	EKPC or DEK		69	69
No. 11	Meldahl-Spurlock	EKPC or DEO		345	345
Delivery Points					
No. 4	W.M. Smith No. 1	EKPC	69/12	69	12
No. 5	W.M. Smith No. 2	EKPC	69/12	69	12
No. 6	Downing No. 1	EKPC	69/12	69	12
No. 7	Downing No. 2	EKPC	69/12	69	12
No. 8	Longbranch	DEK	138/12	138	138
Non-Continuous Connections					
No. 9	Williamstown	EKPC or DEK		69	69
EKPC = East Kentucky Power Cooperative					
DEK = Duke Energy Kentucky					
DEO = Duke Energy Ohio					

APPENDIX A

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 1

1. Name: Boone-Mt Zion Interconnection Point
2. Facility Location: At a point near Mt Zion, Kentucky along the Boone-Boffington 138 kV line.
3. Duke Energy-Owned Interconnection Facilities: 138 Interconnection Metering, 3.67 miles of 138 kV, single circuit transmission line.
4. East Kentucky-Owned Interconnection Facilities: 5.95 miles of 138 kV, single circuit transmission line.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 1.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: Tie-line metering is installed at the Duke Energy Longbranch Substation and compensated back to the point of interconnection.

APPENDIX A

List of Facility Schedules

(Points (Point of Interconnection and Delivery))

FACILITY SCHEDULE NO. 2

1. Name: Hebron 138 kV Interconnection Point
2. Facility Location: Adjacent to Duke Energy's Hebron Substation located on Graves Road, approximately 1 mile Southwest of Kentucky Route 237 in Hebron, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 138 kV interconnection metering and communications equipment, 3-138kV circuit breakers, transformer high-side motor operated air break switch and the 138 kV bus.
4. East Kentucky-Owned Interconnection Facilities: A 138-69 kV and 138-12 kV transformers and associated equipment.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 2.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

List of Facility Schedules

(Points (Point of Interconnection and Delivery))

FACILITY SCHEDULE NO. 3

1. Name: Webster Road Interconnection Point
2. Facility Location: At a site located off of Kentucky Route 1829 approximately 1.5 miles West of Kentucky Route 17 in Independence, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 138 kV interconnection metering and communications equipment, 3-138kV circuit breakers, transformer high-side motor operated air break switch and the 138 kV bus.
4. East Kentucky-Owned Interconnection Facilities: A 138-69 kV transformer and associated equipment.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 3.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

List of Facility Schedules

The cost(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 4

1. Name: W.M. Smith No. 1 Delivery Point
2. Facility Location: Mineola Pike north of Kentucky State Route 1017 in Boone County, Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 275 feet of 69 kV line, 69 kV air break switch
4. East Kentucky-Owned Interconnection Facilities: a 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

Webster(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 5

1. Name: W.M. Smith No. 2 Delivery Point
2. Facility Location: Mineola Pike north of Kentucky State Route 1017 in Boone County, Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 275 feet of 69 kV line, 69 kV air break switch
4. East Kentucky-Owned Interconnection Facilities: a 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 6

1. Name: Downing No. 1 Delivery Point
2. Facility Location: Elijah Creek Road north of Interstate 275 in Boone County Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 250 feet of 69 kV line, two 69 kV air break switches (facilities are common with Downing No. 2 Delivery Point.)
4. East Kentucky-Owned Interconnection Facilities: approximately 320 feet of 69 kV line, one 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 7

1. Name: Downing No. 2 Delivery Point
2. Facility Location: Elijah Creek Road north of Interstate 275 in Boone County Kentucky
3. Duke Energy-Owned Interconnection Facilities: approximately 250 feet of 69 kV line, two 69 kV air break switches (facilities are common with Downing No. 1 Delivery Point.)
4. East Kentucky-Owned Interconnection Facilities: approximately 140 feet of 69 kV line, one 69-12 kV transformer and associated equipment
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 4.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 12.47 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 8

1. Name: Longbranch Delivery Point
2. Facility Location: US Route 42 north of Old Union Road in Union, Kentucky
3. Duke Energy-Owned Interconnection Facilities: a 138-12 kV transformer and associated equipment
4. East Kentucky-Owned Interconnection Facilities: approximately 310 feet of 138 kV line, three 138 kV air break switches.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 5.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 138 kV Metered Voltage: 138 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

List of Facility Schedules

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 9

1. Name: Williamstown Interconnection Point
2. Facility Location: At the 69 kV bus in the EKPC Williamstown Substation on Barnes Road west of Interstate 75 in Grant County, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 69 kV air break switch, approximately 1.1 miles of 69 kV line
4. East Kentucky-Owned Interconnection Facilities: 69 kV air break switch
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 6.
7. Normal Operation of Interconnection: Open
8. Delivered Voltage: 69 kV Metered Voltage: 69 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None

APPENDIX A

(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 10

1. Name: Hebron 69 kV Interconnection Point
2. Facility Location: At Duke Energy's Hebron Substation located on Graves Road, approximately 1 mile Southwest of Kentucky Route 237 in Hebron, Kentucky.
3. Duke Energy-Owned Interconnection Facilities: 69 kV interconnection metering and communications equipment, 1-69 kV circuit breaker and associated equipment.
4. East Kentucky-Owned Interconnection Facilities: 69 kV line (approximately 500 feet in length) between the EKP Hebron Station and the Duke Hebron Station, 1-69 kV circuit breaker and associated equipment.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 7.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 69 kV Metered Voltage: 69 kV
Load Adjustment due to Meter Location: No
9. Metered: Telemetered
10. Other Terms and Condition: None.

APPENDIX A

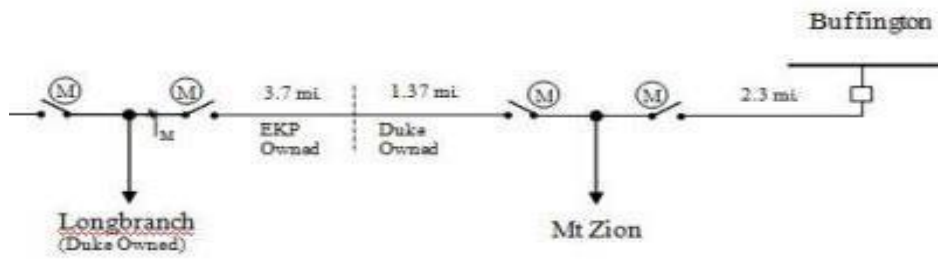
(Point of Interconnection and Delivery)

FACILITY SCHEDULE NO. 11

1. Name: Meldahl-Spurlock Interconnection Point
2. Facility Location: At the structure identified as tower no. 36 in the Meldahl-Spurlock 345 kV line.
3. Duke Energy-Owned Interconnection Facilities: 345 kV Interconnection Metering, 21.78 miles of 345 kV, single circuit transmission line.
4. East Kentucky-Owned Interconnection Facilities: 3.48 miles of 345 kV, single circuit transmission line including Tower 36 and all supporting insulators and jumpers.
5. Operation and Maintenance Responsibilities: Each Party is responsible for the operation and maintenance of the Interconnection Facilities it owns.
6. One-Line Diagram: At Appendix B, Figure 8.
7. Normal Operation of Interconnection: Closed
8. Delivered Voltage: 345 kV Metered Voltage: 345 kV
Load Adjustment due to Meter Location: Yes
9. Metered: Telemetered
10. Other Terms and Condition: Tie-line metering is installed at the Duke Energy Meldahl Substation and losses will be compensated to the point of interconnection at some point in the future.

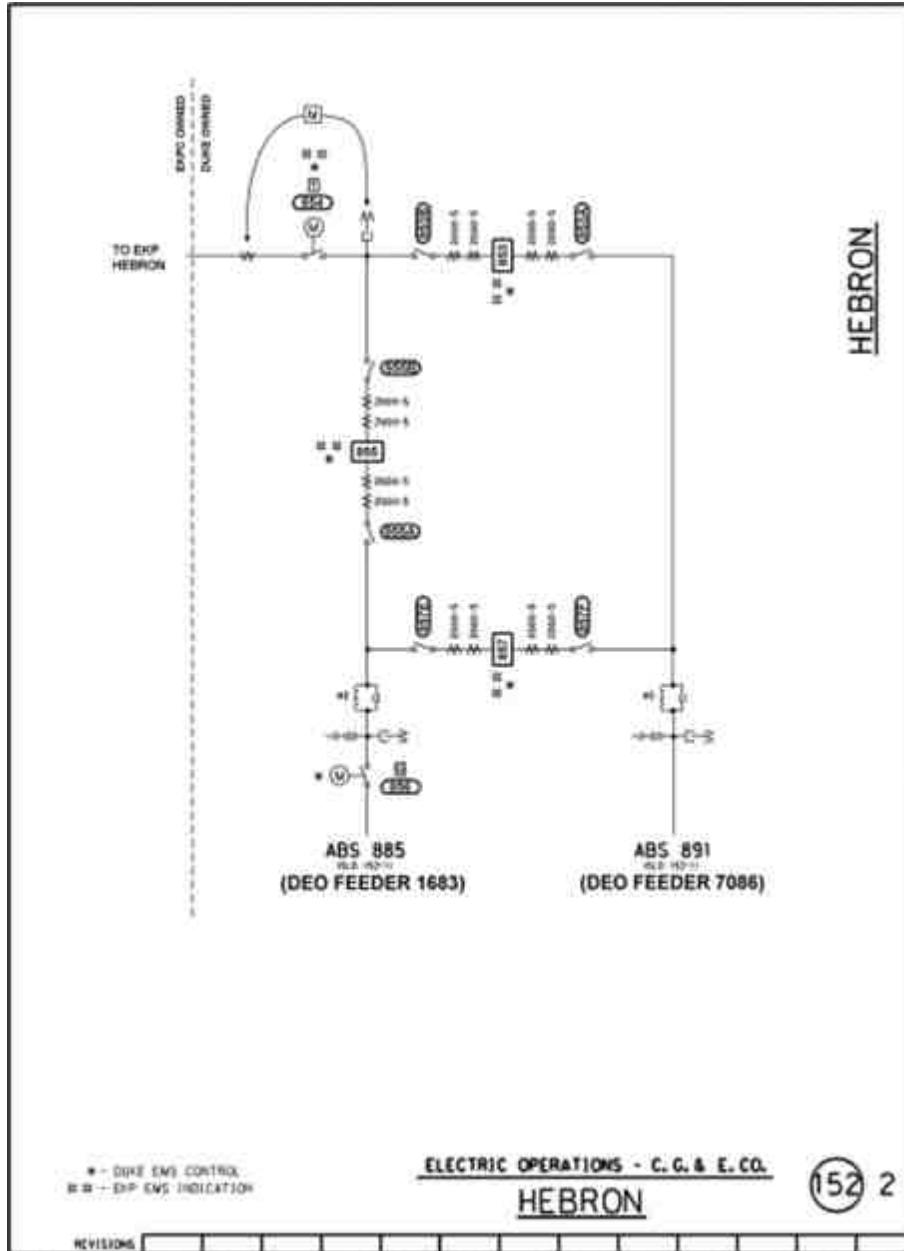
APPENDIX B

Figure 1
Boone - Mt Zion Interconnection Point



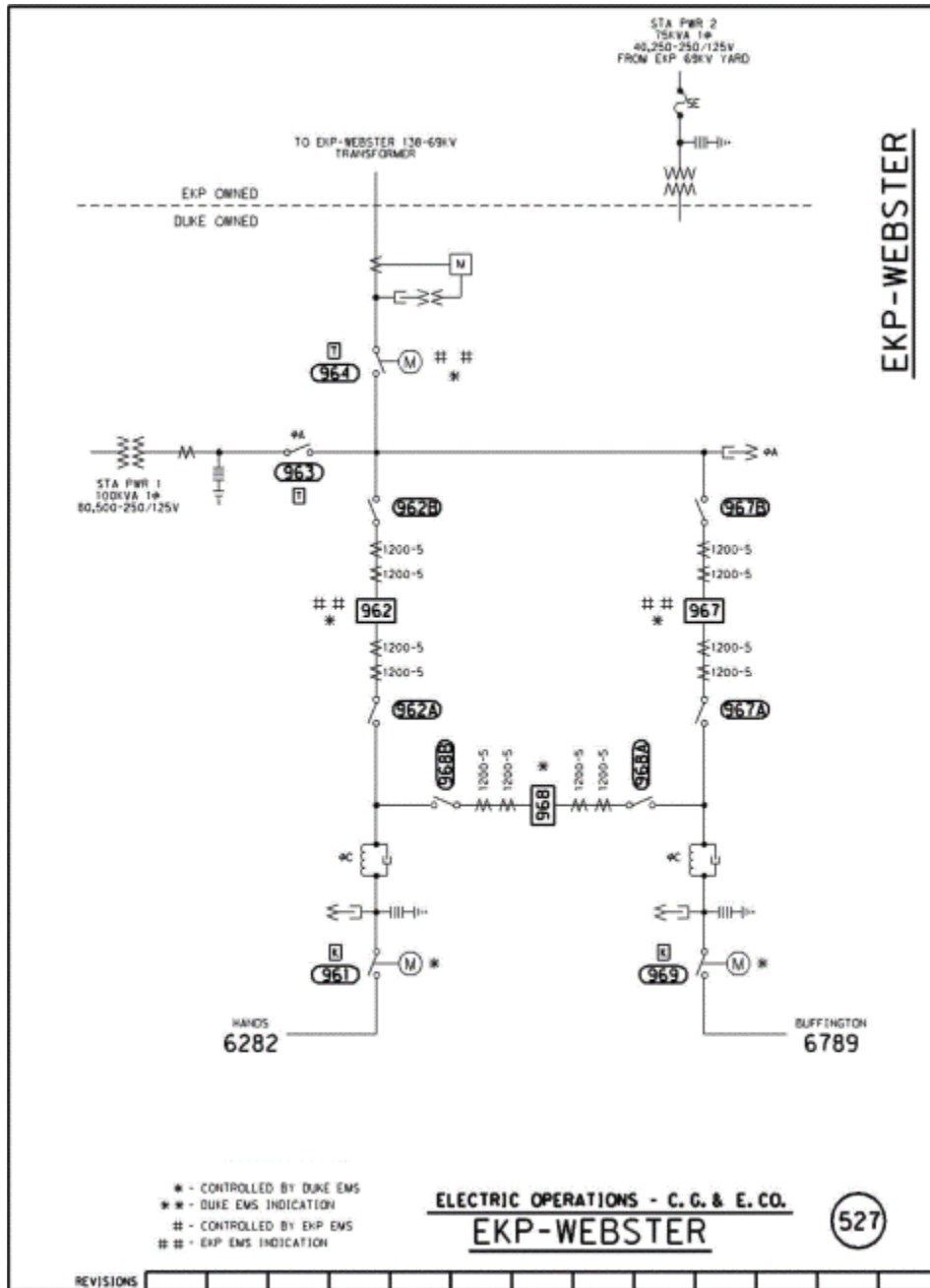
APPENDIX B

Figure 2
Hebron 138 kV Interconnection Point



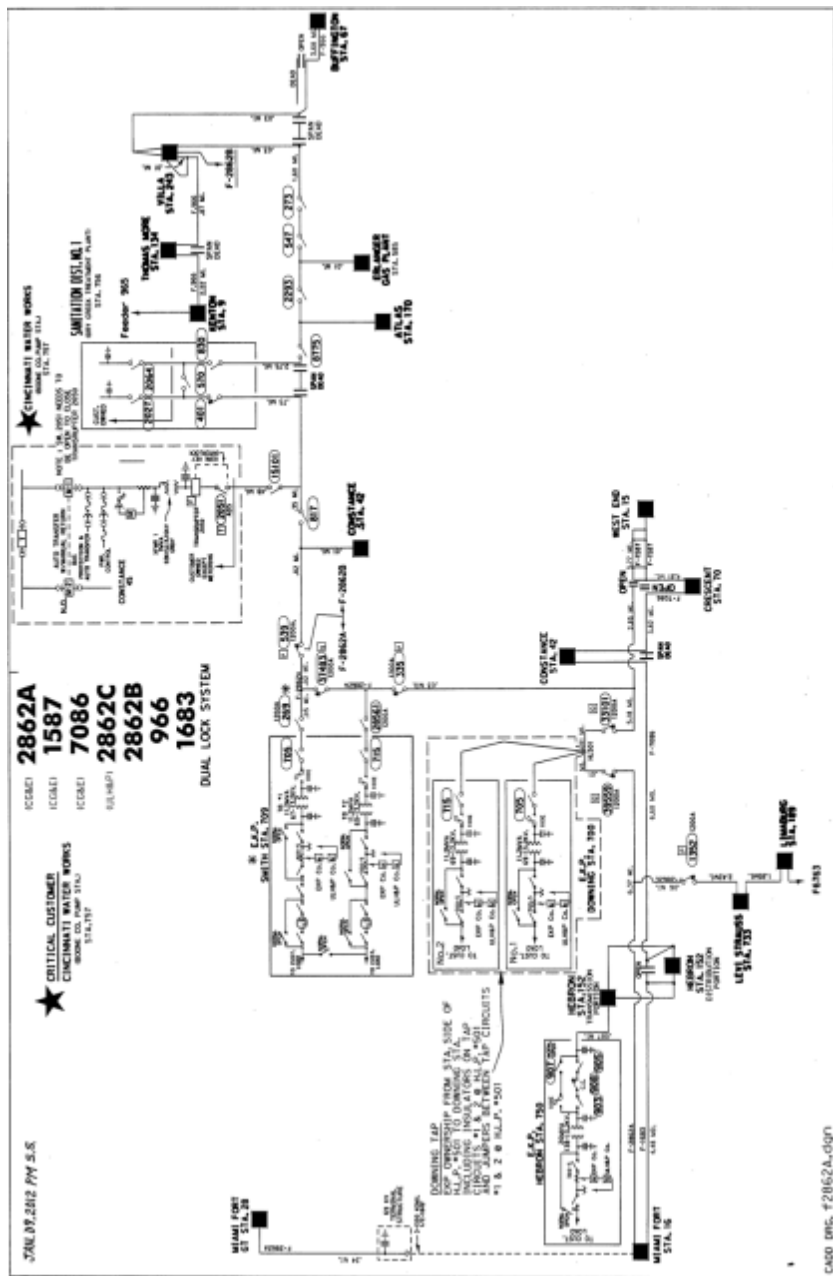
APPENDIX B

Figure 3
Webster Interconnection Point



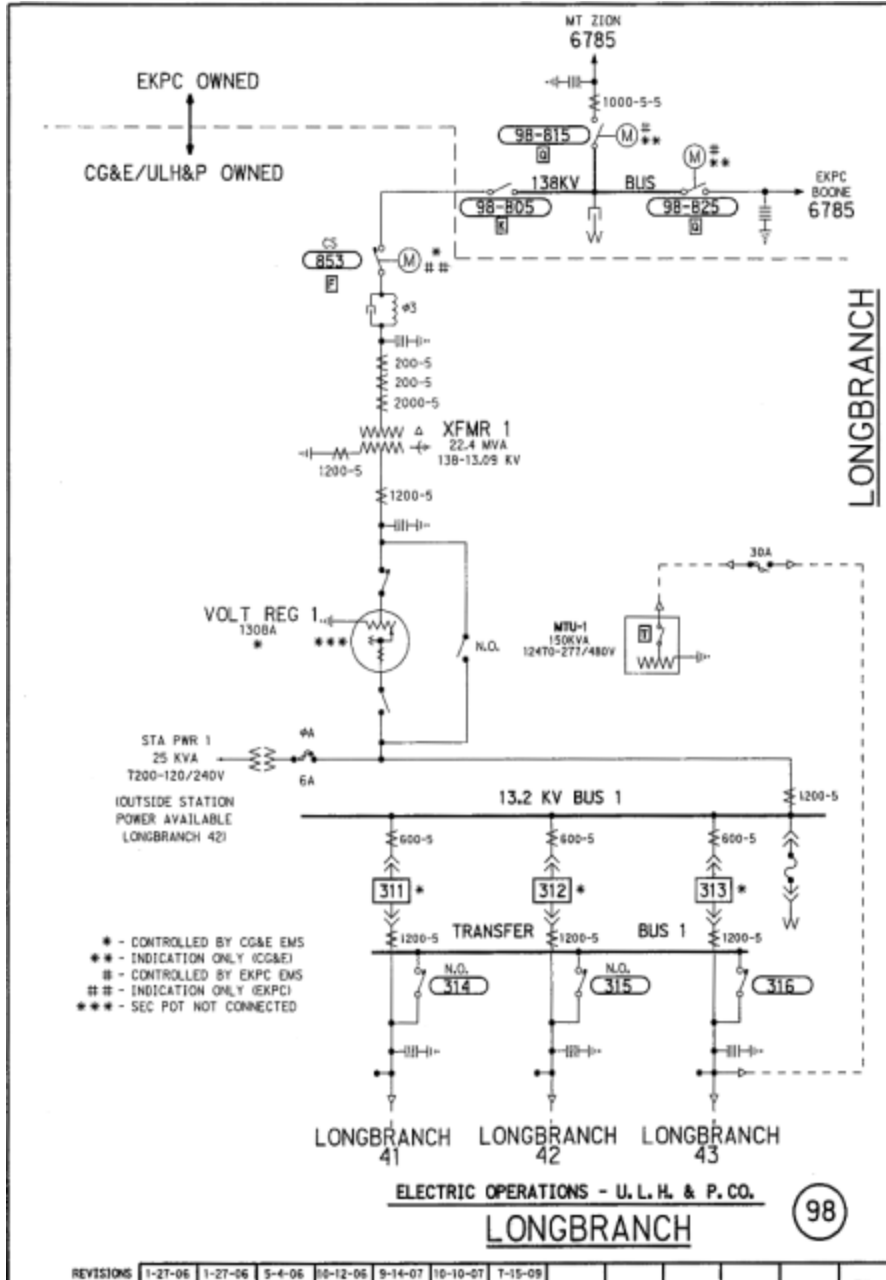
APPENDIX B

Figure 4
 Smith No. 1 Delivery Point
 Smith No. 2 Delivery Point
 Downing No. 1 Delivery Point
 Downing No. 2 Delivery Point



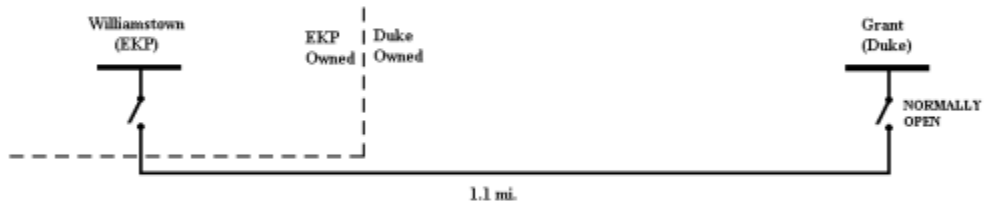
APPENDIX B

Figure 5
Longbranch Delivery Point



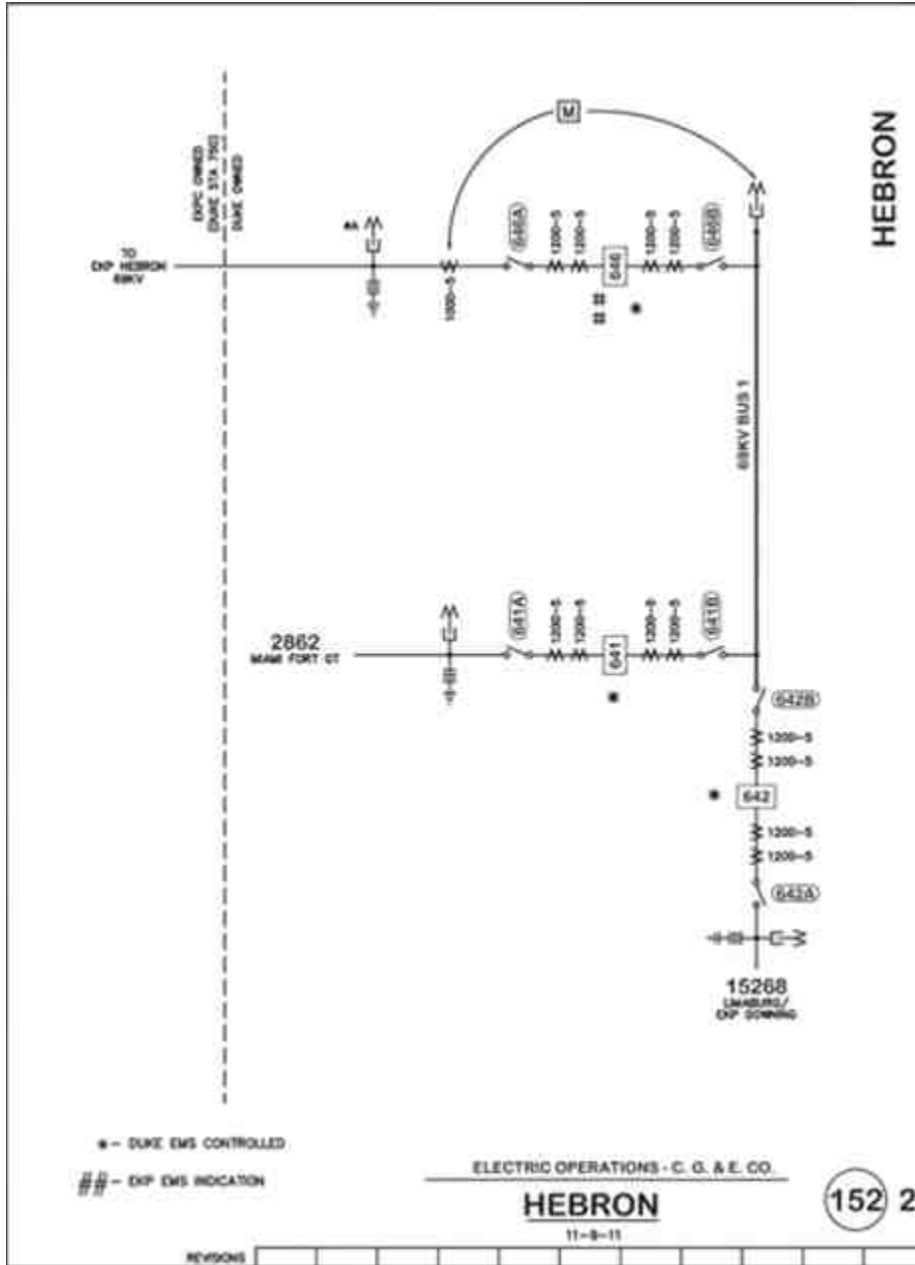
APPENDIX B

Figure 6
Williamstown Interconnection Point



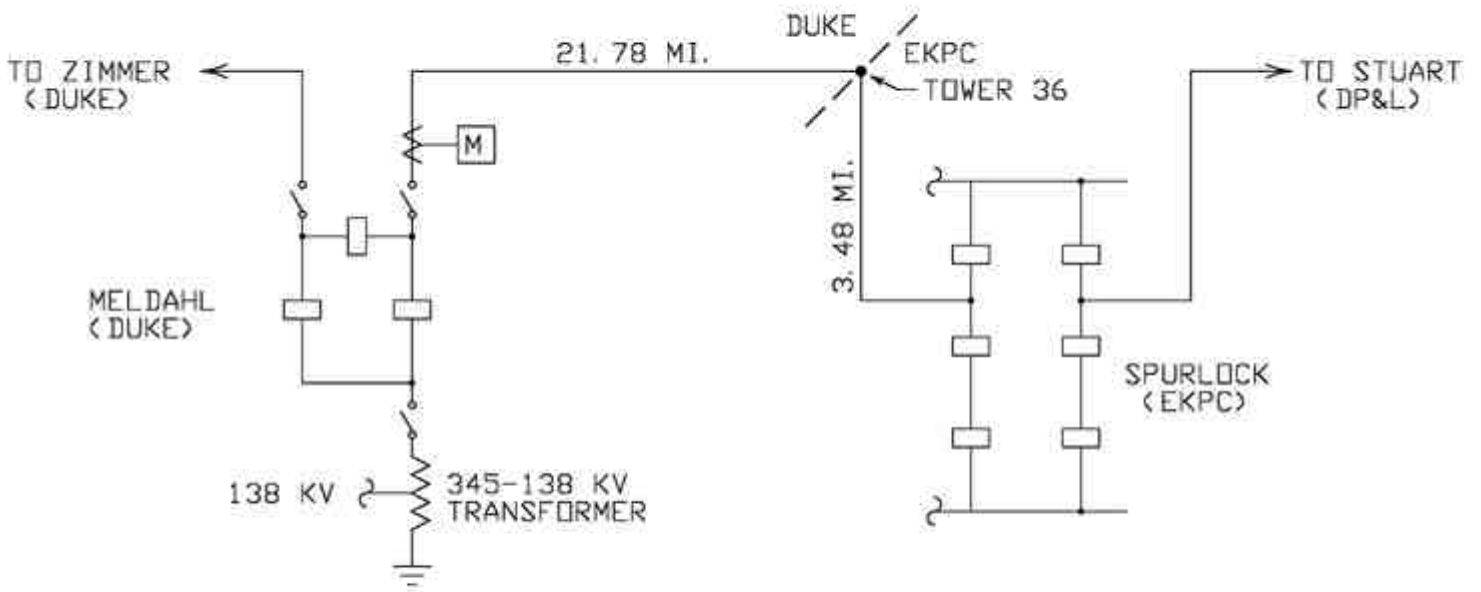
APPENDIX B

Figure 7
Hebron 69 kV Interconnection Point



APPENDIX B

Figure 8
Meldahl - Spurlock Interconnection Point



DUKE - EKPC
MELDAHL TO SPURLOCK INTERCONNECTION DIAGRAM

IN WITNESS HEREOF, this Interconnection Agreement has been duly executed by the Parties hereto.

EAST KENTUCKY POWER COOPERATIVE, INC.

By:


Name: Denver York
Title: Senior Vice President, Power Delivery

DUKE ENERGY BUSINESS SERVICES, LLC,
acting as agent for Duke Energy Ohio, Inc.
and Duke Energy Kentucky, Inc.

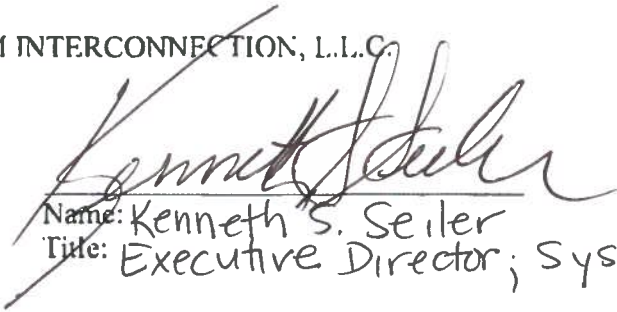
By:


Name: Sam Holeman
Title: Vice President, Transmission System Planning and Operations

The signature below of the authorized representative of PJM is for the limited purpose of acknowledging that a representative of PJM has read this Agreement as of the 11 day of September, 2018.

PJM INTERCONNECTION, L.L.C.

By:


Name: Kenneth S. Seiler
Title: Executive Director; System Planning