

TENNESSEE VALLEY AUTHORITY
KNOXVILLE, TENNESSEE 37902

TV-24847A
Sup. 5

K11 820407 002

MAR 17 1982

Mr. Donald R. Norris
President and General Manager
East Kentucky Power Cooperative
Post Office Box 707
Winchester, Kentucky 40391

Mr. C. Paul White
General Manager
Electric Plant Board
Glasgow, Kentucky 42141

Gentlemen:

This will confirm the arrangements agreed upon among the representatives of East Kentucky Power Cooperative (hereinafter called "Cooperative"), the Electric Plant Board of the City of Glasgow, Kentucky (hereinafter called "Board"), and the Tennessee Valley Authority (hereinafter called "TVA") relative to the establishment of two 69-kV connections between the systems of Cooperative and Board for use in system emergencies.

It is understood and agreed that:

1. Board will construct and thereafter maintain a 69-kV tapline extending approximately 3,000 feet from Cooperative's Beckton Substation to a point mutually agreed upon by Cooperative and Board in a portion of the Summer Shade-Oakland 69-kV Transmission Line previously conveyed to Board by TVA. Cooperative will design the 69-kV tapline to be constructed by Board hereunder and will acquire and convey to Board the rights of way required for the construction, maintenance, and operation of said tapline. Board and Cooperative will make whatever modifications are necessary in their respective facilities to permit the temporary connection from time to time of Cooperative's Beckton Substation to Board's system at said point in the Summer Shade-Oakland 69-kV Transmission Line.
2. TVA will for a purchase price of \$39,250 convey to Cooperative by bill of sale and quitclaim deed that section of the Summer Shade-Oakland 69-kV Transmission Line, together with appurtenant easements and rights of way thereto, beginning at and including structure No. 507 at station 3+50.2 and extending approximately 10.6 miles to but excluding structure No. 385 at station 564+42.7. TVA also will convey to Board for a purchase price of \$1.00 by bill of sale and quitclaim deed a separate section of said line, together with appurtenant easements and rights of way thereto, beginning at and including structure No. 385 at station 564+42.7 and extending approximately 2.8 miles to but excluding structure No. 355 at station 714+06.8. As soon as practicable after said conveyances are completed, Board and Cooperative will make

R102781

Mr. Donald R. Norris
Mr. C. Paul White

whatever modifications and additions are necessary in their respective facilities to permit the temporary connection from time to time of the two line sections conveyed under this section 2.

3. Upon completion of the arrangements provided for in sections 1 and 2 above, Interconnection Agreement TV-24847A, dated January 22, 1964, as amended, between TVA and Cooperative is hereby further amended in the respects necessary to recognize the establishment of two 69-kV emergency interconnection points between TVA and Cooperative at the points of temporary connection between the systems of Cooperative and Board provided for in said sections 1 and 2 above.
4. The connections at the emergency interconnection points established hereunder shall be normally open and shall be closed from time to time for temporary periods as herein set forth. If TVA's normal source of power to Board is interrupted, Cooperative will deliver power and energy to Board at said emergency interconnection points for the account of TVA. If Cooperative's normal source of power to its area loads in the vicinity of Glasgow, Kentucky, is interrupted, TVA will deliver power and energy to Cooperative over Board's system at said emergency interconnection points for the account of Cooperative. Cooperative and TVA are obligated to deliver power and energy hereunder only to the extent that either has excess capacity on its system not needed for its customers or for prior commitments to other electric systems. The methods of determining the amounts of power and energy supplied by Cooperative and TVA hereunder and the losses associated therewith will be determined and agreed to by the operating representatives of the parties hereto. TVA's revenue meter readings for deliveries of power and energy to Board at TVA's Glasgow 161-kV Substation will be adjusted as necessary for billing purposes to include any deliveries of power and energy hereunder from Cooperative to Board (for the account of TVA) and to exclude any deliveries of power and energy hereunder from TVA to Cooperative over Board's system (for the account of Cooperative).
5. As nearly concurrently as practicable with any deliveries made by Cooperative hereunder, TVA shall deliver to Cooperative at other system interconnection points amounts of power and energy equivalent to power and energy delivered by Cooperative as adjusted for losses in accordance with section 4 above. Similarly, as nearly concurrently as practicable with any deliveries made by TVA hereunder, Cooperative shall deliver to TVA at other system interconnection points amounts of power and energy equivalent to power and energy delivered by TVA as adjusted for losses in accordance with section 4 above.
6. This agreement will become effective as of the date first above written and shall continue in effect until termination of Interconnection Agreement TV-24847A, dated January 22, 1964, as amended, between TVA and Cooperative, or until termination of Power Contract TV-55359A,

Mr. Donald R. Norris
Mr. C. Paul White

dated August 27, 1980, between TVA and Board, or any renewal, replacement, or extension thereof.

- 7. No member of or delegate to Congress or Resident Commissioner, or any officer, employee, special Government employee, or agent of TVA shall be admitted to any share or part of this agreement or to any benefit that may arise therefrom unless the agreement be made with a corporation for its general benefit, nor shall Cooperative or Board offer or give, directly or indirectly, to any officer, employee, special Government employee, or agent of TVA any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value, except as provided in 18 C.F.R. § 1300.735-12, or -34 (1980). Breach of this provision shall constitute a material breach of this agreement.

If the foregoing satisfactorily states the understanding among us, please have six copies executed on behalf of Cooperative and on behalf of Board and return them to me. Upon execution by TVA, two fully executed copies will be returned to Cooperative and to Board.

Very truly yours,

TENNESSEE VALLEY AUTHORITY

W. F. Willis
General Manager

EWD
OGC

Accepted and agreed to as of
the date first above written.

EAST KENTUCKY POWER COOPERATIVE

By Donald R. Norris
Title: President

ELECTRIC PLANT BOARD OF THE
CITY OF GLASGOW, KENTUCKY

By C. Paul White
Title: General Manager

Approved by TVA
Board of Directors
MAR 17 1982
<u>HSD</u>
ASSISTANT SECRETARY