TASK AUTHORIZATION

Task Authorization Description: Start-up Administrative Services

Effective Date: February 1, 2017

KMPA and KyMEA agree that this Task Authorization and the performance of all services and work pursuant hereto shall be governed by the terms and conditions of the Master Services Agreement dated December 14, 2016, including any amendments thereto, unless specifically modified herein.

**SCOPE OF SERVICES**

Provide assistance and consultation to KyMEA in its start-up and establishment of administrative procedures and financial books and ledgers, including the following specific items:

1. Find locations for and coordination of meetings, including the preparation of agendas and minutes;
2. Create accounting procedures and ledgers, including the monthly invoicing of KyMEA members;
3. Prepare an RFP for outside accounting professionals and work with such professionals in having KyMEA’s initial audit prepared;
4. Establish a record keeping system for KyMEA;
5. Assist KyMEA’s financial advisor and other consultants in gathering and preparing information for credit rating analysis;
6. Work with KyMEA’s Board to establish a logo and a website;
7. Review need and potential sites for office space;
8. Discuss and review with KyMEA’s consultants potential synergies which might be established to coordinate services and functions with KMPA; and
9. Provide assistance in such other areas as requested from time to time by KyMEA’s officers for KyMEA’s start-up operations.

The parties agree that the contact person at KyMEA for purposes of coordinating the services to be performed by KMPA pursuant to this Task Authorization shall be the Chairman of the KyMEA Board of Directors. Accordingly, all requests for services, inquiries regarding work in progress and instructions regarding work to be performed shall be communicated to KMPA by the Chairman of the KyMEA Board of Directors.

The parties further agree that KMPA personnel shall not be required to expend more than one hundred eighty (180) hours during each six months period of providing services for KyMEA pursuant to this Task Authorization. Reasonable travel time shall be included in the calculation of said one hundred eighty (180) hour threshold. In the event KyMEA requests that more than one hundred eighty (180) hours be expended in any particular six-month period towards the performance of services under this Task Authorization, and KMPA personnel determines in its discretion that it is capable of expending such additional hours during such six-month period, KyMEA shall be required to pay KMPA the sum of $167.00 for each additional hour expended, in addition to the monthly fee provided for below. In such event, KMPA shall provide KyMEA with an invoice detailing the time expended in excess of the one hundred eighty (180) hour threshold and KyMEA shall be required to remit payment of said invoice within thirty (30) days of its receipt of the invoice.

For purposes of clarity, the fact that work may remain to be performed under this Task Authorization shall not preclude KMPA from at any time giving notice of termination under Article 7 of the Master Services Agreement in which case the monthly fee will be prorated through the termination date.

**SCHEDULE**

It is anticipated that the services requested under this Task Authorization will take place during the calendar year 2017.

**FEE FOR SERVICES**

KyMEA will pay KMPA a monthly fee of $5,000 for services provided under this Task Authorization.

**TRAVEL REIMBURSEMENT**

KyMEA shall reimburse KMPA for reasonable travel expenses incurred by KMPA, PPS or PEPB personnel in performing services for KyMEA pursuant to this Task Authorization, including without limitation mileage reimbursement at the I.R.S. approved rate, reasonable lodging expenses and meal expenses consistent with KMPA's per diem allowance amount.

**AMENDMENT TO TERMS OF MASTER SERVICES AGREEMENT**

None

IN WITNESS WHEREOF, the Parties have executed this Task Authorization as of the date first written above.

Kentucky Municipal Energy Agency Kentucky Municipal Power Agency

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name: Ronald Herd Printed Name: Gary Zheng

Title: Chairman Title: General Manager

Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_