

AMENDMENT NO. 3 TO C22091

Contract Start Date:	1/1/2014	Current Total Contract Amount (est):	\$7,414,904.73
Original Completion Date:	12/31/2016	As Previously Amended:	\$2,525,480.00
Amended Completion Date:	12/31/2019	Current Amendment:	\$615,264.00
Resolution: 18-0848R		New Total Contract Amount (est):	\$10,554,648.73

This amendment, effective as of the date of attestation by the City Clerk (the "Effective Date"), by and between the City of Duluth, Minnesota, hereinafter referred to as "Purchaser", and Venture Fuels, hereinafter referred to as "Seller", for the purpose of supplying coal to the Purchaser.

WHEREAS, on December 6, 2013, Purchaser and Seller entered into an agreement bearing City of Duluth Contract No. 22091 for Seller to supply Purchaser with sub-bituminous Coal from the Spring Creek mine for Duluth Energy Systems, which contract has been amended twice; and which contract and amendments are hereinafter referred to as the "Contract Agreement"; and

WHEREAS, both parties desire to further amend the Contract Agreement. Terms used in this Amendment shall have the meaning given in the Contract Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth, the parties hereto hereby agree as follows:

The Contract Agreement shall be extended for an additional one (1) year term, commencing January 1, 2019 and terminating December 31, 2019, to deliver the remaining coal at the Superior Midwest Energy Terminal from the second unit train, as stated in the Second Amendment.

The delivered Base Price for Coal delivered in 2019 under this Amendment No. 3 shall be \$45.24 per net ton. The Base Price is based on the following components:

Coal	\$12.75
Rail Transportation	\$19.13
Rail Fuel	\$ 2.43
Railcar	\$ 1.80
Dock	\$ 4.75
Truck Transportation	\$ 4.26
Truck Fuel	\$ 0.12
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Base Price	\$45.24

The Base Price shall be subject to adjustments per the terms contained in the existing Contract Agreement except the Rail Transportation component, included in the Base Price, shall be fixed for the term of this Contract Agreement.

In all other respects the Contract Agreement, together with all of its terms, covenants and conditions, is hereby confirmed in its entirety.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the effective date thereof.

CITY OF DULUTH

By: _____
Mayor

Attest:

By: _____
City Clerk

Date: _____

Countersigned:

City Auditor

Approved as to form:

City Attorney

VENTURE FUELS

NERCO COAL SALES LLC, Partner

By: _____

Its: _____
Title of Representative

Date: _____

MIDWEST ENERGY RESOURCES COMPANY, Partner

By: _____

Its: _____
Title of Representative

Date: _____