

AMENDMENT NO. 1 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: | n/a |
| Amended Completion Date: | 12/31/2017 | Current Amendment (est): | \$2,525,480.00 |
| Resolution: | | New Total Contract Amount (est): | \$9,939,384.73 |

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

WHEREAS, on December 6, 2013, City and Seller entered into an agreement bearing City of Duluth Contract No. 22091 for Seller to supply City with sub-bituminous coal from the Spring Creek mine for Duluth Energy Systems, hereinafter referred to as the "Contract"; and

WHEREAS, both parties desire to amend the Contract.

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

The Contract shall be extended for an additional one (1) year term, commencing January 1, 2017 and terminating December 31, 2017.

Seller shall supply City with approximately 56,000 tons of sub-bituminous coal from the Antelope Mine for the additional term, priced as follows:

A base Coal Component of \$13.00 per net ton, plus rail, dock and trucking components totaling \$32.08 for a total delivered price of \$45.08 per ton. Rail and trucking fuel price adjustments shall be made per terms contained in the existing contract. Price adjustments for coal heat content shall be made as per the existing contract except the Warrantied Heating Value shall be 8,800 British Thermal Units (Btu) per pound.

The total Contract value for 2017 is estimated to be Two Million, Five Hundred Twenty-Four Thousand, Four Hundred Eighty and no/100ths (\$2,524,480).

In all other respects the contract, 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: _____