November 4, 2010

RECEIVED
NOV 05 2010
PUBLIC SERVICE
COMMISSION

Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Post Office Box 615
Frankfort, KY 40602

Re: Oldham Woods Sanitation Inc. 2010 Rate Case Filing

Dear Sirs:

Attached please find an original and 10 copies of Oldham Woods Sanitation Inc.'s Alternative Rate Filing, including a customer notice which was mailed today. In addition, please incorporate by reference in this case Oldham Woods' annual reports on file with the PSC.

Oldham Woods is proposing that the new rates become effective on December 20, 2010, and has provided a proposed tariff to that effect after Attachment A of this filing. In addition, Oldham Woods has attempted to the best of its ability to fully comply with the Commission's ARF filing requirements. However, please consider this a request for waiver of any filing requirements which we may have inadvertently overlooked, on the grounds that all relevant information has been provided to allow the processing of this case to begin.

Finally, please be aware that I have great difficulty operating this utility and need whatever assistance the PSC can provide to expedite this case and make the review process as easy as possible. Oldham Woods has never had a rate increase since the initial rate was set at $20, and I inherited this system several years ago and struggle to pay the bills. In addition, I have limited ability to access copying and mailing facilities, so it is vitally important to me that PSC Staff assist me in the processing of this case.

Sincerely,

Georgann Martin, President
Oldham Woods Sanitation, Inc.

APPLICATION FOR RATE ADJUSTMENT
BEFORE THE PUBLIC SERVICE COMMISSION

For Small Utilities
Pursuant to 807 KAR 5:076
(Alternative Rate Filing)

Oldham Woods Sanitation, Inc.
Name of Utility

P.O. Box 23282

Anchorage, KY 40223
Business Mailing Address

Telephone Number 502 / 244-3121
Area Code Number

I. Basic Information

NAME, TITLE, ADDRESS and Telephone number of the person to whom correspondence or communications concerning this application should be directed:

Name: Ms. Georgann Martin, Owner

Address: P.O. Box 23282

Louisville, KY 40223

Telephone Number: (502) 244-3121

1)	Do you have 500 customers or fewer?	**Yes**	No
2)	Do you have $300,000 in Gross Annual Revenue or less?	**Yes**	No
3)	Has the Utility filed an annual report with this Commission for the past year and the two previous years?	**Yes**	No
4)	Are the utility's records kept separate from any other commonly-owned enterprise?	**Yes**	No

NOTICE: *To be eligible for consideration of a rate adjustment under this* regulation, you must have answered yes to either question 1 or 2 and yes to both questions 3 and 4 above. If you answer no to questions 3 or 4, you must obtain written approval from the Commission prior to filing this Application. If these requirements are not met, you must file under the Commission's procedural rules, 807 KAR 5:001.

II. Increased Cost Information

(1) The most recent Annual Report will be used as the basic test period data in order to determine the reasonableness of the proposed rates. The Annual Report used as the basis for the 12 months ending December 31, _2008____.

a. If you have reason to believe some of the items of revenue and expense listed in the Annual Report will increase or decrease, please list each item, the expected increase or decrease and the adjusted amount. – **Please See Attachment A**

Item Per Annual Report	Amount Per Annual Report	Increase (Decrease)	Adjusted Amount
Revenues:	$	$	$
Total Revenues	$	$	$
Expenses:			
Total Expenses	$	$	$
Revenues Less Expenses	$	$	$

b. Please describe each item that you adjusted on page 2 and how you know it will change. (Please attach invoices, letters, contracts or receipts which will help in proving the change in cost).

Please see Attachment A

c. Please list your present and proposed rates for each class (i.e., residential, commercial, etc.) of customer and the percentage of increase proposed for each class:

Customer Class	Present Rates	Proposed Rates	Percent Increase

Present Rate is $20.00 flat rate per month.

Proposed rate is $35.00 per month (75% increase).

III. Other Information

a. Please complete the following questions:

1) Please describe any events or occurrences, which may have an effect on this rate review that should be brought to the Commission's attention (e.g., excessive line losses, major repairs, planned construction).

Oldham Woods has not increased its initial rate of $20 per month since it began operating over 20 years ago. It has lost money for years, and the financial losses have increased in recent years.

2) Total number of Customers as of the date of filing: 107 customers year-end 2009

3) Total amount of increased revenue requested: $19,260 per year

4) Please circle Yes or No:

a) Does the utility have any outstanding indebtedness? Yes **No**

If yes, attach a copy of any documents such as promissory notes, bond resolutions, mortgage agreements, etc.

b) Were all revenues and expenses listed in the Annual Report for 2009 incurred and collected from January 1 to December 31 of that year? **Yes** No

If no, list total revenues and total expenses incurred prior to or subsequent to this period and attach invoices or other analysis which show how amounts were calculated.

5) Attach a copy of the utility's depreciation schedule of utility plant in service. Reconcile any differences between total depreciation shown on the Annual Report for _2009_ and the amount shown on this schedule. – **Depreciation schedule attached.**

6) If utility is a sewer utility:

   a) Attach a copy of the latest State and Federal Income Tax Returns. **Attached.**

   b) How much of the utility plant was recovered through the sale of lots or other contributions ____________ $ or %? (If unknown, state the reason). **Unknown – records were not maintained so as to keep this information, and lot sales were much lower than initial 1987 projections.**

b. Please state the reason or reasons why a rate adjustment is requested. (Attach additional pages if necessary).

   Oldham Woods has not increased its initial rate of $20 per month since it began operating over 20 years ago. It has lost money for years, and the financial losses have increased in recent years.

IV. Billing Analysis

The billing analysis is the chart reflecting the usage by the customers as well as the revenue generated by a specific level of rates. A billing analysis of both the current and proposed rates is mandatory for analysis of this rate filing. The following is a step-by-step description which may be used to complete the billing analysis. A completed sample of a billing analysis is also included. Although the sample reflects water usage, it is equally applicable for gas companies using declining block rate design. This billing analysis is not intended for companies using a flat rate design.

a. Usage Table (Usage by Rate Increment)

   Information needed to complete the usage table should be obtained from the meter books or other available usage records. The usage table is used to spread total usage into the proper incremental rate step.

Column No. 1 is the incremental steps in the present or proposed rate schedule for which the analysis is being made. Column No. 2 is the number of bills in each incremental rate step. Column No. 3 is the total gallons used in each incremental rate step. Column Nos. 4, 5, 6, 7, 8, and 9 are labeled to correspond to the incremental rate steps shown in Column No. 1 and contain the actual number of gallons used in each incremental rate step.

Example for completing Usage Table is as follows:

Column No. 1 is incremental rate steps.

Columns numbered 2 and 3 are completed by using information obtained from usage records.

Columns numbered 4, 5, 6, 7, 8, and 9 are completed by the following steps:

Step 1: 1st 2,000 gallons minimum bill rate level
432 Bills
518,400 gallons used
All bills use 2,000 gallons or less, therefore, all usage is recorded in Column 4.

Step2: Next 3,000 gallons rate level
1,735 Bills
4,858,000 gallons used
1st 2,000 minimum x 1,735 bills = 3,470,000 gallons – record in Column 4.
Next 3,000 gallons – remainder of water over 2,000 = 1,388,000 gallons – record in Column 5.

Step3: Next 10,000 gallons rate level
1,830 Bills
16,268,700 gallons used
1st 2,000 minimum x 1,830 bills = 3,660,000 gallons – record in Column 4.
Next 3,000 gallons x 1,830 bills = 5,490,000 gallons – record in Column 5.
Next 10,000 gallons – remainder of water over 3,000 = 7,118,700 gallons – record in Column 6.

Step4: Next 25,000 gallons rate level
650 Bills
15,275,000 gallons used
1st 2,000 minimum x 650 bills = 1,300,000 gallons – record in Column 4.

Next 3,000 gallons x 650 bills = 1,950,000 gallons – record in Column 5.

Next 10,000 gallons x 650 bills = 6,500,000 gallons – record in Column 6.

Next 25,000 gallons – remainder of water over 10,000 = 5,525,000 gallons – record in Column 7.

Step5: Over 40,000 gallons rate level

153 Bills

9,975,600 gallons used

1st 2,000 minimum x 153 bills = 306,000 gallons – record in Column 4.

Next 3,000 gallons x 153 bills = 459,000 gallons – record in Column 5.

Next 10,000 gallons x 153 bills = 1,530,000 gallons – record in Column 6.

Next 25,000 gallons x 153 bills = 3,825,000 gallons – record in Column 7.

Over 40,000 gallons – remainder of water over 25,000 = 3,855,600 gallons – record in Column 8.

Step6: Total each column for transfer to Revenue Table.

b. Revenue Table (Revenue by Rate Increment)

The Revenue Table is used to determine the revenue produced from the Usage Table. Column No. 1 is the incremental rate steps in the rate schedule for which the analysis is being made. Column No. 2 indicates the total number of bills. Column No. 3 is the number of gallons accumulated in each rate increment (Totals from Columns 4, 5, 6, 7, and 8 of the above usage table). Column No. 4 is the rates to be used in determining revenue. Column No. 5 contains the revenue produced.

SAMPLE

Revenue from Present/Proposed Rates
Test Period from 01-01-XX to 12-31-XX

USAGE TABLE

Usage by Rate Increment

Class: Residential

(1)	(2) Bills	(3) Gallons/Mcf	(4) First 2,000	(5) Next 3,000	(6) Next 10,000	(7) Next 25,000	(8) Over 40,000	(9) Total
First 2,000 Minimum Bill	432	518,400	518,400					518,400
Next 3,000 Gallons	1,735	4,858,000	3,470,000	1,388,000				4,858,000
Next 10,000 Gallons	1,830	16,268,700	3,660,000	5,490,000	7,118,700			16,268,700
Next 25,000 Gallons	650	15,275,000	1,300,000	1,950,000	6,500,000	5,525,000		15,275,000
Over 40,000 Gallons	153	9,975,600	306,000	459,000	1,530,000	3,825,000	3,855,600	9,975,600
Totals	4,800	46,895,700	9,254,400	9,287,000	15,148,700	9,350,000	3,855,600	46,895,700

REVENUE TABLE

Revenue by Rate Increment

(1)	(2) Bills	(3) Gallons/Mcf	(4) Rates	(5) Revenue
First 2,000 Minimum Bill	4,800	9,254,400	$ 5.00 Minimum Bill	$ 24,000.00
Next 3,000 Gallons		9,287,000	$ 2.50 per 1,000 Gal.	23,217.50
Next 10,000 Gallons		15,148,700	$ 2.00 per 1,000 Gal.	30,297.40
Next 25,000 Gallons		9,350,000	$ 1.25 per 1,000 Gal.	11,687.50
Over 40,000 Gallons		3,855,600	$ 0.75 per 1,000 Gal.	2,891.70
Totals	4,800	46,895,700		$ 92,094.10 Total Revenue

Instructions for Completing Revenue Table:

(1) Complete Columns No. 1, 2, and 3 using information from Usage Tables.
(2) Complete Column No. 4 using rates either present or proposed.
(3) Column No. 5 is completed by first multiplying the bills times the minimum charge.
(4) Then, starting with the second rate increment, multiply Column No. 3 by Column No. 4 and total.

V. General Information/Customer Notice

1) Filing Requirements:

   a. If the applicant is a corporation, a certified copy of its articles of incorporation must be attached to this application. If the articles and any amendments thereto have already been filed with the Commission in a prior proceeding, it will be sufficient to state that fact in the application and refer to the style and case number of the prior proceeding.

   b. An original and 10 copies of the completed application should be sent to:

      Executive Director
      Kentucky Public Service Commission
      211 Sower Boulevard
      Post Office Box 615
      Frankfort, Kentucky 40602

      Telephone: 502 / 564 – 3940

   c. One Copy of the completed application should also be sent at the same time to:

      Office of Rate Intervention
      Office of the Attorney General
      1024 Capital Center Drive, Suite 200
      Frankfort, Kentucky 40601-8204

2) A copy of the customer notice must be filed with this application. Proper notice must comply with Section 4 of this regulation.

3) Copies of this form and the regulation may be obtained from the Commission's Office of Executive Director; or by calling 502 / 564 – 3940.

4) I have read and completed this application, and to the best of my knowledge all the information contained in this application is true and correct.

Signed Benjamin Marter
Officer of the Company

Title ______________________

Date 11/4/2010

Oldham Woods Sanitation Exhibit Index

1. Attachment A – Pro Forma Income Statement with Explanations

2. Proposed Tariff

3. Customer Notice & Written Statement Verifying Customer Notice Mailed

4. Depreciation Schedule

5. Latest Federal and State Tax Returns

6. Articles of Incorporation

7. Documentation Supporting Proposed Expense Adjustments:
-Electricity Increase.
-Rate Case Consulting Contract for $1,750.
-Insurance Quote
-Aerator Invoice (dated 2/1/2010) for $5,560

Oldham Woods Pro Forma –Attachment A

	2007	2008	2009	Adjustments	Ref.	Adjusted
Flat Rate Revenue	$23,067	$24,854	$25,440	$240	A	$25,680
Owner/Manager Fee	0	0	0	$3,600	B	$3,600
Fuel - Pumping	$5,325	$5,164	$2,423	$785	C	$3,208
Agency Collection Fees	$2,998	$3,231	$3,306	$2,536	D	$5,842
Outside Serv. Employed	$32,140	$14,404	$16,201	$250	E	$16,451
Insurance Expense	0	0	0	$3,000	F	$3,000
Miscellaneous Expense	0	$108	$4,562	($4,562)	G	0
Total O&M Expenses	*$40,463*	*$22,907*	*$26,492*	*$5,609*		*$32,101*
Depreciation Expense	$5,417	$6,917	$6,917	$1,112	H	$8,029
Amortization Expense	0	0	0	$583	I	$583
Taxes Other Than Income	0	0	$2,535	($350)	J	$2,185
Total Expenses	**$45,880**	**$29,824**	**$35,944**	**$6,954**		**$42,898**
State Income Tax			$175	($175)	K	0
Net Income	($22,813)	($4,970)	($10,679)	($6,539)		($17,218)

Revenue Requirement Calculation	Amount
Proforma Operating Expenses	$42,898
Revenue Requirement based on 88% operating ratio	$48,748
Less Normalized Revenues	$25,680
Justified Revenue Increase (produces a $37.97 rate)	$23,068
Requested Revenue Increase to produce a $35 monthly rate	$19,260

Reference Notes

A. Sales Revenues were increased by $240 to reflect normalized revenues of $25,680. At the end of 2009, this sewer system had a total of 107 customers paying a $20 monthly rate.

B. Owner/Manager Fee has been adjusted to include a proposed owner/manager fee of $3,600, which is normally allowed by the Commission. It should be noted that Oldham Woods has negative cash flow and its owner is subsidizing the utility's operation; the owner receives no compensation for management, bookkeeping and other duties; and no rent expense is being charged to the utility. Therefore, the $3,600 owner/manager fee normally allowed by the PSC is reasonable in this instance.

C. Fuel & Power Expense was adjusted in two ways to reflect increased costs of $785 and total pro forma electricity expense of $3,208. First, in the 2009 test year, electricity bills from Kentucky Utilities (KU) were very low compared to prior years, as can be seen by the above history of 2007 and 2008. In particular, the electricity bills for April, May and June of 2009 totaled only $197.73, compared to an average for the other 9 months of $247.33 per month. Oldham Woods believes the severe ice storm in early 2009 and the subsequent malfunction of an aerator reduced its electricity bills for this period. If the monthly average of $247.33 is taken for a full 12-month period, the resulting electricity cost is $2,968.

A second adjustment was made to reflect the increased cost associated with a PSC-approved rate increase of approximately 8.1% which was granted to KU in July 2010. Inflating the above-mentioned $2,968 by 8.1% results in pro forma electricity cost of $3,208.

D. Agency Collection Fees were adjusted to reflect a 13% billing and collection fee charged by Oldham County Water District. At the requested rate of $35 per month, the 13% charge on pro forma revenues of $44,940 ($35 x 12 x 107 customers) would result in an expense of $5,842.

E. Outside Services Employed was increased by $250 to recognize an annual fee for preparation and filing of PSC annual and gross revenue reports. In the 2009 test year, this account consisted of $15,773.16 in payments to Camden Environmental for plant operations, and $428 to Murphy Excavating. Therefore, 2009 operations reflected no payments for accounting services required annually.

F. Insurance Expense of zero was adjusted to a pro forma level of $3,000 based on a quote for General Liability insurance. Oldham Woods currently cannot afford insurance coverage. If the PSC grants a sufficient rate increase in this case, Oldham Woods will purchase it.

G. Miscellaneous Expense of $4,562 was reduced to zero on a pro forma basis because the four cash payments totaling $4,562 in 2009 were not annual operating expenses, but rather reimbursements for the 2008 purchase of an aerator as well as other reimbursements.

H. Depreciation Expense was adjusted by $1,112 to reflect depreciation expense on a 2010 capital expenditure. In February 2010, an aerator was purchased at a cost of $5,560 (see invoice attached at Exhibit 7), and Oldham Woods proposes to depreciate this expenditure over 5 years.

I. Amortization Expense was adjusted by $583 to reflect rate case consulting fees of $1,750 spread over 3 years. Oldham Woods respectfully requests that the Commission Staff perform a field review in this case, and lend all other assistance necessary to avoid additional hourly consulting and legal fees.

J. Taxes Other Than Income was adjusted by $350 to remove two income tax payments for 2007 and 2008 that were paid in 2009.

K. State Income Tax of $175 was removed based upon PSC practices.

FOR Oldham Woods Subdivision
Community, Town or City

P.S.C. KY. NO. ____________

____________SHEET NO.____________

Oldham Woods Sanitation, Inc.
(Name of Utility)

CANCELLING P.S.C. KY. NO.____________

____________SHEET NO.____________

CONTENTS

Schedule of Rates

$35.00 per month

DATE OF ISSUE November 10, 2010
Month / Date / Year

DATE EFFECTIVE December 20, 2010
Month / Date / Year

ISSUED BY Benjamin Martin
(Signature of Officer)

TITLE President

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. ____________ DATED ____________

Written Statement of Verification

I, Georgann B. Martin, being the President of Oldham Woods Sanitation, Inc., do hereby verify that the attached notice of proposed rate increase ~~will be~~ ~~was~~ was mailed to Oldham Woods's sewer customers on Nov. 4, 2010.

Georgann B Martin

Georgann B. Martin

11/1/10

Date

Subscribed and sworn to before me by Georgann B. Martin, President of Oldham Woods Sanitation, Inc. on this 11/1/10, 2010

My Commission Expires Aug 9, 2013

OFFICIAL SEAL
PHYLLIS L. GRIBBINS
NOTARY PUBLIC – KENTUCKY
STATE-AT-LARGE
My Comm. Expires 08-09-2013

Phyllis Gribbins

Notary Public
In and for said County and State

NOTICE

Oldham Woods Sanitation, Inc. has filed an application with the Public Service Commission proposing to increase its monthly sewer rate from $20.00 to $35.00. Oldham Woods believes it could justify a higher rate, but has reduced the amount of its proposed increase to reduce the potential burden upon its customers. The proposed effective date of the change is December 20, 2010.

Monthly Rate:

Current		Proposed	
Flat Rate	$20.00	Flat Rate	$35.00

MONTHLY USAGE	MONTHLY BILL AT CURRENT RATE	MONTHLY BILL AT PROPOSED RATE	PERCENT INCREASE
ALL USAGE	$20.00	$35.00	75%

The rates contained in this notice are the rates proposed by Oldham Woods Sanitation, Inc.. However, the Public Service Commission may order rates to be charged that are higher or lower than the rates proposed in this notice.

Any corporation, association, body politic, or person may request leave to intervene, by motion within thirty (30) days after notice of the proposed rate change is given. A motion to intervene shall be in writing, shall be submitted to the Executive Director, Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the motion, including the status and interest of the party movant. Copies of the application may be obtained at no charge from the utility office at Oldham Woods Sanitation, Inc., P.O. Box 23282, Anchorage, KY 40223. Upon request from an intervenor, the utility shall furnish to the intervenor a copy of the application and supporting documents.

Oldham Woods Sanitation, Inc.

Oldham Woods 2009 Depreciation Schedule

Plant	In-Service Date	Original Cost	Life (yrs.)	Accum. Deprec. 1/1/09	Annual Expense	Accum. Deprec. 12/31/09
Land	1991	$10,000		0	0	0
Collection Sewers	1991	$140,000	31.5	$80,230	$4,445	$84,675
Collection Sewers	1999	$30,648	31.5	$9,995	$972	$10,967
Total Collection Sewers		$170,648		$90,225		$95,642
Aerator	2008	$7,500	5	$1,500	$1,500	$3,000
Total Plant		$188,148		$91,725	$6,917	$98,642

November 1, 2010

To whom it may concern:

Oldham Woods Sanitation, Inc. taxes for ~~2007 and~~ 2008 are attached, and taxes for 2009 are in the process of being prepared.

There has been a significant delay in finalizing these returns, but this delay has nothing to do with Oldham Woods Sanitation or its operations -- the delay is in the owner's returns. The owner has a former business partner who has filed incorrect returns regarding another venture, and the accountants cannot finalize the owner's returns (including Oldham Woods Sanitation) until the corrections are made by this former business partner.

The accountant who is finalizing the taxes is Joe Baker of Rueff Morris Baker & Company, and he expects that the returns should be completed within a few weeks. The 2009 tax returns will be very similar to the 2007 and 2008 returns, because the income, revenue, and expenses have been much the same.

Georgann Martin
Oldham Woods Sanitation, Inc.
P. O.Box 23282
Anchorage, KY 40223

Form **1120** U.S. Corporation Income Tax Return — OMB No. 1545-0123 — **2008**

Department of the Treasury, Internal Revenue Service

For calendar year 2008 or tax year beginning ______, ending ______

A Check if: 1a Consolidated return (attach Form 851) ☐; b Life/nonlife consolidated return ☐; 2 Personal holding co. (attach Sch. PH) ☐; 3 Personal service corp. (see instructions) ☐; 4 Schedule M-3 attached ☐	
Name	OLDHAM WOODS SANITATION, INC
Number, street, and room or suite no. If a P.O. box, see instructions.	P.O. BOX 23226
City or town, state, and ZIP code	ANCHORAGE, KY 40223
B Employer identification number	[redacted]
C Date incorporated	10/15/1987
D Total assets (see instructions)	$ 90,423.

E Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change

Income

1a	Gross receipts or sales 21,623. b Less returns and allowances c Bal	1c	21,623.
2	Cost of goods sold (Schedule A, line 8)	2	
3	Gross profit. Subtract line 2 from line 1c	3	21,623.
4	Dividends (Schedule C, line 19)	4	
5	Interest	5	
6	Gross rents	6	
7	Gross royalties	7	
8	Capital gain net income (attach Schedule D (Form 1120))	8	
9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
10	Other income (attach schedule)	10	
11	**Total income.** Add lines 3 through 10	11	21,623.

Deductions (See instructions for limitations on deductions.)

12	Compensation of officers (Schedule E, line 4)	12	
13	Salaries and wages (less employment credits)	13	
14	Repairs and maintenance	14	17,025.
15	Bad debts	15	
16	Rents	16	
17	Taxes and licenses SEE STATEMENT 1	17	542.
18	Interest	18	
19	Charitable contributions	19	
20	Depreciation from Form 4562 not claimed on Schedule A or elsewhere on return (attach Form 4562)	20	5,417.
21	Depletion	21	
22	Advertising	22	
23	Pension, profit-sharing, etc., plans	23	
24	Employee benefit programs	24	
25	Domestic production activities deduction (attach Form 8903)	25	
26	Other deductions (attach schedule) SEE STATEMENT 2	26	8,062.
27	**Total deductions.** Add lines 12 through 26	27	31,046.
28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	<9,423.>
29	**Less:** a Net operating loss deduction STATEMENT 3 — 29a: 0.		
	b Special deductions (Schedule C, line 20) — 29b	29c	

Tax, Refundable Credits, and Payments

30	**Taxable income.** Subtract line 29c from line 28 (see instructions)	30	<9,423.>
31	**Total tax** (Schedule J, line 10)	31	0.
32a	2007 overpayment credited to 2008 — 32a		
b	2008 estimated tax payments — 32b		
c	2008 refund applied for on Form 4466 — 32c ( ) d Bal — 32d		
e	Tax deposited with Form 7004 — 32e		
f	Credits: (1) Form 2439 ____ (2) Form 4136 ____ — 32f		
g	Refundable credits from Form 3800, line 19c, and Form 8827, line 8c — 32g	32h	
33	Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐	33	
34	**Amount owed.** If line 32h is smaller than the total of lines 31 and 33, enter amount owed	34	0.
35	**Overpayment.** If line 32h is larger than the total of lines 31 and 33, enter amount overpaid	35	
36	Enter amount from line 35 you want: **Credited to 2009 estimated tax** **Refunded**	36	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer — Date — Title

May the IRS discuss this return with the preparer shown below? ☒ Yes ☐ No

Paid Preparer's Use Only

Preparer's signature	[signature]
Date	03/30/10
Check if self-employed	☐
Preparer's SSN or PTIN	[redacted]
Firm's name (or yours if self-employed), address, and ZIP code	RUEFF AND ASSOCIATES 312 MACON AVENUE LOUISVILLE, KY 40207
EIN	[redacted]
Phone no.	502-896-2451

Schedule A Cost of Goods Sold (see instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	**Total.** Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	**Cost of goods sold.** Subtract line 7 from line 6. Enter here and on page 1, line 2	8	

9 a Check all methods used for valuing closing inventory:
(i) ☐ Cost
(ii) ☐ Lower of cost or market
(iii) ☐ Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods ▶ ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☐ No

Schedule C Dividends and Special Deductions (see instructions)

		(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		80	
8	Dividends from wholly owned foreign subsidiaries		100	
9	**Total.** Add lines 1 through 8			
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	**Total dividends.** Add lines 1 through 17. Enter here and on page 1, line 4 ▶			
20	**Total special deductions.** Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b ▶			

Schedule E Compensation of Officers (see instructions for page 1, line 12)

Note: Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1) are $500,000 or more.

	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned (d) Common	(e) Preferred	(f) Amount of compensation
1						

2	Total compensation of officers	
3	Compensation of officers claimed on Schedule A and elsewhere on return	
4	Subtract line 3 from line 2. Enter the result here and on page 1, line 12	

Schedule J | Tax Computation (see instructions)

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)) ▶ ☐		
2	Income tax. Check if a qualified personal service corporation (see instructions) ▶ ☐	2	0.
3	Alternative minimum tax (attach Form 4626)	3	
4	Add lines 2 and 3	4	0.
5a	Foreign tax credit (attach Form 1118) — 5a		
b	Credit from Form 8834 — 5b		
c	General business credit (attach Form 3800) — 5c		
d	Credit for prior year minimum tax (attach Form 8827) — 5d		
e	Bond credits from Form 8912 — 5e		
6	**Total credits.** Add lines 5a through 5e	6	
7	Subtract line 6 from line 4	7	0.
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	
9	Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Form 8902 ☐ Other (attach schedule)	9	
10	**Total tax.** Add lines 7 through 9. Enter here and on page 1, line 31	10	0.

Schedule K | Other Information (see instructions)

		Yes	No
1	Check accounting method: a ☐ Cash b ☒ Accrual c ☐ Other (specify) ▶		
2	See the instructions and enter the:		
a	Business activity code no. ▶ 221300		
b	Business activity ▶ SANITATION PLANT		
c	Product or service ▶ SEWAGE PROCESSING		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation ▶		X
4	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), or trust own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v).		X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Percentage Owned in Voting Stock

		Yes	No
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv).	X	

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Percentage Owned in Voting Stock
OLDHAM WOODS LAND INVESTMENT, LLC	[redacted]		100.00%

Schedule K Continued

	Yes	No
5 At the end of the tax year, did the corporation:		
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on **Form 851**, Affiliations Schedule? For rules of constructive ownership, see instructions If "Yes," complete (i) through (iv).		X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

	Yes	No
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions If "Yes," complete (i) through (iv).		X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

	Yes	No
6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) If "Yes," file **Form 5452**, Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.		X
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of **(a)** the total voting power of all classes of the corporation's stock entitled to vote or **(b)** the total value of all classes of the corporation's stock? For rules of attribution, see section 318. If "Yes," enter: **(i)** Percentage owned ▶ ______ and **(ii)** Owner's country ▶ ______ **(c)** The corporation may have to file **Form 5472**, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶ ______		X
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ ☐ If checked, the corporation may have to file **Form 8281**, Information Return for Publicly Offered Original Issue Discount Instruments.		
9 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $ ______		
10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ 1		
11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ ☐ If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.		
12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a.) ▶ $ 110,254.		
13 Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year **and** its total assets at the end of the tax year less than $250,000? If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2 on page 5. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ▶ $ 0.	X	

Schedule L Balance Sheets per Books	Beginning of tax year (a)	(b)	End of tax year (c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts	( )		( )	
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (att. sch.)				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (att. sch.)				
10a Buildings and other depreciable assets	170,648.		170,648.	
b Less accumulated depreciation	(84,808.)	85,840.	(90,225.)	80,423.
11a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)		10,000.		10,000.
13a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
14 Other assets (att. sch.)				
15 Total assets		95,840.		90,423.
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (att. sch.)				
19 Loans from shareholders		56,094.		60,100.
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (att. sch.)				
22 Capital stock: a Preferred stock				
b Common stock				
23 Additional paid-in capital		150,000.		150,000.
24 Retained earnings - Appropriated (attach schedule)				
25 Retained earnings - Unappropriated		<110,254.>		<119,677.>
26 Adjustments to shareholders' equity (attach schedule)				
27 Less cost of treasury stock		( )		( )
28 Total liabilities and shareholders' equity		95,840.		90,423.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: Schedule M-3 required instead of Schedule M-1 if total assets are $10 million or more - see instructions

1 Net income (loss) per books	<9,423.>	7 Income recorded on books this year not included on this return (itemize): Tax-exempt interest $	
2 Federal income tax per books			
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):		8 Deductions on this return not charged against book income this year (itemize): a Depreciation $ b Charitable contributions $	
5 Expenses recorded on books this year not deducted on this return (itemize): a Depreciation $ b Charitable contributions $ c Travel and entertainment $		9 Add lines 7 and 8	
6 Add lines 1 through 5	<9,423.>	10 Income (page 1, line 28) - line 6 less line 9	<9,423.>

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	<110,254.>	5 Distributions: a Cash	
2 Net income (loss) per books	<9,423.>	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize):	
		7 Add lines 5 and 6	
4 Add lines 1, 2, and 3	<119,677.>	8 Balance at end of year (line 4 less line 7)	<119,677.>

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property) OTHER

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172

2008

Attachment
Sequence No. 67

Name(s) shown on return	Business or activity to which this form relates	Identifying number
OLDHAM WOODS SANITATION, INC	OTHER DEPRECIATION	[illegible]

Part I **Election To Expense Certain Property Under Section 179 Note:** *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property.)

14	Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not** include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	5,417.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	5,417.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No 24b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
	: :	%						
	: :	%						
	: :	%						
27 Property used 50% or less in a qualified business use:								
	: :	%				S/L -		
	: :	%				S/L -		
	: :	%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year:					
	: :				
	: :				
43 Amortization of costs that began before your 2008 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

FORM 1120	TAXES AND LICENSES	STATEMENT 1

DESCRIPTION	AMOUNT
TAXES AND LICENSES	542.
TOTAL TO FORM 1120, LINE 17	542.

FORM 1120	OTHER DEDUCTIONS	STATEMENT 2

DESCRIPTION	AMOUNT
UTILITIES	5,164.
PROFESSIONAL FEES	2,798.
DUES AND SUBSCRIPTIONS	100.
TOTAL TO FORM 1120, LINE 26	8,062.

NET OPERATING LOSS DEDUCTION	STATEMENT 3

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR
12/31/00	34,670.	11,330.	23,340.	23,340.
12/31/01	7,892.		7,892.	7,892.
12/31/03	5,476.		5,476.	5,476.
12/31/04	10,802.		10,802.	10,802.
12/31/05	9,371.		9,371.	9,371.
12/31/06	28,901.		28,901.	28,901.
12/31/07	24,472.		24,472.	24,472.
NOL AVAILABLE THIS YEAR			110,254.	110,254.

ELECTION TO WAIVE THE NET OPERATING LOSS CARRYBACK PERIOD

OLDHAM WOODS SANITATION, INC
P.O. BOX 23226
ANCHORAGE, KY 40223

EMPLOYER IDENTIFICATION NUMBER: [redacted]

FOR THE YEAR ENDING DECEMBER 31, 2008

OLDHAM WOODS SANITATION, INC HEREBY ELECTS, PURSUANT TO SEC. 172(B)(3) OF THE INTERNAL REVENUE CODE, TO RELINQUISH THE ENTIRE CARRYBACK PERIOD WITH RESPECT TO THE NET OPERATING LOSS INCURRED FOR THE TAX YEAR ENDED DECEMBER 31, 2008, AND WILL HAVE SUCH LOSS AVAILABLE FOR CARRYFORWARD ONLY.

720 41A720 Department of Revenue

Kentucky UNBRIDLED SPIRIT

A ______ Kentucky Corporation/LLET Account Number

Kentucky Corporation Income Tax And LLET Return

2008

Taxable period beginning JAN 1 , 2008, and ending DEC 31 , 2008 .

B Check applicable box(es)
LLET Receipts Method
- [ ] Gross Receipts
- [ ] Gross Profits
- [X] $175 minimum

Nonfiling Status Code
Enter Code ______

C Income Tax Return
- [ ] Elected Consolidated Attach Form 722
- [ ] Mandatory NEXUS

Nonfiling Status Code
Enter Code ______

D Federal Identification Number [redacted]

Name of Corporation or Affiliated Group (Print or type)
OLDHAM WOODS SANITATION, INC

Number and Street
P.O. BOX 23226

City	State	ZIP Code	Telephone Number
ANCHORAGE	KY	40223	

E Name of Common Parent — Kentucky Corporation/LLET Account Number

F Check if applicable: [ ] Initial return [ ] Final return (attach explanation) [ ] Short-period return (attach explanation) [ ] Change of name [ ] Change of address

Taxable Year Ending 12 / 08 Mo. Yr.

State and Date of Incorporation
KENTUC10/15/1987

Principal Business Activity in KY
SANITATION PLANT

NAICS Code Number (Relating to Kentucky Activity) (See www.census.gov)
221300

PART I - LLET COMPUTATION

1.	**Schedule LLET,** Section D, line 1	1	175
2.	Recycling/composting equipment tax credit recapture	2	
3.	**Total** (add lines 1 and 2)	3	175
4.	Nonrefundable LLET credit from Kentucky Schedule(s) K-1	4	
5.	Nonrefundable tax credits (Schedule TCS)	5	
6.	**LLET liability** (greater of line 3 less lines 4 and 5 or $175 minimum)	6	175
7.	Withholding tax (PTE-WH)	7	
8.	Estimated tax payments	8	
9.	Extension payment	9	
10.	Prior year's tax credit	10	
11.	Income tax overpayment from Part III, ln 15	11	
12.	**LLET due** (line 6 less lines 7 through 11)	12	175
13.	**LLET overpayment** (lines 7 through 11 less ln 6)	13	
14.	Credited to 2008 income tax	14	
15.	Credited to 2009 LLET	15	
16.	**Amount to be refunded**	16	

PART II - TAXABLE INCOME COMPUTATION

1.	Federal taxable income (Form 1120, line 28)	1	<9,423>
	ADDITIONS:		
2.	Interest income (state and local obligations)	2	
3.	State taxes based on net/gross income	3	
4.	Depreciation adjustment	4	
5.	Deductions attributable to nontaxable income	5	
6.	Related party expenses	6	
7.	Dividend paid deduction (REIT)	7	
8.	Domestic production activities deduction	8	
9.	Other (attach Schedule O-720)	9	
10.	**Total** (add lines 1 through 9)	10	<9,423>
	SUBTRACTIONS:		
11.	Interest income (U.S. obligations)	11	
12.	Dividend income	12	
13.	Federal work opportunity credit	13	
14.	Depreciation adjustment	14	
15.	Other (attach Schedule O-720)	15	
16.	**Net income** (line 10 less lines 11 through 15)	16	<9,423>
17.	Current net operating loss adjustment (mandatory nexus only)	17	
18.	**Kentucky net income** (add lines 16 and 17)	18	<9,423>
19.	**Taxable net income** (attach Schedule A if applicable)	19	<9,423>
20.	Net operating loss deduction (NOLD) STMT 1	20	
21.	**Taxable net income** after NOLD (line 19 less line 20)	21	<9,423>
22.	Kentucky domestic production activities deduction (KDPAD)	22	
23.	**Taxable net inc. after KDPAD** (line 21 less line 22)	23	<9,423>

PART III - INCOME TAX COMPUTATION

1.	**Income tax** (see instructions)	1	
2.	Recycling/composting equipment tax credit recapture	2	
3.	Tax installment on LIFO recapture	3	
4.	**Total** (add lines 1 through 3)	4	
5.	Nonrefundable LLET credit from the Limited Liability Pass-through Entity LLET Credit Worksheet(s) (see instructions)	5	
6.	Nonrefundable LLET credit (Part I, line 6 less $175)	6	
7.	Nonrefundable tax credits (Schedule TCS)	7	
8.	**Net income tax liability** (line 4 less lines 5 through 7, but not less than zero)	8	
9.	Estimated tax payments [ ] Check if Form 2220-K attached	9	
10.	Extension payment	10	
11.	Prior year's tax credit	11	
12.	LLET overpayment from Part I, line 14	12	
13.	**Income tax due** (line 8 less lines 9 through 12)	13	0
14.	**Income tax overpayment** (lines 9 through 12 less line 8)	14	
15.	Credited to 2008 LLET	15	
16.	Credited to 2009 corporation income tax	16	
17.	**Amount to be refunded**	17	

TAX PAYMENT SUMMARY (Round to nearest dollar)

LLET		INCOME	
1. LLET due (Part I, Line 12)	$ 175	1. Income tax due (Part III, Ln 13)	$
2. Penalty	$	2. Penalty	$
3. Interest	$	3. Interest	$
4. **Subtotal**	$ 175	4. **Subtotal**	$

TOTAL PAYMENT (Add Subtotals) ► $ 175

► **Federal Form 1120, all pages, and any supporting schedules must be attached.**

Make check payable to: Kentucky State Treasurer

Mail return with payment to: Kentucky Department of Revenue Frankfort, Kentucky 40620

OLDHAM WOODS SANITATION, INC [redacted]

KY 720	NET OPERATING LOSS DEDUCTION		STATEMENT 1

TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING
12/31/00	34,670.	11,330.	23,340.
12/31/01	7,892.		7,892.
12/31/03	5,476.		5,476.
12/31/04	10,802.		10,802.
12/31/05	9,371.		9,371.
12/31/06	28,901.		28,901.
12/31/07	24,472.		24,472.
TOTAL TO FORM 720, PAGE 1			110,254.

SCHEDULE NOL

41A720NOL (10-08)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE

▶ **Attach to Form 720.**

NET OPERATING LOSS SCHEDULE

KRS 141.011, KRS 141.200(11); Regulation 103 KAR 16:250

Taxable Year Ending 1 2 0 8 Mo. / Yr.

☐ If irrevocable election is made to carry NOL carryforward as an apportioned NOL, check here. Mandatory Nexus Only

Name of Corporation: OLDHAM WOODS SANITATION, INC

Kentucky Corporation/LLET Account Number:

PART I - MANDATORY NEXUS CONSOLIDATION - If using prior year NOL carryforward, complete and attach Schedule NOL-CF

Section A - Current Net Operating Loss Adjustment

	Name	Kentucky Corporation/ LLET Account Number	Includible Corporations A Kentucky Net Income	B Kentucky Net Losses (Enter as a Positive)	C Total Losses (Enter as a Positive)
1.	Common Parent				
2.	**Subsidiaries**				
a					
b					
c					
d					
e					
f					
g					
h					
i					
j					
k					
l					
m					
n					
o					
p					
q					
3.	Totals (add Columns A and B)	3			
4.	Limitation-Income (Line 3, Column A multiplied by 50%)	4			
5.	Prior year NOL carryforward			5	
6.	Total (add Line 5, Column C and Line 3, Column B)			6	

Complete Line 7 only if Line 3, Column B is greater than Line 4, Column A.

7. Disallowed loss. Line 3, Column B less than Line 4, Column A. Enter here and on Form 720, Part II, line 17 (see instructions)	7			

Complete Line 8 only if Line 4, Column A is greater than Line 3, Column B.

8. Additional NOLD. Enter as a negative amount on Form 720, Part II, line 17 (see instructions)	8			

Section B - Current Year Loss Disallowed and NOL Carryforward

1. Current year loss disallowed (see instructions)	1	
2. Prior year(s) NOL carryforward(s) from Part I, Section A, Line 5	2	
3. Prior year(s) NOL carryforward used this year (see instructions)	3	
4. Total NOL carryforward to 2009 (Line 1 plus Line 2 minus Line 3)	4	

PART II - SEPARATE ENTITY AND ELECTIVE CONSOLIDATED FILERS - Must complete and attach Schedule NOL-CF

Section A - NOL Carryforward

1. Enter carryforward from prior year(s)	1	110,254.
2. If current year NOL, enter as a positive amount (see instructions)	2	9,423.
3. Enter the NOLD from Form 720, Part II, Line 20	3	0.
4. Enter total NOL carryforward to 2009 (Line 1 plus Line 2 less Line 3)	4	119,677.

864421 / 12-05-08 1019

SCHEDULE Q - KENTUCKY CORPORATION/LLET QUESTIONNAIRE

IMPORTANT: Questions 4 - 12 must be completed by all corporations. If this is the corporation's initial return or if the corporation did not file a return under the same name and same federal I.D. number for the preceding year, questions 1, 2 and 3 must be answered. **Failure to do so may result in a request for a delinquent return.**

1. Indicate whether: (a) [ ] new business; (b) [ ] successor to previously existing business which was organized as: (1) [ ] corporation; (2) [ ] partnership; (3) [ ] sole proprietorship; or (4) [ ] other ______

   If successor to previously existing business, give name, address and federal I.D. number of the previous business organization.

2. List the following **Kentucky** account numbers. Enter N/A for any number not applicable.
   - Employer Withholding ______
   - Sales and Use Tax Permit ______
   - Consumer Use Tax ______
   - Unemployment Insurance ______
   - Coal Severance and/or Processing Tax ______

3. If a foreign corporation, enter the date qualified to do business in Kentucky. ______

4. The corporation's books are in care of: (name and address)
   BOOKKEEPER AT COMPANY ADDRESS

5. Are disregarded entities included in this return?
   [ ] Yes [X] No
   If yes, list name, address and federal I.D. number of the entity.

6. Was the corporation a partner or a member in a pass-through entity doing business in Kentucky? [ ] Yes [X] No
   If yes, attach schedule listing name and federal I.D. number of the pass-through entity. ______

   Was the corporation doing business in Kentucky, outside of its interest in a pass-through entity? [ ] Yes [X] No

7. Are related party costs made to related members as defined in KRS 141.205(1)(l) included in this return? [ ] Yes [X] No
   If yes, list name, federal I.D. and/or Kentucky Corporation/LLET account number of the individual or entity. ______

Caution: If the corporation elected to file a consolidated income tax return for tax years beginning prior to January 1, 2005, skip questions 8 and 9 and go to question 10.

8. Did the corporation at any time during the taxable year do business in Kentucky and own 80 percent or more of the voting stock of another corporation doing business in Kentucky? [ ] Yes [X] No. If yes, list name, address and federal I.D. number of the entity. ______

9. Was 80 percent or more of the corporation's voting stock owned by any corporation doing business in Kentucky at any time of the year?
   [ ] Yes [X] No. If yes, list name, address and federal I.D. number of the entity. ______

10. Was this return prepared on: (a) [ ] cash basis, (b) [X] accrual basis, (c) [ ] other ______

11. Did the corporation file a Kentucky tangible personal property tax return for January 1, 2009? [ ] Yes [X] No

12. Is the corporation currently under audit by the Internal Revenue Service?
    [ ] Yes [X] No. If yes, enter years under audit ______

    If the Internal Revenue Service has made final and unappealable adjustments to the corporation's taxable income which have not been reported to this department, check here [ ] and file Form 720X, Form 720-Amended, or Form 720-Amended (2007-2008), whichever is applicable, for each year adjusted and attach a copy of the final determination.

OFFICER INFORMATION (Failure to Provide Requested Information May Result in a Penalty)

Attach a schedule listing the name, home address and Social Security number of the vice president, secretary and treasurer.

Has the attached officer information changed from the last return filed? [ ] Yes [X] No

President's Name GEORGANN B. MARTIN

President's Home Address P. O. BOX 23282

President's Social Security Number [redacted]

Date Became President ______

I, the undersigned, declare under the penalties of perjury, that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

Signature of principal officer or chief accounting officer ______ Date ______

RUEFF AND ASSOCIATES
Name of person or firm preparing return

[redacted]
SSN, PTIN or FEIN

May the DOR discuss this return with the preparer? [X] Yes [ ] No

E-mail Address:

Telephone Number: 502-896-2451

Form **7004**

(Rev. December 2008)

Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns

▶ File a separate application for each return.

▶ See separate instructions.

OMB No. 1545-0233

Type or Print

File by the due date for the return for which an extension is requested. See instructions.

Name: OLDHAM WOODS SANITATION, INC

Identifying number: [redacted]

Number, street, and room or suite no. (If P.O. box, see instructions.)
P.O. BOX 23226

City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)).
ANCHORAGE, KY 40223

Note. See instructions before completing this form.

Part I **Automatic 5-Month Extension** Complete if Filing Form 1065, 1041, or 8804

1a Enter the form code for the return that this application is for (see below) ....

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	09	Form 1041 (estate)	04
Form 8804	31	Form 1041 (trust)	05

Part II **Automatic 6-Month Extension** Complete if Filing Other Forms

b Enter the form code for the return that this application is for (see below) 12

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	01	Form 1120-PC	21
Form 706-GS(T)	02	Form 1120-POL	22
Form 1041-N	06	Form 1120-REIT	23
Form 1041-QFT	07	Form 1120-RIC	24
Form 1042	08	Form 1120S	25
Form 1065-B	10	Form 1120-SF	26
Form 1066	11	Form 3520-A	27
Form 1120	12	Form 8612	28
Form 1120-C	34	Form 8613	29
Form 1120-F	15	Form 8725	30
Form 1120-FSC	16	Form 8831	32
Form 1120-H	17	Form 8876	33
Form 1120-L	18	Form 8924	35
Form 1120-ND	19	Form 8928	36
Form 1120-ND (section 4951 taxes)	20		

2 If the organization is a foreign corporation that does not have an office or place of business in the United States, check here .... ▶ ☐

3 If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here .... ▶ ☐
If checked, attach a schedule, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

Part III **All Filers Must Complete This Part**

4 If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here .... ▶ ☐

5a The application is for calendar year 2009, or tax year beginning ____________, and ending ____________

b **Short tax year.** If this tax year is less than 12 months, check the reason:
☐ Initial return ☐ Final return ☐ Change in accounting period ☐ Consolidated return to be filed

6 Tentative total tax 6

7 **Total** payments and credits (see instructions) 7

8 **Balance due.** Subtract line 7 from line 6. **Generally, you must deposit this amount using the Electronic Federal Tax Payment System (EFTPS), a Federal Tax Deposit (FTD) Coupon, or Electronic Funds Withdrawal (EFW)** (see instructions for exceptions) 8

ARTICLES OF ORGANIZATION
OLDHAM WOODS LAND INVESTMENT, LLC

The undersigned hereby form a Limited Liability Company pursuant to the Statutes of the State of Kentucky and hereby certify:

RECITALS

RECEIVED & FILED JUL 1 11 04 AM '98 JOHN Y. BROWN III SECRETARY OF STATE COMMONWEALTH OF KENTUCKY BY

1. The name of the Limited Liability Company is:

   Oldham Woods Land Investment, LLC

2. The name and the street address of the initial registered agent:

   George Clarke Martin
   2304 Willow Reed Road
   LaGrange, Kentucky 40311

3. By signing below George Clarke Martin consents to serve as initial registered agent.

4. The mailing address of the initial principal office of the Limited Liability Company is:

   2304 Willow Reed Road
   LaGrange, Kentucky 40311

5. The Limited Liability Company has at least two (2) members.

6. The Limited Liability Company is to be member managed by George Clarke Martin.

7. The Limited Liability Company shall commence upon the date of this Articles of Organization as set forth below and shall continue for fifty (50) years.

Date: July 1, 1998

INITIAL REGISTERED AGENT
MANAGING MEMBER

Clarke Martin
George Clarke Martin, Individually

THE STATE OF KENTUCKY }
COUNTY OF [illegible] }

I, a Notary Public, within and for the State and County aforesaid, do hereby certify that the foregoing Articles of Organization was this day produced to me in the above State and County by George Clarke Martin, Individually, as Managing Member, party hereto, and was executed and acknowledged by the Managing Member who is personally known to me or who has produced ______________ (type of identification) as identification, and who did take an oath to be a free act and voluntary deed.

WITNESS my signature this 1st Day of July, 1998.

[illegible signature]
Signed Name of Notary Public

Don T. Ratcliffe
Typed or Printed Name of Notary Public

Notary - KY at Large
Title

My Commission Expires: 11/17/1999

This instrument was prepared by:

[illegible signature]
Don T. Ratcliffe, Attorney
12700 Shelbyville Road
Danville Building, Suite 327
Louisville, Kentucky 40243
502/244-4228 or 800/923-4227

Articles of Organization
Oldham Woods Land Investment, LLC

Page 2

DOCUMENT NO: 182161
RECORDED ON: JULY 01, 1998 12:33:30PM
TOTAL FEES: $9.00
COUNTY CLERK: ANN B BROWN
COUNTY: OLDHAM COUNTY
DEPUTY CLERK: MICHELE A OVERMAN
BOOK AN4 PAGE 480

STATE OF KENTUCKY, COUNTY OF OLDHAM

I, ANN B. BROWN, OLDHAM COUNTY CLERK, DO CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF Assumed Name AS SAME APPEARS ON RECORD IN MY OFFICE IN AN BOOK AN 4 PAGE 480 GIVEN UNDER MY HAND THIS 28 DAY OF Jan, 1999.

ANN B. BROWN, OLDHAM COUNTY CLERK
BY: Michele a Overman, D.C.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OLDHAM WOODS LAND INVESTMENT, LLC, 2304 WILLOW REED ROAD, LAGRANGE, KY 40031, TRANSFER OF OWNERSHIP RIGHTS IN OLDHAM WOODS SANITATION, INC.	)	CASE NO. 99-038

ORDER

Oldham Woods Land Investment, LLC ("Oldham Woods") has applied for Commission approval of its proposed acquisition of the stock of Oldham Woods Sanitation, Inc. ("Oldham Sanitation") from the Estate of Anthony Milburn Walker. Having considered the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Oldham Sanitation is a Kentucky corporation that owns and operates a wastewater treatment facility that serves approximately 40 customers in Oldham County, Kentucky.

2. Oldham Sanitation's wastewater treatment facility is a gravity-fed lagoon treatment system with a maximum treatment capacity of 180,000 gallons of wastewater per day and is considered a Class I Wastewater System. See 401 KAR 5:010, Section 8.[1]

[1] Annual Report of Oldham Woods Sanitation, Inc. to the Public Service Commission for the Year Ended December 31, 1997, at 11.

3. Oldham Sanitation's wastewater treatment facility was installed and placed into service in 1990.[2]

4. Anthony Milburn Walker ("Walker") was the sole shareholder of Oldham Sanitation. Walker died intestate on October 21, 1995.

5. Oldham Woods is a Kentucky Limited Liability Company whose principal office is located in LaGrange, Kentucky.

6. George Clark Martin ("Martin") is the sole shareholder of Oldham Woods.

7. On April 18, 1998, Martin executed a purchase agreement with the Estate of Anthony Milburn Walker ("Estate") that provided, inter alia, for the purchase of all issued and outstanding stock in Oldham Sanitation for the Estate.

8. Martin has designated Oldham Woods to receive the stock of Oldham Sanitation upon its transfer from the Estate.

9. Oldham Sanitation currently employs a wastewater treatment plant operator who has been certified by the Kentucky Board of Certification of Wastewater System Operators to operate a Class III Wastewater System. After completion of the proposed transfer of stock to Oldham Woods, this operator will continue to operate Oldham Sanitation's wastewater treatment plant.

10. After the proposed stock transfer is completed, Martin will be responsible for the management of Oldham Sanitation's operations. Martin has an extensive background in the construction and operation of wastewater treatment plants.

11. After the proposed stock transfer is completed, no change in Oldham Sanitation's existing rates is currently planned.

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[2] Id.

12. Oldham Woods has proposed to place $1,982[3] in an escrow account with Citizens Bank of Kentucky as evidence of its financial integrity to ensure the continuity of sewer service.

13. For the 1997 calendar year, Oldham Sanitation's total sewer operation and maintenance expenses were $5,044.[4]

14. To ensure the continuity of sewer service upon the proposed stock transfer, Oldham Woods should be required to establish an escrow account with a banking institution and fund this account with an amount equal to one year's operation and maintenance expenses. This amount should be made available to a court-appointed receiver upon a finding that the wastewater treatment plant has been abandoned or is not operating in accordance with state and federal laws and regulations.

15. Oldham Woods has the financial, technical, and managerial abilities to provide reasonable service to those persons whom Oldham Sanitation currently serves.

IT IS THEREFORE ORDERED that:

1. The proposed stock transfer is approved subject to the conditions set forth in Ordering Paragraph 2.

2. Oldham Woods shall establish an escrow account with a banking institution and fund this account with an amount equal to one year's operation and maintenance expenses. The escrow agreement establishing this account shall provide that the escrowed funds will be made available to a court-appointed receiver upon a

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[3] According to Oldham Woods, this amount represents 4 months of Oldham Sanitation's operating expenses.

[4] Annual Report of Oldham Woods Sanitation, Inc. to the Public Service Commission for the Year Ended December 31, 1997, at 9.

finding that the wastewater treatment plant has been abandoned or is not operating in accordance with state and federal laws and regulations.

3. Within 60 days of completion of the proposed stock transfer, Oldham Woods shall advise the Commission of the transfer and shall provide the Commission with a copy of the agreement establishing the escrow account required herein.

Done at Frankfort, Kentucky, this 29th day of March, 1999.

By the Commission

ATTEST:

Executive Director

ARTICLES OF INCORPORATION
OF
OLDHAM WOODS SANITATION, INC.

The undersigned, acting as an Incorporator of a Corporation under KRS Chapter 271A adopts the following Articles of Incorporation for such Corporation.

FIRST:

The name of the Corporation is Oldham Woods Sanitation, Inc.

SECOND:

Period of its duration is perpetual.

THIRD:

The purpose or purposes for which the Corporation is organized are:

To engage in the business of operating a sewage treatment plant for the Oldham Woods Subdivision located in Oldham County, Kentucky pursuant to regulation by the Public Service Commission of the Commonwealth of Kentucky.

To purchase, hold, sell and transfer shares of its own capital stock (of any class), bonds and other obligations of this corporation from time to time to such extent and in such manner upon such terms as its Board of Directors shall determine; provided that this corporation shall not use any of its funds or property for the purchase of its own shares of capital stock when such use would cause any impairment of the capital of this corporation; and provided further that shares of its own capital stock belonging to this corporation shall not be voted upon directly or indirectly;

To do all those things specified in KRS 271A.020 and to have and to exercise all powers conferred by the Laws of the Commonwealth of Kentucky on corporations found under said law;

To transact any or all lawful business for which a corporation may be incorporated pursuant to KRS Chapter 271A;

To do everything necessary, proper, advisable or convenient for the accomplishment of the purposes herein set forth, to do all things incidental thereto or connected therewith which are not forbidden by law or by these Articles of Incorporation.

FOURTH:

The aggregate number of shares which the Corporation shall have authority to issue is 1000, each share to have no par value and each share to be entitled to one (1) vote.

FIFTH:

The address of the initial registered and principal office of the Corporation is 2330 Embassy Lane, Louisville, Kentucky 40216, and the name of its initial registered agent at such address is Milburn Walker.

SIXTH:

The number of directors constituting the initial Board of Directors of the Corporation is one (1), and the name and address of the person who is to serve as Director until the first annual meeting of shareholders or until his successor is elected and shall qualify is:

NAME	ADDRESS
Milburn Walker	2330 Embassy Lane Louisville, Kentucky 40216

SEVENTH

The name and address of each Incorporator is:

NAME	ADDRESS
Milburn Walker	2330 Embassy Lane Louisville, Kentucky 40216

Dated at LaGrange, Kentucky this _____ day of August, 1987.

____
Incorporator

STATE OF KENTUCKY

COUNTY OF OLDHAM

I, ____________________________, a Notary Public in and for the State and County aforesaid do hereby certify that on this day of August, 1987, personally appeared before me Milburn Walker, who being by me first duly sworn, acknowledged that he is the person who signed the foregoing document as Incorporator, and that the statements therein contained are true.

My commission expires ____________________.

____
Notary Public
State of Kentucky at Large
Qualified in Oldham County

Prepared in the law offices of
Smith, Williamson, Simpson, Combs & Theiss
LaGrange, Kentucky 40031

By_________________________
James F. Williamson

$\frac{\$7}{86.41 \text{ avg}} = 8.1\%$ vs 9% orginal estimate

Posted on Sat, Jul. 31, 2010

Kentucky Utilities' rates increasing $7 a month for average customer

average customer's electricity bill will be about $7 more per month

By Andy Mead
amead@herald-leader.com

It will cost more for Kentucky Utility's customers to keep the lights on, but the electric company is getting a smaller rate hike than it requested.

The state Public Service Commission on Friday approved an adjustment that means the average residential customer — a household that uses 1,230 kilowatt hours a month — will see an increase of $7 a month. Louisville Gas & Electric bills will go up by the same amount.

The PSC also said that, because of numerous complaints, it will select a consultant to audit the utilities' customer service functions, and pass the bill for the audit on to the utilities.

In January, the companies asked the PSC for permission to raise rates by $11.85 for the average customer.

The adjustment approved Friday was agreed to by the two utilities and most of the parties to the rate case. The state attorney general's office, which advocates on behalf of residential customers, did not agree.

The PSC said it accepted the partial settlement because it will "result in a lower rate increase than justified by our traditional rate-making case."

The attorney general's office said it was disappointed in the decision but had not decided whether to appeal.

"We have from the beginning of this process expressed concern that LG&E and KU were asking for rate increases ... while they were being sold," said Allison Martin, a spokeswoman for Attorney General Jack Conway, the Democratic nominee in Kentucky's U.S. Senate race. "We have always felt that the ... buyer would be the correct entity asking for a rate increase."

Four months after the rate increase request was filed, E.ON U.S., the parent company for the utilities, announced that it intended to sell them to PPL Corp. in Pennsylvania. The sale also must be approved by the PSC.

The rate changes approved Friday apply to base rates. They do not affect other portions of the bill, such as fuel cost adjustments and environmental charges, that fluctuate.

LG&E gas customers will see a $3 bump on the average bill, but that does not include the cost of natural gas itself.

Among other things, the increases allow the electric utilities to recover the cost of repairs caused by a windstorm in September 2008 and an ice storm in January 2009.

Nine parties to the case agreed with the settlement. They included the federal Department of Defense, the American Association of Retired Persons, The Kroger Co. and Community Action for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties, Inc.

"No one wants to see an increase in rates; it's especially not good for low-income people," said Charlie Lanter, manager for program development for Community Action. "But we realize that KU's costs are increasing."

Consulting Contract

This agreement is made this 1 day of November, 2010, by and between Kentucky Small Utility Consulting, LLC, 8105 Parkshire Court, Louisville, KY 40220 (hereinafter referred to as the "Contractor"), and Oldham Woods Sanitation, whose address is P.O. Box 23282, Anchorage, KY 40223 (hereinafter referred to as "Utility") for consulting services.

(1) Contractor shall render the services, for the compensation set forth in Attachment "A" (hereinafter referred to as the "Services). The Services may be changed only by the prior written agreement of the Contractor and the Utility and if changed the time of performance shall be adjusted accordingly. Invoices shall be paid by Utility without setoff or deduction, upon receipt. Contractor has the option of suspending or terminating its performance for non-payment.

(2) The party with complete authority to act under this contract for Contractor is Jack Kaninberg. The party with complete authority to act under this contract for Utility is ______________________.

(3) The Utility shall provide Contractor to full and adequate access to all the information needed by Contractor to fulfill the services set out in Attachment A. Utility shall give prompt attention to all documentation and requests for information and action by Contractor, so as to not delay Contractor's work. When applicable, Contractor shall have access to Utility's private property to complete its work.

(4) The Contractor shall furnish the necessary qualified personnel to complete the Services and Contractor represent that is has access to the experience and capability necessary to and agrees to perform the Services with reasonable skill and diligence. This undertaking does not imply and guarantee a perfect project and in the event of failure, Contractor will only be liable to its failure to exercise diligence, reasonable care and professional skill. Contractor's fee under this agreement shall be the only measure of damages. There are no other representations or warrantees expressed or implied and Utility agrees to hold Contractor harmless and indemnify from any claims not related to liability from the negligence or willful misconduct of Contractor.

(5) All documents (hard copy or electronic) prepared by Contractor in connection with this project are the sole property of Contractor and payment to Contractor under Attachment A shall be a condition precedent to use of any documentation of Contractor. Contractor cannot guarantee or be liable for the integrity of any electronic information.

(6) Any default in performance caused by a natural catastrophe or civil unrest (force majeure) shall not constitute a default of the Contract.

(7) This contract shall be interpreted under the laws of the Commonwealth of Kentucky and choice of venue shall be Jefferson County. If there is a dispute, good faith mediation is required as a condition precedent of either party filing any complaint in any court.

(8) Neither Contractor nor Utility may assign any part of this contract without written authority of the other party.

(9) Contractor agrees to keep all of Utility's information confidential and at all times allow the Utility access and information to make sure its information is being protected.

(10) This Contract and Attachment A, is the entire agreement between the parties and it supersedes any and all other oral or prior agreement between them. The Contract may be amended only by a written amendment, signed by both parties.

(11) If any portion of this Contract is deemed unenforceable, it shall not affect the remaining portions. The consideration for this Contract is the mutual agreement contained herein, which each party by its signature agree is sufficient.

THE PARTIES EXPRESSLY ACKNOWLEDGE THAT THIS AGREEMENT CONTAINS LIMITATION OF LIABILITY PROVISIONS RESTRICTING RIGHT FOR RECOVERY OF DAMAGES.

CONTRACTOR:

____
Jack Kaninberg

UTILITY:

Oldham Woods Sanitation

BY: Benjamin Martin

TITLE: President

<u>CONSULTING CONTRACT</u>
<u>ATTACHMENT "A"</u>

This Attachment details the Services, contract time, price, forming part of the Contract:

(1) Services: Contractor shall perform the following services:

TASK A -- SCOPE OF SERVICES – A review using 2009 Public Service Commission ("PSC") Income Statement numbers as the test period, in order to make appropriate pro forma adjustments for material, known, and measurable revenue and expense changes, and arrive at a recommended revenue increase that meets with the Utility's approval.

TASK B – SCOPE OF SERVICES – Upon the Utility's approval of a proposed revenue increase, Contractor will prepare the rate increase application and the necessary supporting documentation to justify it, and will forward it to the utility for its review, approval, and submittal to the PSC.

TASK C – SCOPE OF SERVICES – Between the submittal of the rate application and a PSC Final Order on the rate application and proposed revenue increase, Contractor will remain available to advise the utility in responding to requests for information and otherwise supporting the application.

However, Contractor is not responsible for responding to PSC or other data requests or providing testimony in the case unless the Utility and the Contractor so agree after the issuance of any data requests or requirements to provide testimony. If the Utility and the Contractor agree to make the Contractor responsible, in full or in part, for any data requests or testimony, the Utility agrees to pay the Contractor an hourly rate of $25 per hour for work responding to data requests, and $50 per hour for testimony and any preparation related thereto.

(2) Contract time

(a) Commencement date: October 11, 2010

(b) Estimated Completion Date: August 31, 2011

(3) Contract Payment - $1,750 in total ($1,500 for rate case assistance plus $250 for 2008 and 2009 annual report preparation), unless the Utility and the Contractor agree to additional hourly charges as described under Task C above.

TASK A – 20% of Total Contract Amount, or $350, due upon completion of a recommended revenue increase that meets with the Utility's approval.

TASK B – Additional 20% (or $350) of Total Contract Amount, due after the Commission has deemed the case filed.

-Additional 20% (or $350) of Total Amount due 60 days after 2nd payment is due.

-Additional 20% (or $350) of Total Amount due 60 days after 3rd payment is due.

TASK C – Final 20% (or $350) of Total Contract Amount, due upon completion of the rate case.

HAVE SEEN AND AGREED:

CONTRACTOR:

____

Jack Kaninberg

UTILITY:

____

BY: Georgann Martin

TITLE: ________________

May 3, 2010

Oldham Woods Sanitation, Inc
PO Box 23282
Anchorage, KY 40223
Attn: Georgann Martin

We can offer you an estimate for General Liability Insurance with a $1,000,000 policy limit. We should be able to provide it for approximately $3,000 plus applicable taxes and fees that are required.

Please be advised that this is strictly an estimate, based on annual sales/receipts of $50,000 or less. It is also subject to all company underwriting guidelines.

If you would like to discuss this, please feel free to give me a call at 502-459-4272.

Thank you,

Aaron Goad
Voit-Lee Insurance Agency

SCOTT AERATOR CO. LLC

13261 RILEY STREET
HOLLAND. MI 49424
1-800-WATER-45
www.scottaerator.com

QUOTE

DATE	INVOICE #
2/1/2010	22030

BILL TO
CAMDEN ENVIRONMENTAL SERVICE CO., INC. LARRY SMITHER PO BOX 137 CRESTWOOD, KY. 40014

SHIP TO
CAMDEN ENVIRONMENTAL SERVICE CO., INC. LARRY SMITHER 3906 N. CAMDEN LANE CRESTWOOD, KY 40014 502-241-4809

P.O. NO.	TERMS	SHIP VIA
	M/C	Best way

DESCRIPTION	QTY	RATE	AMOUNT
3 HP DA-20 DISPLAY AERATOR, 230 VOLT 3-PHASE, 100 FEET POWER CORD	2	2,990.00	5,980.00
DISCOUNT,		-600.00	-600.00
Shipping & Handling		180.00	180.00
NO CONTROL BOX REQUIRED			
Thank you for the opportunity!			

800-928-3745
616-392-8860-Fax

Total $5,560.00

Pd Feb 22 2010