

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JAN 08 2018

PUBLIC SERVICE  
COMMISSION

In the Matter of:

The Application of	)	
Kentucky Frontier Gas, LLC	)	Case No.
for Approval of Financing	)	2018- 00010

**APPLICATION**

Kentucky Frontier Gas, LLC (Kentucky Frontier), by counsel, petitions the Commission for an order approving the assumption of debt for the financing of a truck as required by KRS 278.300.

1. Kentucky Frontier Gas, LLC is a Colorado company in good standing authorized to do business in Kentucky. It was organized in Kentucky on August 25, 2005. A copy of its articles of organization was filed in Case No. 2005-00348. Frontier attests that it is in good standing to operate and transact business in Kentucky.

2. Kentucky Frontier is a natural gas utility as defined by KRS 278.010(3). Managing partners are Robert Oxford and Steven Shute.

Its address is:

Independence St., Suite 200,  
Wheat Ridge CO 80033.

Its Prestonsburg office address is:

2963 KY Rt. 321  
P. O. Box 408  
Prestonsburg, KY 41653  
Phone (606) 886-2431  
Fax (606) 889-9196  
[www.kyfrontiergas.com](http://www.kyfrontiergas.com)  
[steve@kyfrontiergas.com](mailto:steve@kyfrontiergas.com)

3. A description of the original cost of Frontier's property is in the PSC Annual Report, incorporated by reference.

4. The proceeds of the financing will be used for the acquisition of a new service truck. The total financing cost is expected to be \$35,000.00. Terms and conditions of the financing are stated in exhibit1.

5. The proceeds of the financing are not being used to refund any outstanding obligations.

6. Kentucky Frontier is an LLC and has no stock. There is no preferred stock issued. No stock is to be issued in conjunction with this financing.

7. No other debt is to be issued

9. There are no trust deeds.

10. The current mortgages, notes and other debt are listed in exhibit 2. Mortgages were previously filed in Case Nos. 2005-00348; 2005-00426; 20008-00394; 2009-00492; 2010-00076; 2012-00099; and 2015-00299.

11. No dividends have been paid by Kentucky Frontier in the last five years. Frontier made a distribution of approximately \$40,000 to two members in 2016.

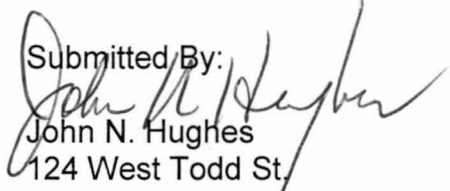
12. A balance sheet and income statement are included in exhibit 3. Frontier requests a deviation pursuant to 807 KAR 5:001(22) for use of the September 30, 2017 financial information. The year end financial statements have not been completed. No material changes have occurred to the financial condition as reflected in the most recent statements.

13. The USoA account is 392 – motor truck.

Based on this information, the Applicant believes the financing is in the public interest, for a lawful purpose, is necessary for the proper performance of the utility to serve its customers and is reasonably necessary as required by KRS 278.300.

For these reasons, Kentucky Frontier requests that the Commission issue an order approving the financing and any other approvals necessary to complete the transactions related to the financing.

Submitted By:

  
John N. Hughes

124 West Todd St.

Frankfort, KY 40601

502 227 7270

jnhughes@johnnhughespsc.com

Attorney for

Kentucky Frontier Gas, LLC

AFFIDAVIT

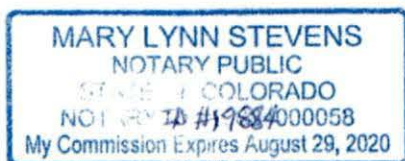
Affiant, Steven Shute, after being sworn, states that he is a Managing Partner of Kentucky Frontier Gas, LLC, that he is authorized to file this application and that the information contained in this pleading is true and correct to the best of his knowledge.

  
Steven Shute

Sworn and subscribed before me by Steven Shute on the 5th day of  
January, 2018.

  
Notary Public

Registration Number: \_\_\_\_\_  
My commission expires: \_\_\_\_\_



## Exhibit 1



Telephone (606) 874-0168  
1-800-844-9181

P. O. Box 278 • 600 US 23 South  
Prestonsburg, Kentucky 41653

Purchaser's Name Frontier Gas Soc Sec No. \_\_\_\_\_ Date 1-3-18  
Purchaser's Address 2963 KY Rt 321 N. Residence Phone \_\_\_\_\_  
City, State & Zip Prestonsburg, Ky 41653 DOB \_\_\_\_\_ Business Phone \_\_\_\_\_

#### VEHICLE BEING PURCHASED

PLEASE ENTER MY ORDER  
FOR THE FOLLOWING:

☒ NEW ☐ CAR  
☐ USED ☒ TRUCK

STOCK NO. \_\_\_\_\_

YEAR 2018 MAKE Chevrolet MILEAGE 0  
MODEL OR SERIES 2500 HD BODY TYPE Double cab utility  
COLOR white TRIM WT

M.V.I. OR SERIAL NO. \_\_\_\_\_ ENGINE TYPE V8

TO BE DELIVERED  
ON OR ABOUT \_\_\_\_\_

SALESMAN \_\_\_\_\_

#### WARRANTY DISCLAIMER

☒ DISCLAIMER Does Apply ☐ Disclaimer does NOT Apply  
We, the Seller, hereby expressly disclaim all warranties, either expressed or implied including any implied warranty of merchantability or fitness for a particular purpose, and we neither assume nor authorize any other person to assume for us any liability in connection with the Sale of the vehicle. The Manufacturer's Warranty is not affected by this disclaimer of Warranties by the Seller Dealer.  
☐ The only Dealer Warranty on this vehicle is the Limited Warranty which is issued with and made a part of this order form.  
☐ AS IS this Vehicle is sold "as is" by us.

#### USED VEHICLE TRADED IN AND/OR OTHER CREDIT

MAKE OF TRADE-IN n/A  
MODEL OR SERIES \_\_\_\_\_ BODY TYPE \_\_\_\_\_  
COLOR \_\_\_\_\_ TRIM \_\_\_\_\_

M.V.I. OR SERIAL NO. \_\_\_\_\_ ENGINE TYPE \_\_\_\_\_

I CERTIFY THE ODOMETER READING ON MY ABOVE TRADE READS \_\_\_\_\_ MILES. THE ODOMETER HAS ☐ HAS NOT ☐ EXCEEDED 100,000 MILES. SIGNATURE \_\_\_\_\_

BALANCE OWED TO \_\_\_\_\_

ADDRESS \_\_\_\_\_

USED TRADE-IN ALLOWANCE \$ \_\_\_\_\_

BALANCE OWED ON TRADE-IN \$ \_\_\_\_\_

NET ALLOWANCE ON USED TRADE-IN \$ \_\_\_\_\_

CASH OR DEPOSIT (NON RE-FUNDABLE) \$ \_\_\_\_\_

TOTAL CREDIT (TRANSFER TO RIGHT COLUMN) \$ 11,090 00

MEMO: \_\_\_\_\_

#### CASH DELIVERED PRICE OF VEHICLE

Chevy 2500 HD \$ 40,390 00

#### ACCESSORIES

Knapheide 6 1/2' bed \$ 7,434 00

GM and pop's chevy discount - 4,994 00

Finance with Community Trust Bank,  
\$35,000 x 60 mos.

payment \$649.00 3.99%  
Interest

OFFER GOOD FOR 90 DAYS

Cash Price of Vehicle & Accessories \$ 42,830 00

STATE AND LOCAL TAXES  
LICENSE, LICENSE TRANSFER,  
TITLE, REGISTRATION FEE \$ 2,570 00

PROCESSING FEE 690 00

TOTAL PRICE OF UNIT \$ 46,090 00

TOTAL CREDIT (TRANSFERRED FROM LEFT COLUMN) \$ 11,090 00

UNPAID CASH BALANCE DUE ON DELIVERY \$ 35,000 00

Purchaser agrees that this order includes all of the terms and conditions on both the face and reverse side hereof, that this order cancels and supersedes any prior agreement and as of the date hereof comprises the complete and exclusive statement of the terms of the agreement relating to the subject matters covered hereby, and that

THIS ORDER SHALL NOT BECOME BINDING UNTIL ACCEPTED BY DEALER OR HIS AUTHORIZED REPRESENTATIVE

Purchaser by his execution of this Order acknowledges that he has read its terms and conditions and has received a true copy of this Order.

PURCHASER'S SIGNATURE \_\_\_\_\_ DATE 1-3-18

ACCEPTED BY Pop's Chevrolet Buick Cadillac PER [Signature] mgr.

(NAME AND TITLE)

## Exhibit 2

**Form M: Customer Debt Schedule**

**Customer Name:** Kentucky Frontier Gas LLC

**Date:** 1/5/2018

<b>Lender</b>	<b>Loan Type<sup>1</sup></b>	<b>Commitment - Loan Balance</b>	<b>Interest Rate</b>	<b>Fixed or Variable</b>	<b>Payment Frequency<sup>2</sup></b>	<b>Scheduled Monthly Pmt Amount<sup>3</sup></b>	<b>Total Annual Payments</b>
CTB-SBA orig	T	\$ 270,243	4.75%	V	Monthly	\$ 19,870	\$ 238,440
CTB-USDA #1	T	949,009	6%	V	Monthly	13,277	159,327
CTB-USDA #2	T	105,444	6%	V	Monthly	1,475	17,703
CTB-SBA #2 BTU	T	172,743	6%	F	Monthly	1,973	23,682
CTB SBA #3 Public	T	1,372,379	6.00%	V	Monthly	12,738	152,856
CTB-2015 Tacoma	T	10,157	2.99%	F	Monthly	365	4,377
CTB-2015 Ch Silver	T	15,282	2.99%	F	Monthly	610	7,324
CTB-F350	T	14,880	2.99%	F	Monthly	614	7,371
CTB-2017 TACOMA	T	21,655	2.99%	F	Monthly	496	5,952
CTB-2016 Tacoma	T	13,302	2.99	F	Monthly	377	4,524
<b>TOTALS</b>		<b>\$ 2,945,094</b>	<b>7.15%</b>			<b>\$ 51,796</b>	<b>\$ 621,555</b>

1. Enter one of the following choices: 2. Enter monthly, quarterly, annually, et 3. Enter N/A for demand notes, lines of credit, and floor plans.

T - Term Loan

L - Line of Credit

D - Demand

## Exhibit 3

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12/08/17

Accrual Basis

## Kentucky Frontier Gas, LLC

## Balance Sheet

As of September 30, 2017

	Sep 30, 17
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
131 • Cash - Bank Accounts	
131.0 • Petty Cash	707.18
131.2 • Comm Trust Bank Oper 4002506337	19,817.85
131.3 • Comm Trust Payroll #4002507509	34.92
131.7 • CTB Savings #5001856760	9.89
131.8 • Citizens Bank of Jackson	1,752.26
Total 131 • Cash - Bank Accounts	22,322.10
Total Checking/Savings	22,322.10
Accounts Receivable	
142 • Customer Accounts Receivable	-5,140.05
143 • Other Accounts Receivable	67,334.48
145 • Due From Quality Gas	28,232.80
Total Accounts Receivable	90,427.23
Other Current Assets	
108.09 • CC - Accum Deprec	-119,418.00
108.11 • BTU-Accumulated Depr	-62,493.00
115.0 • Consol - Acc Depreciation	-18,764.00
147 • N/R - Fontaine Williams	984.54
173 • Organizational Account	
Start Up Costs	
SBA Origination Fees	95,056.13
USDA Origination Fees	17,464.00
115 • Accumulated Amort - Start Up	-44,384.00
Start Up Costs - Other	298.98
Total Start Up Costs	68,435.11
Total 173 • Organizational Account	68,435.11
Total Other Current Assets	-131,255.35
Total Current Assets	-18,506.02
Fixed Assets	
101 • Utility Plant	
101.0 • Utility Plant - consolidated	
376 • Meters - Consolidated	67,768.27
376.0 • Itrons	
376.001 • CIAC/Itrons -Contrib in Aid Con	-93,197.00
376.0 • Itrons - Other	91,996.69
Total 376.0 • Itrons	-1,200.31
377 • Meter Sets	44,967.30
378 • Regulators	2,957.50
379 • Odorant System	33,043.90
381 • ESRI SYSTEM	4,090.00
Total 101.0 • Utility Plant - consolidated	151,626.66
101.1 • East Kentucky Utility Plant	
General Plant	
394.1 • Tools, Shop & Garage Equip	891.00
Total General Plant	891.00
114.1 • Gas Plant Acquisition Adj	
376.01 • Mains	9,515.91
37601 • Meas & Reg Station Eq	5,980.39
380.01 • Services	13,400.74
380.02 • EKV-CIAC(Contrib in aid Constr)	-2,000.00

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Accrual Basis

## Kentucky Frontier Gas, LLC

## Balance Sheet

As of September 30, 2017

	Sep 30, 17
381.01 · Meters	17,868.69
382.01 · New Meter Install	589.97
382.02 · EKV · Line Replacement	650.00
114.1 · Gas Plant Acquisition Adj · Other	955,369.74
Total 114.1 · Gas Plant Acquisition Adj	1,001,375.44
115.1 · Accumulated Provision for Amort	-415,555.00
Total 101.1 · East Kentucky Utility Plant	586,711.44
101.12 · Blaine Utility Plant	
380.04 · Meters	3,825.00
380.12 · Services	653.39
380.120 · Blaine-CIAC(contrib in aid con)	-400.00
Total 101.12 · Blaine Utility Plant	4,078.39
101.2 · Mike Little Gas Plant	
General Plant Assets	
394.2 · Tools, Shop & Garage Equip	1,617.26
Total General Plant Assets	1,617.26
Transmission Plant	
369.2 · Meas & Reg Sta Equip	4,984.97
Total Transmission Plant	4,984.97
114.2 · Gas Plant Acquisition Adj	
376.22 · Mains	28,484.44
380.22 · Services	10,216.10
380.23 · MLG-CIAC(Contrib in aid of const)	-2,000.00
381.22 · Meters	17,766.95
381.23 · Line Replacement	2,060.52
114.2 · Gas Plant Acquisition Adj · Other	481,044.76
Total 114.2 · Gas Plant Acquisition Adj	537,572.77
115.2 · Accum Prov for Amort of Gas Pl	-214,811.00
Total 101.2 · Mike Little Gas Plant	329,364.00
101.3 · Belfry Utility Plant	
114.3 · Gas Plant Acquisition Adj	
376.33 · Mains	118,607.16
376.331 · Mains · Comp Const	28,661.96
376.34 · Mains Belf · Line Replacement	173,641.45
380.33 · Services	13,235.56
380.34 · BUP-CIAC(Contrib in aid const)	-64,034.52
381.32 · Regulators	3,343.00
381.33 · Meters	36,394.86
381.34 · Meter & Regulator - FSM	4,675.82
382.22 · New Meter Installation	2,423.84
114.3 · Gas Plant Acquisition Adj · Other	480,342.00
Total 114.3 · Gas Plant Acquisition Adj	797,291.13
115.3 · Accum Prov for Amort of Gas Pl	-390,527.00
Total 101.3 · Belfry Utility Plant	406,764.13
101.4 · Alert Farm Taps Utility Plant	
Distribution Plant	
381.4 · Meters	130.00
Total Distribution Plant	130.00
114.4 · Gas Plant Acquisition Adj	
376.44 · Mains	2,600.29
380.44 · Services	2,950.40

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Accrual Basis

Kentucky Frontier Gas, LLC  
**Balance Sheet**  
As of September 30, 2017

	Sep 30, 17
381.44 • Meters	312.42
382.44 • New Meter Installation	111.00
Total 114.4 • Gas Plant Acquisition Adj	5,974.11
115.4 • Accum Prov for Amort of Gas Pl	-2,204.00
Total 101.4 • Alert Farm Taps Utility Plant	3,900.11
101.8 • Peoples Gas Utility Plant	
114.81 • Gas Plant Acq Adj - KFG	
376.88 • Mains	14,279.82
377.88 • Main Replacement - Phelps	20,837.63
380.88 • Services	1,196.90
382.88 • New Meter Install	114.75
114.81 • Gas Plant Acq Adj - KFG - Other	25,541.00
Total 114.81 • Gas Plant Acq Adj - KFG	61,970.10
115.8 • Accum Amortization - Acquisitio	-18,544.00
Total 101.8 • Peoples Gas Utility Plant	43,426.10
Total 101 • Utility Plant	1,525,870.83
101.11 • BTU Purchase	
380.10 • Mains	15,105.65
380.11 • Services	13,387.13
380.121 • BTU-CIAC(contrib in aid constr)	-964.00
380.13 • Regulators	815.90
380.14 • Main Replacement - BTU	41,888.01
380.16 • Drip Tank	1,010.03
101.11 • BTU Purchase - Other	262,500.00
Total 101.11 • BTU Purchase	333,742.72
101.13 • Public Gas Utility Plant	
114.13 • PGUP- Util Plant-Other	49,392.00
115.13 • PGUP-Accum Depreciation	-72,303.00
154.13 • PGUP- Inventory	2,000.00
376.13 • Mains	1,350,264.00
376.14 • New Services	3,330.00
376.15 • Meters	179,961.72
376.16 • PGUP - Regulators	31,583.00
376.17 • Meter Installation	332.12
376.18 • PGUP-CIAC(contri in aid constr)	-6,060.00
376.35 • Line Replacement-PGUP	8,966.92
391.13 • PGUP- Office Equip	4,248.00
392.14 • Transp Equip- PGUP	73,743.00
Total 101.13 • Public Gas Utility Plant	1,625,457.76
101.9 • COW CREEK UTILITY PLANT	
376.09 • Mains	446,356.00
380.09 • Services	13,054.22
380.100 • CC-CIAC(contri in aid constr)	-5,580.00
381.09 • Meters	46,473.56
383.09 • Regulators/Detectors	21,815.00
101.9 • COW CREEK UTILITY PLANT - Other	16,699.00
Total 101.9 • COW CREEK UTILITY PLANT	538,817.78
103.1 • PGUP- Accum Depreciation	-6,021.00
112 • BLAINE	
115.12 • Blaine- Accum Depreciation	-63.00
Total 112 • BLAINE	-63.00
154 • Inventory	14,745.84
37604 • BRIDGE PROJECT #2-MAGOFFIN	-22,520.70

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Accrual Basis

## Kentucky Frontier Gas, LLC

## Balance Sheet

As of September 30, 2017

	Sep 30, 17
37605 · Abandon Mines Line-Belfry Proj	488.29
380 · General Plant Assets	
391 · Office Furniture & Equipment	
391.1 · Office Furniture & Equipment	45,809.94
391.11 · Office Equip - Folder/Insertor	10,270.34
Total 391 · Office Furniture & Equipment	56,080.28
392 · Transportation Equipment	
108 · Gen Utility Plant - Accum Depr	-222,766.00
392.11 · Transportation Eq- Other	3,657.00
392.13 · 2016 Tacoma SR 4X4 Access Cab	26,656.51
392.15 · 2017 Toyota Tacoma	27,322.68
392.3 · 2012 Tacoma Access Cab	26,224.54
392.4 · 2012 Tacoma Reg Cab	23,655.24
392.5 · 2012 Tundra	29,687.00
392.6 · 2015 Chevy Silverado	33,695.08
392.7 · 2015 F350	41,338.81
392.9 · 2015 Tacoma	26,110.74
392 · Transportation Equipment - Other	4,913.83
Total 392 · Transportation Equipment	20,495.43
394 · Tools, Shop & Garage Equip	14,710.30
396 · Power Operated Equipment	
396.3 · CAT Mini Excavator	33,780.90
Total 396 · Power Operated Equipment	33,780.90
397 · Tools & Equipment	1,643.19
Total 380 · General Plant Assets	126,710.10
380.15 · Meter- H Thompson	8,222.69
394.13 · PGUP- Tools, Shop, & Garage Eq	124,199.00
398 · Leasehold Improvements	14,589.55
Total Fixed Assets	4,284,239.86
Other Assets	
123 · Investment in Subsidiary Compan	
123.1 · Investment - Auxler Rd	1,695,459.23
123.3 · Investment - DEMA	10,000.00
123.4 · Investment - Interstate FT	10,000.00
Total 123 · Investment in Subsidiary Compan	1,715,459.23
125 · CASELLE Billing Software	43,380.00
126 · Esri- GIS Software	2,500.00
155 · Utility Deposits	1,524.00
Total Other Assets	1,762,863.23
<b>TOTAL ASSETS</b>	<b>6,028,597.07</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
232 · Accounts Payable	487,955.24
Total Accounts Payable	487,955.24
Other Current Liabilities	
231 · Notes Payable	
231.5 · N/P- CTB (Line of Credit)	100,000.00
Total 231 · Notes Payable	100,000.00
233 · Notes Payable - Assoc Co's	

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Accrual Basis

## Kentucky Frontier Gas, LLC

## Balance Sheet

As of September 30, 2017

	Sep 30, 17
233.1 • N/P IGS	27,602.80
233.8 • CC- N/P Dema	-5,885.42
233.9 • CC- N/P Auxler	198,287.46
Total 233 • Notes Payable - Assoc Co's	220,004.84
235 • Customer Deposits/Retainers	
235.1 • CC- Cust Deposits	18,850.00
235.13 • PGUP- Cust Deposits	95,025.00
235.131 • PGUP- Cust Credits	20,156.52
237 • Accrued Interest Deposits	
237.1 • CC- Accr Int on Deposits	-13.19
237 • Accrued Interest Deposits - Other	-196.78
Total 237 • Accrued Interest Deposits	-209.97
235 • Customer Deposits/Retainers - Other	102,113.71
Total 235 • Customer Deposits/Retainers	235,935.26
240 • Accrued Salaries	-2,030.54
241 • Sales Tax Payable	3,097.79
242 • Utility Tax Payable	2,333.88
Total Other Current Liabilities	559,341.23
Total Current Liabilities	1,047,296.47
Long Term Liabilities	
224 • Long Term Liability	
224.1 • Community Trust Bank Loan	307,609.33
224.10 • 2015 F350 Loan CTBI	17,171.50
224.11 • CTB-2015 TACOMA	11,490.53
224.12 • CTB Loan - SBA #3	1,344,344.29
224.13 • CTB LOAN-2016 TACOMA SR 4X4	14,669.33
224.15 • 2017 Toyota Tacoma 4x4 Access	23,410.69
224.2 • USDA Loan #1	957,340.48
224.3 • USDA Loan #2	107,248.93
224.8 • CTB Loan - SBA #2	174,918.03
224.9 • 2015 Chev Silverado Loan CTBI	17,561.61
Total 224 • Long Term Liability	2,975,764.72
Total Long Term Liabilities	2,975,764.72
Total Liabilities	4,023,061.19
Equity	
211.1 • Partner One Equity - RJO	
208.1 • Partner One Investments	365,750.00
214.1 • Partner One Draws	-37,055.28
211.1 • Partner One Equity - RJO - Other	10,500.00
Total 211.1 • Partner One Equity - RJO	339,194.72
211.2 • Partner Two Equity - SS	
208.2 • Partner Two Investments	1,111,000.00
214.2 • Partner Two Draws	-14,663.43
211.2 • Partner Two Equity - SS - Other	14,000.00
Total 211.2 • Partner Two Equity - SS	1,110,336.57
211.3 • Partner Three Equity - LR	
208.3 • Partner Three Investments	254,500.15
214.3 • Partner Three Draws	-4,780.98
211.3 • Partner Three Equity - LR - Other	7,000.00
Total 211.3 • Partner Three Equity - LR	256,719.17
211.4 • Partner Four Equity - IGS	

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Accrual Basis

Kentucky Frontier Gas, LLC

Balance Sheet

As of September 30, 2017

	Sep 30, 17
208.4 · Partner Four Investments	115,250.00
214.4 · Partner Four Draws	-11,885.31
211.4 · Partner Four Equity - IGS - Other	3,500.00
Total 211.4 · Partner Four Equity - IGS	106,864.69
216 · Retained Earnings	-216,289.67
Net Income	408,710.40
Total Equity	2,005,535.88
TOTAL LIABILITIES & EQUITY	6,028,597.07

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Accrual Basis

# Kentucky Frontier Gas, LLC

## Profit & Loss YTD Comparison

### September 2017

	Sep 17	Jan - Sep 17
<b>Income</b>		
405 • Management Fee Income		
405.1 • Management Fee Income - Auxier	16,702.28	296,638.39
<b>Total 405 • Management Fee Income</b>	16,702.28	296,638.39
419 • Interest Income	0.12	3.63
420 • Gain on Asset Sale/Disposition	0.00	1,373.00
480 • Residential Sales	25,772.63	1,053,527.71
481 • Commercial & Industrial Sales	16,105.57	329,537.03
482 • Commercial Tax Exempt	6,850.83	282,002.75
487 • Penalties & Forfeited Discounts	2,186.37	54,290.32
488 • Miscellaneous Service Revenues		
488.10 • Field Collection Fee	0.00	1,050.00
488.11 • Reconnection Fee	800.00	8,595.00
488.12 • Transfer Fee	180.00	1,710.00
488.13 • Reread Meter Fee	50.00	40.00
488.4 • Service Charges	750.00	16,260.00
488.6 • Relocate Meter Chg	0.00	1,094.00
488.7 • NSF	0.00	860.00
488.8 • Connection Fee	1,130.00	4,380.00
<b>Total 488 • Miscellaneous Service Revenues</b>	2,910.00	33,989.00
489 • Sales Tax Commission	20.74	285.42
490 • Other Income	131.66	1,509.88
491 • Customer Charge	43,720.00	405,440.00
<b>Total Income</b>	114,400.20	2,458,597.13
<b>Cost of Goods Sold</b>		
800 • Gas Supply Expenses		
804 • Natural Gas Purchases & Transp		
804.1 • Gas Purch - Quality	7,976.27	155,049.98
804.10 • Gas Purch-Hi Energy Gas	4,748.68	26,700.60
804.11 • Gas Purch - Jefferson Gas	10,819.92	398,291.68
804.12 • Gas Purch - Nytis Exploration	954.57	21,071.51
804.13 • Gas Purch - HTC Gas Company	1,254.35	12,857.95
804.16 • Southern Energy, LLC	4,032.18	260,362.11
804.17 • Gas Purch - Spirit Energy	0.00	62,797.02
804.2 • Gas Purch - Columbia	3,916.11	58,662.07
804.20 • Gas Purch- EQT Energy, LLC	4.48	401.73
804.3 • Gas Purch - KLC	2,205.48	19,957.42
804.5 • Gas Purch - Slone Energy	0.00	6,911.08
804.9 • Gas Purch - Magnum Drilling	493.50	16,920.75
<b>Total 804 • Natural Gas Purchases &amp; Transp</b>	36,405.54	1,039,983.90

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Accrual Basis

**Kentucky Frontier Gas, LLC**  
**Profit & Loss YTD Comparison**  
**September 2017**

	Sep 17	Jan - Sep 17
Total 800 · Gas Supply Expenses	36,405.54	1,039,983.90
Total COGS	36,405.54	1,039,983.90
Gross Profit	77,994.66	1,418,613.23
Expense		
408 · Taxes Other Than Income Taxes		
408.3 · Property Tax	0.00	4,419.26
408.4 · Annual PSC Assessment	0.00	6,085.12
Total 408 · Taxes Other Than Income Taxes	0.00	10,504.38
426 · Interest Exp - CTB (Line of Cr)	403.30	2,267.08
427 · Interest on Long-Term Debt		
427.1 · Interest on SBA Loan	44.85	12,388.75
427.10 · Interest on 2015 F350 Loan	44.88	454.57
427.11 · Int Exp- CTB 2015 Tacoma	29.17	566.28
427.12 · Int Exp- CTB SBA #3	0.00	19,566.81
427.13 · Int Exp-2016 Tacoma Access	0.00	325.68
427.15 · Int Exp-CTB ( 2017 Tacoma)	60.17	555.88
427.2 · Interest on USDA Loan #1	0.00	0.00
427.3 · Interest on USDA Loan #2	536.70	5,047.58
427.8 · Interest on SBA Loan #2	909.42	6,467.97
427.9 · Interest on Silverado Loan	80.84	999.32
427 · Interest on Long-Term Debt - Other	0.00	795.44
Total 427 · Interest on Long-Term Debt	1,706.03	47,168.28
431 · Other Interest Expense	0.00	77.00
768 · Contract Labor	336.60	3,366.60
806 · Gas Purch-Aei Kaars	0.00	0.00
807 · Gas Purch-Nytis(Evan 104)	0.00	0.00
808 · Gas Purch-Nytis (Dema)	0.00	0.00
809 · Gas Purch-Cumberland Valley	0.00	0.00
870 · DISTRIBUTION EXPENSES		
871 · DISTRIBUTION OPERATION		
874 · Mains & Services Expenses	1,104.90	21,658.50
878 · Meter & House Regulator Exp		
878.2 · Uniforms	0.00	47.35
Total 878 · Meter & House Regulator Exp	0.00	47.35
880 · Other Expenses		
880.1 · DOT Physicals	0.00	581.94
880.3 · Drug Testing	45.50	341.25
880.4 · Licenses & Permits	0.00	3,525.97
880.5 · Travel for Members	616.00	6,244.42
880.6 · Training	136.50	10,025.87

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Accrual Basis

**Kentucky Frontier Gas, LLC**  
**Profit & Loss YTD Comparison**  
**September 2017**

	Sep 17	Jan - Sep 17
880.8 · Easements	0.00	399.76
Total 880 · Other Expenses	798.00	21,119.21
871 · DISTRIBUTION OPERATION - Other	0.00	19.00
Total 871 · DISTRIBUTION OPERATION	1,902.90	42,844.06
884 · DISTRIBUTION MAINTENANCE		
887 · Maintenance of Mains	0.00	1,575.00
893 · Maint of Meters & House Reg	0.00	3,227.75
894 · Maint of Other Equipment	84.91	4,655.90
Total 884 · DISTRIBUTION MAINTENANCE	84.91	9,458.65
Total 870 · DISTRIBUTION EXPENSES	1,987.81	52,302.71
900 · CUSTOMER ACCOUNTS EXPENSES		
900.1 · CUSTOMER ACCT OPERATION		
905 · Misc Customer Accounts Exp		
905.2 · Postage and Delivery	1,929.41	24,279.72
905.3 · Printing and Reproduction	509.97	1,542.09
Total 905 · Misc Customer Accounts Exp	2,439.38	25,821.81
Total 900.1 · CUSTOMER ACCT OPERATION	2,439.38	25,821.81
Total 900 · CUSTOMER ACCOUNTS EXPENSES	2,439.38	25,821.81
906 · CUSTOMER SERVICE & INFORMATION		
906.1 · C S & I OPERATION		
909 · Inform & Instruc Advert Exp		
909.1 · Web Support	27.30	282.10
Total 909 · Inform & Instruc Advert Exp	27.30	282.10
910 · Misc Cust Serv & Infor Exp	0.00	12,685.54
Total 906.1 · C S & I OPERATION	27.30	12,967.64
Total 906 · CUSTOMER SERVICE & INFORMATION	27.30	12,967.64
918 · ADMINISTRATIVE & GENERAL EXP		
919 · ADMIN & GEN OPERATION		
920 · Admin & General Salaries		
920.2 · Payroll Administration Expenses	418.20	4,058.88
Total 920 · Admin & General Salaries	418.20	4,058.88
921 · Office Supplies and Expenses		
921.1 · Office Equipment	0.00	-561.58
921.10 · Meals and Entertainment	0.00	96.37

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Accrual Basis

**Kentucky Frontier Gas, LLC**  
**Profit & Loss YTD Comparison**  
**September 2017**

	Sep 17	Jan - Sep 17
921.11 - Travel	407.15	7,073.31
921.12 - Credit Cd Charges	1,155.59	13,235.47
921.2 - Office Supplies & Expense	200.52	13,487.75
921.3 - Bank Service Charges	18.10	1,710.93
921.4 - Computer Software	1,391.39	18,804.84
921.5 - Cleaning/Janitorial	0.00	45.50
921.7 - Dues and Subscriptions	29.12	301.21
921.8 - Telephone and Fax	2,130.01	26,039.26
921.9 - Utilities	799.87	6,426.33
921 - Office Supplies and Expenses - Other	0.00	-63.90
<b>Total 921 - Office Supplies and Expenses</b>	<b>6,131.75</b>	<b>86,595.49</b>
923 - Outside Services Employed		
923.2 - Outside Services - Accounting	0.00	5,419.25
923.3 - Outside Services - Engineering	0.00	70.00
923.4 - Outside Services - Legal	5,333.89	19,294.41
923.7 - Outside Serv-Consulting	0.00	8,422.96
923 - Outside Services Employed - Other	0.00	36,432.50
<b>Total 923 - Outside Services Employed</b>	<b>5,333.89</b>	<b>69,639.12</b>
924 - Insurance		
924.1 - Auto Insurance	0.00	16,901.32
924.2 - General Liability Insurance	1,165.94	10,493.46
924.3 - Life Insurance	574.29	1,722.87
924.4 - Property Insurance	101.38	912.42
924.5 - Worker's Compensation	1,633.00	20,048.02
924.7 - Insurance- Aflac	0.00	1,908.32
<b>Total 924 - Insurance</b>	<b>3,474.61</b>	<b>51,986.41</b>
926 - Employee Pensions & Benefits	8,223.22	62,091.15
930.2 - Miscellaneous General Expenses	0.00	2,031.87
931 - Rents	4,025.00	29,855.00
919 - ADMIN & GEN OPERATION - Other	55.00	495.00
<b>Total 919 - ADMIN &amp; GEN OPERATION</b>	<b>27,661.67</b>	<b>306,752.92</b>
<b>Total 918 - ADMINISTRATIVE &amp; GENERAL EXP</b>	<b>27,661.67</b>	<b>306,752.92</b>
932 - MAINTENANCE OF GENERAL PLANT		
932.0 - Maint of General Plant - Garage	0.00	217.57
932.1 - Repairs		
Building Repairs	0.00	31.69
Computer Repairs	0.00	1,200.00
Equipment Repairs		
Transportation Equipment	314.36	5,747.69

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Accrual Basis

**Kentucky Frontier Gas, LLC**  
**Profit & Loss YTD Comparison**  
**September 2017**

	Sep 17	Jan - Sep 17
Equipment Repairs - Other	0.00	3,988.68
Total Equipment Repairs	314.36	9,736.37
Total 932.1 - Repairs	314.36	10,968.06
932.3 - Tools & Equipment	0.00	1,076.30
932.4 - Transportaion Equipment Fuel	3,593.27	31,362.21
932 - MAINTENANCE OF GENERAL PLANT - Other	0.00	23.28
Total 932 - MAINTENANCE OF GENERAL PLANT	3,907.63	43,647.42
981 - Interest Expense-Meter Deposit	2.28	75.38
990 - PAYROLL		
Employer CO State Unemployment	51.71	119.24
991 - Employee Wages	75,091.80	459,696.73
992 - Employer Social Security	4,655.69	28,708.76
993 - Employer Medicare	1,088.89	6,714.30
994 - Employer FUTA	40.82	898.56
995 - Employer KY State Unemployment	181.85	6,061.87
996 - Garnishment	0.00	2,477.15
Total 990 - PAYROLL	81,110.76	504,676.61
999 - Loss on Sale of Assets	0.00	275.00
Total Expense	119,582.76	1,009,902.83
Net Income	-41,588.10	408,710.40

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Accrual Basis

## AUXIER ROAD GAS COMPANY, INC.

## Balance Sheet

As of September 30, 2017

	Sep 30, 17
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
131 • Cash	
13106 • Cash In Bank-Citizens KFG	2,819.67
Total 131 • Cash	2,819.67
Total Checking/Savings	2,819.67
Accounts Receivable	
142 • Accounts Receivable	53,578.16
143 • Other Receivable	
14301 • DEMA- N/R KFG	-5,885.42
Total 143 • Other Receivable	-5,885.42
Total Accounts Receivable	47,692.74
Other Current Assets	
145 • N/R from Associated companies	483,591.30
Total Other Current Assets	483,591.30
Total Current Assets	534,103.71
Fixed Assets	
161 • Plant & Equipment	
16102 • DEMA- Mains/Meters	42,036.00
16110 • CIAC	-4,364.82
161 • Plant & Equipment - Other	1,180,606.05
Total 161 • Plant & Equipment	1,218,277.23
168 • Accum Depreciation	
16801 • DEMA - Accum Depr	-39,356.00
168 • Accum Depreciation - Other	-908,974.00
Total 168 • Accum Depreciation	-948,330.00
Total Fixed Assets	269,947.23
<b>TOTAL ASSETS</b>	<b>804,050.94</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
232 • Accounts Payable	
23202 • Accounts Payable Current	10,828.17
232 • Accounts Payable - Other	4,983.57
Total 232 • Accounts Payable	15,811.74
Total Accounts Payable	15,811.74
Other Current Liabilities	
235 • Customer Deposits	43,215.31
237 • Accrued Interest	
23701 • Accrued Interest Deposits	-20.81
Total 237 • Accrued Interest	-20.81
238 • Accrued Taxes	
23805 • Accrued Sales Tax	108.94
23806 • School Tax	508.19
Total 238 • Accrued Taxes	617.13
Total Other Current Liabilities	43,811.63

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Accrual Basis

AUXIER ROAD GAS COMPANY, INC.

Balance Sheet

As of September 30, 2017

	Sep 30, 17
Total Current Liabilities	59,623.37
Total Liabilities	59,623.37
Equity	
301 - Common Stock	
30101 - DEMA - Common Stock	6,000.00
301 - Common Stock - Other	20,000.00
Total 301 - Common Stock	26,000.00
317 - Other Paid-In Capital	78,895.00
31701 - DEMA - Addtnl Paid In Capital	55,608.00
318 - Retained Earnings	362,860.03
31801 - DEMA - Retained Earnings	-10,211.60
Net Income	231,276.14
Total Equity	744,427.57
TOTAL LIABILITIES & EQUITY	804,050.94

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Accrual Basis

**AUXIER ROAD GAS COMPANY, INC.**  
**Profit & Loss YTD Comparison**  
**September 2017**

	Sep 17	Jan - Sep 17
Ordinary Income/Expense		
Income		
48001 • Residential	1,223.67	122,365.11
48002 • Commercial	25,943.75	74,703.59
48003 • Commercial-Nontaxable	3,061.47	344,229.84
482 • Field Collection Fee	0.00	50.00
483 • Transfer Service Chg	90.00	330.00
484 • Nsf Charge	30.00	180.00
486 • Reconnection Fee	100.00	650.00
487 • Penalties	91.48	4,004.63
488 • Service Charge	350.00	2,035.00
489 • Sales Tax Commission	1.94	58.04
491 • Customer Charge	4,650.00	42,330.00
493 • Customer Charge- Lg	150.00	1,350.00
494 • AMR Charge	468.00	933.00
495 • Pipeline Replacement Charge	585.00	1,166.25
Total Income	36,745.31	594,385.46
Expense		
730 • Gas Purchases		
73002 • Gas Purchases- AEI-KAARS	0.00	6,472.44
73005 • Gas Purchases-Nytis Exploration	3,087.90	23,945.46
73006 • Gas Purch- Nytis (Dema)	81.77	497.62
73008 • Gas Purchases-Cumberland Valley	9,364.57	229,222.43
Total 730 • Gas Purchases	12,534.24	260,137.95
763 • Contract Labor	23.40	293.40
766 • Rents	0.00	2,371.21
768 • Maintenance of Meters	0.00	319.23
769 • Maintenance of other Equip	8.40	460.47
874 • Mains and Service Expense	135.50	3,389.97
878 • Meter and House Regulator Exp		
878.2 • Uniforms	0.00	4.68
Total 878 • Meter and House Regulator Exp	0.00	4.68
90301 • Computer Billing	0.00	86.03
909 • Inform & Instruc Advert Exp		
90901 • Web support	2.70	27.90
Total 909 • Inform & Instruc Advert Exp	2.70	27.90
921 • Office Supplies and Expense		
92101 • Telephone	434.01	4,318.50
92102 • Cleaning/Janitorial	0.00	4.50
92103 • Postage	204.06	2,418.91
92104 • Bank Charges	44.33	343.27
92105 • Office Supplies & Expense	230.16	3,777.92
92107 • Travel	124.26	1,551.21
92108 • Drug Testing	4.50	33.75
92109 • Credit Cd Chgs	114.29	1,309.02
92110 • Printing and Reproduction	78.34	115.72
Total 921 • Office Supplies and Expense	1,233.95	13,872.80
923 • Outside Services Employed		
92302 • Outside Serv-Legal	527.53	1,749.01
92303 • Outside Services-Consulting	0.00	833.04
Total 923 • Outside Services Employed	527.53	2,582.05
92301 • Accounting	0.00	2,192.25
924 • Insurance		
92401 • Auto Insurance	0.00	1,671.56
92402 • General Liability Insurance	115.31	1,037.79
92403 • Worker's Compensation	161.51	1,982.76

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Accrual Basis

**AUXIER ROAD GAS COMPANY, INC.**  
**Profit & Loss YTD Comparison**  
**September 2017**

	Sep 17	Jan - Sep 17
92404 • Property Insurance	10.03	90.27
Total 924 • Insurance	286.85	4,782.38
926 • Employee Benefits	738.53	5,473.55
930 • Miscellaneous Gen Expense		
93003 • Licenses & Permits	0.00	313.32
93004 • Dues and Subscriptions	2.88	29.79
930 • Miscellaneous Gen Expense - Other	0.00	72.32
Total 930 • Miscellaneous Gen Expense	2.88	415.43
931 • Rent	420.00	3,150.00
932 • Maintenance of General Plant	0.00	344.36
93301 • Gasoline	355.38	3,103.57
93303 • Transportation Expenses	31.09	601.56
981 • Interest Expense		
98106 • Int Exp - Meter Deposit	1.19	3.06
98107 • Interest Expense-Other	0.00	7.62
Total 981 • Interest Expense	1.19	10.68
98112 • Interest on Long-Term Debt	4,830.31	50,461.82
983 • Depreciation Expense	1,500.00	13,500.00
987 • Income Taxes		
98704 • Penalties	0.00	276.65
Total 987 • Income Taxes	0.00	276.65
98803 • Public Serv Comm Assess	0.00	1,570.56
98804 • Taxes Other than Income	0.00	680.82
Total Expense	22,631.95	370,109.32
Net Ordinary Income	14,113.36	224,276.14
Other Income/Expense		
Other Income		
490 • Other Income	0.00	7,000.00
Total Other Income	0.00	7,000.00
Net Other Income	0.00	7,000.00
Net Income	14,113.36	231,276.14

# Kentucky Frontier Gas, LLC

## Profit & Loss

January through September 2017

	KFG	Jan - Sep 17	
Income			Ordinary Income
405 · Management Fee Income			Income
405.1 · Management Fee Income - Auxier		296,638.39	4800
Total 405 · Management Fee Income		296,638.39	4800
419 · Interest Income		3.63	4800
420 · Gain on Asset Sale/Disposition		1,373.00	482
480 · Residential Sales		1,175,892.82	483
481 · Commercial & Industrial Sales		404,240.62	484
482 · Commercial Tax Exempt		626,232.59	486
487 · Penalties & Forfeited Discounts		58,294.95	487
488 · Miscellaneous Service Revenues			488
488.10 · Field Collection Fee		1,100.00	489
488.11 · Reconnection Fee		9,245.00	491
488.12 · Transfer Fee		2,040.00	493
488.13 · Reread Meter Fee		40.00	494
488.4 · Service Charges		18,295.00	495
488.6 · Relocate Meter Chg		1,094.00	Total Inc
488.7 · NSF		1,040.00	Expense
488.8 · Connection Fee		4,380.00	730
Total 488 · Miscellaneous Service Revenues		37,234.00	
489 · Sales Tax Commission		343.46	
490 · Other Income		10,609.13	
491 · Customer Charge		449,120.00	
Total Income		3,059,982.59	Tota
Cost of Goods Sold			763
800 · Gas Supply Expenses			766
804 · Natural Gas Purchases & Transp		260,137.95	768
804.1 · Gas Purch - Quality		155,049.98	769
804.10 · Gas Purch-Hi Energy Gas		26,700.60	874
804.11 · Gas Purch - Jefferson Gas		398,291.68	878
804.12 · Gas Purch - Nytis Exploration		21,071.51	
804.13 · Gas Purch - HTC Gas Company		12,857.95	Tota
804.16 · Southern Energy, LLC		260,362.11	9030
804.17 · Gas Purch - Spirit Energy		62,797.02	909
804.2 · Gas Purch - Columbia		58,662.07	
804.20 · Gas Purch- EQT Energy, LLC		401.73	Tota
804.3 · Gas Purch - KLC		19,957.42	921
804.5 · Gas Purch - Slone Energy		6,911.08	
804.9 · Gas Purch - Magnum Drilling		16,920.75	
Total 804 · Natural Gas Purchases & Transp		1,300,121.85	
Total 800 · Gas Supply Expenses		1,300,121.85	
Total COGS		1,300,121.85	
Gross Profit		1,759,860.74	
Expense			
408 · Taxes Other Than Income Taxes		957.47	

# Kentucky Frontier Gas, LLC

## Profit & Loss

January through September 2017

	KFG	Jan - Sep 17	
408.3 · Property Tax		4,419.26	
408.4 · Annual PSC Assessment		7,655.68	Total
<b>Total 408 · Taxes Other Than Income Taxes</b>		<b>13,032.41</b>	<b>923</b>
426 · Interest Exp - CTB (Line of Cr)		2,267.08	
427 · Interest on Long-Term Debt		50,461.82	
427.1 · Interest on SBA Loan		12,388.75	Total
427.10 · Interest on 2015 F350 Loan		454.57	9230
427.11 · Int Exp- CTB 2015 Tacoma		566.28	924
427.12 · Int Exp- CTB SBA #3		19,566.81	
427.13 · Int Exp-2016 Tacoma Access		325.68	
427.15 · Int Exp-CTB ( 2017 Tacoma)		555.88	
427.2 · Interest on USDA Loan #1		0.00	
427.3 · Interest on USDA Loan #2		5,047.58	Total
427.8 · Interest on SBA Loan #2		6,467.97	926
427.9 · Interest on Silverado Loan		999.32	930
427 · Interest on Long-Term Debt - Other		795.44	
<b>Total 427 · Interest on Long-Term Debt</b>		<b>97,630.10</b>	
431 · Other Interest Expense		77.00	
768 · Contract Labor		3,660.00	Total
806 · Gas Purch-Aei Kaars		0.00	931
807 · Gas Purch-Nytis(Evan 104)		0.00	932
808 · Gas Purch-Nytis (Dema)		0.00	9330
809 · Gas Purch-Cumberland Valley		0.00	9330
870 · DISTRIBUTION EXPENSES			981
871 · DISTRIBUTION OPERATION			
874 · Mains & Services Expenses		25,048.47	
878 · Meter & House Regulator Exp			Total
878.2 · Uniforms		52.03	9811
<b>Total 878 · Meter &amp; House Regulator Exp</b>		<b>52.03</b>	<b>983</b>
880 · Other Expenses			987
880.1 · DOT Physicals		581.94	
880.3 · Drug Testing		375.00	Total
880.4 · Licenses & Permits		3,839.29	9880
880.5 · Travel for Members		6,244.42	9880
880.6 · Training		10,025.87	Total Exp
880.8 · Easements		399.76	Net Ordinary
<b>Total 880 · Other Expenses</b>		<b>21,466.28</b>	Other Income
871 · DISTRIBUTION OPERATION - Other		19.00	Other Inc
<b>Total 871 · DISTRIBUTION OPERATION</b>		<b>46,585.78</b>	<b>490</b>
884 · DISTRIBUTION MAINTENANCE			Total Ot
887 · Maintenance of Mains		1,575.00	Net Other Inc
893 · Maint of Meters & House Reg		3,546.98	Net Income
894 · Maint of Other Equipment		5,116.37	
<b>Total 884 · DISTRIBUTION MAINTENANCE</b>		<b>10,238.35</b>	

Kentucky Frontier Gas, LLC  
**Profit & Loss**

January through September 2017

KFG

Jan - Sep 17

Total 870 · DISTRIBUTION EXPENSES	56,824.13
900 · CUSTOMER ACCOUNTS EXPENSES	
900.1 · CUSTOMER ACCT OPERATION	
905 · Misc Customer Accounts Exp	
905.2 · Postage and Delivery	26,698.63
905.3 · Printing and Reproduction	1,657.81
Total 905 · Misc Customer Accounts Exp	28,356.44
Total 900.1 · CUSTOMER ACCT OPERATION	28,356.44
Total 900 · CUSTOMER ACCOUNTS EXPENSES	28,356.44
906 · CUSTOMER SERVICE & INFORMATION	
906.1 · C S & I OPERATION	
909 · Inform & Instruc Advert Exp	113.93
909.1 · Web Support	282.10
Total 909 · Inform & Instruc Advert Exp	396.03
910 · Misc Cust Serv & Infor Exp	12,685.54
Total 906.1 · C S & I OPERATION	13,081.57
Total 906 · CUSTOMER SERVICE & INFORMATION	13,081.57
918 · ADMINISTRATIVE & GENERAL EXP	
919 · ADMIN & GEN OPERATION	
920 · Admin & General Salaries	
920.2 · Payroll Administration Expenses	4,058.88
Total 920 · Admin & General Salaries	4,058.88
921 · Office Supplies and Expenses	
921.1 · Office Equipment	-561.58
921.10 · Meals and Entertainment	96.37
921.11 · Travel	8,624.52
921.12 · Credit Cd Charges	14,544.49
921.2 · Office Supplies & Expense	17,265.67
921.3 · Bank Service Charges	2,054.20
921.4 · Computer Software	18,804.84
921.5 · Cleaning/Janitorial	50.00
921.7 · Dues and Subscriptions	331.00
921.8 · Telephone and Fax	30,357.76
921.9 · Utilities	6,426.33
921 · Office Supplies and Expenses - Other	-63.90
Total 921 · Office Supplies and Expenses	97,929.70
923 · Outside Services Employed	
923.2 · Outside Services - Accounting	7,611.50
923.3 · Outside Services - Engineering	70.00
923.4 · Outside Services - Legal	21,043.42
923.7 · Outside Serv-Consulting	9,256.00
923 · Outside Services Employed - Other	36,432.50
Total 923 · Outside Services Employed	74,413.42
924 · Insurance	
924.1 · Auto Insurance	18,572.88

# Kentucky Frontier Gas, LLC

## Profit & Loss

January through September 2017

KFG	Jan - Sep 17
924.2 · General Liability Insurance	11,531.25
924.3 · Life Insurance	1,722.87
924.4 · Property Insurance	1,002.69
924.5 · Worker's Compensation	22,030.78
924.7 · Insurance- Aflac	1,908.32
Total 924 · Insurance	56,768.79
926 · Employee Pensions & Benefits	67,564.70
930.2 · Miscellaneous General Expenses	2,104.19
931 · Rents	35,376.21
919 · ADMIN & GEN OPERATION - Other	495.00
Total 919 · ADMIN & GEN OPERATION	338,710.89
Total 918 · ADMINISTRATIVE & GENERAL EXP	338,710.89
932 · MAINTENANCE OF GENERAL PLANT	
932.0 · Maint of General Plant - Garage	561.93
932.1 · Repairs	
Building Repairs	31.69
Computer Repairs	1,200.00
Equipment Repairs	
Transportation Equipment	6,349.25
Equipment Repairs - Other	3,988.68
Total Equipment Repairs	10,337.93
Total 932.1 · Repairs	11,569.62
932.3 · Tools & Equipment	1,076.30
932.4 · Transportaion Equipment Fuel	34,465.78
932 · MAINTENANCE OF GENERAL PLANT - Other	23.28
Total 932 · MAINTENANCE OF GENERAL PLANT	47,696.91
981 · Interest Expense-Meter Deposit	86.06
990 · PAYROLL	
Employer CO State Unemployment	119.24
991 · Employee Wages	459,696.73
992 · Employer Social Security	28,708.76
993 · Employer Medicare	6,714.30
994 · Employer FUTA	898.56
995 · Employer KY State Unemployment	6,061.87
996 · Garnishment	2,477.15
Total 990 · PAYROLL	504,676.61
999 · Loss on Sale of Assets	275.00
Total Expense	1,106,374.20
Net Income	653,486.54

from Auxier not on above sheets

983 · Depreciation Expense 13500

Kentucky Frontier Gas, LLC  
Profit & Loss

January through September 2017

	KFG	<u>Jan - Sep 17</u>
AUX		231276.14
KFG		408710.4
total		639986.54 639,986.54
		0.00

# Kentucky Frontier Gas, LLC Profit & Loss

January through September 2017

KFG

Auxier

Income	Expense
405 · Management Fee Income	01 · Residential
405.1 · Management Fee Income - Auxier	02 · Commercial
Total 405 · Management Fee Income	03 · Commercial-Nontaxable
419 · Interest Income	· Field Collection Fee
420 · Gain on Asset Sale/Disposition	· Transfer Service Chg
480 · Residential Sales	· Nsf Charge
481 · Commercial & Industrial Sales	· Reconnection Fee
482 · Commercial Tax Exempt	· Penalties
487 · Penalties & Forfeited Discounts	· Service Charge
488 · Miscellaneous Service Revenues	· Sales Tax Commission
488.10 · Field Collection Fee	· Customer Charge
488.11 · Reconnection Fee	· Customer Charge- Lg
488.12 · Transfer Fee	· AMR Charge
488.13 · Reread Meter Fee	· Pipeline Replacement Charge
488.4 · Service Charges	ome
488.6 · Relocate Meter Chg	
488.7 · NSF	
488.8 · Connection Fee	· Gas Purchases
Total 488 · Miscellaneous Service Revenues	73002 · Gas Purchases- AEI-KAARS
489 · Sales Tax Commission	73005 · Gas Purchases-Nytis Exploration
490 · Other Income	73006 · Gas Purch- Nytis (Dema)
491 · Customer Charge	73008 · Gas Purchases-Cumberland Valley
Total Income	il 730 · Gas Purchases
Cost of Goods Sold	· Contract Labor
800 · Gas Supply Expenses	· Rents
804 · Natural Gas Purchases & Transp	· Maintenance of Meters
804.1 · Gas Purch - Quality	· Maintenance of other Equip
804.10 · Gas Purch-Hi Energy Gas	· Mains and Service Expense
804.11 · Gas Purch - Jefferson Gas	· Meter and House Regulator Exp
804.12 · Gas Purch - Nytis Exploration	878.2 · Uniforms
804.13 · Gas Purch - HTC Gas Company	il 878 · Meter and House Regulator Exp
804.16 · Southern Energy, LLC	01 · Computer Billing
804.17 · Gas Purch - Spirit Energy	· Inform & Instruc Advert Exp
804.2 · Gas Purch - Columbia	90901 · Web support
804.20 · Gas Purch- EQT Energy, LLC	il 909 · Inform & Instruc Advert Exp
804.3 · Gas Purch - KLC	· Office Supplies and Expense
804.5 · Gas Purch - Slone Energy	92101 · Telephone
804.9 · Gas Purch - Magnum Drilling	92102 · Cleaning/Janitorial
Total 804 · Natural Gas Purchases & Transp	92103 · Postage
Total 800 · Gas Supply Expenses	92104 · Bank Charges
Total COGS	92105 · Office Supplies & Expense
Gross Profit	92107 · Travel
Expense	92108 · Drug Testing
408 · Taxes Other Than Income Taxes	92109 · Credit Cd Chgs

# Kentucky Frontier Gas, LLC

## Profit & Loss

January through September 2017

KFG

Auxier

408.3 · Property Tax  
408.4 · Annual PSC Assessment  
Total 408 · Taxes Other Than Income Taxes  
426 · Interest Exp - CTB (Line of Cr)  
427 · Interest on Long-Term Debt  
    427.1 · Interest on SBA Loan  
    427.10 · Interest on 2015 F350 Loan  
    427.11 · Int Exp- CTB 2015 Tacoma  
    427.12 · Int Exp- CTB SBA #3  
    427.13 · Int Exp-2016 Tacoma Access  
    427.15 · Int Exp-CTB ( 2017 Tacoma)  
    427.2 · Interest on USDA Loan #1  
    427.3 · Interest on USDA Loan #2  
    427.8 · Interest on SBA Loan #2  
    427.9 · Interest on Silverado Loan  
    427 · Interest on Long-Term Debt - Other  
Total 427 · Interest on Long-Term Debt  
431 · Other Interest Expense  
768 · Contract Labor  
806 · Gas Purch-Aei Kaars  
807 · Gas Purch-Nytis(Evan 104)  
808 · Gas Purch-Nytis (Dema)  
809 · Gas Purch-Cumberland Valley  
870 · DISTRIBUTION EXPENSES  
    871 · DISTRIBUTION OPERATION  
        874 · Mains & Services Expenses  
        878 · Meter & House Regulator Exp  
            878.2 · Uniforms  
        Total 878 · Meter & House Regulator Exp  
    880 · Other Expenses  
        880.1 · DOT Physicals  
        880.3 · Drug Testing  
        880.4 · Licenses & Permits  
        880.5 · Travel for Members  
        880.6 · Training  
        880.8 · Easements  
    Total 880 · Other Expenses  
    871 · DISTRIBUTION OPERATION - Other  
Total 871 · DISTRIBUTION OPERATION  
884 · DISTRIBUTION MAINTENANCE  
    887 · Maintenance of Mains  
    893 · Maint of Meters & House Reg  
    894 · Maint of Other Equipment  
Total 884 · DISTRIBUTION MAINTENANCE

92110 · Printing and Reproduction  
il 921 · Office Supplies and Expense  
· Outside Services Employed  
92302 · Outside Serv-Legal  
92303 · Outside Services-Consulting  
il 923 · Outside Services Employed  
J1 · Accounting  
· Insurance  
92401 · Auto Insurance  
92402 · General Liability Insurance  
92403 · Worker's Compensation  
92404 · Property Insurance  
il 924 · Insurance  
· Employee Benefits  
· Miscellaneous Gen Expense  
93003 · Licenses & Permits  
93004 · Dues and Subscriptions  
930 · Miscellaneous Gen Expense - Other  
il 930 · Miscellaneous Gen Expense  
· Rent  
· Maintenance of General Plant  
J1 · Gasoline  
J3 · Transportation Expenses  
· Interest Expense  
98106 · Int Exp - Meter Deposit  
98107 · Interest Expense-Other  
il 981 · Interest Expense  
I2 · Interest on Long-Term Debt  
· Depreciation Expense  
· Income Taxes  
98704 · Penalties  
il 987 · Income Taxes  
J3 · Public Serv Comm Assess  
J4 · Taxes Other than Income  
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Income  
Expense  
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· Other Income  
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Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

Auxier

Total 870 · DISTRIBUTION EXPENSES

900 · CUSTOMER ACCOUNTS EXPENSES

900.1 · CUSTOMER ACCT OPERATION

905 · Misc Customer Accounts Exp

905.2 · Postage and Delivery

905.3 · Printing and Reproduction

Total 905 · Misc Customer Accounts Exp

Total 900.1 · CUSTOMER ACCT OPERATION

Total 900 · CUSTOMER ACCOUNTS EXPENSES

906 · CUSTOMER SERVICE & INFORMATION

906.1 · C S & I OPERATION

909 · Inform & Instruc Advert Exp

909.1 · Web Support

Total 909 · Inform & Instruc Advert Exp

910 · Misc Cust Serv & Infor Exp

Total 906.1 · C S & I OPERATION

Total 906 · CUSTOMER SERVICE & INFORMATION

918 · ADMINISTRATIVE & GENERAL EXP

919 · ADMIN & GEN OPERATION

920 · Admin & General Salaries

920.2 · Payroll Administration Expenses

Total 920 · Admin & General Salaries

921 · Office Supplies and Expenses

921.1 · Office Equipment

921.10 · Meals and Entertainment

921.11 · Travel

921.12 · Credit Cd Charges

921.2 · Office Supplies & Expense

921.3 · Bank Service Charges

921.4 · Computer Software

921.5 · Cleaning/Janitorial

921.7 · Dues and Subscriptions

921.8 · Telephone and Fax

921.9 · Utilities

921 · Office Supplies and Expenses - Other

Total 921 · Office Supplies and Expenses

923 · Outside Services Employed

923.2 · Outside Services - Accounting

923.3 · Outside Services - Engineering

923.4 · Outside Services - Legal

923.7 · Outside Serv-Consulting

923 · Outside Services Employed - Other

Total 923 · Outside Services Employed

924 · Insurance

924.1 · Auto Insurance

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

Auxier

924.2 · General Liability Insurance  
924.3 · Life Insurance  
924.4 · Property Insurance  
924.5 · Worker's Compensation  
924.7 · Insurance- Aflac

Total 924 · Insurance

926 · Employee Pensions & Benefits

930.2 · Miscellaneous General Expenses

931 · Rents

919 · ADMIN & GEN OPERATION - Other

Total 919 · ADMIN & GEN OPERATION

Total 918 · ADMINISTRATIVE & GENERAL EXP

932 · MAINTENANCE OF GENERAL PLANT

932.0 · Maint of General Plant - Garage

932.1 · Repairs

Building Repairs

Computer Repairs

Equipment Repairs

Transportation Equipment

Equipment Repairs - Other

Total Equipment Repairs

Total 932.1 · Repairs

932.3 · Tools & Equipment

932.4 · Transportaion Equipment Fuel

932 · MAINTENANCE OF GENERAL PLANT - Other

Total 932 · MAINTENANCE OF GENERAL PLANT

981 · Interest Expense-Meter Deposit

990 · PAYROLL

Employer CO State Unemployment

991 · Employee Wages

992 · Employer Social Security

993 · Employer Medicare

994 · Employer FUTA

995 · Employer KY State Unemployment

996 · Garnishment

Total 990 · PAYROLL

999 · Loss on Sale of Assets

Total Expense

Net Income

from Auxier not on above sheets

983 · Depreciation Expense

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

Auxier

AUX  
KFG  
total

Kentucky Frontier Gas, LLC  
Profit & Loss

January through September 2017

KFG

Jan - Sep 17

Income

405 · Management Fee Income

405.1 · Management Fee Income - Auxier

Total 405 · Management Fee Income

419 · Interest Income

420 · Gain on Asset Sale/Disposition

480 · Residential Sales

481 · Commercial & Industrial Sales

482 · Commercial Tax Exempt

487 · Penalties & Forfeited Discounts

488 · Miscellaneous Service Revenues

488.10 · Field Collection Fee

488.11 · Reconnection Fee

488.12 · Transfer Fee

488.13 · Reread Meter Fee

488.4 · Service Charges

488.6 · Relocate Meter Chg

488.7 · NSF

488.8 · Connection Fee

Total 488 · Miscellaneous Service Revenues

489 · Sales Tax Commission

490 · Other Income

491 · Customer Charge

Total Income

0.00

Operation :

Total Operi

Cost of Goods Sold

800 · Gas Supply Expenses

804 · Natural Gas Purchases & Transp

804.1 · Gas Purch - Quality

804.10 · Gas Purch-Hi Energy Gas

804.11 · Gas Purch - Jefferson Gas

804.12 · Gas Purch - Nytis Exploration

804.13 · Gas Purch - HTC Gas Company

804.16 · Southern Energy, LLC

804.17 · Gas Purch - Spirit Energy

804.2 · Gas Purch - Columbia

804.20 · Gas Purch- EQT Energy, LLC

804.3 · Gas Purch - KLC

804.5 · Gas Purch - Slone Energy

804.9 · Gas Purch - Magnum Drilling

Total 804 · Natural Gas Purchases & Transp

Total 800 · Gas Supply Expenses

Total COGS

Gross Profit

Expense

408 · Taxes Other Than Income Taxes

# Kentucky Frontier Gas, LLC Profit & Loss

January through September 2017

KFG

Jan - Sep 17

408.3 · Property Tax	
408.4 · Annual PSC Assessment	0.00
<b>Total 408 · Taxes Other Than Income Taxes</b>	
426 · Interest Exp - CTB (Line of Cr)	
427 · Interest on Long-Term Debt	
427.1 · Interest on SBA Loan	0.00
427.10 · Interest on 2015 F350 Loan	
427.11 · Int Exp- CTB 2015 Tacoma	
427.12 · Int Exp- CTB SBA #3	
427.13 · Int Exp-2016 Tacoma Access	
427.15 · Int Exp-CTB ( 2017 Tacoma)	
427.2 · Interest on USDA Loan #1	
427.3 · Interest on USDA Loan #2	0.00
427.8 · Interest on SBA Loan #2	
427.9 · Interest on Silverado Loan	
427 · Interest on Long-Term Debt - Other	
<b>Total 427 · Interest on Long-Term Debt</b>	
431 · Other Interest Expense	
768 · Contract Labor	0.00
806 · Gas Purch-Aei Kaars	
807 · Gas Purch-Nytis(Evan 104)	
808 · Gas Purch-Nytis (Dema)	
809 · Gas Purch-Cumberland Valley	
870 · DISTRIBUTION EXPENSES	
871 · DISTRIBUTION OPERATION	
874 · Mains & Services Expenses	
878 · Meter & House Regulator Exp	0.00
878.2 · Uniforms	
<b>Total 878 · Meter &amp; House Regulator Exp</b>	13,500.00
880 · Other Expenses	
880.1 · DOT Physicals	
880.3 · Drug Testing	0.00
880.4 · Licenses & Permits	
880.5 · Travel for Members	
880.6 · Training	13,500.00
880.8 · Easements	-13,500.00
<b>Total 880 · Other Expenses</b>	
871 · DISTRIBUTION OPERATION - Other	
<b>Total 871 · DISTRIBUTION OPERATION</b>	
884 · DISTRIBUTION MAINTENANCE	0.00
887 · Maintenance of Mains	0.00
893 · Maint of Meters & House Reg	-13,500.00
894 · Maint of Other Equipment	
<b>Total 884 · DISTRIBUTION MAINTENANCE</b>	

Kentucky Frontier Gas, LLC  
**Profit & Loss**

January through September 2017

KFG

Jan - Sep 17

Total 870 · DISTRIBUTION EXPENSES

900 · CUSTOMER ACCOUNTS EXPENSES

900.1 · CUSTOMER ACCT OPERATION

905 · Misc Customer Accounts Exp

905.2 · Postage and Delivery

905.3 · Printing and Reproduction

Total 905 · Misc Customer Accounts Exp

Total 900.1 · CUSTOMER ACCT OPERATION

Total 900 · CUSTOMER ACCOUNTS EXPENSES

906 · CUSTOMER SERVICE & INFORMATION

906.1 · C S & I OPERATION

909 · Inform & Instruc Advert Exp

909.1 · Web Support

Total 909 · Inform & Instruc Advert Exp

910 · Misc Cust Serv & Infor Exp

Total 906.1 · C S & I OPERATION

Total 906 · CUSTOMER SERVICE & INFORMATION

918 · ADMINISTRATIVE & GENERAL EXP

919 · ADMIN & GEN OPERATION

920 · Admin & General Salaries

920.2 · Payroll Administration Expenses

Total 920 · Admin & General Salaries

921 · Office Supplies and Expenses

921.1 · Office Equipment

921.10 · Meals and Entertainment

921.11 · Travel

921.12 · Credit Cd Charges

921.2 · Office Supplies & Expense

921.3 · Bank Service Charges

921.4 · Computer Software

921.5 · Cleaning/Janitorial

921.7 · Dues and Subscriptions

921.8 · Telephone and Fax

921.9 · Utilities

921 · Office Supplies and Expenses - Other

Total 921 · Office Supplies and Expenses

923 · Outside Services Employed

923.2 · Outside Services - Accounting

923.3 · Outside Services - Engineering

923.4 · Outside Services - Legal

923.7 · Outside Serv-Consulting

923 · Outside Services Employed - Other

Total 923 · Outside Services Employed

924 · Insurance

924.1 · Auto Insurance

Kentucky Frontier Gas, LLC  
**Profit & Loss**

January through September 2017

KFG

Jan - Sep 17

924.2 · General Liability Insurance

924.3 · Life Insurance

924.4 · Property Insurance

924.5 · Worker's Compensation

924.7 · Insurance- Aflac

Total 924 · Insurance

926 · Employee Pensions & Benefits

930.2 · Miscellaneous General Expenses

931 · Rents

919 · ADMIN & GEN OPERATION - Other

Total 919 · ADMIN & GEN OPERATION

**Total 918 · ADMINISTRATIVE & GENERAL EXP**

**932 · MAINTENANCE OF GENERAL PLANT**

932.0 · Maint of General Plant - Garage

932.1 · Repairs

Building Repairs

Computer Repairs

Equipment Repairs

Transportation Equipment

Equipment Repairs - Other

Total Equipment Repairs

Total 932.1 · Repairs

932.3 · Tools & Equipment

932.4 · Transportaion Equipment Fuel

932 · MAINTENANCE OF GENERAL PLANT - Other

**Total 932 · MAINTENANCE OF GENERAL PLANT**

981 · Interest Expense-Meter Deposit

**990 · PAYROLL**

Employer CO State Unemployment

991 · Employee Wages

992 · Employer Social Security

993 · Employer Medicare

994 · Employer FUTA

995 · Employer KY State Unemployment

996 · Garnishment

**Total 990 · PAYROLL**

999 · Loss on Sale of Assets

Total Expense

Net Income

from Auxier not on above sheets

983 · Depreciation Expense

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG Jan - Sep 17

AUX  
KFG  
total

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

Income

405 · Management Fee Income  
    405.1 · Management Fee Income - Auxier  
Total 405 · Management Fee Income  
419 · Interest Income  
420 · Gain on Asset Sale/Disposition  
480 · Residential Sales  
481 · Commercial & Industrial Sales  
482 · Commercial Tax Exempt  
487 · Penalties & Forfeited Discounts  
488 · Miscellaneous Service Revenues  
    488.10 · Field Collection Fee  
    488.11 · Reconnection Fee  
    488.12 · Transfer Fee  
    488.13 · Reread Meter Fee  
    488.4 · Service Charges  
    488.6 · Relocate Meter Chg  
    488.7 · NSF  
    488.8 · Connection Fee  
Total 488 · Miscellaneous Service Revenues  
489 · Sales Tax Commission  
490 · Other Income  
491 · Customer Charge

Total Income

Cost of Goods Sold

800 · Gas Supply Expenses  
    804 · Natural Gas Purchases & Transp  
        804.1 · Gas Purch - Quality  
        804.10 · Gas Purch-Hi Energy Gas  
        804.11 · Gas Purch - Jefferson Gas  
        804.12 · Gas Purch - Nytis Exploration  
        804.13 · Gas Purch - HTC Gas Company  
        804.16 · Southern Energy, LLC  
        804.17 · Gas Purch - Spirit Energy  
        804.2 · Gas Purch - Columbia  
        804.20 · Gas Purch- EQT Energy, LLC  
        804.3 · Gas Purch - KLC  
        804.5 · Gas Purch - Slone Energy  
        804.9 · Gas Purch - Magnum Drilling  
Total 804 · Natural Gas Purchases & Transp  
Total 800 · Gas Supply Expenses

Total COGS

Gross Profit

Expense

408 · Taxes Other Than Income Taxes

Maintenance Expenses 2017 through September 30th

Total 870 · DISTRIBUTION EXPENSES
Total 932 · MAINTENANCE OF GENERAL PLANT
768 · Maintenance of Meters
769 · Maintenance of other Equip
874 · Mains and Service Expense
Total

2017 January 1 through September 30th  
and Maintenance Expenses  
Manufactured Gas Production Expenses  
Natural Gas Production Expenses  
Exploration and Development Expenses  
Storage Expenses  
Other Gas Supply Expenses  
Transmission Expenses  
Distribution Expenses  
Customer Accounts Expenses  
Customer Service and Informational Expenses  
Administrative and General Expenses  
ation and Maintenance Expenses

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

408.3 · Property Tax

408.4 · Annual PSC Assessment

Total 408 · Taxes Other Than Income Taxes

426 · Interest Exp - CTB (Line of Cr)

427 · Interest on Long-Term Debt

427.1 · Interest on SBA Loan

427.10 · Interest on 2015 F350 Loan

427.11 · Int Exp- CTB 2015 Tacoma

427.12 · Int Exp- CTB SBA #3

427.13 · Int Exp-2016 Tacoma Access

427.15 · Int Exp-CTB ( 2017 Tacoma)

427.2 · Interest on USDA Loan #1

427.3 · Interest on USDA Loan #2

427.8 · Interest on SBA Loan #2

427.9 · Interest on Silverado Loan

427 · Interest on Long-Term Debt - Other

Total 427 · Interest on Long-Term Debt

431 · Other Interest Expense

768 · Contract Labor

806 · Gas Purch-Aei Kaars

807 · Gas Purch-Nytis(Evan 104)

808 · Gas Purch-Nytis (Dema)

809 · Gas Purch-Cumberland Valley

870 · DISTRIBUTION EXPENSES

871 · DISTRIBUTION OPERATION

874 · Mains & Services Expenses

878 · Meter & House Regulator Exp

878.2 · Uniforms

Total 878 · Meter & House Regulator Exp

880 · Other Expenses

880.1 · DOT Physicals

880.3 · Drug Testing

880.4 · Licenses & Permits

880.5 · Travel for Members

880.6 · Training

880.8 · Easements

Total 880 · Other Expenses

871 · DISTRIBUTION OPERATION - Other

Total 871 · DISTRIBUTION OPERATION

884 · DISTRIBUTION MAINTENANCE

887 · Maintenance of Mains

893 · Maint of Meters & House Reg

894 · Maint of Other Equipment

Total 884 · DISTRIBUTION MAINTENANCE

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

Total 870 · DISTRIBUTION EXPENSES

900 · CUSTOMER ACCOUNTS EXPENSES

900.1 · CUSTOMER ACCT OPERATION

905 · Misc Customer Accounts Exp

905.2 · Postage and Delivery

905.3 · Printing and Reproduction

Total 905 · Misc Customer Accounts Exp

Total 900.1 · CUSTOMER ACCT OPERATION

Total 900 · CUSTOMER ACCOUNTS EXPENSES

906 · CUSTOMER SERVICE & INFORMATION

906.1 · C S & I OPERATION

909 · Inform & Instruc Advert Exp

909.1 · Web Support

Total 909 · Inform & Instruc Advert Exp

910 · Misc Cust Serv & Infor Exp

Total 906.1 · C S & I OPERATION

Total 906 · CUSTOMER SERVICE & INFORMATION

918 · ADMINISTRATIVE & GENERAL EXP

919 · ADMIN & GEN OPERATION

920 · Admin & General Salaries

920.2 · Payroll Administration Expenses

Total 920 · Admin & General Salaries

921 · Office Supplies and Expenses

921.1 · Office Equipment

921.10 · Meals and Entertainment

921.11 · Travel

921.12 · Credit Cd Charges

921.2 · Office Supplies & Expense

921.3 · Bank Service Charges

921.4 · Computer Software

921.5 · Cleaning/Janitorial

921.7 · Dues and Subscriptions

921.8 · Telephone and Fax

921.9 · Utilities

921 · Office Supplies and Expenses - Other

Total 921 · Office Supplies and Expenses

923 · Outside Services Employed

923.2 · Outside Services - Accounting

923.3 · Outside Services - Engineering

923.4 · Outside Services - Legal

923.7 · Outside Serv-Consulting

923 · Outside Services Employed - Other

Total 923 · Outside Services Employed

924 · Insurance

924.1 · Auto Insurance

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

924.2 · General Liability Insurance

924.3 · Life Insurance

924.4 · Property Insurance

924.5 · Worker's Compensation

924.7 · Insurance- Aflac

Total 924 · Insurance

926 · Employee Pensions & Benefits

930.2 · Miscellaneous General Expenses

931 · Rents

919 · ADMIN & GEN OPERATION - Other

Total 919 · ADMIN & GEN OPERATION

**Total 918 · ADMINISTRATIVE & GENERAL EXP**

**932 · MAINTENANCE OF GENERAL PLANT**

932.0 · Maint of General Plant - Garage

932.1 · Repairs

Building Repairs

Computer Repairs

Equipment Repairs

Transportation Equipment

Equipment Repairs - Other

Total Equipment Repairs

Total 932.1 · Repairs

932.3 · Tools & Equipment

932.4 · Transportaion Equipment Fuel

932 · MAINTENANCE OF GENERAL PLANT - Other

**Total 932 · MAINTENANCE OF GENERAL PLANT**

**981 · Interest Expense-Meter Deposit**

**990 · PAYROLL**

Employer CO State Unemployment

991 · Employee Wages

992 · Employer Social Security

993 · Employer Medicare

994 · Employer FUTA

995 · Employer KY State Unemployment

996 · Garnishment

**Total 990 · PAYROLL**

**999 · Loss on Sale of Assets**

**Total Expense**

**Net Income**

from Auxier not on above sheets

983 · Depreciation Expense

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

AUX  
KFG  
total

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

Income

405 · Management Fee Income		
405.1 · Management Fee Income - Auxier	\$52,302.71	
Total 405 · Management Fee Income	\$43,647.42	
419 · Interest Income	\$319.23	
420 · Gain on Asset Sale/Disposition	\$460.47	
480 · Residential Sales	\$3,389.97	
481 · Commercial & Industrial Sales	\$100,119.80	
482 · Commercial Tax Exempt		
487 · Penalties & Forfeited Discounts		
488 · Miscellaneous Service Revenues		
488.10 · Field Collection Fee		
488.11 · Reconnection Fee		
488.12 · Transfer Fee	0	
488.13 · Reread Meter Fee	0	
488.4 · Service Charges	0	
488.6 · Relocate Meter Chg	0	
488.7 · NSF	1300121.85	total 800
488.8 · Connection Fee	0	
Total 488 · Miscellaneous Service Revenues	104521.04	Total 932 +
489 · Sales Tax Commission	28356.44	total 900
490 · Other Income	13081.57	total 906
491 · Customer Charge	849391.58	Total 426 +

Total Income

Cost of Goods Sold

800 · Gas Supply Expenses	
804 · Natural Gas Purchases & Transp	
804.1 · Gas Purch - Quality	
804.10 · Gas Purch-Hi Energy Gas	
804.11 · Gas Purch - Jefferson Gas	
804.12 · Gas Purch - Nytis Exploration	
804.13 · Gas Purch - HTC Gas Company	
804.16 · Southern Energy, LLC	
804.17 · Gas Purch - Spirit Energy	
804.2 · Gas Purch - Columbia	
804.20 · Gas Purch- EQT Energy, LLC	
804.3 · Gas Purch - KLC	
804.5 · Gas Purch - Slone Energy	
804.9 · Gas Purch - Magnum Drilling	
Total 804 · Natural Gas Purchases & Transp	
Total 800 · Gas Supply Expenses	

Total COGS

Gross Profit

Expense

408 · Taxes Other Than Income Taxes	
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Kentucky Frontier Gas, LLC  
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408.3 · Property Tax

408.4 · Annual PSC Assessment

Total 408 · Taxes Other Than Income Taxes

426 · Interest Exp - CTB (Line of Cr)

427 · Interest on Long-Term Debt

427.1 · Interest on SBA Loan

427.10 · Interest on 2015 F350 Loan

427.11 · Int Exp- CTB 2015 Tacoma

427.12 · Int Exp- CTB SBA #3

427.13 · Int Exp-2016 Tacoma Access

427.15 · Int Exp-CTB ( 2017 Tacoma)

427.2 · Interest on USDA Loan #1

427.3 · Interest on USDA Loan #2

427.8 · Interest on SBA Loan #2

427.9 · Interest on Silverado Loan

427 · Interest on Long-Term Debt - Other

Total 427 · Interest on Long-Term Debt

431 · Other Interest Expense

768 · Contract Labor

806 · Gas Purch-Aei Kaars

807 · Gas Purch-Nytis(Evan 104)

808 · Gas Purch-Nytis (Dema)

809 · Gas Purch-Cumberland Valley

870 · DISTRIBUTION EXPENSES

871 · DISTRIBUTION OPERATION

874 · Mains & Services Expenses

878 · Meter & House Regulator Exp

878.2 · Uniforms

Total 878 · Meter & House Regulator Exp

880 · Other Expenses

880.1 · DOT Physicals

880.3 · Drug Testing

880.4 · Licenses & Permits

880.5 · Travel for Members

880.6 · Training

880.8 · Easements

Total 880 · Other Expenses

871 · DISTRIBUTION OPERATION - Other

Total 871 · DISTRIBUTION OPERATION

884 · DISTRIBUTION MAINTENANCE

887 · Maintenance of Mains

893 · Maint of Meters & House Reg

894 · Maint of Other Equipment

Total 884 · DISTRIBUTION MAINTENANCE

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
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**Total 870 · DISTRIBUTION EXPENSES**

**900 · CUSTOMER ACCOUNTS EXPENSES**

**900.1 · CUSTOMER ACCT OPERATION**

**905 · Misc Customer Accounts Exp**

**905.2 · Postage and Delivery**

**905.3 · Printing and Reproduction**

**Total 905 · Misc Customer Accounts Exp**

**Total 900.1 · CUSTOMER ACCT OPERATION**

**Total 900 · CUSTOMER ACCOUNTS EXPENSES**

**906 · CUSTOMER SERVICE & INFORMATION**

**906.1 · C S & I OPERATION**

**909 · Inform & Instruc Advert Exp**

**909.1 · Web Support**

**Total 909 · Inform & Instruc Advert Exp**

**910 · Misc Cust Serv & Infor Exp**

**Total 906.1 · C S & I OPERATION**

**Total 906 · CUSTOMER SERVICE & INFORMATION**

**918 · ADMINISTRATIVE & GENERAL EXP**

**919 · ADMIN & GEN OPERATION**

**920 · Admin & General Salaries**

**920.2 · Payroll Administration Expenses**

**Total 920 · Admin & General Salaries**

**921 · Office Supplies and Expenses**

**921.1 · Office Equipment**

**921.10 · Meals and Entertainment**

**921.11 · Travel**

**921.12 · Credit Cd Charges**

**921.2 · Office Supplies & Expense**

**921.3 · Bank Service Charges**

**921.4 · Computer Software**

**921.5 · Cleaning/Janitorial**

**921.7 · Dues and Subscriptions**

**921.8 · Telephone and Fax**

**921.9 · Utilities**

**921 · Office Supplies and Expenses - Other**

**Total 921 · Office Supplies and Expenses**

**923 · Outside Services Employed**

**923.2 · Outside Services - Accounting**

**923.3 · Outside Services - Engineering**

**923.4 · Outside Services - Legal**

**923.7 · Outside Serv-Consulting**

**923 · Outside Services Employed - Other**

**Total 923 · Outside Services Employed**

**924 · Insurance**

**924.1 · Auto Insurance**

Kentucky Frontier Gas, LLC  
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924.2 · General Liability Insurance

924.3 · Life Insurance

924.4 · Property Insurance

924.5 · Worker's Compensation

924.7 · Insurance- Aflac

Total 924 · Insurance

926 · Employee Pensions & Benefits

930.2 · Miscellaneous General Expenses

931 · Rents

919 · ADMIN & GEN OPERATION - Other

Total 919 · ADMIN & GEN OPERATION

**Total 918 · ADMINISTRATIVE & GENERAL EXP**

**932 · MAINTENANCE OF GENERAL PLANT**

932.0 · Maint of General Plant - Garage

932.1 · Repairs

Building Repairs

Computer Repairs

Equipment Repairs

Transportation Equipment

Equipment Repairs - Other

Total Equipment Repairs

Total 932.1 · Repairs

932.3 · Tools & Equipment

932.4 · Transportaion Equipment Fuel

932 · MAINTENANCE OF GENERAL PLANT - Other

**Total 932 · MAINTENANCE OF GENERAL PLANT**

981 · Interest Expense-Meter Deposit

990 · PAYROLL

Employer CO State Unemployment

991 · Employee Wages

992 · Employer Social Security

993 · Employer Medicare

994 · Employer FUTA

995 · Employer KY State Unemployment

996 · Garnishment

**Total 990 · PAYROLL**

999 · Loss on Sale of Assets

Total Expense

Net Income

from Auxier not on above sheets

983 · Depreciation Expense

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Accrual Basis

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
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KFG

AUX  
KFG  
total

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
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Income

405 · Management Fee Income

405.1 · Management Fee Income - Auxier

Total 405 · Management Fee Income

419 · Interest Income

420 · Gain on Asset Sale/Disposition

480 · Residential Sales

481 · Commercial & Industrial Sales

482 · Commercial Tax Exempt

487 · Penalties & Forfeited Discounts

488 · Miscellaneous Service Revenues

488.10 · Field Collection Fee

488.11 · Reconnection Fee

488.12 · Transfer Fee

488.13 · Reread Meter Fee

488.4 · Service Charges

488.6 · Relocate Meter Chg

488.7 · NSF

488.8 · Connection Fee

Total 488 · Miscellaneous Service Revenues

870

489 · Sales Tax Commission

490 · Other Income

491 · Customer Charge

431 + 768 + 918 + 990

Total Income

Cost of Goods Sold

800 · Gas Supply Expenses

804 · Natural Gas Purchases & Transp

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804.10 · Gas Purch-Hi Energy Gas

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Total 804 · Natural Gas Purchases & Transp

Total 800 · Gas Supply Expenses

Total COGS

Gross Profit

Expense

408 · Taxes Other Than Income Taxes

Kentucky Frontier Gas, LLC  
**Profit & Loss**  
January through September 2017  
KFG

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427.9 · Interest on Silverado Loan

427 · Interest on Long-Term Debt - Other

**Total 427 · Interest on Long-Term Debt**

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894 · Maint of Other Equipment

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Kentucky Frontier Gas, LLC  
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**906.1 · C S & I OPERATION**

**909 · Inform & Instruc Advert Exp**

**909.1 · Web Support**

**Total 909 · Inform & Instruc Advert Exp**

**910 · Misc Cust Serv & Infor Exp**

**Total 906.1 · C S & I OPERATION**

**Total 906 · CUSTOMER SERVICE & INFORMATION**

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**921.4 · Computer Software**

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Kentucky Frontier Gas, LLC  
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924.5 · Worker's Compensation

924.7 · Insurance- Aflac

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930.2 · Miscellaneous General Expenses

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January through September 2017  
KFG

AUX  
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total