COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC JOINT APPLICATION OF OHIO VALLEY GAS CORPORATION AND VALLEY GAS INC. FOR APPROVAL OF OHIO VALLEY GAS CORPORATION'S ACQUISITION OF VALLEY GAS, INC.'S UTILITY ASSETS IN BRECKINRIDGE COUNTY, KENTUCKY AND APPROVAL TO RECOVER AN ASSOCIATED ACQUISITION ADJUSTMENT	))))))))	CASE NO. 2026-00120

O R D E R

On May 27, 2026,[1] Ohio Valley Gas Corporation (Ohio Valley Gas) and Valley Gas, Inc. (Valley Gas) (collectively, Joint Applicants) filed a joint application pursuant to KRS 278.020(6) for (1) approval for Ohio Valley Gas's acquisition of the regulated utility infrastructure of Valley Gas in Breckinridge County, Kentucky; and (2) approval for Ohio Valley Gas to recover an acquisition adjustment associated with the acquisition, consisting of an acquisition premium, transaction costs, and regulatory process costs.

BACKGROUND

Ohio Valley Gas is an Indiana public utility corporation with its principal office at 111 Energy Park Drive, Winchester, Indiana 47394. Ohio Valley Gas was incorporated in Indiana on December 13, 1943 and is regulated by the Indiana Utility Regulatory Commission (IURC) and the Public Utilities Commission of Ohio (PUCO). Ohio Valley Gas owns, operates, manages, and controls plant and equipment, including property and

[1] The application was tendered on May 22, 2026. The PSC issued a letter noting filing deficiencies and those issues were addressed on May 27, 2026; the application was deemed filed on that date.

facilities that are used and useful for it to provide natural gas utility service to approximately 36,000 customers in east central and southern Indiana and portions of one county in west central Ohio. Ohio Valley Gas has received a Certificate of Authority from the Kentucky Secretary of State to conduct business in Kentucky.[2]

Valley Gas is a natural gas distribution company that provides retail natural gas utility service to approximately 470 customers in and around the city of Irvington in Breckinridge County, Kentucky.[3] Valley Gas is incorporated in the Commonwealth of Kentucky and attests it is in good corporate standing. Valley Gas was incorporated in Kentucky on May 14, 1962.

PROCEDURAL HISTORY

The Commission issued an Order setting a procedural schedule and continuing the statutory deadline up to and including September 24, 2026.[4] There were no intervenors in this matter. Valley Gas has responded to two requests for information.[5] Ohio Valley Gas has responded to two requests for information.[6] The parties also

[2] Application (filed May 27, 2026) at 1-2.

[3] Application at 3.

[4] Order (Ky. PSC June 11, 2026).

[5] Valley Gas's Response to Commission Staff's First Request for Information (Staff's First Request) (filed July 1, 2026); Valley Gas's Response to Commission Staff's Second Request for Information (Staff's Second Request) (filed July 24, 2026).

[6] Ohio Valley Gas's Response to Commission Staff's First Request for Information (Staff's First Request) (filed July 1, 2026); Ohio Valley Gas's Response to Commission Staff's Second Request for Information (Staff's Second Request) (filed July 24, 2026).

conducted two informal conferences during the proceeding.[7] On July 24, 2026, the Joint Applicants requested that the matter be submitted for a decision on the record.[8]

THE ACQUISITION PROPOSAL

The owners of Valley Gas, Kerry Kasey and Kevin Kasey (the Kaseys), desired to sell their natural gas business and engaged Cetane Associates (Cetane) to assist in the sale of Valley Gas.[9] According to the Joint Applicants, Cetane reached out to other natural gas utilities but in the end, negotiated the sale with Ohio Valley Gas, as Cetane determined it to be the best fit for the circumstances.[10] The Joint Applicants averred that the transaction was an arm's length transaction.[11] Ohio Valley Gas retained Banning Engineering to evaluate the system and the valuation price was above the purchase price.[12]

On April 27, 2026, the Joint Applicants entered into an Asset Purchase Agreement, attached as an Appendix.[13] Ohio Valley Gas agreed to purchase all facility assets owned and used in connection with Valley Gas's gas distribution system, subject to regulatory approvals and certain other conditions, for $800,000 (subject to closing and post-closing adjustments), which will be paid on the date of closing.[14] The assets include, among

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[7] Memorandum and Attendance List for August 5, 2026 Informal Conference (filed Aug. 28, 2026); Memorandum and Attendance List for August 27, 2026 Informal Conference (filed Aug. 31, 2026).

[8] Joint Applicants' Request to Submit the Matter for Decision (filed July 24, 2026).

[9] Application at 2-4.

[10] Application at 3-4; Valley Gas's Response to Staff's First Request, Item 3.

[11] Application 3-4.

[12] Application at 3-4; Ohio Valley Gas's Response to Staff's First Request, Item 3 and Item 26.

[13] Application, Exhibit 2.

[14] Application at 4.

other things, all of Valley Gas's utility system's real property rights, gas distribution plant, inventory, accounts receivable, assigned contracts, and permits as listed under Section 2.01 and Schedules 2.01(b), 2.01(e), and 4.10 of the Asset Purchase Agreement.[15] Ohio Valley Gas will assume Valley Gas's assets and certain of its liabilities upon the close of the transaction.[16]

LEGAL STANDARD

KRS 278.010(3) sets forth the definition of "utility"

> …any person except a regional wastewater commission established pursuant to KRS 65.8905 and, for purposes of paragraphs (a), (b), (c), (d), and (f) of this subsection, a city, …who owns, controls, operates, or manages any facility used or to be used for or in connection with:
> …
> (b) The production, manufacture, storage, distribution, sale, or furnishing of natural or manufactured gas, or a mixture of same, to or for the public, for compensation, for light, heat, power, or other uses;
> (c) The transporting or conveying of gas, crude oil, or other fluid substance by pipeline to or for the public, for compensation…

The Joint Applicants requested approval for the transaction pursuant to KRS 278.020(6) and KRS 278.020(7). KRS 278.020(6) states, in relevant part, the Commission "shall grant its approval [for an acquisition] if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service." In this case, KRS 278.020(7) is also applicable and reads, in part, as follows:

> No individual, group, syndicate, general or limited partnership, association, corporation, joint stock company, trust, or other entity (an "acquirer"), whether or not organized under the laws of this state, shall acquire control, either directly or indirectly,

[15] Application at 4.

[16] Application, Exhibit 2.

> of any utility furnishing utility service in this state, without having first obtained the approval of the commission.
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> The commission shall approve any proposed acquisition when it finds that the same is to be made in accordance with law, for a proper purpose and is consistent with the public interest. The commission may make investigation and hold hearings in the matter as it deems necessary, and thereafter may grant any application under this subsection in whole or in part and with modification and upon terms and conditions as it deems necessary or appropriate. The commission shall grant, modify, refuse, or prescribe appropriate terms and conditions with respect to every such application within sixty (60) days after the filing of the application therefor, unless it is necessary, for good cause shown, to continue the application for up to sixty (60) additional days. The order continuing the application shall state fully the facts that make continuance necessary. In the absence of that action within that period of time, any proposed acquisition shall be deemed to be approved.

The exceptions set forth in KRS 278.020(8) applicable to KRS 278.020(7) are not applicable in this matter.

In addition, as part of the application, Ohio Valley Gas requested recovery of an acquisition premium. Although not specifically addressed statutorily or in regulation, the Commission has lengthy precedent[17] related to recovery of a gross plant acquisition adjustment (GPAA).[18] In Case No. 9059, the Commission granted rehearing and in the final rehearing Order set forth criteria to evaluate a GPAA:

> In order to meet this burden of proof, evidence must be submitted that shows that the purchase price was established

[17] Case No. 8256 *Notice of Adjustment of Rates of Delta Natural Gas Company, Inc.*; Case No. 8528 *Notice of Adjustment of Rates of Delta Natural Gas Company, Inc.*; Case No. 9059 *Delta Nat. Gas Co.* (Ky. PSC Sept. 11, 1985) (reversed on rehearing on the issue of GPAA); Case No. 1998-00613, *Application of Delta Natural Gas Company, Inc. for an Order Authorizing the Purchase of the Assets of Mt. Olivet Natural Gas Company* (Ky. PSC Sept. 7,1999), Order; Case No. 2000-00120, *Kentucky-American Water Co.* (Ky. PSC May 9, 2001), rehearing Order at 4-9.

[18] KRS 278.295 codified the valuation of an acquired asset for purposes of ratemaking for a water or sewer system only.

> upon arms-length negotiations, the initial investment plus the cost of restoring the facilities to required standards will not adversely impact the customers, overall costs and rates of the existing and new customers, operational economies can be achieved through the acquisition, the purchase price of utility and non-utility property can be clearly identified, and the purchase will result in overall benefits in the financial and service aspects of the utility's operations.[19]

DISCUSSION AND FINDINGS

Having reviewed the record and being otherwise sufficiently informed, the Commission finds that the request for approval of this acquisition should be approved and the request for approval of recovery of an acquisition premium should be granted, subject to the conditions set forth below. As an initial matter, Ohio Valley Gas as set forth in the application is a non-jurisdictional utility. As part of the approval of this acquisition, Ohio Valley Gas will hereafter be a Commission regulated utility pursuant to KRS Chapter 278 and subject to all statutory and regulatory provisions, as applicable.

KRS 278.020(6) and KRS 278.020(7)

The Joint Applicants argued that Ohio Valley Gas has the technical, managerial and financial capabilities required for approval of the acquisition pursuant to KRS 278.020(6).[20] As noted earlier in this Order, Ohio Valley Gas currently serves approximately 36,000 customers and has seven district offices.[21] Ohio Valley Gas proposed to serve the current Valley Gas customers from its Tell City, Indiana office, an

[19] Case No. 9059, Sept. 11, 1985 Order at 3-4.

[20] Application at 4-9.

[21] Application at 5.

approximate 55 minute drive to the current Valley Gas service area of Irvington, Kentucky.[22]

Unlike Valley Gas which employs no full-time personnel,[23] Ohio Valley Gas employs approximately 130 people and provided several resumes including for the Vice President and Chief Operating Officer.[24] Ohio Valley Gas noted it has its own internal accounting department and also employs an auditor for an annual review of its finances.[25] Ohio Valley Gas highlighted several positions including but not limited to: Operator Qualification & Training Program Manager who ensures qualified team members are operating the system; a safety administrator who manages drug and alcohol program compliance; GIS and mapping personnel who update and maintain Ohio Valley Gas's internal maps and records; and two technicians who focus on pressure monitoring and metering accuracy throughout the system.[26]

Ohio Valley Gas also noted that it had recently completed an acquisition of Fountaintown Gas Company and South Eastern Indiana Natural Gas Company.[27] Prior to that Ohio Valley Gas had acquired the Grandview, Indiana utility system in 2021.[28] Ohio Valley Gas stated Grandview had 200 customers and according to Ohio Valley Gas,

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[22] Application at 5.

[23] Application at 3.

[24] Application at 5-6; Exhibit 4.

[25] Application at 7.

[26] Application at 7.

[27] Application at 8; *citing* Ohio Valley Gas Cause No. No. 46275 (IURC 2026) (consolidation proceeding describing the 2020 acquisition by OVG of Hanover Group IV, L.L.C., the prior holding company for Fountaintown Gas Company and South Eastern Indiana Natural Gas Company).

[28] Application at 8; *citing* Ohio Valley Gas, Cause No. 45473 (IURC 2021).

its Tell City district seamlessly integrated Grandview into its operations, and many of the same personnel will be involved in the Valley Gas integration.[29]

Ohio Valley Gas also argued it had the financial capabilities to acquire Valley Gas. Ohio Valley Gas provided its 2025 financials[30] and stated that it had access to capital at reasonable terms.[31] In 2025, Ohio Valley Gas's financials showed a net income of $6,546,712.[32] Ohio Valley Gas stated it would acquire funding for the acquisition through existing cash earned through daily operations and, if necessary, from its operating line of credit.[33]

Having reviewed the application and being otherwise sufficiently advised, the Commission finds that Ohio Valley Gas has the technical, managerial and financial capacity to provide reasonable service upon the acquisition of Valley Gas. Ohio Valley Gas is a larger, more sophisticated natural gas provider. The information provided sufficiently supports its assertion that it will be able to provide adequate, efficient and reasonable service, without interruption, to the current Valley Gas customers.

In support of the requirements set forth in KRS 278.020(7), Ohio Valley Gas argued that Valley Gas's owners want to retire and continuing service to Valley Gas customers is for a proper purpose.[34] The parties noted that "public interest" has been defined as:

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[29] Application at 8.

[30] Application; Exhibit 3.

[31] Application at 6-7.

[32] Application; Exhibit 3 at 3.

[33] Application at 6-7.

[34] Application at 9.

> will not adversely affect the existing level of Facility service or rates or that any potentially adverse effects can be avoided through the Commission's imposition of reasonable conditions on the acquiring party. The acquiring party should also demonstrate that the proposed transfer is likely to benefit the public through improved service quality, enhanced service reliability, the availability of additional services, lower rates, or a reduction in utility expenses to provide present services. Such benefits, however, need not be immediate or readily quantifiable.[35]

Ohio Valley Gas asserted that, since it has the managerial, technical and financial abilities to provide safe and reliable service, the transaction is in the public interest.[36] Ohio Valley Gas claimed that there would be no material impact to the current service received by Valley Gas customers, in part, due to the plans to adopt the tariff currently in place for Valley Gas customers.[37]

Having considered the record and being sufficiently advised, the Commission finds that the acquisition is for the proper purpose and in the public interest. The Commission agrees that retirement of ownership and an acquisition to facilitate continued natural gas service to customers is for a proper purpose. The Commission finds that Ohio Valley Gas's acquisition of Valley Gas is also in the public interest. Continuation of natural gas services without interruption as well as the adoption of Valley Gas's tariff are significant factors in the Commission's decision that the acquisition is in the public interest. In addition, Ohio Valley Gas provided details for how it plans to handle the transfer after closing. Ohio Valley Gas will notify all Valley Gas customers by mail of the transaction,

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[35] Case No. 2002-00018, *Application for Approval of the Transfer of Control of Kentucky-American Water Company to RWE Aktiengesellschaft and Thames Water Aqua Holdings GMBH* (Ky PSC May 30, 2002), Order at 7.

[36] Application at 10.

[37] Application at 10.

along with changes to billing and payment methods.[38] According to the information provided, payments may be made online, by mail, by check mailed to the Tell City office, or in person at the nearest Ohio Valley Gas office.[39] Ohio Valley Gas stated it would alert Valley Gas customers to a new emergency number and inform them of general contact information to call with issues or the option to visit Ohio Valley Gas's Tell City district office.[40] Ohio Valley Gas noted it would also post this information on its website.[41]

Although there does appear to be an hour drive between the main office of Ohio Valley Gas and the Irvington, Kentucky area, Ohio Valley Gas employs the personnel to manage the territory. Kentucky has utility companies with no local offices and very few or only third-party contractor employees.[42] Those situations have raised concerns about the service being provided to Kentuckians. The evidence in this record is sufficient to conclude that Ohio Valley Gas has the personnel and experience to provide adequate, efficient and reasonable service to the customers it will acquire.

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[38] Application at 10-11

[39] Ohio Valley Gas's Response to Staff's First Request, Item 13.

[40] Application at 10-11.

[41] Application at 10-11; Ohio Valley Gas Corporation | Fueling your Future....Naturally (last accessed Aug. 30, 2026).

[42] Navitas KY NG, LLC, Duke Energy Kentucky, Inc. and Bluegrass Water Utility Company are examples. *See* Case No. 2020-00396 *Electronic Application Of Navitas Ky Ng, Johnson County Gas Company, And B & H Gas Company For Approval Of Acquisition, Transfer of Ownership, And Control Of Natural Gas Utility Systems* Case No. 2020-00028 *Electronic Proposed Acquisition By Bluegrass Water Utility Operating Company, LLC Of Wastewater System Facilities And Subsequent Tariffed Service To Users Presently Served By Those Facilities Case No. 2020-00297 Electronic Proposed Acquisition By Bluegrass Water Utility Operating Company, LLC And The Transfer Of Ownership And Control Of Assets By: Delaplain Disposal Company; Herrington Haven Wastewater Company, Inc.; Springcrest Sewer Company, Inc; And Woodland Acres Utilities, LLC.* Case No. 2022-00372 *Electronic Application of Duke Energy Kentucky, Inc. For (1) An Adjustment Of Electric Rates; (2) Approval of New Tariffs; (3) Approval Of Accounting Practices To Establish Regulatory Assets And Liabilities; And (4) All Other Required Approvals And Relief*; Case No. 2025-00354 *Electronic Application Of Bluegrass Water Utility Operating Company, LLC For An Adjustment Of Water And Sewage Rates;* and Case No. 2025-00332 *Electronic Application Of Navitas Ky Ng, LLC For An Alternative Rate Filing Pursuant to 807 KAR 5:076.*

GPAA Discussion

In its application, Joint Applicants requested that Ohio Valley Gas be approved to recover a Gross Plant Acquisition Adjustment (GPAA) in conjunction with its acquisition of Valley Gas's service territory and assets.[43] In Case No. 9059, the Commission considered criteria for recovering an acquisition adjustment and explained that each instance should be evaluated on its own merits and, if it is demonstrated that the acquisition at a cost above book value is in the public interest, the utility should be allowed to recover that investment.[44] Further, in that case, the Commission maintained its position that the net original cost of plant devoted to utility use is the fair value for rate-making purposes, unless the utility can prove, with conclusive evidence, that the overall operations and financial condition of the utility have benefited from acquisitions at prices in excess of book value.[45] In the instant proceeding, Joint Applicants stated that the purchase price of the transaction was $800,000,[46] and the net book value of Valley Gas's system was $72,323.14,[47] meaning that the purchase price exceeded the net book value. As cited above, the Commission previously considered five criteria when determining whether to grant recovery of a GPAA, and considering the facts as established by the record in this case, finds that some of those criteria are relevant to its consideration of the Joint Applicants' GPAA request here.

1. The purchase price was established upon arms-length negotiations.

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[43] Application at 11.

[44] Case No. 9059, Sept. 11, 1985 Order at 3.

[45] Case No. 9059, Sept. 11, 1985 Order at 3.

[46] Ohio Valley Gas's Response to Staff's First Request, Item 4(a).

[47] Ohio Valley Gas's Response to Staff's First Request, Item 9.

Joint Applicants stated that Ohio Valley Gas and Valley Gas were unrelated parties and undertook extensive negotiations to reach the purchase price, resulting in the proposed Asset Purchase Agreement.[48] Further, Joint Applicants stated Cetane had reached out to approximately a half-dozen other companies[49] before determining that Ohio Valley Gas was better aligned to operate Valley Gas's system, and that the final purchase price agreed to for the acquisition was $800,000, subject to closing and post-closing adjustments, which was below Valley Gas's initial asking price of approximately $1.2 million.[50] In addition, the purchase price is below the value estimated by Banning Engineering.[51]

Having reviewed the record and otherwise being sufficiently advised, the Commission finds that the purchase price established for the proposed acquisition is the result of an arm's-length transaction. The Commission notes the parties are unrelated and the sale was facilitated by an unrelated third-party. Based on both the engineering report valuation and the original asking price, Ohio Valley Gas agreed to a lower purchase price.

2. The initial investment plus the cost of restoring the facilities to required standards will not adversely impact the overall costs and rates of the existing and new customers.

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[48] Application at 13.

[49] Valley Gas's Response to Staff's First Request, Item 3.

[50] Application at 13.

[51] Ohio Valley Gas's Response to Staff's First Request, Item 3, Attachment.

Joint Applicants stated that several considerations support the conclusion that Ohio Valley Gas's initial investment in the Valley Gas system will not adversely impact the overall cost and rates of Valley Gas customers.[52] Joint Applicants stated that the purchase price and the cost of operating the acquired system will be funded, in part, by the revenue generated from the Valley Gas service territory itself.[53] Ohio Valley Gas proposed to adopt Valley Gas's tariff in its entirety, including the rates.[54] Further, Joint Applicants stated that integrating Valley Gas's customers into Ohio Valley Gas' larger system will create synergies and improve economies of scale, spreading fixed costs over a broader customer base and reducing per-customer costs over time.[55] Joint Applicants stated that Ohio Valley Gas's access to financing on reasonable terms, its large operational infrastructure, its experienced workforce and leadership, and its established maintenance programs best position Ohio Valley Gas to make the needed improvements in a cost-effective manner.[56]

According to the Joint Applicants, there will be no initial investments required to assume control and provide natural gas to customers, meeting the statutory requirements.[57] Ohio Valley Gas provided responses indicating that the system is compliant with applicable federal and Kentucky safety standards.[58]

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[52] Application at 13.

[53] Application at 14.

[54] Ohio Valley Gas's Response to Staff's First Request, Item 1.

[55] Application at 14.

[56] Application at 14.

[57] Application at 14-15.

[58] Ohio Valley Gas's Response to Staff's Second Request, Item 9.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that the proposed acquisition will not adversely impact the overall costs and rates of the existing and new customers. The Joint Applicants provided sufficient evidence that no initial investments will be required to be made to provide service in compliance with KRS 278.030 or applicable safety standards.[59] Ohio Valley Gas did provide evidence that, after the evaluation of the system, it has an interest in improvement projects related to odorization of natural gas as well as pressurization of the line; however, those projects would be investments into infrastructure to ensure adequate, efficient and reliable service. Ohio Valley Gas has provided sufficient evidence that efficiencies will occur upon transfer, including the integration of over a hundred employees to assist in providing natural gas service to former customers of Valley Gas.

3. Operational economies can be achieved through the acquisition.

Joint Applicants stated that the acquisition of Valley Gas will enable Ohio Valley Gas to achieve meaningful operational economies that would not be available to Valley Gas operating independently.[60] Joint Applicants stated that Ohio Valley Gas can operate and maintain the Valley Gas system at a lower cost than Valley Gas can independently due to Ohio Valley Gas's larger operational infrastructure, experienced workforce, and established maintenance programs.[61] Further, Joint Applicants stated that Ohio Valley Gas is in a stronger position to raise capital at lower rates than Valley Gas, as evidenced

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[59] KRS 278.030(2) "Every utility shall furnish adequate, efficient and reasonable service, and may establish reasonable rules governing the conduct of its business and the conditions under which it shall be required to render service."

[60] Application at 15.

[61] Application at 15.

by Ohio Valley Gas's overall cost of debt of 5.33 percent, while Valley Gas maintains no long-term debt and must rely on cash or more expensive short-term debt to finance repairs and improvements.[62] Thus, Ohio Valley Gas's access to capital would reduce the long-term cost of necessary system refurbishment and capital improvements.[63]

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that operational economies of scale can be achieved as a result of the proposed transaction. As it stands, Valley Gas currently provides natural gas service to approximately 470 customers in and around the town of Irvington, Kentucky, whereas Ohio Valley Gas provides natural gas service to approximately 36,000 customers in east, central, and southern Indiana and portions of west central Ohio. Once the proposed acquisition is approved, the costs of improving Valley Gas's current system would be spread out across approximately 76 times more customers than if Valley Gas were to continue to operate the system independently.[64] Further, Ohio Valley Gas has demonstrated that its existing arrangement with NextEra Energy Services provides a lower cost of gas supply and expects those cost benefits to be extended to Valley Gas customers following the transaction. In addition, Ohio Valley Gas has numerous employees, including employees specifically dedicated to leak detection and maintenance.[65]

4. The purchase price of utility and non-utility property can be clearly identified

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[62] Application at 16.

[63] Application at 16.

[64] Application at 2.

[65] Application at 7-10.

Joint Applicants stated that Ohio Valley Gas is purchasing no non-utility property from Valley Gas.[66]

In the past, the Commission has determined that when non-utility property is not part of the transaction, the criteria that there be a clear segregation of utility and non-utility purchased property is moot.[67] Having reviewed the relevant record and being otherwise sufficiently advised, the Commission finds that the Joint Applicants included no non-utility property in the proposed transaction.

5. The purchase will result in overall benefits in the financial and service aspects of the utility's operations.

Joint Applicants stated that Ohio Valley Gas's purchase of the Valley Gas system will result in numerous financial and service benefits for Valley Gas's customers.[68] From a financial perspective, Joint Applicants stated that the proposed acquisition will reduce Ohio Valley Gas's per-customer fixed costs through economies of scale, strengthen Ohio Valley Gas's revenue base, and will improve the overall financial stability of the combined utility.[69] Further, Joint Applicants stated that the proposed acquisition will also reduce system-wide cost pressures by spreading infrastructure investment and operating overhead across a larger customer base and will improve Valley Gas's access to needed capital on reasonable terms.[70] From a service perspective, Joint Applicants stated that

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[66] Application at 18.

[67] Case No. 2018-00358, *Electronic Application of Kentucky-American Water Company for an Adjustment of Rates* (Ky. PSC June 27, 2019), Order at 85.

[68] Application at 18.

[69] Application at 18.

[70] Application at 18.

Valley Gas customers will gain access to Ohio Valley Gas's service capabilities, including its modern website offering electronic billing and payment options, as well as fully staffed customer service operations at each of its district offices, 24-hour emergency contact and dispatch services, a dedicated customer complaint and resolution process, and established safety and compliance programs.[71]

As such, having reviewed the record and being otherwise sufficiently advised, the Commission finds that the Joint Applicants have provided sufficient information to demonstrate that the proposed acquisition will result in overall benefits in both the financial and service aspects of Ohio Valley Gas's utility operations.

Having reviewed the relevant record and being otherwise sufficiently advised, the Commission finds that the Joint Applicants have provided sufficient information to defer and subsequently recover a GPAA consisting of an acquisition premium, transaction costs, and regulatory process costs with a return at Ohio Valley Gas's current weighted average cost of capital. However, it should be noted that the GPAA recovered by Ohio Valley Gas should consist of only the actual costs exhausted to complete the transaction, and once the transaction is complete, Ohio Valley Gas should file with the Commission the actual costs spent to complete the transaction and the actual acquisition premium. The Commission will defer consideration of the appropriateness of the amounts deferred and the amortization period for the GPAA until Ohio Valley Gas files its first general adjustment of rates with the Commission.

[71] Application at 18.

IT IS THEREFORE ORDERED that:

1. The acquisition of Valley Gas by Ohio Valley Gas pursuant to the Asset Purchase Agreement attached as an Appendix is approved.

2. The recovery of the GPAA by Ohio Valley Gas is approved as set forth in this Order and conditioned herein.

3. Ohio Valley Gas shall notify the Commission within ten days of completion of the acquisition referencing this case number in post-case correspondence.

4. Within 20 days of the closing of the acquisition, Ohio Valley Gas shall file the journal entries it proposes to record the acquisition. The acquisition shall be recorded in accordance with the Uniform System of Accounts.

5. Within 30 days of consummation of the acquisition, Ohio Valley Gas shall file the net book value of the acquired assets and the actual acquisition premium.

6. Within 30 days of consummation of the acquisition, Ohio Valley Gas shall file the actual transaction costs and regulatory process costs incurred in pursuit of the transaction.

7. Any material revision to the proposed transaction shall require approval by the Commission in order for the amendment to be effective.

8. Any filing made pursuant to ordering paragraphs 4, 5, and 6 shall reference this case number and be made in post-case correspondence.

9. Valley Gas, as it ceases to exist as a result of the proposed acquisition, shall be responsible for submitting to the Commission its financial and statistical reports, as described in 807 KAR 5:006, Section 3, for the period in calendar 2026 in which it owned and operated its gas distribution system.

10. Ohio Valley Gas shall be responsible for submitting to the Commission its financial and statistical reports, as described in 807 KAR 5:006, Section 3, upon completion of the transaction, for the period of calendar year 2026 it owned the utility and going forward.

11. Within 20 days of the closing of the acquisition, Ohio Valley Gas shall file with the Commission, using the Commission's electronic Tariff Filing System, its new tariff sheets adopting the rates, charges, and modifications in compliance with 807 KAR 5:011 as approved in this Order and reflecting their effective date and that they were authorized by this Order.

12. This case is closed and removed from the Commission's docket.

Entered on this 14th day of September, 2026.

PUBLIC SERVICE COMMISSION

Angie Hatton
Chair

Mary Pat Regan
Vice Chair

Andrew W. Wood
Commissioner

Barry L. Mayfield
Commissioner

ATTEST:

Justin McNeil RP

Justin McNeil
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00120 DATED SEP 14 2026

FIFTY-ONE PAGES TO FOLLOW

Exhibit 2

Asset Purchase Agreement

between Ohio Valley Gas Corporation and Valley Gas, Inc.

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "**Agreement**") is made and entered into as of April 27, 2026 by and among Ohio Valley Gas Corporation, an Indiana corporation ("**Buyer**"), Valley Gas, Inc., a Kentucky corporation ("**Seller**"), the Kasey Parties (as defined herein), and, solely for purposes of Section 6.06, the Propane Company (as defined herein).

WHEREAS, Seller owns and operates a natural gas distribution utility system in Breckenridge County, Kentucky (the "**System**");

WHEREAS, Kerry R. Kasey and Kevin L. Kasey are the managers and operators of the Seller and the Trustees of the Lloyd Kenneth Kasey Living Trust (the "**Trust**"), which Trust owns all of the issued and outstanding shares of the capital stock of Seller; and

WHEREAS, Seller wishes to sell and assign to Buyer, and Buyer wishes to purchase and assume from Seller, substantially all the assets, and certain specified liabilities, relating to the System as more specifically described herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

The following terms have the meanings specified or referred to in this Article I:

"**Accounts Receivable**" means customer and trade accounts receivable which: (a) have arisen from bona fide transactions entered into by the Seller involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice; and (b) constitute only valid, undisputed claims of the Seller not subject to claims of set-off or other defenses or counterclaims.

"**Acquisition Proposal**" means any inquiry, proposal, or offer from any Person (other than Buyer or any of Buyer's Affiliates) relating to the direct or indirect disposition, whether by sale, merger, or otherwise, of all or any portion of the System or the Purchased Assets.

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, or investigation of any nature, civil, criminal, administrative, regulatory, or otherwise, whether at law or in equity.

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise.

"**Agreement**" has the meaning set forth in the preamble.

"**Allocation Methodology**" has the meaning set forth in Section 2.07.

"**Allocation Schedule**" has the meaning set forth in Section 2.07.

"**Ancillary Documents**" means the Bill of Sale, the Assignment and Assumption Agreement, the Assignment of Easements, and the other agreements, instruments, certificates, and documents delivered or required to be delivered at the Closing.

"**Assigned Contracts**" has the meaning set forth in Section 2.01(e).

"**Assignment and Assumption Agreement**" has the meaning set forth in Section 3.02(a)(ii).

"**Assignment of Easements**" has the meaning set forth in Section 3.02(a)(iii).

"**Assumed Liabilities**" has the meaning set forth in Section 2.03.

"**Base Purchase Price**" means an amount equal to $800,000.

"**Basket**" has the meaning set forth in Section 8.02.

"**Bill of Sale**" has the meaning set forth in Section 3.02(a)(i).

"**Books and Records**" has the meaning set forth in Section 2.01(m).

"**Business Day**" means any day except Saturday, Sunday, or any other day on which commercial banks located in Louisville, Kentucky are authorized or required by Law to be closed for business.

"**Buyer**" has the meaning set forth in the preamble.

"**Buyer Closing Certificate**" has the meaning set forth in Section 7.02(d).

"**Buyer Indemnitees**" has the meaning set forth in Section 8.02.

"**Cap**" has the meaning set forth in Section 8.02.

"**Closing**" has the meaning set forth in Section 3.01.

"**Closing Adjustment Amounts**" has the meaning set forth in Section 2.06(b)(i).

"**Closing AP Amount**" means an amount, determined in accordance with GAAP, equal to the sum of: (a) the total amount of all unpaid trade accounts payable owed to third-party vendors for gas delivered to the System prior to the Closing Date; and (b) the aggregate amount of all customer deposits held by Seller as of the Closing Date.

"**Closing AR Amount**" means an amount, determined in accordance with GAAP, equal to the sum of: (a) one hundred percent (100%) of the total amount of Accounts Receivable that are aged thirty (30) days or less as of the Closing Date; plus (b) eighty percent (80%) of the total amount of Accounts Receivable that are aged more than thirty (30) days, but less than sixty-one (61) days, as of the Closing Date; plus (c) fifty percent (50%) of the total amount of Accounts Receivable that are aged more than sixty-one (61) days, but less than ninety-one (91) days, as of the Closing Date; plus (d) thirty percent (30%) of the total amount of Accounts Receivable that are aged more than ninety-one (91) days, but less than one hundred twenty-one (121) days, as of the Closing Date. For the avoidance of doubt, the calculation of the Closing AR Amount shall disregard any and all Accounts Receivable that are aged more than one hundred twenty-one (121) days as of the Closing Date, and no amounts in respect of late fees, finance charges or interest will be included in the determination of any Accounts Receivable.

"**Closing Date**" has the meaning set forth in Section 3.01.

"**Closing Payment**" means an amount equal to (a) the Estimated Purchase Price (as calculated pursuant to Section 2.06(a)) *minus* (b) the sum of (i) the Holdback Amount and (ii) the Gas Cost Reserve Amount.

"**Closing Statement**" has the meaning set forth in Section 2.06(b)(i).

"**Contracts**" means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures, and all other agreements, commitments, and legally binding arrangements, whether written or oral.

"**Disputed Amounts**" has the meaning set forth in Section 2.06(b)(iv).

"**Easements"** has the meaning set forth in Section 4.10(a).

"**Encumbrance**" means any charge, claim, community property interest, adverse interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, deed of trust, hypothecation, easement, encroachment, encumbrance, defect or imperfection in title, right-of-way, right of first refusal or preferential purchase right, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership.

"**Environmental Claim**" means any Action, Governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging Liability (including Liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification, and injunctive relief) arising out of, based on, or resulting from: (a) the presence, Release of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

"**Environmental Law**" means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or safety, or the environment (including ambient or indoor air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal, or remediation of any Hazardous Materials.

"**Environmental Notice**" means any written directive, notice of violation or infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with, or Liabilities pursuant to, any Environmental Law or any term or condition of any Environmental Permit.

"**Environmental Permit**" means any Permit, letter, clearance, waiver, closure, decision, or other action required under or issued, granted, given, authorized by, or made pursuant to Environmental Law.

"**Estimated Adjustment Amounts**" has the meaning set forth in Section 2.06(a).

"**Estimated Closing Statement**" has the meaning set forth in Section 2.06(a).

"**Estimated Purchase Price**" has the meaning set forth in Section 2.06(a).

"**Excluded Assets**" has the meaning set forth in Section 2.02.

"**Excluded Contracts**" has the meaning set forth in Section 2.02(a).

"**Excluded IT Assets**" means all software, computer hardware, servers, networks, platforms, peripherals, and similar or related items of automated, computerized, or other information technology networks and systems (including supervisory control and data acquisition (SCADA) systems, and telecommunications networks and systems for voice, data, and video) owned, leased, licensed, or used by the Seller (including through cloud-based or other third-party service providers) in the operation of its propane business. For the avoidance of doubt, any asset that is used in both the operation of the System and in the operation of the Seller's propane business shall constitute an Excluded IT Asset.

"**Excluded Liabilities**" has the meaning set forth in Section 2.04.

"**Financial Statements**" has the meaning set forth in Section 4.04.

"**GAAP**" means United States generally accepted accounting principles in effect from time to time.

"**Gas Cost Order**" means that certain Order dated March 17, 2026 issued by the PSC in Case No. 2025-00389, *Electronic Purchased Gas Adjustment Filing of Valley Gas, Inc.* (filed Nov. 26, 2025).

"**Gas Cost Reserve Amount**" means an amount equal to $81,123.17.

"**Gas Cost Reserve Funds**" means the Gas Cost Reserve Amount, as reduced from time to time by the application of offsets in satisfaction of any amounts owed to Buyer Indemnitees pursuant to Section 8.07(b) in connection with the Gas Cost Order.

"**Governmental Authority**" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations, or orders of such organization or authority have the force of Law), or any arbitrator, court, or tribunal of competent jurisdiction.

"**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, or award entered by or with any Governmental Authority.

"**Hazardous Materials**" means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral, or gas, in each case, whether naturally occurring or man-made, that is hazardous, acutely hazardous, toxic, a pollutant, a contaminant, or words of similar import or regulatory effect under Environmental Laws; (b) petroleum, oil, crude oil, waste oil, petrochemical or petroleum products, liquid and gaseous hydrocarbons, diesel fuels, natural gas, natural gas liquids, casinghead gas, drip gasoline, condensate, other hydrocarbons, distillate, drilling liquids, mud, and all constituents, elements, byproducts, breakdown products, fractions, derivatives, or compounds thereof and products refined or processed therefrom; and (c) sulfide, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea-formaldehyde foam insulation, polychlorinated biphenyls, and per- and polyfluoroalkyl substances.

"**Holdback Amount**" means an amount equal to $100,000.

"**Holdback Funds**" means the Holdback Amount, as reduced from time to time by (i) the application of offsets in satisfaction of any indemnification payments owed to Buyer Indemnitees pursuant to Article VIII, (ii) the application of offsets in satisfaction of any Working Capital Deficit payment owed to Buyer pursuant to Section 2.06(c)(ii), and (iii) the scheduled release of the Holdback Funds in accordance with the provisions of Section 8.07.

"**Indemnified Party**" has the meaning set forth in Section 8.04.

"**Indemnifying Party**" has the meaning set forth in Section 8.04.

"**Independent Accountant**" has the meaning set forth in Section 2.06(b)(iv).

"**Intellectual Property**" means any and all intellectual property and industrial property, and all related rights, interests, and protections, however arising, pursuant to the Laws of any jurisdiction throughout the world, all registrations, applications for registration, and renewals of such rights, and the goodwill connected with the use of and symbolized by any of the foregoing, including any and all: trademarks, service marks, trade names, and similar indicia of source or origin; websites and domain names, social media account names and pages, and all related content and data; designs and design registrations; copyrights and works of authorship, whether or not copyrightable; trade secrets, inventions, technology, and other confidential and proprietary information, whether or not patentable; mask works; and patents (including all reissues, divisionals, continuations, continuations-in-part, and extensions thereof).

"**Interim Financial Statements**" has the meaning set forth in Section 4.04.

"**Kasey Parties**" means, collectively, Kerry R. Kasey, Kevin L. Kasey, and the Trust.

"**Law**" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any Governmental Authority, including Environmental Laws.

"**Liabilities**" means any and all debts, liabilities, commitments and obligations of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable or otherwise, whenever or however arising (including whether arising out of any contract or tort based on negligence or strict liability) and whether or not the same would be required by GAAP to be reflected in financial statements or disclosed in the notes thereto.

"**Losses**" means losses, damages, Liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided, however*, that "Losses" shall not include punitive or enhanced damages, except to the extent actually awarded to a Governmental Authority or other third party.

"**Material Adverse Effect**" means any event, occurrence, fact, condition, or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the business, results of operations, condition (financial or otherwise), or assets (including the Purchased Assets) and liabilities of Seller relating to the System, or (b) the ability of Seller to consummate the transactions contemplated hereby on a timely basis; provided, however, that none of the following shall constitute, or shall be considered in determining whether there has occurred, and no event, occurrence, fact, condition, or change resulting from or arising out of any of the following shall constitute, a Material Adverse Effect: (i) general market or economic conditions; (ii) conditions generally affecting the industries in which the Seller operate its business (as it relates to the System); provided further, however, that any event, occurrence, fact, condition, or change referred to in clauses (i) and (ii) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition, or change has a disproportionate effect on the Seller compared to other participants in the industries in which the Seller operates its business (as it relates to the System).

"**Material Customers**" has the meaning set forth in Section 4.11(a).

"**Material Suppliers**" has the meaning set forth in Section 4.11(b).

"**Outside Date**" has the meaning set forth in Section 9.01(b)(ii).

"**Pending Claim**" has the meaning set forth in Section 8.07.

"**Permits**" means all permits, licenses, franchises, approvals, authorizations, consents, registrations, certificates, exemptions, variances, and similar rights obtained, or required to be obtained, from Governmental Authorities.

"**Permitted Encumbrances**" means: (a) liens for Taxes not yet due and payable; (b) mechanic's, carriers', workmen's, repairmen's or other similar statutory liens arising or incurred in the ordinary course of business consistent with past practice for amounts that are not delinquent and which are not, individually or in the aggregate, material to the System; (c) easements, rights-of-way, or other similar encumbrances affecting real property, in each case, solely to the extent such encumbrances (i) are recorded in the applicable Governmental Authority recording office as of the date of this Agreement and (ii) do not, individually or in the aggregate, materially interfere with the occupancy, use, maintenance, or operation of any Purchased Assets for the purposes for which they are owned and operated as of the date of this Agreement or materially detract from the value of Purchased Assets subject thereto or affected thereby; (d) zoning, building, and other similar land use regulations imposed by Governmental Authorities having jurisdiction over the Easements, in each case that are not violated by the current use and operation of the Purchased Assets as of the date of this Agreement; or (e) liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business consistent with past practice which are not, individually or in the aggregate, material to the System.

"**Person**" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

"**PHMSA**" has the meaning set forth in Section 4.13(c).

"**Propane Company**" means Irvington Gas Company, Inc., a Kentucky corporation.

"**PSC**" means the Kentucky Public Service Commission.

"**PSC Approval**" means a written order issued by the PSC, in form and substance acceptable to Buyer, that (a) approves the proposed acquisition of the System contemplated by this Agreement pursuant to Section 278.020 of the Kentucky Revised Statutes, and (b) authorizes Buyer to record the full capital acquisition cost of the Purchased Assets on its regulatory books.

"**PSC Regulatory Filing**" has the meaning set forth in Section 6.07(f).

"**Purchase Price**" means an amount equal to: (a) the Base Purchase Price; plus (b) the Closing AR Amount; minus (c) the Closing AP Amount.

"**Purchased Assets**" has the meaning set forth in Section 2.01.

"**Release**" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing, or allowing to escape or migrate into or through the environment (including, without limitation, ambient or indoor air, surface water, groundwater, land surface, or subsurface strata, or within any building, structure, facility, or fixture).

"**Representative**" means, with respect to any Person, any and all directors, managing members, managers, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

"**Resolution Period**" has the meaning set forth in Section 2.06(b)(iii).

"**Restricted Period**" has the meaning set forth in Section 6.06(a).

"**Review Period**" has the meaning set forth in Section 2.06(b)(ii).

"**Schedule Update**" has the meaning set forth in Section 6.15.

"**Seller**" has the meaning set forth in the preamble.

"**Seller Closing Certificate**" has the meaning set forth in Section 7.01(l).

"**Seller Indemnitees**" has the meaning set forth in Section 8.03.

"**Seller's Knowledge**" means the actual knowledge of Kerry Kasey or Kevin Kasey, and the knowledge that each such individual would be reasonably expected to have obtained after a diligent review of Seller's records and operations and after a due inquiry of Sellers' employees and independent contractors reasonably believed by them to have knowledge of the matter in question.

"**Sniffer Apparatus**" has the meaning set forth in Section 6.13.

"**Statement of Objections**" has the meaning set forth in Section 2.06(b)(iii).

"**Tax Return**" means any return, declaration, report, claim for refund, information return or statement, or other document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"**Taxes**" means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, documentary, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto and any interest in respect of such additions or penalties.

"**Territory**" means the geographic area comprised of the State of Indiana and the Commonwealth of Kentucky.

"**Third-Party Claim**" has the meaning set forth in Section 8.04(a).

"**Trust**" has the meaning set forth in the recitals.

"**Undisputed Amounts**" has the meaning set forth in Section 2.06(b)(iv).

"**Working Capital Deficit**" has the meaning set forth in Section 2.06(c)(ii).

"**Working Capital Excess**" has the meaning set forth in Section 2.06(c)(i).

"**Year-End Financial Statements**" has the meaning set forth in Section 4.04.

ARTICLE II
PURCHASE AND SALE

Section 2.01 Purchase and Sale of Assets. Subject to the terms and conditions set forth herein, at the Closing, Seller shall sell, assign, transfer, convey, and deliver to Buyer, and Buyer shall purchase from Seller, free and clear of all Encumbrances other than Permitted Encumbrances, all of Seller's right, title, and interest in, to, and under all of the assets, properties, and rights of every kind and nature, whether real, personal, or mixed, tangible or intangible (including goodwill), wherever located and whether now existing or hereafter acquired (other than the Excluded Assets), which relate to, or are used or held for use in connection with, the System (collectively, the "**Purchased Assets**"), including, without limitation, the following:

(a) all Easements;

(b) all gas distribution mains, valves, regulator stations, injection stations, odorizers, service lines, pipelines, tanks, meters and other gas distribution assets, together with all other fixtures, equipment, tools, spare parts, supplies, and other tangible personal property relating to the System, including those items listed on **Schedule 2.01(b)**;

(c) all Seller-owned inventory contained within the System's gas distribution assets (*e.g.*, pipelines, stations, etc.) as of the Closing Date;

(d) all of Seller's accounts receivable relating to the System;

(e) all Contracts set forth on **Schedule 2.01(e)** (the "**Assigned Contracts**");

(f) all Permits that are held by and assignable by Seller and are required for the operation of the System or for the ownership and use of any Purchased Asset;

(g) all Intellectual Property used or held for use in connection with the System;

(h) all software, computer hardware, servers, networks, platforms, peripherals, and similar or related items of automated, computerized, or other information technology networks and systems (including supervisory control and data acquisition (SCADA) systems, and telecommunications networks and systems for voice, data, and video) owned, leased, licensed, or used by the Seller (including through cloud-based or other third-party service providers) in the operation of the System, other than Excluded IT Assets;

(i) all rights to any Actions of any nature available to or being pursued by Seller to the extent related to the System, the Purchased Assets, or the Assumed Liabilities, whether arising by way of counterclaim or otherwise, including rights to claims for damages, restitution, and injunctive and other legal or equitable relief;

(j) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums, and fees (including any such item relating to the payment of Taxes other than related to Seller's income, gross receipts, profits, employment-related Taxes prior to the Closing Date or arising from the transactions contemplated by this Agreement) relating to the System;

(k) all of Seller's rights under warranties, indemnities, and all similar rights against third parties to the extent related to the System or any of the Purchased Assets or the Assumed Liabilities;

(l) all insurance benefits, including rights and proceeds, arising from or relating to the System, the Purchased Assets, or the Assumed Liabilities;

(m) originals, or where not available, copies, of all books and records, including, but not limited to, books of account, ledgers and general, financial, and accounting records, internal financial statements, contract files, historical data (including billing system data), facility and equipment inspection and maintenance files, as-built drawings, designs, plans, specifications, engineering records, land files, alignment sheets, maps, property surveys, customer lists, supplier lists, operations manuals, quality control records and procedures, emissions data, safety records, environmental reports, regulatory filings, and other records and data (including all correspondence with any Governmental Authority) arising from or relating to the System, the Purchased Assets, or the Assumed Liabilities ("**Books and Records**"); and

(n) all goodwill and the going concern value of the System.

Section 2.02 Excluded Assets. Notwithstanding the foregoing, the Purchased Assets shall not include the following assets (collectively, the "**Excluded Assets**"):

(a) any cash or cash equivalents held by Seller;

(b) any Contracts that are not Assigned Contracts or Easements ("**Excluded Contracts**");

(c) the corporate seals, organizational documents, minute books, or other similar records that solely relate to the corporate organization of Seller;

(d) any Excluded IT Assets;

(e) any shares of capital stock, partnership interests, limited liability company interests, or other equity interests owned by Seller; and

(f) any rights which accrue or will accrue to Seller or the Kasey Parties under this Agreement and the Ancillary Documents; and

(g) the items listed on **Schedule 2.02(f)**.

Section 2.03 Assumed Liabilities. Subject to the terms and conditions set forth herein, from and after the Closing, Buyer shall assume and pay, perform, and discharge only the following Liabilities of Seller (collectively, the "**Assumed Liabilities**"), and no other Liabilities:

(a) all Liabilities in respect of the Assigned Contracts and Easements, but only to the extent that such Liabilities thereunder are required to be performed after the Closing Date, were incurred in the ordinary course of business, and do not relate to any failure to perform, improper performance, warranty, or other breach, default, or violation by Seller on or prior to the Closing;

(b) all Liabilities arising out of Seller's performance of its obligations under Section 6.07 in relation to obtaining PSC Approval;

(c) any unpaid trade accounts payable owed to third-party vendors for gas delivered to the System prior to the Closing Date, but only to the extent such trade accounts payable are included in the calculation of the Closing AP Amount (as finally determined pursuant to Section 2.06(b)); and

(d) all Liabilities in respect of customer deposits held by Seller as of the Closing Date, but only to the extent such Liabilities are included in the calculation of the Closing AP Amount (as finally determined pursuant to Section 2.06(b)).

Section 2.04 Excluded Liabilities. Notwithstanding the provisions of Section 2.03 or any other provision in this Agreement to the contrary, Buyer shall not assume and shall not be responsible to pay, perform, or discharge any Liabilities of Seller or any of its Affiliates of any kind or nature whatsoever other than the Assumed Liabilities (the "**Excluded Liabilities**"). Seller shall, and shall cause each of its Affiliates to, pay and satisfy in due course all Excluded Liabilities which they are obligated to pay and satisfy.

Section 2.05 Purchase Price. The aggregate consideration for the Purchased Assets shall be (a) the Purchase Price (as adjusted pursuant to Section 2.06), and (b) Buyer's assumption of the Assumed Liabilities (as provided in Section 2.03).

Section 2.06 Purchase Price Adjustment.

(a) Closing Adjustment. At least three (3) Business Days before the Closing, Seller shall prepare and deliver to Buyer a statement (the "**Estimated Closing Statement**") setting forth (A) Seller's good faith estimates, in reasonable detail, of the Closing AR Amount and the Closing AP Amount (collectively, the "**Estimated Adjustment Amounts**") and (B) Seller's calculation of the Purchase Price using the Estimated Adjustment Amounts (such calculation, the "**Estimated Purchase Price**").

(b) Post-Closing Adjustment.

(i) Within ninety (90) days after the Closing Date, Buyer shall prepare and deliver to Seller a statement (the "**Closing Statement**") setting forth (A) Buyer's calculation of the Closing AR Amount and the Closing AP Amount (the

"**Closing Adjustment Amounts**") and (B) Buyer's calculation of the Purchase Price using the Closing Adjustment Amounts.

(ii) After receipt of the Closing Statement, Seller shall have thirty (30) days (the "**Review Period**") to review the Closing Statement. During the Review Period, Buyer will provide Seller with reasonable access (during normal business hours and upon reasonable advance notice) to the books and records of Buyer relating to the Closing Adjustment Amounts as Seller may reasonably request for the purpose of reviewing the Closing Statement and to prepare a Statement of Objections (defined below), provided, that such access shall be in a manner that does not interfere with the normal business operations of Buyer.

(iii) On or prior to the last day of the Review Period, Seller may object to the Closing Statement by delivering to Buyer a written statement setting forth Seller's objections in reasonable detail, indicating each disputed item or amount and the basis for Seller's disagreement therewith (the "**Statement of Objections**"). If Seller fails to deliver the Statement of Objections before the expiration of the Review Period, then the Closing Statement and Buyer's calculations set forth therein shall be deemed to have been accepted by Seller and shall be final and binding on the parties hereto. If Seller delivers the Statement of Objections before the expiration of the Review Period, Buyer and Seller shall negotiate in good faith to resolve such objections within thirty (30) days after the delivery of the Statement of Objections (the "**Resolution Period**"). If all such objections are so resolved within the Resolution Period, then the Closing Statement and the Closing Adjustment Amounts reflected in the Closing Statement, in each case with such changes as have been agreed in writing by Buyer and Seller, shall be final and binding on the parties hereto.

(iv) If Seller and Buyer fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute (the "**Disputed Amounts**" and, any amounts not so disputed, the "**Undisputed Amounts**") shall be submitted for resolution to an impartial firm of independent certified public accountants with offices in the Commonwealth of Kentucky selected by Buyer and approved by Seller (such approval not to be unreasonably withheld, delayed or conditioned) (the "**Independent Accountant**") who, acting as experts and not arbitrators, shall resolve the Disputed Amounts and make such adjustments to the Closing Statement and the Closing Adjustment Amounts as are necessary to reflect its resolution of the Disputed Amounts and all Undisputed Amounts. The parties hereto agree that all adjustments shall be made without regard to materiality. The Independent Accountant shall only decide the specific items under dispute by the parties and their decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Statement and the Statement of Objections, respectively. The fees and expenses of the Independent Accountant shall be paid by Seller, on the one hand, and Buyer, on the other hand, based upon the percentage that the amount actually contested but not awarded to Seller or Buyer, respectively, bears to the aggregate amount actually contested by Seller and

Buyer. Absent fraud or manifest error, the Independent Accountant's resolution of the Disputed Amounts shall be conclusive and binding upon the parties hereto.

(c) Payments of Post-Closing Adjustment. No later than five (5) business days after the Purchase Price is finally determined pursuant to Section 2.06(b):

(i) if the Purchase Price (as so finally determined) is greater than the Estimated Purchase Price (such amount, the "**Working Capital Excess**"), Buyer shall deliver, or cause to be delivered, to Seller, by wire transfer of immediately available funds to such account as is directed by Seller, payment in an amount equal to the Working Capital Excess; and

(ii) if the Purchase Price (as so finally determined) is less than the Estimated Purchase Price (the absolute value of such amount, the "**Working Capital Deficit**"), Seller shall deliver, or cause to be delivered, to Buyer, by wire transfer of immediately available funds to such account as is directed by Buyer, payment in an amount equal to the Working Capital Deficit; provided, that Buyer shall have the right, but not the obligation, to satisfy any such Working Capital Deficit, in whole or in part, by setting off and taking such amount from the Holdback Funds.

(d) Adjustments for Tax Purposes. Any payments made pursuant to Section 2.06 shall be treated as an adjustment to the Purchase Price by the parties for Tax purposes, unless otherwise required by Law.

Section 2.07 Allocation of Purchase Price. Seller and Buyer agree that the Purchase Price and the Assumed Liabilities (plus other relevant items) shall be allocated among the Purchased Assets for all purposes (including Tax and financial accounting) in accordance with the principles set forth on **Schedule 2.07** hereto (the "**Allocation Methodology**"). No later than thirty (30) days after the Purchase Price is finally determined pursuant to Section 2.06(b), Buyer shall prepare and deliver to Seller an allocation schedule (the "**Allocation Schedule**") allocating the Purchase Price and the Assumed Liabilities (plus other relevant items) among the Purchased Assets in accordance with the Allocation Methodology. If Seller does not notify Buyer in writing within ten (10) days of Seller's receipt of Buyer's Allocation Schedule that Seller objects to one or more items reflected in the Allocation Schedule, then the Allocation Schedule shall be final and binding on the parties. If Seller notifies Buyer in writing within ten (10) days of Seller's receipt of Buyer's Allocation Schedule that Seller objects to one or more items reflected in the Allocation Schedule, Seller and Buyer shall negotiate in good faith to resolve such disputed items; *provided*, *however*, that if Seller and Buyer cannot resolve such disputed items within thirty (30) days despite such cooperation, Seller and Buyer shall engage the Independent Accountant to determine the final resolution with respect to such disputed items (which resolution shall be consistent with the Allocation Methodology). Any determinations made by the Independent Accountant in connection with the foregoing will be conclusive and binding on the parties, and the fees and expenses of the Independent Accountant shall be paid by Seller, on the one hand, and Buyer, on the other hand, based upon the percentage that the amount actually contested but not awarded to Seller or Buyer, respectively, bears to the aggregate amount actually contested by Seller and Buyer. Buyer and Seller shall file all Tax Returns (including amended returns and claims for refund) and information reports in a manner consistent with the Allocation Schedule as finally determined pursuant to this Section 2.07.

Section 2.08 Withholding Tax. Upon prior written notice to Seller, Buyer shall be entitled to deduct and withhold from the Purchase Price all Taxes that Buyer may be required to deduct and withhold under any provision of Tax Law. All such withheld amounts shall be treated as delivered to Seller hereunder.

Section 2.09 Third-Party Consents. To the extent that Seller's rights under any Contract or Permit constituting a Purchased Asset, or any other Purchased Asset, may not be assigned to Buyer without the consent of another Person which has not been obtained, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful, and Seller, at its expense, shall use its best efforts to obtain any such required consent(s) as promptly as possible. If any such consent shall not be obtained or if any attempted assignment would be ineffective or would impair Buyer's rights under the Purchased Asset in question so that Buyer would not in effect acquire the benefit of all such rights, Seller, to the maximum extent permitted by Law and the Purchased Asset, shall act after the Closing as Buyer's agent in order to obtain for Buyer the benefits thereunder and shall cooperate, to the maximum extent permitted by Law and the Purchased Asset, with Buyer in any other reasonable arrangement designed to provide such benefits to Buyer. Notwithstanding any provision in this Section 2.09 to the contrary, Buyer shall not be deemed to have waived its rights under Section 7.01(d) hereof unless and until Buyer either provides written waivers thereof or elects to proceed to consummate the transactions contemplated by this Agreement at Closing.

ARTICLE III
CLOSING

Section 3.01 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the "**Closing**") shall take place remotely by exchange of documents and signatures (or their electronic counterparts) on the second (2nd) Business Day after all of the conditions to Closing set forth in Article VII are either satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date), or on such other date as Seller and Buyer may mutually agree upon in writing. The date on which the Closing is to occur is herein referred to as the "**Closing Date**". The Closing shall be effective at 12:01 a.m. Eastern Time on the Closing Date.

Section 3.02 Closing Deliverables.

(a) At the Closing, Seller shall deliver to Buyer the following:

(i) a bill of sale in form and substance consistent with **Exhibit A** attached hereto (the "**Bill of Sale**") and duly executed by Seller, transferring the tangible personal property included in the Purchased Assets to Buyer;

(ii) an assignment and assumption agreement in form and substance consistent with **Exhibit B** attached hereto (the "**Assignment and Assumption Agreement**") and duly executed by Seller, effecting the assignment to and assumption by Buyer of the Purchased Assets and the Assumed Liabilities;

(iii) with respect to the Easements, an Assignment of Easements in form and substance consistent with **Exhibit C** attached ("**Assignment of Easements**") and duly executed by Seller and, if necessary, Seller's signature shall be witnessed and/or notarized;

(iv) the Seller Closing Certificate in form and substance consistent with **Exhibit D** attached hereto;

(v) a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certificate) for Seller, duly executed by an officer of Seller;

(vi) such other customary instruments of transfer, assumption, filings, or documents, in form and substance reasonably satisfactory to Buyer, as may be required to give effect to this Agreement.

(b) At the Closing, Buyer shall deliver to Seller the following:

(i) the Closing Payment, by wire transfer of immediately available funds to an account designated in writing by Seller to Buyer;

(ii) the Assignment and Assumption Agreement duly executed by Buyer;

(iii) the Assignment of Easements duly executed by Buyer and, if necessary, Buyer's signature shall be witnessed and/or notarized; and

(iv) the Buyer Closing Certificate in form and substance consistent with **Exhibit E** attached hereto.

ARTICLE IV
SELLER REPRESENTATIONS AND WARRANTIES

Seller and the Kasey Parties represent and warrant to Buyer that the statements contained in this Article IV are true and correct as of the date hereof.

Section 4.01 Organization and Capacity. Seller is a corporation duly organized, validly existing, and in good standing under the Laws of the Commonwealth of Kentucky and has all requisite power and authority to own, operate, or lease the properties and assets now owned, operated, or leased by it and to operate the System. Each Kasey Party (other than the Trust) is at least twenty-one (21) years of age, has the legal capacity to enter into this Agreement and the Ancillary Documents to which said Kasey Party is a party, and to consummate the transactions contemplated hereby and thereby, and is a resident of the Commonwealth of Kentucky. The Trust is a common law trust duly established, constituted and subsisting under the Laws of the Commonwealth of Kentucky, and the trustees thereof have all requisite power and authority to cause the Trust to enter into this Agreement and the Ancillary Documents to which the Trust is a party and to consummate the transactions contemplated hereby and thereby.

Section 4.02 Authority. Subject only to receipt of the PSC Approval, Seller and each Kasey Party have all requisite power and authority to enter into this Agreement and the Ancillary Documents to which they are or will be a party, to carry out their respective obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller and the Trust of this Agreement and any Ancillary Document to which Seller or Trust, as applicable, is or will be a party, the performance by Seller and the Trust of their respective obligations hereunder and thereunder, and the consummation by Seller and the Trust of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate or trustee action, applicable, on the part of Seller and the Trust. This Agreement has been duly executed and delivered by Seller and each Kasey Party, and (assuming due authorization, execution, and delivery by Buyer) this Agreement constitutes a legal, valid, and binding obligation of Seller and each Kasey Party, enforceable against them in accordance with its terms. When each Ancillary Document to which Seller or any Kasey Party is or will be a party has been duly executed and delivered by Seller or such Kasey Party (assuming due authorization, execution, and delivery by each other party thereto), such Ancillary Document will constitute a legal and binding obligation of Seller or such Kasey Party, enforceable against it in accordance with its terms.

Section 4.03 No Conflicts; Consents.

(a) The execution, delivery, and performance by Seller and each Kasey Party of this Agreement and the Ancillary Documents to which it is or will be a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles of incorporation, bylaws, trust declaration, or other organizational documents of Seller or the Trust; (b) subject to receipt of the PSC Approval, conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Seller, any Kasey Party, the System, or the Purchased Assets; (c) conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of, or create in any party the right to accelerate, terminate, modify, or cancel any Contract or Permit to which Seller is a party or by which Seller or the System is bound or to which any of the Purchased Assets are subject (including any Assigned Contract or Easement); (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on the Purchased Assets; or (e) pursuant to a right of first refusal, option, preferential purchase right, or other similar purchase right, give any Person (other than Buyer) the right to prevent, impede, or delay the Closing under this Agreement, or to acquire all or a portion of the Purchased Assets.

(b) Except for PSC Approval or as disclosed on **Schedule 4.03(b)**, no consent, approval, Permit, Governmental Order, declaration, or filing with, or notice to, any Person (including any Governmental Authority) is required by or with respect to Seller or any Kasey Party in connection with the execution and delivery of this Agreement or any of the Ancillary Documents or the consummation of the transactions contemplated hereby and thereby.

Section 4.04 Financial Statements. Complete copies of the financial statements consisting of the balance sheets of Seller as at December 31, 2023 and December 31, 2024 and the related statements of income, shareholders' equity, and cash flows for the year then ended (the "**Year-End Financial Statements**"), and financial statements consisting of the balance sheet of Seller as at August 31, 2025 and the related statements of income, shareholders' equity, and cash flows for the eight-month period then ended (the "**Interim Financial Statements**" and together with the Year-End Financial Statements, the "**Financial Statements**") have been made available to Buyer. The Financial Statements have been prepared by management on a tax accounting basis applied on a consistent basis throughout the period involved. The Financial Statements are based on the books and records of Seller, and, subject to adjustment for related-company transactions and the matters identified on **Schedule 4.04**, fairly present in all material respects the financial condition of Seller and the System as of the respective dates they were prepared and the results of the operations of Seller and the System for the periods indicated. Each of the Financial Statements has been prepared in accordance with all applicable rules and regulations promulgated by the PSC, including, without limitation, the core annual reporting obligations set forth in 807 KAR 5:006 §4 (Uniform System of Accounts for Gas Utilities) as reflected in the Annual Reports filed by the Seller on the PSC's required Form.

Section 4.05 Undisclosed Liabilities. Seller has no Liabilities with respect to the System, except (a) those which are adequately reflected or reserved against in the Interim Financial Statements, (b) those which have been incurred in the ordinary course of business consistent with past practice since the date of the Interim Financial Statements and which are not, individually or in the aggregate, material in amount, and (c) those which are identified on **Schedule 4.05**.

Section 4.06 Absence of Changes. Except as identified on **Schedule 4.06**, since December 31, 2024: (a) Seller has operated the System in the ordinary course of business consistent with past practice; and (b) there has not been (i) any event, occurrence, or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (ii) any material damage, destruction, or loss (including by fire, explosion, act of God, theft, vandalism, flood, wind, earthquake, sabotage, explosion, equipment failure, or otherwise), whether or not covered by insurance, of all or any portion of the Purchased Assets, or (iii) any actual, pending, or proposed taking of all or any material portion of the Purchased Assets by exercise of the power of eminent domain or condemnation, as to which Seller the has received written notice from the condemning authority.

Section 4.07 Assigned Contracts. Each Assigned Contract is in full force and effect and is a valid and binding agreement enforceable against Seller and, to Seller's Knowledge, the other parties thereto in accordance with its terms. None of Seller or, to Seller's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of default or notice of any intention to terminate, any Assigned Contract. To Seller's Knowledge, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Assigned Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. No party to an Assigned Contract has provided or received any notice of force majeure under any Assigned Contract, which force majeure event is still continuing, and no event or circumstance has occurred that, with lapse of time, would reasonably be expected to result in the basis for a force majeure or other claim of excusable delay or non-performance under any Assigned Contract. To Seller's Knowledge, no party to any Assigned Contract has filed, has threatened to file or is contemplating filing, a petition in voluntary bankruptcy, a petition or answer seeking reorganization, or an arrangement with creditors under the federal bankruptcy Laws or any other similar Laws. Complete and correct copies of each Assigned Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to Buyer. There are no material disputes pending or threatened under any Assigned Contract. Other than the Assigned Contracts, there are no other Contracts that are material to the System except as set forth on **Schedule 4.07**, (x) by which any of the Purchased Assets are bound or affected or (y) to which Seller is a party or by which it is bound in connection with the System or the Purchased Assets, and (z) none of said other Contracts will be binding on the Buyer, the System or the Purchased Assets after the Closing.

Section 4.08 Title to Purchased Assets. Seller has good and valid title to, or a valid easement or leasehold interest in, all of the Purchased Assets. All Purchased Assets (including leasehold interests) are free and clear of Encumbrances except for Permitted Encumbrances. Attached hereto as **Schedule 4.08** is a true, correct and complete list of all assets owned by Seller as of the date of this Agreement.

Section 4.09 Condition and Sufficiency of Assets. The buildings, plants, structures, pipelines, fixtures, machinery, equipment, vehicles, and other items of tangible property included in the Purchased Assets are in good operating condition and repair, subject to ordinary wear and tear, and are adequate for the uses to which they are being put, and to Seller's Knowledge none of such buildings, plants, structures, pipelines, fixtures, machinery, equipment, vehicles, and other items of tangible property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs. The Purchased Assets are sufficient for the continued operation of the System after the Closing in substantially the same manner as operated prior to the Closing and constitute all of the rights, property, and assets necessary to operate the System as currently operated. None of the Excluded Assets are material to the System. There are no material defects, corrosion or other damage to any of the gas distribution mains, valves, regulator stations, injection stations, odorizers, service lines, pipelines, tanks, meters and other gas distribution assets, or other tangible personal property included in the Purchased Assets that could reasonably be expected to result in a pipeline integrity failure or other safety issue.

Section 4.10 Real Property.

(a) **Schedule 4.10** contains a complete list of all of the rights-of-way, easements, surface use agreements, licenses, permits, or similar rights to use or interest in real property of which the Seller owns or has an interest in and which are used in or necessary for the operation of the System as currently operated (together with all right, title, and interest of Seller in and to all surface and subsurface pipelines, fixtures, structures, and improvements situated thereon, collectively, "**Easements**"). Each Easement is in full force and effect and is a valid and binding agreement enforceable against Seller and, to Seller's Knowledge, the other parties thereto in accordance with its terms. None of the Seller or, to Seller's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice default or notice of any intention to terminate, any Easement. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Easement or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Easement (including all modifications, amendments, and supplements thereto and waivers thereunder) have been made available to Buyer.

(b) The Seller has good and valid title, leasehold or easement interests in each Easement, in each case, free and clear of all Encumbrances, other than Permitted Encumbrances. The Seller has not granted any assignment, lease, license, sublease, easement, right-of-way, concession, or other agreement (written or oral) granting to any other Person any right to the possession, lease, occupancy, use, or enjoyment of any of the Easements (including any of real property subject thereto).

(c) The Easements constitute all of the real property interests necessary for the continued operation of the System after the Closing in substantially the same manner as operated prior to the Closing and constitute all of the real property rights necessary to operate the System as currently operated. The Easements collectively establish a continuous right-of-way along the route of the tangible property and other assets of the Seller constituting the pipeline systems comprising the System, with no gaps or breaks in continuity. The pipelines, stations and other buildings, plants, facilities, structures, improvements, fixtures, and tangible property included in the Purchased Assets are located within the boundaries of Seller's property rights under the Easements, collectively, and do not encroach on real property owned or leased by another Person. The use and operation of the real property subject to the Easements in the operation of the System do not violate in any material respect any Law, covenant, condition, restriction, easement, license, Permit, or Contract. There are no rights of first refusal, options, or other contractual rights to purchase or acquire any interest in any real property subject to the Easements. There are no Actions pending nor, to Seller's Knowledge, threatened against or affecting the real property subject to the Easements or any portion thereof or interest therein in the nature or in lieu of condemnation or eminent domain proceedings.

(d) Seller does not own any real property that is used in or necessary for the operation of the System as currently operated (other than Easements). Seller does not lease or sublease any real property that is used in or necessary for the operation of the System as currently operated.

Section 4.11 Customers and Suppliers.

(a) <u>**Schedule 4.11(a)**</u> sets forth: (i) each customer of the System from whom Seller has received consideration in an amount greater than or equal to $10,000 for each of the two (2) most recent calendar years (collectively, the "**Material Customers**"); and (ii) the amount of consideration paid by each Material Customer to Seller during such calendar years. No Material Customer has terminated, cancelled, suspended, failed to renew or reduced its business relationship with the System, and Seller has not received any notice that any Material Customer intends to take any such action.

(b) <u>**Schedule 4.11(b)**</u> sets forth: (i) each supplier of the System to whom Seller has paid consideration in an amount greater than or equal to $10,000 for each of the two

(2) most recent calendar years (collectively, the "**Material Suppliers**"); and (ii) the amount of purchases from each Material Supplier during such calendar years. No Material Supplier has terminated, cancelled, suspended, failed to renew or reduced its business relationship with the System, and Seller has not received any notice that any Material Supplier intends to take any such action.

Section 4.12 Legal Proceedings; Governmental Orders.

(a) There are no Actions pending or, to Seller's Knowledge, threatened against or by Seller: (i) relating to or affecting the System, the Purchased Assets, or the Assumed Liabilities; or (ii) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) There are no outstanding Governmental Orders against Seller or that otherwise relate to affect the System, the Purchased Assets or the Assumed Liabilities. There are no unsatisfied judgments, penalties or awards against Seller or that otherwise relate to affect the System, the Purchased Assets or the Assumed Liabilities.

Section 4.13 Compliance With Laws; Permits.

(a) Seller is now complying, and has at all times materially complied, with all Laws applicable to the operation of the System as currently operated or the ownership and use of the Purchased Assets.

(b) All Permits required for Seller to operate the System as currently operated or for the ownership and use of the Purchased Assets have been obtained by Seller and are valid and in full force and effect. **Schedule 4.13(b)** lists all current Permits issued to Seller which are related to the operation of the System as currently operated or the ownership and use of the Purchased Assets. The Seller is now complying, and has at all times materially complied, with all Permits listed on **Schedule 4.13(b)**.

(c) All filings required to be made by the Seller with the Pipeline and Hazardous Materials Safety Administration of the Department of Transportation ("**PHMSA**"), the PSC, or any other applicable state public utility commission or department, as the case may be, with respect to the System have been timely made, including all forms, statements, reports, notices, agreements and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs and related documents, and all such filings complied, as of their respective dates, and, as amended or supplemented, with all applicable Laws. Seller has not received any written notice or, to Seller's Knowledge, other communication from the PHMSA, the PSC or any other applicable state public utility commission or department, as the case may be, regarding any actual or possible violation of, or material failure to comply with, any applicable Law. Seller has timely and properly performed all pipeline maintenance and pipeline safety inspections with respect to the System in full compliance with all applicable Laws.

Section 4.14 Environmental Matters.

(a) Subject to the matters set forth on **Schedule 4.14**, the operations of Seller with respect to the System and the Purchased Assets are currently in and have at all times been in compliance with all Environmental Laws. Seller has not received from any Person, with respect to the System or the Purchased Assets, any: (i) Environmental Notice or Environmental Claim; or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing Liabilities or requirements as of the Closing Date.

(b) Subject to the matters set forth on **Schedule 4.14**, there has been no Release of Hazardous Materials in contravention of Environmental Law, or that could reasonably be expected to give rise to an investigation, remedial or corrective actions, or other Liabilities on the part of the Seller pursuant to Environmental Law, with respect to the System or the Purchased Assets or any real property or site currently or formerly owned, leased, operated, or used by Seller in connection with the System. Seller has not received an Environmental Notice that the System, any of the Purchased Assets, or any real property or site currently or formerly owned, leased, operated, or used by Seller in connection with the System (including soils, groundwater, surface water, buildings, and other structure located thereon) has been contaminated with any Hazardous Material which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, Seller or (after the Closing) Buyer.

(c) Seller has provided or otherwise made available to Buyer any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to the System or the Purchased Assets or any real property or site currently or formerly owned, leased, or operated by Seller in connection with the System which are in the possession or control of Seller related to compliance with Environmental Laws, Environmental Claims, or an Environmental Notice or the Release of Hazardous Materials.

Section 4.15 Taxes. All Taxes due and owing by Seller have been, or will be, timely paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of Seller. All Tax Returns required to be filed by Seller for any tax periods prior to Closing have been, or will be, timely filed. Such Tax Returns are, or will be, true, complete, and correct in all respects.

Section 4.16 Related Party Transactions. Subject to the matters set forth on **Schedule 4.16**, there are no Contracts or other arrangements involving the System in which any of Seller's Affiliates, or any of the respective shareholders, directors, officers, or employees of Seller or any of its Affiliates is a party, has a financial interest, or otherwise owns or leases any material asset, property, or right which is used in the operation of the System. Neither Seller nor any of its Affiliates (nor any of their respective shareholders, directors, officers, or employees) has provided any performance or surety bonds, letters of credit, cash deposits, guarantees, or other forms of credit support or financial assurances in respect of the System.

Section 4.17 Brokers. Except as disclosed on **Schedule 4.17**, no broker, finder, financial advisor, investment banker, or other similar Person is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any Ancillary Document based upon arrangements made by or on behalf of Seller.

ARTICLE V
BUYER REPRESENTATIONS AND WARRANTIES

Buyer represents and warrants to Seller that the statements contained in this Article V are true and correct as of the date hereof.

Section 5.01 Organization. Buyer is a corporation duly organized and validly existing under the Laws of the State of Indiana.

Section 5.02 Authority. Buyer has all requisite power and authority to enter into this Agreement and the Ancillary Documents to which Buyer is or will be a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and any Ancillary Document to which Buyer is or will be a party, the performance by Buyer of its obligations hereunder and thereunder, and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer, and (assuming due authorization, execution, and delivery by Seller and the Kasey Parties) this Agreement constitutes a legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with its terms. When each Ancillary Document to which Buyer is or will be a party has been duly executed and delivered by Buyer (assuming due authorization, execution, and delivery by each other party thereto), such Ancillary Document will constitute a legal and binding obligation of Buyer enforceable against it in accordance with its terms.

Section 5.03 No Conflicts; Consents.

(a) The execution, delivery, and performance by Buyer of this Agreement and the Ancillary Documents to which it is or will be a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles of incorporation, bylaws, or other organizational documents of Buyer; or (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Buyer.

(b) Except for PSC Approval, no consent, approval, Permit, Governmental Order, declaration, or filing with, or notice to, any Person (including any Governmental Authority) is required by or with respect to Buyer in connection with the execution and delivery of this Agreement and the Ancillary Documents to which Buyer is or will be a party and the consummation of the transactions contemplated hereby and thereby, except where the failure to make or obtain such consents, approvals, Permits, Governmental Orders, declarations, filings, or notices, in the aggregate, would not have a material adverse effect on the ability of Buyer to consummate the transactions contemplated hereby on a timely basis.

Section 5.04 Brokers. No broker, finder, financial advisor, investment banker, or other similar Person is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any Ancillary Document based upon arrangements made by or on behalf of Buyer.

ARTICLE VI
COVENANTS

Section 6.01 Conduct of Business Prior to the Closing.

(a) From the date hereof until the Closing Date, except as otherwise provided in this Agreement or consented to in writing by Buyer, Seller shall: (x) operate the System in the ordinary course of business consistent with past practice; and (y) use reasonable best efforts to maintain and preserve intact its current business organization, operations, and franchise and to preserve its rights, franchises, goodwill, and relationships with its employees, customers, lenders, suppliers, regulators, and others having relationships with the System. Without limiting the foregoing, from the date hereof until Closing, Seller shall:

(i) preserve, maintain, and comply with, all Permits required for the operation of the System as currently operated or for the ownership and use of the Purchased Assets;

(ii) pay all debts, Taxes, and other obligations relating to the System when due;

(iii) continue to collect accounts receivable in a manner consistent with past practice, without discounting such accounts receivable except in accordance with past practices;

(iv) maintain the properties and assets included in the Purchased Assets in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear;

(v) perform all of its obligations under all Assigned Contracts and Easements;

(vi) maintain the Books and Records in accordance with past practice; and

(vii) comply in all material respects with all Laws applicable to the operation of the System or the ownership and use of the Purchased Assets.

(b) From the date hereof until the Closing, except as otherwise provided in this Agreement or consented to in writing by Buyer, Seller shall not:

(i) materially change any method of accounting or accounting practice of the Seller, except as required by GAAP;

(ii) materially change Seller's cash management practices and its policies, practices, and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts receivable, accrual of accounts receivable, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue, and acceptance of customer deposits;

(iii) enter into any Contract that would constitute an Assigned Contract or Easement;

(iv) accelerate, terminate, modify, cancel, or assign any rights or obligations under any Assigned Contract or Easement;

(v) transfer, assign, sell, or otherwise dispose of any of the Purchased Assets, except for the sale of inventory in the ordinary course of business;

(vi) cancel any debts or claims or amend, terminate, or waive any rights constituting Purchased Assets;

(vii) incur material damage, destruction, or loss, or any material interruption in use, whether or not covered by insurance;

(viii) cause or allow any Encumbrance (other than Permitted Encumbrances) to be imposed upon any of the Purchased Assets;

(ix) adopt any plan of merger, consolidation, reorganization, liquidation, or dissolution or file a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(x) (A) acquire any real property or interest in real property in connection with the System, or (B) purchase, lease, or otherwise acquire the right to own, use, or lease any property or assets in connection with the System for an amount in excess of $1,000, individually (in the case of a lease, per annum) or $10,000 in the aggregate (in the case of a lease, for the entire term of the lease, not including any option term), except for purchases of inventory or supplies in the ordinary course of business consistent with past practice;

(xi) make filings with a Governmental Authority (including the PSC) in connection with the System, except routine periodic filings in the ordinary course of business, or file or amend any tariffs in connection with the System;

(xii) enter into any settlement or release with respect to any Action that relates to the System, unless such settlement (A) involves the unconditional release of Seller with respect to the subject matter of the Action, (B) does not impose any obligations on Buyer or the System after the Closing, and (C) does not involve and admission of wrongdoing by Seller; or

(xiii) enter into any Contract to do any of the foregoing, or take any action or omit to take any action that would result in any of the foregoing.

Section 6.02 Access to Information. From the date hereof until the Closing, Seller shall: (a) afford Buyer and its Representatives full and free access to and the right to inspect all of the properties (including real property), assets, premises, Books and Records, Contracts, and other documents and data related to the System; (b) furnish Buyer and its Representatives with such financial, operating, and other data and information related to the System as Buyer or any of its Representatives may reasonably request; and (c) instruct the Representatives of Seller to cooperate with Buyer in its investigation of the System. Without limiting the foregoing, Seller shall permit Buyer and its Representatives to conduct environmental due diligence of the real property subject to the Easements, including the collecting and analysis of samples of indoor or ambient air, surface water, groundwater, or surface or subsurface land on, at, in, under, or from such real property. Any investigation pursuant to this Section 6.02 shall be conducted in such manner as not to interfere unreasonably with the operation of the System. Any invasive testing, including, but not limited to, soil sampling, groundwater testing, or physical penetration shall be prohibited without Seller's prior written consent, such consent not to be unreasonably withheld, delayed or conditioned, and shall require Buyer to submit a detailed scope of work and the resumes and experience of each consultant and contractor who would be involved in the performance or analysis of the invasive testing. No investigation by Buyer or other information received by Buyer shall operate as a waiver or otherwise affect any representation, warranty, or agreement given or made by Seller in this Agreement.

Section 6.03 No Solicitation of Other Bids.

(a) Seller and the Kasey Parties shall not, and shall not authorize or permit any of their respective Affiliates or Representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate, or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. Seller and the Kasey Parties shall immediately cease and cause to be terminated, and shall cause its Affiliates and all of its and their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to, or that could lead to, an Acquisition Proposal.

(b) In addition to the other obligations under this Section 6.03, Seller shall promptly (and in any event within three (3) Business Days after receipt thereof by Seller or its Representatives) advise Buyer orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal, or inquiry, and the identity of the Person making the same.

(c) Seller and the Kasey Parties agree that the rights and remedies for noncompliance with this Section 6.03 shall include having such provision specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Buyer and that money damages would not provide an adequate remedy to Buyer.

Section 6.04 Notice of Certain Events.

(a) From the date hereof until the Closing, Seller shall promptly notify Buyer in writing of:

(i) any fact, circumstance, event, or action, the existence, occurrence, or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Seller hereunder not being true and correct or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.01 to be satisfied;

(ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and

(iv) any Actions commenced or, to Seller's Knowledge, threatened against, relating to, or involving or otherwise affecting the System, the Purchased Assets, or the Assumed Liabilities that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.12 or that relates to the consummation of the transactions contemplated by this Agreement.

(b) Except as otherwise expressly provided in Section 6.15 (with respect to newly disclosed matters contained in a Schedule Update), Buyer's receipt of information pursuant to this Section 6.04 shall not operate as a waiver or otherwise affect any representation or warranty made by Seller or any Kasey Party in this Agreement and shall not be deemed to amend or supplement any of the disclosures set forth on the Schedules hereto.

Section 6.05 Confidentiality. From and after the Closing Date, Seller and the Kasey Parties shall, and shall cause their respective Affiliates to, hold, and shall use reasonable best efforts to cause their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the System, except to the extent that Seller can show that such information is generally available to and known by the public through no fault of Seller, any Kasey Party, any of their Affiliates, or their respective Representatives. If Seller or any Kasey Party is compelled to disclose any information by judicial or administrative process or by other requirements of Law, Seller or such Kasey Party shall promptly notify Buyer in writing and shall disclose only that portion of such information which Seller or such Kasey Party is advised by its counsel in writing is legally required to be disclosed; *provided*, that Seller or such Kasey Party shall provide Buyer with a reasonable opportunity to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 6.06 Non-Competition.

(a) For a period of five (5) years commencing on the Closing Date (the "**Restricted Period**"), neither Seller, the Kasey Parties nor the Propane Company shall, nor shall they permit any of their respective Affiliates to, directly or indirectly, (i) engage in or assist others in engaging in the operation of a natural gas distribution business anywhere in the Territory; (ii) have an interest in any Person that engages directly or indirectly in a natural gas distribution business anywhere in the Territory in any capacity, including as a partner, shareholder, member, employee, principal, agent, trustee, or consultant; (iii) cause, induce, or encourage any customer or supplier of the System (including any existing customer of Seller and any Person that becomes a customer of the System after the Closing), or any other Person who has a material business relationship with the System, to terminate or modify any such actual or prospective relationship; or (iv) solicit, or attempt to solicit, any customer of the System for purposes of offering, selling or otherwise providing goods or services that are similar to, or competitive with, those offered by the System. Notwithstanding the foregoing, a Kasey Party may own, directly or indirectly, solely as an investment, securities of any Person if the Kasey Parties, individually or collectively, are not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own ten percent (10%) or more of any class of securities of such Person. Notwithstanding the foregoing, any general solicitation of the public by or on behalf of the Propane Company through general advertising or marketing not specifically targeted at customers of the System (*e.g.*, radio or television advertisements) shall not be deemed a violation of this Section 6.06(a).

(b) Seller, the Propane Company, and each Kasey Party acknowledges that a breach or threatened breach of this Section 6.06 would give rise to irreparable harm to Buyer, for which monetary damages would not be an adequate remedy, and hereby agrees that in the event of a breach or a threatened breach by Seller, the Propane Company, or any Kasey Party of any such obligations, Buyer shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to seek equitable relief, including a temporary restraining order, an injunction, specific performance, and any other relief that may be available from a court of competent jurisdiction (without any requirement to post bond).

(c) Seller, the Propane Company, and each Kasey Party acknowledges that the restrictions contained in this Section 6.06 are reasonable and necessary to protect the legitimate interests of Buyer and constitute a material inducement to Buyer to enter into this Agreement and consummate the transactions contemplated by this Agreement. In the event that any covenant contained in this Section 6.06 should ever be adjudicated to exceed the time, geographic, product or service, or other limitations permitted by applicable Law in any jurisdiction, then any court is expressly empowered to reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction to the maximum time, geographic, product or service, or other limitations permitted by applicable Law. The covenants contained in this Section 6.06 and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 6.07 Governmental Approvals and Consents.

(a) Each party hereto shall use reasonable best efforts to obtain, or cause to be obtained, all consents, authorizations, orders, and approvals from all Governmental Authorities that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement (including PSC Approval). Each party shall cooperate fully with the other party and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders, and approvals. The parties hereto shall not willfully take any action that will have the effect of delaying, impairing, or impeding the receipt of PSC Approval or any other required consent, authorization, order, or approval.

(b) Without limiting the generality of the parties' undertakings pursuant to Section 6.07(a) above, each of the parties hereto shall use reasonable best efforts to:

(i) respond to any inquiries by the PSC or other Governmental Authorities with respect to the transactions contemplated by this Agreement;

(ii) avoid the imposition of any order or the taking of any action that would restrain, alter, or enjoin the transactions contemplated by this Agreement; and

(iii) in the event any Governmental Order adversely affecting the ability of the parties to consummate the transactions contemplated by this Agreement has been issued, to have such Governmental Order vacated or lifted.

(c) All analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals made by or on behalf of either party before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the transactions contemplated hereunder shall be disclosed to the other party hereunder in advance of any filing, submission, or attendance, it being the intent that the parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals. Each party shall give notice to the other party with respect to any meeting, discussion, appearance, or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other party with the opportunity to attend and participate in such meeting, discussion, appearance, or contact.

(d) Notwithstanding the foregoing, nothing in this Section 6.07 shall require, or be construed to require, Buyer or any of its Affiliates to agree to: (i) sell, hold, divest, discontinue, or limit, before or after the Closing Date, any assets, businesses, or interests of Buyer or any of its Affiliates; (ii) any conditions relating to, or changes or restrictions in, the operations of any such assets, businesses, or interests which, in either case, could reasonably be expected to result in a Material Adverse Effect or materially and adversely impact the economic or business benefits to Buyer of the transactions contemplated by this Agreement; or (iii) any material modification or waiver of the terms and conditions of this Agreement.

(e) From the date hereof until the Closing, Buyer shall have the right to make inquiries to, and otherwise communicate with, the PSC regarding compliance issues and/or safety concerns respecting the System and/or Seller's operation of the same. Seller and the Kasey Parties shall fully cooperate with the Buyer's efforts to make such inquiries and obtain such further information from the PSC as the Buyer deems appropriate for purposes of completing its due diligence investigation of the System and the Seller's past practices with respect thereto.

(f) Buyer shall have primary responsibility for the preparation and filing of the regulatory filing to be made to the PSC requesting the PSC Approval (the "**PSC Regulatory Filing**"). Upon Buyer's request, Seller and the Kasey Parties shall use commercially reasonable efforts to cooperate with and assist Buyer in the preparation and filing of the PSC Regulatory Filing. The parties hereto shall use commercially reasonable efforts to cause the PSC Regulatory Filing to be filed with the PSC no later than sixty (60) days after the Closing Date (or as soon as is reasonably practicable thereafter, if the PSC Regulatory Filing is not ready for filing by such date despite such commercially reasonable efforts).

Section 6.08 Closing Conditions. From the date hereof until the Closing, Buyer, Seller and each Kasey Party shall use reasonable best efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in Article VII hereof.

Section 6.09 Public Announcements. Unless otherwise required by applicable Law (based upon the reasonable advice of counsel), neither Seller nor any Kasey Party shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the Buyer. Unless otherwise required by applicable Law (based upon the reasonable advice of counsel), Buyer shall not make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the Seller (such prior written consent not to be unreasonably withheld, delayed or conditioned if such public announcement or communication does not disclose the Purchase Price or other economic terms of the transactions contemplated hereby).

Section 6.10 Wrong Pockets. From and after the Closing, if Seller or any of its Affiliates (including any Kasey Party) receives or collects any funds relating to any Purchased Asset, Seller shall remit such funds to Buyer within ten (10) Business Days after its receipt thereof. From and after the Closing, if Buyer or any of its Affiliates receives or collects any funds relating to any Excluded Asset, Buyer or its Affiliate shall remit any such funds to Seller within ten (10) Business Days after its receipt thereof.

Section 6.11 Transfer Taxes. Buyer and Seller shall each pay one-half of any and all transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the Ancillary Documents (including any real property transfer Tax and any other similar Tax). Seller shall timely file any Tax Return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary and reimburse Seller for its one-half share of such Taxes and fees).

Section 6.12 Further Assurances. Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the Ancillary Documents. Without limiting the generality of the foregoing, during the six (6) month period following the Closing Date, Seller and the Kasey Parties shall provide reasonable cooperation and telephonic assistance to Buyer, free of charge, to assist in the orderly transition of Seller's customer billing systems relating to the System, which cooperation and assistance shall include providing Buyer and its Representatives with access to (a) Seller's data, records and software relating to customer billings and (b) Seller's personnel who performed customer billing services with respect to the System prior to the Closing Date.

Section 6.13 Gas Sniffer Apparatus. At least three (3) Business Days before the Closing Date, Seller and the Kasey Parties shall cause the gas sniffer apparatus currently located at Seller's principal office and used in the operation of the System (the "**Sniffer Apparatus**") to be permanently disconnected from the System (and Seller shall perform such disconnection in a commercially reasonable manner that does not result in any material damage or disruption to the System). Upon Buyer's request, Seller shall cause the disconnected Sniffer Apparatus to be promptly delivered to such location as Buyer may reasonably request.

Section 6.14 Kasey Party Guarantee. Subject to the indemnification, survival, limitations and procedures set forth in Article VIII, each Kasey Party hereby absolutely, irrevocably and unconditionally guarantees, as primary obligor and not merely as surety, to the Buyer Indemnitees, the timely, full and complete payment and performance of all liabilities and obligations of Seller arising under or in connection with this Agreement, the Ancillary Documents and the transactions contemplated hereby and thereby. The obligations of the Kasey Parties under this Section 6.14 are independent of the liabilities and obligations of the Seller. A separate action may be brought against the Kasey Parties to enforce the obligations of the Seller, whether or not any action is brought against the Seller.

Section 6.15 Supplemental Disclosures. Seller shall have the continuing right, until three (3) Business Days before the Closing Date, to add to, supplement or amend or create any Schedules to the representations and warranties in Article IV to the extent necessary to identify any matter first arising after the date of this Agreement which, if existing on the date of this Agreement, would have been required to be set forth or described in such Schedules (a "**Schedule Update**"), and Seller shall provide any additional information regarding such matter that is within its possession or control to the extent reasonably requested by Buyer. For all purposes of this Agreement, including for purposes of determining whether the conditions set forth in Section 7.01 have been fulfilled or satisfied, the Schedules to the representations and warranties contained in Article IV shall be deemed to include only that information contained therein on the date of this Agreement and shall be deemed to exclude all information contained in any Schedule Update;

provided, however, that if any of the conditions set forth in Section 7.01 are not satisfied or fulfilled as of the Closing Date as a result of any newly disclosed matter contained in a Schedule Update, and Buyer nonetheless elects to waive such conditions and proceed with the Closing, and the Closing shall occur, then Buyer shall not be entitled to make a claim for indemnification under Section 8.02(a) with respect to such newly disclosed matter.

ARTICLE VII
CONDITIONS TO CLOSING

Section 7.01 Conditions to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Buyer's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the representations and warranties of Seller contained in Section 4.01 (Organization and Capacity), Section 4.02 (Authority), Section 4.03 (No Conflicts; Consents), Section 4.08 (Title to Purchased Assets), and Section 4.17 (Brokers), the representations and warranties of Seller contained in this Agreement shall be true and correct in all respects (without giving effect to any limitation indicated by the words "Material Adverse Effect," "in all material respects," "in any material respect," "material," or "materially") on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The representations and warranties of Seller contained in Section 4.01 (Organization and Capacity), Section 4.02 (Authority), Section 4.03 (No Conflicts; Consents), Section 4.08 (Title to Purchased Assets), and Section 4.17 (Brokers) shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date).

(b) Seller shall have duly performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) No Action shall have been commenced against Buyer or Seller, which would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, which restrains or prohibits any transaction contemplated hereby.

(d) PSC Approval for the sale, including recognition of the acquisition premium, shall have been obtained.

(e) All approvals, consents, and waivers that are listed on **Schedule 4.03(b)** shall have been received, and executed counterparts thereof shall have been delivered to Buyer at or prior to the Closing, in form and substance reasonably satisfactory to Buyer.

(f) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.

(g) Seller shall have delivered to Buyer duly executed counterparts to the Ancillary Documents and such other documents and deliveries set forth in Section 3.02(a).

(h) Buyer shall have received all Permits that are necessary for Buyer to operate the System as operated by Seller as of the Closing Date.

(i) Buyer shall have received (at Buyer's expense) an owner's title insurance policy with respect to each Easement parcel, issued by a nationally recognized title insurance company acceptable to Buyer, written as of the Closing Date, insuring Buyer in such amounts and together with such endorsements, and otherwise in such form, as Buyer shall require.

(j) Buyer shall have received (at Buyer's expense) an appropriately certified ALTA/NSPS Land Title Survey, in form and substance satisfactory to Buyer, for each Easement parcel.

(k) All Encumbrances relating to the Purchased Assets shall have been released in full, other than Permitted Encumbrances, and Seller shall have delivered to Buyer written evidence, in form satisfactory to Buyer in its sole discretion, of the release of such Encumbrances.

(l) Buyer shall have received a certificate (the "**Seller Closing Certificate**"), dated the Closing Date and signed by a duly authorized officer of Seller, certifying that: (i) each of the conditions set forth in Section 7.01(a) and Section 7.01(b) have been satisfied; and (ii) attached thereto are true and complete copies of all resolutions adopted by the board of directors and shareholders of Seller authorizing the execution, delivery, and performance of this Agreement and the Ancillary Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

(m) Seller shall have delivered to Buyer such other documents or instruments as Buyer reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

Section 7.02 Conditions to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Seller's waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties of Buyer contained in Article V shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date).

(b) Buyer shall have duly performed and complied in all material respects with all agreements, covenants, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Buyer shall have delivered to Seller duly executed counterparts to the Ancillary Documents and such other documents and deliveries set forth in Section 3.02(b).

(d) Seller shall have received a certificate (the "**Buyer Closing Certificate**"), dated the Closing Date and signed by a duly authorized officer of Buyer, certifying that: (i) each of the conditions set forth in Section 7.02(a) and Section 7.02(b) have been satisfied; and (ii) attached thereto are true and complete copies of all resolutions adopted by the board of directors of Buyer authorizing the execution, delivery, and performance of this Agreement and the Ancillary Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.

ARTICLE VIII
INDEMNIFICATION

Section 8.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein shall survive the Closing and shall remain in full force and effect until the date that is eighteen (18) months after the Closing Date; *provided*, that (a) the representations and warranties in Section 4.01 (Organization and Capacity), Section 4.02 (Authority), Section 4.03 (No Conflicts; Consents), Section 4.08 (Title to Purchased Assets), Section 4.14 (Environmental Matters), Section 4.17 (Brokers), and Article V shall survive until the date that is six (6) years after the Closing Date, and (b) the representations and warranties in Section 4.15 (Taxes) shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation, or extension thereof) plus 60 days. All covenants and agreements of the parties contained herein shall survive until fully performed in accordance with their respective terms. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved.

Section 8.02 Indemnification by Seller. Subject to the other terms and conditions of this Article VIII, from and after Closing, Seller and the Kasey Parties shall indemnify and defend each of Buyer and its Affiliates and their respective Representatives (collectively, the "**Buyer Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Buyer Indemnitees based upon, arising out of, with respect to, or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement;

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Seller pursuant to this Agreement;

(c) any Excluded Asset or any Excluded Liability; or

(d) any Liability to credit, offset or refund to customers in any manner any amount as a result of any determination, approval or disallowance by the PSC with regard to gas cost recovery amounts (however designated) attributable to any period prior to the Closing Date, including any such Liability arising out of the Gas Cost Order.

Notwithstanding the foregoing, Seller and the Kasey Parties shall not be liable to the Buyer Indemnitees for indemnification under Section 8.02(a) until the aggregate amount of all Losses in respect of indemnification under Section 8.02(a) exceeds $20,000 (the "**Basket**"), in which event Seller shall be required to pay or be liable for all such Losses from the first dollar. The aggregate amount of all Losses for which Seller shall be liable pursuant to Section 8.02(a) shall not exceed $200,000 (the "**Cap**"). The Basket and Cap limitations set forth above shall not apply to Losses based upon, arising out of, with respect to, or by reason of (x) any inaccuracy in or breach of any of the representations or warranties contained in Section 4.01 (Organization and Capacity), Section 4.02 (Authority), Section 4.03 (No Conflicts; Consents), Section 4.08 (Title to Purchased Assets), Section 4.14 (Environmental Matters), Section 4.17 (Brokers), or (y) any fraud on the part of Seller or any Kasey Party.

Section 8.03 Indemnification by Buyer. Subject to the other terms and conditions of this Article VIII, from and after Closing, Buyer shall indemnify and defend each of Seller and its Affiliates and their respective Representatives (collectively, the "**Seller Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Seller Indemnitees based upon, arising out of, with respect to, or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement;

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Buyer pursuant to this Agreement; or

(c) subject to, and without prejudice to Buyer's right of indemnification pursuant to Section 8.02, any Assumed Liability.

Section 8.04 Indemnification Procedures. The party making a claim under this Article VIII is referred to as the "**Indemnified Party**," and the party against whom such claims are asserted under this Article VIII is referred to as the "**Indemnifying Party**."

(a) Promptly after receipt by an Indemnified Party of notice of the assertion of a claim against it by a third party (*i.e.*, a Person that is not a party to this Agreement, an Affiliate of a party to this Agreement, or a Representative of the foregoing) for which the

Indemnified Party is entitled to indemnity hereunder (a "**Third-Party Claim**"), the Indemnified Party shall give notice (the "**Third-Party Claim Notice**") to the Indemnifying Party of the assertion of such Third-Party Claim; *provided*, *however*, that the failure to promptly notify the Indemnifying Party will not relieve the Indemnifying Party of any liability that it may have to any Indemnified Party, except to the extent that the Indemnifying Party demonstrates that the defense of such Third-Party Claim is materially prejudiced by the Indemnified Party's failure to give such notice.

(b) If an Indemnified Party gives a Third-Party Claim Notice to the Indemnifying Party, the Indemnifying Party shall be entitled (subject to the further provisions of this Section 8.04(b) and Section 8.04(d)) to assume the defense of such Third-Party Claim with counsel reasonably satisfactory to the Indemnified Party by providing written notice of its intention to do so to the Indemnified Party within ten (10) days of delivery of the Third-Party Claim Notice. If the Indemnifying Party assumes the defense of a Third-Party Claim, such assumption will establish for purposes of this Agreement that the claims made in that Third-Party Claim are within the scope of and subject to indemnification. After written notice from the Indemnifying Party to the Indemnified Party of its election to assume the defense of such Third-Party Claim, the Indemnifying Party shall keep the Indemnified Party informed regarding the progress of such Third-Party Claim (including providing the Indemnified Party with copies of any plans, reports, or communications with or submitted to any Governmental Authority or third party). Notwithstanding the foregoing, the Indemnifying Party shall not be entitled to undertake the defense, compromise, and settlement of any Third-Party Claim if: (i) the Third-Party Claim relates to or arises in connection with any fraud, criminal matter, indictment, or allegation; (ii) the Third-Party Claim seeks an injunction or other equitable relief against the Indemnified Party or any of its Affiliates; (iii) the Indemnified Party reasonably believes an adverse determination with respect to the Third-Party Claim would be materially detrimental to the reputation or future business prospects of the Indemnified Party or any of such Indemnified Party's Affiliates; (iv) the Indemnified Party determines in good faith that the Indemnifying Party has failed or is failing to prosecute or defend vigorously the Third-Party Claim; (v) the underlying matter involves a customer or supplier of Buyer or the System; (vi) the Indemnified Party reasonably shall have concluded (upon the advice of its counsel) that (A) there may be one or more legal defenses available to such Indemnified Party or other Indemnified Parties that are not available to the Indemnifying Party, or (B) the Indemnified Party and the Indemnifying Party may have different, conflicting, or adverse legal positions or interests; or (vii) it is reasonably likely that the Indemnifying Party will bear less than one-half (½) of the Losses with respect to such Third-Party Claim (after taking into account the application of the limitations set forth in this Article VIII and any other pending or resolved claims for indemnification).

(c) The Indemnified Party shall have the right, at its own cost and expense, to participate in the defense of any Third-Party Claim, with counsel selected by it, as to which such Indemnifying Party exercises its right to control the defense thereof. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim or fails to notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may pay, compromise, or defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from, or relating to such Third-Party Claim (subject to the limitations on indemnification and the recovery of Losses provided herein). The parties hereto shall (and shall cause their respective Affiliates and Representatives to) cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available records relating to such Third-Party Claim and, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party and management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim.

(d) In the event the Indemnifying Party assumes the defense of any Third-Party Claim, the Indemnifying Party shall not enter into a compromise or settlement of any Third-Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned, or delayed), unless: (i) there is no finding or admission of any violation of Law by the Indemnified Party in such settlement; (ii) the sole relief provided in such settlement is monetary damages that are paid in full by the Indemnifying Party; and (iii) such settlement provides, in customary form, for the release of the Indemnified Party and all its Affiliates and Representatives from all liabilities and obligations in connection with such Third-Party Claim.

(e) With respect to any Third-Party Claim subject to indemnification under this Article VIII, the parties agree to cooperate in such a manner as to preserve in full (to the extent possible) the confidentiality of all confidential information and the attorney-client and work-product privileges. In connection therewith, each party agrees that: (i) it will use its commercially reasonable efforts, in respect of any Third-Party Claim in which it has assumed or participated in the defense, to avoid production of confidential information (consistent with applicable law and rules of procedure), and (ii) all communications between any party hereto and counsel responsible for or participating in the defense of any Third-Party Claim shall, to the extent possible, be made so as to preserve any applicable attorney-client or work-product privilege.

Section 8.05 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

Section 8.06 Effect of Investigation; Materiality Scrape. Except as otherwise expressly provided in Section 6.15 (with respect to newly disclosed matters contained in a Schedule Update), the representations, warranties, and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was, or might be inaccurate, or by reason of the Indemnified Party's waiver of any condition set forth in Section 7.01 or Section 7.02, as the case may be. For all purposes under this Article VIII (including for purposes of determining the existence of any inaccuracy in, or breach of, any representation or warranty and for calculating the amount of any Loss with respect thereto) any materiality, Material Adverse Effect, or other similar qualifications in the representations and warranties shall be disregarded.

Section 8.07 Holdback Funds.

(a) If any indemnification payment is determined to be owed to any Buyer Indemnitee under this Article VIII, Buyer shall have the right, but not the obligation, to set off and take such amount from the Holdback Funds in satisfaction thereof; provided, that Buyer shall provide Seller with at least ten (10) days' prior written notice of any such offset. The remaining balance (if any) of the Holdback Funds shall be delivered to Seller no later than ten (10) Business Days after the first (1st) anniversary of the Closing Date; *provided*, *however*, that if any Buyer Indemnitee has asserted a claim for indemnification pursuant to this Article VIII that remains unresolved as of the first (1st) anniversary of the Closing Date (a "**Pending Claim**"), Buyer shall be entitled to retain the amount of all such Pending Claims from the Holdback Funds for purposes of satisfying any Losses that are determined to be owed to any Buyer Indemnitee in respect thereof (it being understood that upon the final resolution all such Pending Claims, Buyer shall promptly remit to Seller any remaining Holdback Funds that are not used to satisfy Losses in respect of such Pending Claims).

(b) Notwithstanding anything to the contrary in Section 8.07(a) above, any indemnification payments that are owed to any Buyer Indemnitee under this Article VIII in respect of Liabilities arising out of the Gas Cost Order shall be satisfied (i) *first*, from the Gas Cost Reserve Funds (for so long as the Gas Cost Reserve Funds are sufficient to satisfy such Liabilities), and (ii) *second*, by Seller and the Kasey Parties as otherwise provided in this Article VIII.

Section 8.08 Exclusive Remedies. Subject to Section 6.06 (Non-Competition) and Section 10.11 (Specific Performance), the parties acknowledge and agree that from and after Closing their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement, or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Article VIII. In furtherance of the foregoing, except with respect to Section 6.06 (Non-Competition) and Section 10.11 (Specific Performance), each party hereby waives, from and after Closing, to the fullest extent permitted under Law, any and all rights, claims, and causes of action for any breach of any representation, warranty, covenant, agreement, or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this Article VIII. Nothing in this Section 8.08 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's willful misconduct or fraud.

ARTICLE IX
TERMINATION

Section 9.01 Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by the mutual written consent of Seller and Buyer;

(b) by Buyer by written notice to Seller if:

(i) Buyer is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in, or failure to perform any representation, warranty, covenant, or agreement made by Seller pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII and such breach, inaccuracy, or failure has not been cured by Seller within ten (10) days of Seller's receipt of written notice of such breach from Buyer; or

(ii) any of the conditions set forth in Section 7.01 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by October 31, 2026 ("**Outside Date**"), unless such failure shall be due to the failure of Buyer to perform or comply with any of the covenants, agreements, or conditions hereof to be performed or complied with by it prior to the Closing.

(c) by Seller by written notice to Buyer if:

(i) Seller is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in, or failure to perform any representation, warranty, covenant, or agreement made by Buyer pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article VII and such breach, inaccuracy, or failure has not been cured by Buyer within ten (10) days of Buyer's receipt of written notice of such breach from Seller; or

(ii) any of the conditions set forth Section 7.02 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Date, unless such failure shall be due to the failure of Seller to perform or comply with any of the covenants, agreements, or conditions hereof to be performed or complied with by it prior to the Closing.

Section 9.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this Article IX, this Agreement shall forthwith become void and there shall be no liability on the part of any party hereto except:

(a) the obligations set forth in Section 6.05 (Confidentiality), this Article IX and Article X hereof shall survive termination; and

(b) that nothing herein shall relieve any party hereto from liability for any material breach of this Agreement that is a consequence of an intentional act or failure to take an act by the breaching party with the knowledge that the taking of such act (or the failure to take such act) is reasonably likely to constitute a breach of this Agreement.

ARTICLE X
MISCELLANEOUS

Section 10.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors, and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred; *provided, however*, that Buyer shall be responsible for all filing and other similar fees payable in connection with any filings or submissions relating to PSC Approval.

Section 10.02 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand; (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email; or (d) on the third (3^{rd}) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 10.02):

If to Seller:

Valley Gas, Inc.
401 S. First Street
Irvington, KY 40146
Attn: Kerry R. Kasey, President
and Kevin L. Kasey, Vice President
Email: kerrykasey@gmail.com and kevinkasey1961@gmail.com

With copies to:

Law Office of Anthony C. Marts
P.O. Box 59
Goffstown, NH 03045-0059
If by Overnight Courier to: 9 Staysail Way
Portsmouth, NH 03801-3366
Attention: Anthony C. Marts, Esq.
Email: tony@tonymarts.com

Miller Hahn, PLLC
2660 West Park Drive, Suite 2
Paducah, KY 42001
Attention: Patrick E. Costello, Esq.
and Ryan Hahn, Esq.
Email: pcostello@millerlaw-firm.com and rhahn@millerlaw-firm.com

If to Buyer:

Ohio Valley Gas Corporation
111 Energy Park Drive
P.O. Box 469
Winchester, IN 47394
Attention: Scott A. Williams, Chief Executive Officer
Email: scott.williams@ovgas.com

with a copy to: Taft Stettinius & Hollister LLP
One Indiana Square, Suite 3500
Indianapolis, IN 46204
Attention: Kay Pashos; Mark Alson; Henry Alderfer
Email: kpashos@taftlaw.com; malson@taftlaw.com; halderfer@taftlaw.com

Section 10.03 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation;" (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto," and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules, and Exhibits mean the Articles and Sections of, and Schedules, and Exhibits attached to, this Agreement; (y) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. For purposes of this Agreement, unless otherwise indicated, with respect to Seller or the System, the terms "ordinary course of business" or "ordinary course" shall be deemed to refer to the ordinary conduct of business in a manner consistent with the past practice (including with regard to nature, frequency, and magnitude) of the Seller or the System, as applicable; *provided*, that any breach of, violation of, noncompliance with or failure to perform under any Contract or Law shall be deemed not in the ordinary course of business or ordinary course. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. All references to dollars, "$," or other monetary values or currency herein shall be deemed to be references to currency of the United States of America. References to "made available" (or words of similar import) when referring to any document or information being made available by Seller to Buyer shall mean posted to the electronic data room established with respect to the transactions contemplated by this Agreement at least two (2) Business Days prior to the date of this Agreement.

Section 10.04 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 10.05 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Except as provided in Section 6.06(c) (Non-Competition), upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 10.06 Entire Agreement. This Agreement and the Ancillary Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral (and including, but not limited to, the proposed acquisition letter of intent dated December 15, 2023), with respect to such subject matter.

Section 10.07 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned, or delayed; *provided, however*, that prior to the Closing Date, Buyer may, without the prior written consent of Seller, assign all or any portion of its rights under this Agreement to one or more of its direct or indirect wholly owned subsidiaries. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 10.08 No Third-Party Beneficiaries. Except as provided in Article VIII, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 10.09 Amendment and Modification; Waiver. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.10 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Kentucky without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Kentucky or any other jurisdiction).

(b) ANY LEGAL SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE ANCILLARY DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE INSTITUTED IN ANY STATE OR FEDERAL COURT HAVING JURISDICTION OVER A PARTICULAR MATTER, AND EACH PARTY IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION, OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE, OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION, OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES

IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION, OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE ANCILLARY DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE ANCILLARY DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 10.10(c).

(d) The substantially prevailing party in any proceeding shall be entitled to recover from the substantially non-prevailing party the costs (including attorney's fees) incurred by the substantially prevailing party in connection with such disputes and proceedings.

Section 10.11 Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to seek specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 10.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their duly authorized representatives.

BUYER:

Ohio Valley Gas Corporation

By: ____________________
Name: Scott Williams
Title: Chief Executive Officer

SELLER:

Valley Gas, Inc.

By:____________________
Name: Kerry R. Kasey, President
Title: President

KASEY PARTIES:

____
Kerry R. Kasey

____
Kevin L. Kasey

Lloyd Kenneth Kasey Living Trust

By:____________________
Kerry R. Kasey, as Co-Trustee

By:____________________
Kevin L. Kasey, as Co-Trustee

Solely for purposes of Section 6.06:

PROPANE COMPANY:

Irvington Gas Company, Inc.
n/k/a IGC, Inc.

By:____________________
Name: Kerry Kasey
Title: President

Exhibit A

<u>Bill of Sale</u>

[To be attached prior to execution.]

BILL OF SALE

__________________, 2026

Reference is hereby made to that certain Asset Purchase Agreement, dated as of April 27, 2026, by and among Ohio Valley Gas Corporation, an Indiana corporation ("**Buyer**"), Valley Gas, Inc., a Kentucky corporation ("**Seller**"), and the other parties thereto (as amended, restated, supplemented or otherwise modified from time to time, the "**Asset Purchase Agreement**"). Capitalized terms used but not otherwise defined herein have the meanings set forth in the Asset Purchase Agreement.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller does hereby grant, bargain, transfer, sell, assign, convey and deliver to Buyer all of Seller's right, title, and interest in and to the tangible personal property included in the Purchased Assets, to have and to hold the same unto Buyer, its successors and assigns, forever.

Seller for itself, its successors and assigns, hereby covenants and agrees that, at any time and from time to time upon the written request of Buyer, Seller will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney, and assurances as may be reasonably required by Buyer in order to assign, transfer, set over, convey, assure, and confirm unto and vest in Buyer, its successors and assigns, title to the assets sold, conveyed, and transferred by this Bill of Sale.

[Signature page follows.]

IN WITNESS WHEREOF, Seller has duly executed this Bill of Sale as of the date first above written.

Valley Gas, Inc.

By:______________________
Name: Kerry R. Kasey
Title: President

Exhibit B

<u>Assignment and Assumption Agreement</u>

[To be attached prior to execution.]

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "**Agreement**") is entered into and made effective as of ___________, 2026 by and between Ohio Valley Gas Corporation, an Indiana corporation ("**Buyer**"), and Valley Gas, Inc., a Kentucky corporation ("**Seller**").

WHEREAS, pursuant to that certain Asset Purchase Agreement, dated as of April 27, 2026, by and among Buyer, Seller and the other parties thereto (as amended, restated, supplemented or otherwise modified from time to time, the "**Purchase Agreement**"), Seller has agreed to sell and assign to Buyer, and Buyer has agreed to purchase and assume from Seller, the Purchased Assets and the Assumed Liabilities.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. <u>Definitions</u>. All capitalized terms used in this Agreement but not otherwise defined herein are given the meanings set forth in the Purchase Agreement.

2. <u>Assignment and Assumption</u>. Seller hereby sells, assigns, transfers, conveys, and delivers to Buyer all of Seller's right, title and interest in and to the Purchased Assets. Buyer hereby accepts such assignment and assumes (and hereby agrees to pay, perform and discharge) all of the Assumed Liabilities.

3. <u>Terms of the Purchase Agreement</u>. The terms of the Purchase Agreement, including without limitation the representations, warranties, covenants, agreements and indemnities set forth therein, are incorporated herein by this reference. The parties hereto acknowledge and agree that the representations, warranties, covenants, agreements and indemnities contained in the Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the terms of the Purchase Agreement and the terms hereof, the terms of the Purchase Agreement shall govern.

4. <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the internal laws of the Commonwealth of Kentucky without giving effect to any choice or conflict of law provision or rule (whether of the Commonwealth of Kentucky or any other jurisdiction).

5. <u>Counterparts</u>. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their duly authorized representatives.

BUYER:

Ohio Valley Gas Corporation

By:_____________________
Name:___________________
Title:____________________

SELLER:

Valley Gas, Inc.

By:_____________________
Name: Kerry R. Kasey
Title: President

Service List for Case 2026-00120

* Honorable W. Duncan Crosby III
Attorney at Law
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W Jefferson Street
Louisville, KY 40202-2828

* Valley Gas, Inc.
401 S First Street
P. O. Box 366
Irvington, KY 40146

* Kay E. Pashos
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402-215

* Rajan Kapoor
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402-215

* Valerie T. Herring
Attorney
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402-215

* Denotes served by Email