

# Sullivan and Associates CPA PLLC

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October 21, 2022

Linda Bridwell  
Commonwealth of Kentucky  
Public Service Commission  
211 Sower Blvd.  
PO Box 615  
Frankfort, KY 40602

RE: Bluegrass Gas Sales, Inc. (BGS)  
Case No. 2021-00483  
Request for Information  
Dated October 14, 2022

Dear Ms. Bridwell:

Bluegrass Gas Sales, Inc. (Bluegrass) is responding to the Request for Information that is referenced above. Below, you will find each item on the request followed by the Bluegrass response:

1. Refer to Bluegrass's response to Commission Staff's Second Request for Information (Staff's Second Request), Item 3. Provide a cost justification for the increase in the customer charge from \$10.00 to the proposed \$17.50. Be sure to include quantifiable data to support the proposed \$17.50 customer charge.

RESPONSE: Bluegrass's customer base has increased with the average customer count increasing from 522 to 665. The average growth over this period was 27.4%. Fixed payroll costs have increased by almost 48% over the timeframe with the increase attributed to new personnel in operations and maintenance. All existing employees maintain the same base pay that was approved in 2011 (as discussed in item 5). Other fixed costs have increased including the rents (discussed in Item 7), health insurance costs, more frequent repair and maintenance handled by current staffing.

As stated earlier in our previous replies, we are also requesting the adjustment to the fixed portion of the rate which also reduces the per MCF recovery portion on the variable side of the tariff. As this shows in our response to item 2 below.

2. Refer to Bluegrass's response to Staff's Second Request, Item 3. Provide Bluegrass' monthly overhead costs and payroll during the slow month period of late April through October

RESPONSE: The requested spreadsheet is attached as Exhibit 1 following this report.

3. Refer to Bluegrass's response to Staff's Second Request, Item 3. Regarding the statement, "If the minimum fee was increased to stay in line with inflation, it would approximate the \$17.50 requested amount." Provide evidence to support this claim.

RESPONSE: The Consumer Price Index average from 2011 to 2022 has increased over 31%. Our original statement noted above is incorrect, however due to the uncertainty of the current economic environment, and the fact that over the past 10 years, Bluegrass has reported losses in most years. Bluegrass also states that due to budgetary constraints and the burden on the small staff, it is very difficult to file rate cases more often. Therefore, Bluegrass is still requesting that the minimum rate of \$17.50 to still be considered to offset this concern. Without the minimum bill increase, the base rate per MCF will have to adjusted to \$8.29 per MCF so that the minimum required revenue can be obtained.

4. Refer to Bluegrass's response to Staff's Second Request, Items 4 and 5. 2

a. Provide the date in which the special contract between Bluegrass and Logan County School District was filed to the Commission.

RESPONSE: The Contract was filed with the commission on March 6, 2006.

b. Provide the contract between Bluegrass and Logan County School District.

RESPONSE: See attached as Exhibit #2

c. Explain if the gas purchases and sales from Logan County School District are included in Bluegrass' Gas Cost Recovery (GCR) mechanism and explain if Logan County School District is charged the GCR rate.

RESPONSE: The purchases for the Logan County School are included and not actually broken out in the calculation of the GCR mechanism. However, the school is not charged by the GCR rate. The agreement requires Bluegrass match the GCR rates charged by Atmos Energy that service the buildings that are outside of the Bluegrass Service Area.

5. Refer to Bluegrass's response to Staff's Second Request, Item 6.3

a. Explain why the base pay has not increased since 2011.

RESPONSE: Bluegrass base pay has not increased since the prior ARF Filing due constraints in the market. As the customer base has grown, the company has chosen to add more staffing to offset the additional duties required for day-to-day operations. Bluegrass has a limited capacity to utilize employees for more frequent rate increase calculations. The company has decided due to the cost and additional burden plus trying to keep rates as low as possible in the rural community that it serves. It also is very cognizant of the related party issue with some of the employees, so it wants to make sure the PSC has given its approval to keep everything transparent. The Kentucky League of Cities puts out a wage/salary survey of Kentucky Cities that has average salaries of municipally owned utilities as well as other salaries. There aren't any job types that match exactly with the duties that are performed by the Bluegrass employees, but we included the most relevant. Metcalfe County / Center KY have a population of just about 10,000. The median salaries at 50% reported rate for this population size shows salaries at higher levels that Bluegrass is currently paying. See Exhibit #3.

b. Explain how the requested base pay amount was determined.

RESPONSE: Base Pay calculations were adjusted based on the approximate CPI increase that occurred since the previous ARF filing in 2010. Even with the increases calculated, the base pay for each of the employees do not reflect true market pay as calculated by the Kentucky League of Cities for Utilities that are operated by the local governments. Even though this does not properly reflect Bluegrass since it is a private company, it still gives a local perspective on each level of the employees working for Bluegrass. The company has elected to leave the rates at the CPI calculated increase since that is the same way they were implemented in the last rate case.

c. Provide any contracts between Home Office, Inc. and Bluegrass.

RESPONSE: See Exhibit #4

6. Refer to Bluegrass's response to Staff's Second Request, Item 9.

a. Explain why health insurance is paid separately from the contract payments for a contract employee.

RESPONSE: The only employee that has a need for health insurance is currently employed by Home Office Inc. Home Office is a management company and offers administrative, managerial, accounting and personnel services. The contract employee provides these services for Bluegrass. Home Office had an employee health plan in place, the insurance provider recommended this setup, as it was less expensive than Bluegrass attempting to negotiate their own plan for one employee. Since the employee has entered this contract position, Bluegrass has saved a significant amount of money with the health plan. Please note that the health insurance payments in 2010 test year show a slight decrease to the test year of 2020 current ARF.

b. Explain whether base pay and health insurance for the Office Manager are the only costs paid by Bluegrass for contract employees. If not, provide the total amounts paid by category.

RESPONSE: Please see the invoice provided from Home Office in Exhibit 5. This shows the health / dental insurance plus a life insurance policy. The company also pays the employer payroll taxes that were calculated based on the employee's salary.

7. Refer to Bluegrass's response to Staff's Second Request, Item 14.5 As requested, refer to Item K, Rent.

a. State the entities from which Bluegrass rents its office space and equipment storage space.

RESPONSE: The rental agreements with Jadie Parsons, VP of Bluegrass Gas Sales for Office Space. This is the same arrangement that was in place in 2010. The equipment storage facility is with Rex Parsons, Operations Manager. All agreements have been reported in the annual PSC report filed by the company.

b. Provide any market studies used to determine market rates.

RESPONSE: Due to lack of comparable office and equipment storage facilities in the rural area that is served by Bluegrass, we have included some internet comps found from nearest cities as of October 18, 2022. Please note, the nearest cities with office space within our service area is 25 miles. See exhibit #6 for the comps used in our investigation.

c. Provide any rental agreements

RESPONSE: See Exhibit #7 for Rental agreements

d. Provide the square footage used per renter and explain how rental payments are allocated between renters.

RESPONSE: Bluegrass shares office / storage facilities with Natural Gas of Kentucky (NGK). For the office, Bluegrass has approximately 472 square feet of space to itself. It shares 1,290 square feet of document and small equipment storage with NGK. All cost associated with the office space including rent are allocated by the square footage utilized by each company. See attached Exhibit #8 that shows the breakdown.

e. Provide a detailed calculation of the proposed increase

RESPONSE: Upon completion of the ARF filing made in 2012, the PSC approved an increase of \$7,710 per year in rental expense. Due to cash flow issues in 2013, Mr. Parson's agreed to only increase the rent by \$1,800 per year to a total of \$4,800 per year. During the same timeframe Bluegrass signed an agreement with Rex Parsons to rent storage space for \$1,500. With this new agreement, total rent increases in place were still less than the approved increase by the PSC in the amount of \$4,410. As stated in the 2011 ARF, due to lack of office space in the general SMSA, Due to the proximity of office /storage facilities to the customer service area and the below market rental rates that have been historically charged, Bluegrass is requesting an increase of rent to help maintain the operations facilities needed to provide proper customer service and to continue to be able rent from the current lessor at discounted rate.

8. Refer to Bluegrass's response to Staff's Second Request, Items 16 and 17.6 Provide the missing attachments.

RESPONSE: ITEM 16. Health Insurance Policy is attached as Exhibit #9. Please note, the policy is only the first 10 pages and includes a billing invoice and the policy cost also is included. If more pages of the policy are needed (200 plus pages), please advise.

ITEM 17 – See Exhibit #10

9. Refer to Bluegrass's response to Staff's Second Request, Item 18. 7 Provide support for the assertion that fuel costs will increase 100 percent in the next year.

RESPONSE: In 2020, fuel costs were reported as \$12,251. In 2021, Bluegrass reported \$16,926 in fuel. Through eight months in 2022, Bluegrass has approximately \$13,000 in fuel costs. In 2021, the last 3 months the company had nearly \$7,000 in fuel costs. With these assumptions, we project the final fuel bills to approximate \$20k to 21k for the

year. This is also assuming that costs stay the same as last year, based on current pricing.

10. Refer to Bluegrass's response to Staff's Second Request, Item 19.8

a. Explain why property taxes are based on profitability instead of assessed valuation.

RESPONSE: The Public Service Company Property Tax valuation process uses a hybrid of the Cost Approach and an Income Approach to calculate the taxable assessed value of the company. The income approach considers the last 3-5 years of normalized income which adds back owners' compensation, depreciation taxes and other items. Once the income is normalized, then an average of 3 to 5 years is used to determine the income approach of the valuation. This is then compared to the actual cost of assets and a valuation is determined. Therefore, if profitability increases, the value of the company increases and usually increases the assessed taxable value. Please note, this is a separate tax from the ad valorem property tax which is based on assessed taxable value.

b. Explain why Bluegrass pays property taxes separately from rental payments.

RESPONSE: The property tax payments made are not related to the rental payments. The property tax payments are based on pipeline miles, cost of pipeline / equipment and income earned along with other factors in each county that the utility serves.

11. Refer to Bluegrass's response to Staff's Second Request, Item 21.9 Provide the test year amount of amortization for the \$40,000, 5-year note with Huntington National Bank, executed July 20, 2020.

RESPONSE: See exhibit #11

12. Refer to Bluegrass's response to Staff's Second Request, Item 24.10 Provide Bluegrass's policies for recorded uncollectible accounts expense.

RESPONSE: The company diligently tries to collect all accounts with letters, phone calls and eventually moves to gas shut off. If an account goes longer than 1 year without payments, it is written off. The company will review each situation and amount of the write off to determine if legal action or other collection methods is required. In the last five years, the bad debt write off has been an average of \$2,262 per year. This represents less than .004% of sales reported in the last two years.

13. Refer to Bluegrass's response to Staff's Second Request, Item 25, 11 Commission Staff considers this as unresponsive. Attached, as an Appendix hereto, is a Nonrecurring Charge Cost Justification form available on the Commission's website. Fill out the

attached form separately for each of Bluegrass' nonrecurring charges. This should include the Collection Charge, Reconnection Charge, and Returned Check fee

RESPONSE: See Exhibit #12

14. Refer to the Amended Application, unnumbered page 94 and 95, Attachment #11, the form titled, "Statement of Disclosure of Related Party Transactions".

a. Explain in detail the relationship between Bluegrass and Home Office, Inc. regarding gas procurement, gas sales, and gas transportation and transmission.

RESPONSE: Home Office provides administrative services to BGGGS for gas purchases and transportation. HO purchases gas at pipeline rates for BGGGS. There is no markup of the gas, but BGGGS is charged a \$0.65 per MCF transportation fee through Natural Gas of Kentucky and \$0.25 administrative fee per MCF to Home Office for nominating, balancing, scheduling natural gas deliveries through seven interstate interconnections.

b. Explain in detail the relationship between Bluegrass and Natural Gas of Kentucky, Inc. regarding gas procurement, gas sales, and gas transportation and transmission.

RESPONSE: Natural Gas of Kentucky transports a portion of pipeline gas purchased for BGGGS and receives the tariff fee of \$0.65 per MCF.

c. Explain if Bluegrass believes it is not in violation of KRS 278.274(3) regarding its GCR rate reports. If so, explain why.

RESPONSE: BGGGS is not in violation of the statute because the gas purchased by HO is an arm's length transaction with the interstate pipeline and Home Office charges a \$.25 cent per mCf fee on gas purchase fee other than the tariffed transportation fee of NGK is added to the cost.

15. Refer to the Amended Application, unnumbered page 94 and 95, Attachment #11, the form titled, "Statement of Disclosure of Related Party Transactions" regarding Natural Gas of Kentucky, Inc. Under the box labeled as Type of Service Provided by Related Party is the statement, "All Gas Transport / Transmission Services (all services previously approved by PSC)". Explain in detail what services provided to Bluegrass were approved by the Commission and the case number in which the Commission approved these services.

RESPONSE: Natural Gas of Kentucky (NGK) provides transportation and transmission services to Bluegrass via the pipelines owned by NGK. NGK's Tariff is filed with the PSC and we have included that as Exhibit #13.

16. Provide the total amount collected for late fees and the number of instances for which late fees were charged during 2017.

RESPONSE: The total amount collected for 2017 was \$4,285.64 with the total number of instances was 1,108.

17. Explain if Bluegrass charges a fee for after-hours service. If so, provide the charge, the total amount collected for after-hour service, and the number of instances for which an after-hours fee were charged during 2017, 2018, 2019, 2020, and 2021

RESPONSE: Bluegrass currently has no charges for after-hours services.

18. Refer to KRS 278.2213, regarding relations between utilities and affiliates. For each of the following subsections, explain how Bluegrass ensures compliance and provide any relevant documentation.

a. A utility and its affiliate shall be separate corporate entities and maintain separate books and records. If a utility and nonregulated affiliate have common officers, directors, or employees, the fees, compensation, and expenses of the individuals involved shall be subject to the cost allocation requirements set forth in KRS 278.2203 and 278.2207. Any utility that provides nonregulated activities shall separately account for all investments, revenues, and expenses in accordance with its filed cost allocation manual.

RESPONSE: Home Office, Bluegrass and NGK are separate corporate entities. They keep separate records and file separate tax returns. Home Office, Bluegrass and NGK have one common officer – Mark O’Brien. He is paid by Home Office. Bluegrass and NGK share employees who are paid based on the time associated with each entity.

b. A utility shall not provide advertising space in its billing envelope to its affiliates or for its nonregulated activities unless it offers the same to competing service providers on the same terms it provides to its affiliates. This subsection applies to nonregulated activities only.

RESPONSE: Bluegrass, NGK and Home Office do not provide advertising in billing statements.

c. A utility shall not attempt to persuade customers to do business with its affiliates by offering rebates or discounts on tariffed services

RESPONSE: Home Office only provides service to Bluegrass and NGK. BGGS provides only distribution service to residences and business not related to the owner. NGK provides only gas transportation to contract customers and Bluegrass pursuant to the NGK transportation tariff. None of the companies offers rebates or discounts.

d. All dealings between a utility and a nonregulated affiliate shall be at arm's length.

RESPONSE: The gas purchase and transportation services provided by Home Office to Bluegrass and NGK are based on actual market or tariff rates.

e. Neither a utility nor its employees or agents shall solicit business on behalf of an affiliate or for its nonutility services.

RESPONSE: Bluegrass and NGK employees do not solicit business for Home Office. Home Office only provides service for its affiliated companies.

f. The utility's name, trademark, brand, or logo shall not be used by a nonregulated affiliate in any type of visual or audio media without a disclaimer. The Commission shall develop specifications for the disclaimer. The disclaimer shall be approved by the Commission prior to use in any advertisement by the utility's affiliate.

RESPONSE: Home Office does not advertise services of Bluegrass or NGK.

g. A utility shall not enter into any arrangements for financing nonregulated activities through an affiliate that would permit a creditor upon default to have recourse to the assets of the utility

RESPONSE: This question is not applicable since there are no financial arrangements.

Respectfully,



Daniel M. Sullivan  
Accountant

Cc Mark O'Brien, Julie Parsons

## EXHIBIT #1

### Bluegrass Gas Sales April 2020 - Oct 2020

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20
<b>REVENUE</b>							
Operating Revenue	60,609	57,160	22,903	19,388	12,522	16,216	23,247
<b>TOTAL REVENUE</b>	<b>60,609</b>	<b>57,160</b>	<b>22,903</b>	<b>19,388</b>	<b>12,522</b>	<b>16,216</b>	<b>23,247</b>
Cost of Goods Sold	22,730	17,509	6,993	-	2,016	-	15,018
<b>GROSS PROFIT / (LOSS)</b>	<b>37,880</b>	<b>39,651</b>	<b>15,910</b>	<b>19,388</b>	<b>10,506</b>	<b>16,216</b>	<b>8,229</b>
<b>EXPENSES</b>							
<b>Expenses</b>	<b>18,490</b>	<b>33,312</b>	<b>15,978</b>	<b>31,412</b>	<b>23,665</b>	<b>12,727</b>	<b>25,399</b>
Fees-Officers	-	8,511	-	-	-	-	-
Salaries -Admin & General	7,913	8,913	7,913	9,123	8,333	8,438	9,337
Contract Labor	-	100	-	100	-	100	-
Bank Fees	524	321	328	167	200	172	215
Supplies-Office	-	79	-	55	-	-	448
Office Expense	16	2,016	1,042	109	16	52	-
Kentucky Underground Protectio	-	98	-	147	-	-	213
Postage	204	205	446	202	297	204	204
Rent-Office	-	2,400	-	-	1,200	-	400
Rent-Equipment storage	-	-	-	-	-	-	-
Repairs & Maintenance	369	3,862	1,218	1,811	173	580	232
Insurance-Vehicle	361	338	192	425	340	425	425
Prof Fees-Accounting	-	-	1,325	900	-	-	-
Leased Employee Costs	4,617	58	-	4,686	4,628	-	10,169
Truck Expense/non fuel related	169	153	174	5,993	3,146	1,123	839
Fuel Expense	379	1,163	427	1,642	245	174	1,722
Taxes-Federal	-	-	-	-	-	-	-
Payroll Tax Expense	613	606	683	606	699	638	646
Taxes-State	-	-	-	2,755	-	-	5
Taxes-school taxes collected	2,149	1,748	1,226	551	375	293	323
PSC assessment	-	-	-	1,191	-	-	-
Operator Qualification	-	-	-	-	-	-	-
Public Awareness Program	-	-	-	-	1,610	-	-
Fees & Licenses	-	-	64	274	15	-	44
KY State Sales Tax Payable	815	543	663	334	161	65	121
KY State Unemployment Insure.	100	-	-	74	-	-	-
Telephone	203	203	203	204	206	409	-
Federal (FUTA) unemployment	-	-	-	-	-	-	-
Utilities-Gas & Electric	-	-	-	-	-	-	-
Utilities	56	59	75	63	60	53	56
Insurance-Workers comp	-	1,935	-	-	1,963	-	-
Depr-Other	-	-	-	-	-	-	-
Amortization	-	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>18,490</b>	<b>33,312</b>	<b>15,978</b>	<b>31,412</b>	<b>23,665</b>	<b>12,727</b>	<b>25,399</b>
<b>NET PROFIT / (LOSS)</b>	<b>\$ 19,389.66</b>	<b>\$ 6,338.67</b>	<b>\$ (68.19)</b>	<b>\$ (12,023.22)</b>	<b>\$ (13,159.79)</b>	<b>\$ 3,488.91</b>	<b>\$ (17,170.60)</b>

NATURAL GAS SERVICE AGREEMENT

This NATURAL GAS SERVICE AGREEMENT ("Service Agreement) is made and entered into as of the 1st day of December, 2005, by and between Bluegrass Gas Sales Company, (Bluegrass) a Kentucky corporation, whose address is 11405 Park Road, #180, Anchorage, KY 40223 and the Logan County School District, 2222 Bowling Green Road, Russellville, KY 42276 (Customer) also referred to jointly as the "parties."

WITNESS:

WHEREAS Customer has a property on which it has granted Natural Gas of Kentucky a natural gas pipeline easement, which has been assigned to Bluegrass, and

Whereas, Bluegrass benefits from the assignment of Customer's easement, and

Whereas, Bluegrass desires to provide to Customer, and Customer desires to obtain natural gas service in accordance with these terms and conditions;

NOW, THEREFORE, in consideration of these mutual covenants and other good and valuable consideration, the parties agree as follows:

1. Natural Gas Service Type and Volume Levels. Customer agrees to purchase from Bluegrass all of Customer's energy fuel requirements for Customer's facilities located on the easement encumbered property more specifically described as the property located at 2222 Bowling Green Rd., Russellville, KY, including the Central Office; Bus Garage #1; Bus Garage #2; High School Greenhouse; and High School Building and Bluegrass agrees to provide service to Customer of the type specified below, subject to the provisions of approved tariffs of the Public Service Commission filed by Bluegrass, the related rules and regulations governing natural gas service and this Service Agreement.

2. The price to be paid by Customer shall be calculated to reflect the actual gas rate paid by Customer to Atmos Energy Company for Customer's school facilities serviced by Atmos. The rate paid to Atmos shall be approved by the Public Service Commission as adjusted periodically through Atmos's Gas Cost Recovery Mechanism or general rate adjustment. Atmos supplies other Customer schools and the rate charged by Bluegrass based on Atmos's rate to the other Customer schools reflects fair compensation to Customer for the granting of the easement. Such rates, including gas cost adjustments, shall be subject to change as permitted by law. Any federal, state or other legal taxes, other than those based upon or measured by Bluegrass's income which apply now or may hereafter be imposed, shall be paid by the Customer, in addition to the rates as specified.

PUBLIC SERVICE COMMISSION OF KENTUCKY  
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)  
By: [Signature]

3. This Agreement shall become effective for service on the first day of the month after approved by the Public Service Commission ("PSC") in full force and effect for one year (the "Primary Term"), and year-to-year thereafter unless and until terminated at the end of the Primary Term or any subsequent annual

term by either party upon one hundred twenty (120) days prior written notice to the other party. Customer agrees that while this Service Agreement is in effect, all natural gas consumed by Customer shall be delivered by Bluegrass, and it will not supplement its energy needs with any alternative fuel.

4. Any notice required to be given under this Agreement or any notice that either party may desire to give the other party, shall be in writing and shall be considered duly delivered when deposited in the United States mail, postage prepaid, registered or certified, or sent by facsimile and addressed as follows:

If to Bluegrass:

Mark O'Brien, President  
11405 Park Road, #180,  
Anchorage, KY 40223

If to Customer:

Marshall Kemp, Superintendent  
Logan County School District  
2222 Bowling Green Road  
Russellville, KY 42276

Routine communications, including monthly invoices, may be mailed by ordinary mail, postage prepaid, and addressed to the above-designated name and address.

5. General Terms and Conditions: All other terms and conditions governing this service shall be in accordance with the filed tariffs of Bluegrass as amended from time to time.

IN WITNESS WHEREOF, the parties have executed this Service Agreement as of the date above.

Bluegrass Gas Sales Company

By: [Signature]

Title: President

Witness: Debra M. Brown

Logan County School District

By: [Signature]

Title: Superintendent

Witness: Martha Leight

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE  
3/10/2006  
PURSUANT TO 807 KAR 5:011  
SECTION 9 (1)

By: [Signature]  
Executive Director

EXHIBIT 3



# WAGE & SALARY SURVEY

## OF KENTUCKY CITIES

2022 EDITION

800.876.4552

[klc.org](http://klc.org)



# INTRODUCTION

April 2022

Kentucky's 416 incorporated cities employ over 30,000 people. Maintaining adequate staffing to perform the important services that cities provide is a real challenge for local officials. Finding and keeping first-rate staff members while holding the line on budget increases is an increasingly difficult task for our mayors, council members and commissioners. The purpose of this study is to assist our cities by providing comparative wage/salary and employee benefits information from around the state.

The data contained in this report serves as a general reference for city officials in the human resources and budgeting areas. Employment and workforce conditions vary widely throughout the state, and final decisions on individual salaries must take into account specific local circumstances.

Electronic copies of this report will be made available to members of the Kentucky League of Cities (KLC) free of charge on the KLC website ([klc.org](http://klc.org)) or by contacting the KLC office. Printed copies of the report may be requested for a fee.

If you have any questions about the wage and benefits information included in this report or if you would like to order an additional copy, please contact a member of the KLC research team at 800.876.4552.

Officials from cities that completed and returned the survey sent to member cities in late 2021 have online access to city-specific wage and benefit data. This is an added benefit for completing the survey. Custom reports may be generated at any time for any of the positions and benefits questions included in the survey. Visit [klc.org](http://klc.org) to access the online database.



# FORMAT AND METHODOLOGY

The information contained in this report was derived from surveys sent to KLC member cities as of November 9, 2021. Responses were received from 222 cities, including many small cities that reported no employees and no employee benefit policies.

The information is reported statistically both statewide and by population range of city. In earlier reports, classification of city was used for comparison purposes. Previously, city classification was based solely on population. At the time, one-third of all Kentucky cities were not in the appropriate classification based on those population standards. The city classification reform legislation that passed in 2014 eliminated the six classes of cities and created only two classes: first class and home rule class.

Following are the six population ranges - which are the same ranges used in the previous city classification structure - including how many cities are in each range and how many in each completed the survey:

Population Range	Number of Member Cities in Range	Number of Cities Reporting	Percentage Reporting
100,000 or more	2	2	100%
20,000-99,999	16	15	94%
8,000-19,999	33	21	64%
3,000-7,999	56	39	70%
1,000-2,999	95	54	57%
Less than 1,000	178	91	51%
<b>Total:</b>	<b>380</b>	<b>222</b>	<b>58%</b>

# FORMAT AND METHODOLOGY

Statistical data for each job position is formatted under the table headings below, one each for statewide and population range:

		Salary Paid				
Population Range	# Reporting	Minimum	25%	50%	75%	Maximum

**Population Range** - The same population ranges used in the former city classification system

**# Reporting** - The number of cities reporting for that position.

**Minimum** - The lowest yearly salary reported for the position.

**25%** - The salary amount at which one-quarter of those reporting are paid less and three-quarters of those reporting are paid more, also known as the “first quartile.”

**50%** - The salary amount at which half of those reporting are paid less and half of those reporting are paid more, also known as the “median” or “midpoint.”

**75%** - The salary amount at which three-quarters of those reporting are paid less and one-quarter of those reporting are paid more, also known as the “third quartile.”

**Maximum** - The highest yearly salary reported for the position.

The shaded columns - Between the 25% and 75% values (between the first and third quartiles) represents the middle half of those reporting. The difference of the third quartile and the first quartile is known as the “interquartile range” or “midspread.”

**The symbol of “-”** - Indicates there is insufficient data for statistical calculations.

# UTILITIES DIRECTOR

*Directs operation and maintenance of water distribution/treatment system and/or sewage collection/treatment system*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	37	\$29,120	\$47,008	\$60,445	\$77,698	\$129,210

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	1	-	-	\$128,952	-	-
20,000-99,999	5	\$69,757	\$97,094	\$101,069	\$125,000	\$129,210
8,000-19,999	8	\$60,445	\$70,250	\$76,338	\$93,865	\$105,000
3,000-7,999	3	\$57,986	-	\$60,837	-	\$73,000
1,000-2,999	10	\$32,500	\$42,505	\$52,239	\$55,999	\$61,693
Less than 1,000	10	\$29,120	\$32,472	\$45,435	\$47,632	\$87,790

# WATER PLANT SUPERINTENDENT

*Oversees operations of water treatment plant and pump stations*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	35	\$10,800	\$41,226	\$47,800	\$58,348	\$80,211

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	0	-	-	-	-	-
20,000-99,999	4	\$57,500	\$58,773	\$63,117	\$67,112	\$67,332
8,000-19,999	8	\$54,100	\$56,028	\$62,877	\$66,698	\$80,211
3,000-7,999	5	\$40,934	\$42,120	\$47,800	\$48,963	\$63,814
1,000-2,999	9	\$26,999	\$38,626	\$41,870	\$45,760	\$53,040
Less than 1,000	9	\$10,800	\$33,280	\$39,624	\$44,616	\$53,503

# GAS DISTRIBUTION SUPERINTENDENT

*Oversees the operations of gas distribution plant and system*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	9	\$39,686	\$48,800	\$64,921	\$78,520	\$135,000

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	0	-	-	-	-	-
20,000-99,999	2	\$57,500	-	\$79,802	-	\$102,104
8,000-19,999	2	\$64,921	-	\$71,159	-	\$77,397
3,000-7,999	3	\$39,686	-	\$48,800	-	\$78,520
1,000-2,999	0	-	-	-	-	-
Less than 1,000	2	\$48,150	-	\$91,575	-	\$135,000

# GAS DISTRIBUTION ENGINEER

*Ensures the safe flow of natural gas to customers*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	3	\$38,542	-	\$60,000	-	\$65,395

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	0	-	-	-	-	-
20,000-99,999	1	-	-	\$60,000	-	-
8,000-19,999	1	-	-	\$65,395	-	-
3,000-7,999	1	-	-	\$38,542	-	-
1,000-2,999	0	-	-	-	-	-
Less than 1,000	0	-	-	-	-	-

# UTILITY MAINTENANCE WORKER

*Performs a variety of semiskilled maintenance work on utility systems*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	17	\$11,590	\$31,886	\$35,402	\$41,748	\$46,057

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	1	-	-	\$46,057	-	-
20,000-99,999	2	\$32,659	-	\$37,677	-	\$42,694
8,000-19,999	4	\$30,014	\$34,616	\$37,916	\$40,314	\$42,210
3,000-7,999	3	\$25,750	-	\$33,280	-	\$45,760
1,000-2,999	3	\$33,280	-	\$35,402	-	\$35,672
Less than 1,000	4	\$11,590	\$25,517	\$31,023	\$34,351	\$41,748

# UTILITY CLERK

*Performs routine clerical work; collects and distributes materials to appropriate destinations; provides support, data entry, and bookkeeping*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	40	\$9,048	\$28,621	\$33,499	\$38,958	\$55,723

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	1	-	-	\$48,947	-	-
20,000-99,999	1	-	-	\$35,840	-	-
8,000-19,999	8	\$27,125	\$37,175	\$39,010	\$42,063	\$54,229
3,000-7,999	7	\$32,191	\$35,485	\$38,480	\$39,146	\$43,950
1,000-2,999	13	\$13,104	\$27,040	\$31,720	\$33,280	\$55,723
Less than 1,000	10	\$9,048	\$24,070	\$28,090	\$31,950	\$41,600

# METER READER

*Reads and repairs water, electric, or other utility meters*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	23	\$16,640	\$28,080	\$31,829	\$37,076	\$50,482

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	0	-	-	-	-	-
20,000-99,999	4	\$31,829	\$31,957	\$33,232	\$36,838	\$43,961
8,000-19,999	7	\$30,098	\$33,225	\$39,021	\$40,905	\$50,482
3,000-7,999	5	\$27,040	\$28,870	\$30,838	\$33,280	\$47,382
1,000-2,999	5	\$23,015	\$24,745	\$26,666	\$28,080	\$33,176
Less than 1,000	2	\$16,640	-	\$22,360	-	\$28,080

# UTILITY CREW FOREMAN

*Provides first-line supervision of a small unit of utility workers on an assigned shift*

Statewide	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
Kentucky	8	\$46,928	\$51,026	\$54,743	\$59,016	\$63,690

Population Range	# Reporting	Salary Paid				
		Minimum	25%	50%	75%	Maximum
100,000 or more	1	-	-	\$58,983	-	-
20,000-99,999	2	\$46,928	-	\$51,343	-	\$55,758
8,000-19,999	4	\$48,048	\$51,026	\$52,873	\$55,074	\$59,114
3,000-7,999	1	-	-	\$63,690	-	-
1,000-2,999	0	-	-	-	-	-
Less than 1,000	0	-	-	-	-	-

# EXHIBIT 4

## MANAGEMENT AGREEMENT

This agreement among Bluegrass Gas Sales, Inc. (BGGs) a Kentucky corporation with an address of 3620 Rockland Mills Rd, Center, Ky and Home Office, Inc, (HO) a Kentucky corporation with an address of 11405 Park Rd. Suite 180, Louisville Ky is made this the first day of July, 2012 for the purpose of providing for certain management activities.

HO and BGGs are affiliated companies having a common owner.

BGGs provides natural gas distribution services subject to Kentucky Public Service Commission (Commission) regulation.

HO is an unregulated management company.

For purposes of efficiency and in compliance with the Commission's Order dated June 6, 2012, HO and BGGs agree to the following terms:

1. HO will provide to BGGs management, accounting, tax, administrative, and regulatory services, which engages no other outside firms for these services. Services include: (1) Annual report filed with the Commission; (2) Annual state property tax return; (3) Annual federal and state Subchapter S income tax returns; (4) Quarterly GCA filings with the Commission; (5) Monthly billing of Bluegrass's non-residential customers; (6) Preparation of the rate or other regulatory applications; (7) Various administrative and accounting functions and (8) gas purchase and transportation from interstate and intrastate pipelines, balancing and related matters.
2. HO shall recover an annual fee of \$17,022 for these services.
3. BGGs shall be responsible for natural gas transportation fees from Natural Gas of Kentucky (NGK) for all gas transported through its pipelines based on NGK's approved tariff or as adjusted from time to time and an administrative fee to HO currently \$0.25 per mcf for interstate pipeline gas nominating scheduling, balancing, and purchasing through seven pipeline interconnects as approved in Case 94-433.

HO and BGGs may agree orally to other terms and conditions in conformity with this agreement to facilitate the operations of BGGs.

This the 1<sup>st</sup> day of July, 2012.

For BGGs: Mark O'Brien, President

  
\_\_\_\_\_

For HO: Mark O'Brien, President

  
\_\_\_\_\_



SPACE	SIZE	TERM	RATE	TYPE
1st Floor	7,680 SF	Negotiable	\$8.00 /SF/YR	TBD

**PROPERTY FACTS FOR 612 W STOCKTON ST , EDMONTON, KY 42129**

<b>Rental Rate</b>	\$8.00 /SF/YR	<b>Gross Leasable Area</b>	7,680 SF
<b>Property Type</b>	Retail	<b>Year Built</b>	1993
<b>Property Subtype</b>	Freestanding	<b>Parking Ratio</b>	7.55/1,000 SF

**ABOUT THE PROPERTY**

Offering second generation space. Walgreens purchased Rite Aid and with that purchase comes store relocations. This property is part of a portfolio of locations that Walgreens has either closed or we expect will be closing in Q1 2023. Please do NOT disturb the tenant. The landlord will rent as-is, offer TI money or build to suit. If it makes sense, it can be done!

This property is located between WEST STOCKTON STREET & BAKER STREET  
The former tenant had been in business at this location for over 25 years with sales rising annually.

Those locations include:  
856 Hwy 411 North ETOWAH, TN 37331  
612 W STOCKTON ST, EDMONTON, KY 42129  
551 Highway 421 N, McKee, KY 40447  
114 US 81 North CALHOUN, KY 42327  
For a flyer on those locations please email mtg@nlreit.com

This is a high-sales volume location. This would be ideal for an Auto Parts store or Dollar Store. A great opportunity for another pharmacy, Dollar store, urgent & medical clinic or Automotive store.

Edmonton is the county seat of Metcalfe County and is located in South Central Kentucky.

= \$5,120 per month

Located near South Central Bank branch. Tenant relocated the store to a smaller location. Other retail stores in Edmonton, Kentucky include:

- Dollar General Market.
- Mk Shop More.
- Save-A-Lot.
- Jr Food Stores.
- Stop & Save 4.
- Travel Food Plaza 5.
- FiveStar Food Mart.
- Edmonton Foods IGA.
- Edmonton C B Foods.
- Hunley's Grocery.
- Walgreens.
- Sunoco.
- Phillips 66.
- Chevron.
- E Z Mart.
- BP.
- IGA Express.

The current landlord currently holds properties leased to Dollar General, Family Dollar, Dollar Tree, Bank branches, CVS, Walgreens, Pizza Hut, Burger King, Fresenius, Chen Med, Urgent Cares and others.



Jason Feldman  
(561) 691-4600



**Former Rite Aid location 1 of 4 | 612 W Stockton St**  
7,680 SF of Retail Space Available in Edmonton, KY



**HIGHLIGHTS**

- heavy traffic
- open plan, will sub-divide
- high sales volume as a drugstore

# Office Space : Glasgow

(Smallest avail in Glasgow)

SPACE AVAILABILITY (1)

SPACE	SIZE	TERM	RATE	TYPE
1st Floor	1,600-9,213 SF	Negotiable	\$7.95 /SF/YR	Modified Gross

## PROPERTY FACTS FOR 900-950 HAPPY VALLEY RD , GLASGOW, KY 42141

Rental Rate	\$7.95 /SF/YR	Gross Leasable Area	123,800 SF
Min. Divisible	1,600 SF	Year Built	1970
Property Type	Retail	Parking Ratio	7.5/1,000 SF
Property Subtype	Storefront		

### ABOUT THE PROPERTY

Modified Gross Leases. Retail Center with excellent Tennant base. Existing Tenants include Big Lots, Workout Anytime, Mighty Dollar,

- Signage

Jackson Hewitt, Lin's New Century Buffet, Barber Shop.

- Air Conditioning

(this is min sq available)  
1600 square ft =

\$ 1,060 per month



Eric St. John  
(270) 781-8000 x 3

**Neal Turner Realty**  
Commercial and Industrial Brokerage

**Central Center | 900-950 Happy Valley Rd**  
9,213 SF of Retail Space Available in Glasgow, KY



**HIGHLIGHTS**

- Multi Tenant retail center
- 500 - 9000 SF available
- Multiple anchors

## FEATURES

Drive-In Bays

5

Exterior Dock Doors

2

Equip Storage

closest available  
Bowling Green  
\$900 per month

## ALL AVAILABLE SPACE(1)

SPACE	SIZE	TERM	RATE	SPACE USE	CONDITION	AVAILABLE
1st Fl, Ste D2	900 SF	3-10 Yrs	\$12.00 /SF/YR	Industrial	-	Now

## PROPERTY OVERVIEW

Light Industrial Warehouse with multiple options for tenants seeking docks, drive ins, storage

space, office areas, outside parking, etc. Call to discuss. 270-779-0017 Owner/Agent.

## INDUSTRIAL FACILITY FACTS

Building Size	17,250 SF
Lot Size	1.91 AC
Year Built/Renovated	1951/2021
Construction	Wood Frame
Sewer	City
Heating	Gas
Gas	Natural
Power Supply	Phase: 3
Zoning	LI - Light Industrial Industrial



Eric St. John  
(270) 781-8000 x 3

**Neal Turner Realty**  
Commercial and Industrial Brokerage

## 112 Thomas Ct

900 SF of Industrial Space Available in Bowling Green, KY



### HIGHLIGHTS

- Visible from Veterans Memorial
- Warehouse options



GREATER LOUISVILLE ASSOCIATION OF REALTORS®, INC.  
 Louisville, Kentucky 40205  
 (For use of members only)  
**LEASE**

DATE OF LEASE	TERM OF LEASE		MONTHLY RENTAL	SECURITY DEPOSIT
	BEGINNING	ENDING		
1/1/2013	1/1/2013	month to month	400.00	N/A

TENANT:  
 Name: Bluegrass Gas Sales, Inc  
 Address: 3120 Rockland Mills Rd  
Center, Ky 42214

LANDLORD:  
 Name: Jodie A. Parsons  
 Agent for Landlord: n/a (same)  
 Address: 3390 Rockland Mills Rd  
Center, Ky 42214

(send all payments and correspondence to the above address)

In consideration of the mutual agreements and covenants set forth below, the payment of the rent and deposit for the amount specified above to secure the premises from damage, Landlord leases to Tenant the Premises described below for the terms stated. The Leased Premises shall be used as a dwelling, and not otherwise, and shall not be sublet, assigned or transferred in any manner without the written consent of a Landlord.

Location 1) Description of Leased Premises Office space at 3120 Rockland Mills Rd.  
Center Ky 42214

Parties 2) For the purposes of this lease, the term "Landlord" shall refer to property owner and/or any person authorized to manage said Premises. The term "Tenant" shall refer to all persons occupying the Leased Premises.

Occupancy 3) These are the only persons who are to occupy the Leased Premises; and other(s) must be approved in writing by Landlord:  
 1) Bluegrass Gas Sales, Inc 4) \_\_\_\_\_  
 2) \_\_\_\_\_ 5) \_\_\_\_\_  
 3) \_\_\_\_\_ 6) \_\_\_\_\_

Utilities 4) Utilities to be furnished by Landlord: N/A (none)  
 Electricity \_\_\_\_\_ Water & Sewer \_\_\_\_\_ Gas \_\_\_\_\_ Waste Removal \_\_\_\_\_

Appliances & Accessories 5) Appliances/Accessories to be furnished by Landlord:  
 Range  Refrig  Dishwasher \_\_\_\_\_ Drapes/Blinds  
 Carpet \_\_\_\_\_ AC Unit(s) \_\_\_\_\_ Other \_\_\_\_\_

Late Charges 6) Tenant shall pay to Landlord at Agent's address the monthly rent specified above on or before the 1st  
 of each month in advance. The time of each and every payment is of the essence of the lease. If the rent is not paid by the  
5th the monthly rent shall be increased by no late fee

Agency 7) Landlord has authorized the above Agent to enter into this lease agreement on his/her behalf, to receive and receipt for rent, and to do any and all other things necessary or desirable to administer or effectuate this agreement during Tenant's occupancy. Rent shall be paid and all notices, requests or other communications shall be by or to Landlord through the Agent at his address listed above. Agent has full authority from the owner to manage the Leased Premises.

Obligations of Tenant 8) In addition to other duties of maintenance, Tenant shall:  
 a) Comply with all obligations imposed on Tenant by governmental authority materially affecting health and safety;  
 b) Keep that part of the premises that he/she occupies or uses as clean and safe as possible;  
 c) Dispose from his/her unit all ashes, garbage, rubbish and other waste in a clean and safe manner;  
 d) Use the plumbing in a reasonable manner and if, by Tenant misuse, it should freeze, burst, or get out of order, Tenant agrees to sustain cost of same repairs (the Landlord is to maintain and repair at Landlord's expense any plumbing deficiencies due to normal wear and tear);  
 e) Use in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and if repairs are needed due to Tenant misuse or neglect, Tenant agrees to sustain cost of repairs;  
 f) Not deliberately or negligently destroy, deface, damage, impair or remove any part of the premises or knowingly permit any person to do so;  
 g) Conduct himself/herself and require any guest to conduct themselves in a manner that will not disturb neighbors' peaceful enjoyment of the premises;  
 h) Abide by any rules or regulations adopted by the Landlord to promote the convenience, safety or welfare of Tenants in the premises, to preserve the property, and "or" fairly distribute services or facilities;  
 i) Not use gasoline stoves or other similar fuel burning appliances using highly flammable liquids, including portable kerosene, Wane or propane stoves or other similar portable fuel burning appliances;  
 j) Shall replace all broken glass in the windows, doors, etc. regardless of any cause; also put in and properly repair all locks or keys to the same, if lost, or to pay for the same, at fair valuation;  
 k) Not erect an aerial on the roof or chimney; or install an air conditioner or coaxial cable without the written consent of Landlord.

X M. A. Parsons 10/20/2022 X Jodie A. Parsons 1/1/13  
 TENANT DATE LANDLORD DATE  
for Bluegrass Gas Sales, Inc.

- ~~Security Deposit~~ 9) To secure the property of Landlord from damage, Tenant has placed with Landlord a security deposit in the amount set forth above. This deposit will be utilized as a fund for repairing damage to the Leased Premises. It is not an advance of rent, and may not be deducted from a rental payment at any time. The procedures for returning or retaining the security deposit will be in accord with Kentucky Revised Statute (KRS) 383.580, which is printed on the reverse side of this form. All interest earned, if any, shall be retained by the Agent. *na*
- ~~Alterations~~ 10) Tenant shall make no alterations or install or maintain on the Premises major appliances, locks or devices of any kind without in each case obtaining the written consent of the Landlord.
- ~~Liability~~ 11) Landlord does not insure Tenant's person. All personal property in the Leased Premises or elsewhere shall be at the risk of Tenant only, and Tenant shall carry such insurance as Tenant deems necessary. Tenant acknowledges the Leased Premises have been examined to the extent necessary to ascertain its condition. The Premises are leased in the condition found and Landlord shall not be liable to Tenant or anyone on the Premises for property damage or personal injuries caused by or arising out of the condition of the Leased Premises, it being understood that Tenant, and all others take the premises as they find them. In the event such damage or injury arises out of Tenant's failure to maintain or repair the Tenant shall indemnify Landlord, and Landlord's agent and employees, from any such claims and hold them harmless.
- ~~Reduction of Services~~ 12) Landlord shall not be responsible to Tenant or any others for a loss or reduction of services by acts not willful, or conditions beyond Landlord's control, nor shall any loss or reduction of services terminate this lease or reduce the amount of rental due hereunder, except as provided by law.
- ~~Landlord Access~~ 13) a) The Landlord and Landlord's agents and employees shall have access to the Leased Premises at all reasonable times in order to inspect same, make necessary agreed repairs, decorations, alterations, or improvements, supply necessary or agreed services, or exhibit the Leased Premises to prospective or actual purchasers, mortgagees, Tenants, workmen or contractors. Except in the case of emergency, the Landlord shall give Tenant at least forty-eight (48) hours notice of his/her intent to enter.  
b) In the event Tenant will be absent from the Leased Premises for more than seven (7) days, Tenant agrees to notify Landlord. During such absences, Landlord and Landlord's agents and employees may enter the Leased Premises to inspect or protect the property, or for any other reason deemed necessary or desirable.
- ~~Binding on Heirs, etc.~~ 14) Each of the provisions of this lease shall extend to, be binding on, and insure to the benefit of the heirs, legal representatives, and assigns of Landlord and Tenant.
- ~~Bankruptcy~~ 15) If Tenant should be declared bankrupt during the term of this lease, Landlord, at Landlord's option, may terminate this lease. If so terminated, Tenant agrees to promptly vacate premises removing all personal property and belongings and upon Tenant's failure to do so, Landlord may take all steps necessary, including storage of Tenant's property, and shall not be responsible to Tenant for loss or damage due to causes beyond Landlord's control.
- ~~Condemnation Eminent Domain~~ 16) If the whole or any part of the building containing the Leased Premises is taken by any competent authority for any public use or purpose, the term of this lease, at Landlord's option, shall terminate upon, and not before, the date when possession of the part so taken shall be required for said use or purpose. Rent shall be apportioned to the date of termination. Landlord shall be entitled to the entire compensation for the part of the premises taken without apportionment to the Tenant.
- ~~Renewal of Lease~~ 17) This lease shall be automatically renewed with the same terms and conditions on a month to month basis after its original expiration date unless otherwise notified by Landlord. Whenever Tenant wishes to vacate and all terms and conditions of the lease have been fulfilled, a full thirty (30) day written notice must be given before the Tenant's next rent-due date and accompanied by the rent for the final thirty (30) day rental period. No verbal notices will be accepted.
- ~~Expiration/Termination of Lease~~ 18) Upon termination of this lease, Tenant shall yield up immediate possession, remove all property and belongings, and return unit in undamaged condition, and deliver all keys to Landlord at the address where rent is payable. Upon Tenant's failure to vacate, the Landlord may take all steps necessary to remove Tenant and Tenant's property as provided by law and Tenant shall acquire no additional rights or extension of the lease term by reason of such holding over. In addition to all remedies provided by law, Tenant shall pay all rent and other actual damages suffered by Landlord.
- ~~Abandonment~~ 19) Ten days absence by Tenant with rent unpaid, or the removal of a substantial portion of Tenant's personal property without explanation or notice to Landlord shall be deemed an abandonment of the Leased Premises by Tenant. In such event, Landlord may reenter the Leased Premises immediately, take all action necessary to remove remaining property and belongings of Tenant, and relet the Premises, without notice and without responsibility for damages resulting therefrom.
- ~~Rental Application Required Documents~~ 20) The application to rent the premises herein leased is hereby made a part of this lease. Tenant warrants the information contained therein to be true, and if false, Landlord may, at Landlord's option, terminate this lease.
- ~~Additional Clauses~~ 21) *na* Inspection Report  
*na* Lead Based Paint Disclosure & Pamphlet  
*na* Rules and Regulations (if any)  
22) *na*

This lease and additional required documents as stated in clause (21) contains the entire agreement between the parties. No oral agreement or representations have been made by Landlord or shall be binding upon the parties unless set forth in writing in this lease. All notices called for in this lease are to be in writing. I (We) certify that I (We) have read the entire document, understand same, and have received a copy.

Landlord/Agent: *Juli Parsons* Date: *1/1/2013*

X *Melan* X *10/20/2022*  
 Tenant For Bluegrass Gas Sales, Inc Date

Tenant \_\_\_\_\_ Date \_\_\_\_\_





GREATER LOUISVILLE ASSOCIATION OF REALTORS®, INC.  
 Louisville, Kentucky 40205  
 (For use of members only)

LEASE

DATE OF LEASE	TERM OF LEASE		MONTHLY RENTAL	SECURITY DEPOSIT
	BEGINNING	ENDING		
3/1/2020	3/1/2020	month to month	150.00	N/A

TENANT:  
 Name: Bluegrass Gas Sales, Inc  
 Address: 3620 Rockland Mills Rd.  
Center, KY 42214

LANDLORD:  
 Name: Rex Parsons  
 Agent for Landlord: n/a (same)  
 Address: 245 Wister Wallace Rd.  
Edmonton, KY 42129

(send all payments and correspondence to the above address)

In consideration of the mutual agreements and covenants set forth below, the payment of the rent and deposit for the amount specified above to secure the premises from damage, Landlord leases to Tenant the Premises described below for the terms stated. The Leased Premises shall be used as a dwelling, and not otherwise, and shall not be sublet, assigned or transferred in any manner without the written consent of a Landlord.

Location 1) Description of Leased Premises 2500' sq ft storage for trucks & heavy equipment within a 5000' building, 125 Dudky Lane Edmonton KY

Parties 2) For the purposes of this lease, the term "Landlord" shall refer to property owner and/or any person authorized to manage 42129 said Premises. The term "Tenant" shall refer to all persons occupying the Leased Premises.

Occupancy 3) These are the only persons who are to occupy the Leased Premises; and other(s) must be approved in writing by Landlord:  
 n/a 1) \_\_\_\_\_ 4) \_\_\_\_\_  
 2) \_\_\_\_\_ 5) \_\_\_\_\_  
 3) \_\_\_\_\_ 6) \_\_\_\_\_

Utilities 4) Utilities to be furnished by Landlord:  
 Electricity  Water & Sewer \_\_\_\_\_ Gas \_\_\_\_\_ Waste Removal \_\_\_\_\_

Appliances & Accessories 5) Appliances/Accessories to be furnished by Landlord:  
 n/a Range \_\_\_\_\_ Refrig \_\_\_\_\_ Dishwasher \_\_\_\_\_ Drapes/Blinds \_\_\_\_\_  
 Carpet \_\_\_\_\_ AC Unit(s) \_\_\_\_\_ Other \_\_\_\_\_

Late Charges 6) Tenant shall pay to Landlord at Agent's address the monthly rent specified above on or before the first of each month in advance. The time of each and every payment is of the essence of the lease. If the rent is not paid by the fifteenth the monthly rent shall be increased by 0.00

Agency 7) Landlord has authorized the above Agent to enter into this lease agreement on his/her behalf, to receive and receipt for rent, and to do any and all other things necessary or desirable to administer or effectuate this agreement during Tenant's occupancy. Rent shall be paid and all notices, requests or other communications shall be by or to Landlord through the Agent at his address listed above. Agent has full authority from the owner to manage the Leased Premises.

Obligations of Tenant 8) In addition to other duties of maintenance, Tenant shall:  
 a) Comply with all obligations imposed on Tenant by governmental authority materially affecting health and safety;  
 b) Keep that part of the premises that he/she occupies or uses as clean and safe as possible;  
 c) Dispose from his/her unit all ashes, garbage, rubbish and other waste in a clean and safe manner;  
 n/a d) Use the plumbing in a reasonable manner and if, by Tenant misuse, it should freeze, burst, or get out of order, Tenant agrees to sustain cost of same repairs (the Landlord is to maintain and repair at Landlord's expense any plumbing deficiencies due to normal wear and tear);  
 e) Use in a reasonable manner all electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other facilities and if repairs are needed due to Tenant misuse or neglect, Tenant agrees to sustain cost of repairs;  
 f) Not deliberately or negligently destroy, deface, damage, impair or remove any part of the premises or knowingly permit any person to do so;  
 g) Conduct himself/herself and require any guest to conduct themselves in a manner that will not disturb neighbors' peaceful enjoyment of the premises;  
 h) Abide by any rules or regulations adopted by the Landlord to promote the convenience, safety or welfare of Tenants in the premises, to preserve the property, and "or" fairly distribute services or facilities;  
 i) Not use gasoline stoves or other similar fuel burning appliances using highly flammable liquids, including portable kerosene, Wane or propane stoves or other similar portable fuel burning appliances;  
 j) Shall replace all broken glass in the windows, doors, etc. regardless of any cause; also put in and properly repair all locks or keys to the same, if lost, or to pay for the same, at fair valuation;  
 k) Not erect an aerial on the roof or chimney; or install an air conditioner or coaxial cable without the written consent of Landlord.

P1120 Rev. 11/99 Page 1 of 2  
 X M. S. 10/20/2022 Rex Parsons 3/1/20  
 TENANT DATE LANDLORD DATE  
for Bluegrass Gas Sales Inc.

Security Deposit **Waived**

- 8) To secure the property of Landlord from damage, Tenant has placed with Landlord a security deposit in the amount set forth above. This deposit will be utilized as a fund for repairing damage to the Leased Premises. It is not an advance of rent, and may not be deducted from a rental payment at any time. The procedures for returning or retaining the security deposit will be in accord with Kentucky Revised Statute (KRS) 383.580, which is printed on the reverse side of this form. All interest earned, if any, shall be retained by the Agent.
- Alterations 10) Tenant shall make no alterations or install or maintain on the Premises major appliances, locks or devices of any kind without in each case obtaining the written consent of the Landlord.
- Liability 11) Landlord does not insure Tenant's person. All personal property in the Leased Premises or elsewhere shall be at the risk of Tenant only, and Tenant shall carry such insurance as Tenant deems necessary. Tenant acknowledges the Leased Premises have been examined to the extent necessary to ascertain its condition. The Premises are leased in the condition found and Landlord shall not be liable to Tenant or anyone on the Premises for property damage or personal injuries caused by or arising out of the condition of the Leased Premises, it being understood that Tenant, and all others take the premises as they find them. In the event such damage or injury arises out of Tenant's failure to maintain or repair the Tenant shall indemnify Landlord, and Landlord's agent and employees, from any such claims and hold them harmless.
- Reduction of Services 12) Landlord shall not be responsible to Tenant or any others for a loss or reduction of services by acts not willful, or conditions beyond Landlord's control, nor shall any loss or reduction of services terminate this lease or reduce the amount of rental due hereunder, except as provided by law.
- Landlord Access 13) a) The Landlord and Landlord's agents and employees shall have access to the Leased Premises at all reasonable times in order to inspect same, make necessary agreed repairs, decorations, alterations, or improvements, supply necessary or agreed services, or exhibit the Leased Premises to prospective or actual purchasers, mortgagees, Tenants, workmen or contractors. Except in the case of emergency, the Landlord shall give Tenant at least forty-eight (48) hours notice of his/her intent to enter.  
b) In the event Tenant will be absent from the Leased Premises for more than seven (7) days, Tenant agrees to notify Landlord. During such absences, Landlord and Landlord's agents and employees may enter the Leased Premises to inspect or protect the property, or for any other reason deemed necessary or desirable.
- Binding on Heirs, etc. 14) Each of the provisions of this lease shall extend to, be binding on, and insure to the benefit of the heirs, legal representatives, and assigns of Landlord and Tenant.
- Bankruptcy 15) If Tenant should be declared bankrupt during the term of this lease, Landlord, at Landlord's option, may terminate this lease. If so terminated, Tenant agrees to promptly vacate premises removing all personal property and belongings and upon Tenant's failure to do so, Landlord may take all steps necessary, including storage of Tenant's property, and shall not be responsible to Tenant for loss or damage due to causes beyond Landlord's control.
- Condemnation/ Eminent Domain 16) If the whole or any part of the building containing the Leased Premises is taken by any competent authority for any public use or purpose, the term of this lease, at Landlord's option, shall terminate upon, and not before, the date when possession of the part so taken shall be required for said use or purpose. Rent shall be apportioned to the date of termination. Landlord shall be entitled to the entire compensation for the part of the premises taken without apportionment to the Tenant.
- Renewal of Lease 17) This lease shall be automatically renewed with the same terms and conditions on a month to month basis after its original expiration date unless otherwise notified by Landlord. Whenever Tenant wishes to vacate and all terms and conditions of the lease have been fulfilled, a full thirty (30) day written notice must be given before the Tenant's next rent-due date and accompanied by the rent for the final thirty (30) day rental period. No verbal notices will be accepted.
- Expiration/ Termination of Lease 18) Upon termination of this lease, Tenant shall yield up immediate possession; remove all property and belongings, and return unit in undamaged condition; and deliver all keys to Landlord at the address where rent is payable. Upon Tenant's failure to vacate, the Landlord may take all steps necessary to remove Tenant and Tenant's property as provided by law and Tenant shall acquire no additional rights or extension of the lease term by reason of such holding over. In addition to all remedies provided by law, Tenant shall pay all rent and other actual damages suffered by Landlord.
- Abandonment 19) Ten days absence by Tenant with rent unpaid, or the removal of a substantial portion of Tenant's personal property without explanation or notice to Landlord shall be deemed an abandonment of the Leased Premises by Tenant. In such event, Landlord may reenter the Leased Premises immediately, take all action necessary to remove remaining property and belongings of Tenant, and relet the Premises, without notice and without responsibility for damages resulting therefrom.
- Rental Application Required Documents 20) The application to rent the premises herein leased is hereby made a part of this lease. Tenant warrants the information contained therein to be true, and if false, Landlord may, at Landlord's option, terminate this lease.  
21) ~~N/A~~ Inspection Report *RP*  
~~N/A~~ Lead Based Paint Disclosure & Pamphlet *RP*  
~~N/A~~ Rules and Regulations (if any) *RP*
- Additional Clauses 22) none

This lease and additional required documents as stated in clause (21) contains the entire agreement between the parties. No oral agreement or representations have been made by Landlord or shall be binding upon the parties unless set forth in writing in this lease. All notices called for in this lease are to be in writing. I (We) certify that I (We) have read the entire document, understand same, and have received a copy.

*Rex Parsons* \_\_\_\_\_  
Landlord/Agent Date 3/1/2020

*Mason* \_\_\_\_\_  
Tenant for *Bluegrass Gas Sales, Inc* Date X 10/20/2022

Landlord/Agent \_\_\_\_\_  
Date \_\_\_\_\_

Tenant \_\_\_\_\_  
Date \_\_\_\_\_



shared space=1290 sq ft (approximately)

Bluegrass space=472 sq feet

Natural Gas of Kentucky =213 sq feet

Diagram of office space is not drawn to scale

EXHIBIT 8



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**Humana.**

Humana.com  
800-833-6914  
1100 Employers Blvd  
Green Bay WI 54344

Exhibit 9

December 20, 2021

AB 01 058860 18752 B 167 A



Teresa Florence  
HOME OFFICE INC  
PO BOX 23539  
ANCHORAGE, KY 40223



Company Name: HOME OFFICE INC  
Group ID(s): 766111  
Renewal Date: 03/01/2022

**Important information regarding your coverage**

Dear Ms. Teresa Florence:

Thank you for choosing Humana. We value your business and are committed to providing products and services that keep pace with your employees' evolving needs.

This letter contains information about your Humana plan(s). One or more of your plans(s) and/or rates are scheduled for a change on the renewal date noted above. Please review the plan benefit and rate information contained in this letter. You can keep your current coverage with the changes listed in the enclosure, and your employees will automatically be re-enrolled.

Please note: Medical premium rates provided to you are subject to review by Humana. If the medical rates described herein are subsequently modified, Humana will promptly advise you of the change.

To view your plan information and make any changes, go to the secure employer section on Humana.com, select the Benefit Center tab located at the top of the page. You'll also find interactive tools to help you make benefit selections. Or you can contact your agent, LANE D HETTICH at (502) 259-9211 to discuss the best benefit solution for your group.

Contractual documents – including, but not limited to, the policy and certificate – will be delivered to you electronically through the secure employer section of the Humana.com website. If you would prefer a mailed paper copy of any document, please contact Humana at 1-800-232-2006.

Health and well-being are at the core of everything we do. Our mission is to help people achieve lifelong well-being. We truly appreciate the opportunity to provide benefits to you and your employees and play a role in your journey to optimal health.

Our health benefit plans have exclusions and limitations and terms under which the coverage may be continued in force or discontinued. For costs and complete details of the coverage, call or write your Humana insurance agent or broker.

Sincerely,

Your Humana Sales Team

cc: ASSUREDPARTNERS NL LLC

GCHKT25EN

UW0320

## Rate Detail For Renewing Plans

### Coverage Type Codes

EMP = Employee

EMP/SP = Employee/Spouse

EMP/CH = Employee/Child(ren)

FAM = Family

**Medical/Rx  
KY 80/50 NPOS 21 Copay  
Opt3 Glid \$40/\$80 OV**

Subscriber Name	Age	Gender	Life Volume	Spouse Age	Child Count	Coverage Type	Current Rates	New Rates
XXXXXXXXNS,XXLIE	54	F	N/A	57	2	FAM	\$2,811.54	\$3,316.58
					<b>TOTALS</b>	<b>1</b>	<b>\$2,811.54</b>	<b>\$3,316.58</b>





Administrative Office:  
500 West Main Street  
Louisville, Kentucky 40202

## Certificate of Coverage Humana Health Plan, Inc.

**Group Plan Sponsor:** HOME OFFICE INC  
**Group Plan Number:** 766111  
**Effective Date:** 03/01/2022  
**Product Name:** KYNG0003 Copay Hybrid

In accordance with the terms of the *master group contract* issued to the *group plan sponsor*, Humana Health Plan, Inc. certifies that a *covered person* has coverage for the benefits described in this *certificate*. This *certificate* becomes the Certificate of Coverage and replaces any and all certificates and certificate riders previously issued.

Bruce Broussard  
President

**This booklet, referred to as a Benefit Plan Document, is provided to describe *your* Humana coverage**

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## **TABLE OF CONTENTS**

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<b>Understanding your coverage</b>	<b>7</b>
<b>Schedule of benefits</b>	<b>13</b>
<b>Schedule of benefits - pediatric dental</b>	<b>37</b>
<b>Schedule of benefits - pediatric vision care</b>	<b>39</b>
<b>Schedule of benefits - behavioral health</b>	<b>43</b>
<b>Schedule of benefits - pharmacy services</b>	<b>50</b>
<b>Covered expenses</b>	<b>55</b>
<b>Covered expenses - pediatric dental</b>	<b>73</b>
<b>Covered expenses - pediatric vision care</b>	<b>83</b>
<b>Covered expenses - behavioral health</b>	<b>87</b>
<b>Covered expenses - pharmacy services</b>	<b>90</b>
<b>Limitations and exclusions</b>	<b>95</b>
<b>Limitations and exclusions - pharmacy services</b>	<b>102</b>
<b>Eligibility and effective dates</b>	<b>106</b>
<b>Replacement of coverage</b>	<b>112</b>

---

**TABLE OF CONTENTS (continued)**

---

<b>Termination provisions</b>	<b>113</b>
<b>Extension of benefits</b>	<b>115</b>
<b>Continuation</b>	<b>116</b>
<b>Medical conversion privilege</b>	<b>120</b>
<b>Coordination of benefits</b>	<b>122</b>
<b>Claims</b>	<b>129</b>
<b>Internal appeal and external review</b>	<b>137</b>
<b>Disclosure provisions</b>	<b>141</b>
<b>Miscellaneous provisions</b>	<b>144</b>
<b>Glossary</b>	<b>147</b>
<b>Glossary - pharmacy services</b>	<b>171</b>

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## UNDERSTANDING YOUR COVERAGE

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As *you* read the *certificate*, *you* will see some words are printed in italics. Italicized words may have different meanings in the *certificate* than in general. Please check the "Glossary" sections for the meaning of the italicized words, as they apply to *your* plan.

The *certificate* gives *you* information about *your* plan. It tells *you* what is covered and what is not covered. It also tells *you* what *you* must do and how much *you* must pay for services. *Your* plan covers many services, but it is important to remember it has limits. Be sure to read *your certificate* carefully before using *your* benefits.

### Covered and non-covered expenses

We will provide coverage for services, equipment and supplies that are *covered expenses*. All requirements of the *master group contract* apply to *covered expenses*.

The date used on the bill *we* receive for *covered expenses* or the date confirmed in *your* medical records is the date that will be used when *your* claim is processed to determine the benefit period.

*You* must pay the health care provider any amount due that *we* do not pay. Not all services and supplies are a *covered expense*, even when they are ordered by a *health care practitioner*.

Refer to the "Schedule of Benefits," the "Covered Expenses" and the "Limitations and Exclusions" sections and any amendment attached to the *certificate* to see when services or supplies are *covered expenses* or are non-covered expenses.

### How your master group contract works

We may apply a *copayment* or *deductible* before *we* pay for certain *covered expenses*. If a *deductible* applies, and it is met, *we* will pay *covered expenses* at the *coinsurance* amount. Refer to the "Schedule of Benefits" to see when a *copayment*, *deductible* and/or *coinsurance* may apply.

The service and diagnostic information submitted on the *qualified provider's* bill will be used to determine which provision of the "Schedule of Benefits" applies.

We will apply the *network provider* benefit level and *you* will only be responsible to pay the *network provider copayment*, *deductible* and/or *coinsurance* based on the *qualified payment amount* for *covered expenses* for *emergency care* and *air ambulance services* provided by a *non-network provider* or if *you* receive any of the following:

- *Ancillary services* from a *non-network provider* while *you* are at a *network health care treatment facility*;
- Services that are not considered *ancillary services* from a *non-network provider* while *you* are at a *network health care treatment facility*, and *you* did not consent to the *non-network provider* to obtain such services;
- Services from a *non-network provider* when a *network provider* is not available; or

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## UNDERSTANDING YOUR COVERAGE (continued)

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- Additional services from a *non-network provider* related to *emergency care* after *you* are stabilized and *you* did not consent to the *non-network provider* to obtain such services.

Any *copayment, deductible* and/or *coinsurance* *you* pay for services based on the *qualified payment amount* will be applied to the *network provider out-of-pocket limit*.

For all other *covered expenses*, we will apply the applicable *network provider* or *non-network provider* benefit level to the total amount billed by the *qualified provider*, less any amounts such as:

- Those in excess of the negotiated amount by contract, directly or indirectly, between *us* and the *qualified provider*; or
- Those in excess of the *maximum allowable fee*.

For *covered expenses* other than those *you* pay based on the *qualified payment amount*, *you* will be responsible to pay the applicable *network provider* or *non-network provider copayment, deductible* and/or *coinsurance*.

We will also apply *our* claims processing procedures to all *covered expenses*. Refer to the Claims section of this *certificate* for more information on *our* claims processing procedures.

If an *out-of-pocket limit* applies and it is met, we will pay *covered expenses* at 100% the rest of the year, subject to the any maximum benefit and all other terms, provisions, limitations, and exclusions of the *master group contract*.

### Preauthorization decisions

Certain services and supplies require *preauthorization* as described in the "Preauthorization requirements and penalty" provision on the "Schedule of Benefits." *Preauthorization* requests are submitted to *us* for review. *Our* decision on a *preauthorization* request will be provided to *you*, *your* appointed representative, or *your health care practitioner*.

- No later than 24 hours after obtaining all necessary information to make the *preauthorization* decision concerning urgent health care services; and
- Within five (5) days of obtaining all necessary information to make the *preauthorization* decision of non-urgent health care services.

For the purpose of *preauthorization*, urgent health care services means health care or treatment, including requests for *inpatient hospital* admission and *outpatient surgery*, to which the application of the time periods for making non-urgent health care service determinations:

- Could seriously jeopardize the life or health of the *covered person* or the ability of the *covered person* to regain maximum function; or
- In the opinion of a *health care practitioner* with knowledge of the *covered person's* medical condition, would subject the *covered person* to severe pain that cannot be adequately managed without the care or treatment that is subject of *preauthorization*.

If *you* are not satisfied with *our* decision, additional rights may be available to *you* as described in the "Internal Appeal and External Review" section of this certificate.

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## UNDERSTANDING YOUR COVERAGE (continued)

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### Your choice of providers affects your benefits

We will pay a higher percentage most of the time if you see a *network provider*, so the amount you pay will be lower. You must pay any *copayment, deductible or coinsurance* to the *network provider*. Be sure to check if your *qualified provider* is a *network provider* before seeing them.

We may designate certain *network providers* as preferred providers for some services. If you do not see a *network provider* designated by us as a preferred provider for these services, we may pay less. Refer to the Schedule of Benefits sections for the benefits available when you see a *network provider* designated by us as a preferred provider. Refer to our Website at [www.humana.com](http://www.humana.com) to determine the *network providers* designated by us as preferred providers for certain services. You may also contact our customer service department at the telephone number shown on your ID card.

Unless otherwise stated, we will pay a lower percentage if you see a *non-network provider*, so the amount you pay will be higher. *Non-network providers* have not signed an agreement with us for lower costs for services and they may bill you for any amount over the *maximum allowable fee*. If the *non-network provider* bills you any amount over the *maximum allowable fee*, you will have to pay that amount and any *copayment, deductible and coinsurance* to the *non-network provider*. Any amount you pay over the *maximum allowable fee* will not apply to your *deductible* or any *out-of-pocket limit*.

Some *non-network providers* work with *network health care treatment facilities*. If possible, you may want to check if all health care providers working with *network health care treatment facilities* are *network providers*.

We will apply the *network provider* benefit level and you will only be responsible to pay the *network provider copayment, deductible and/or coinsurance* based on the *qualified payment amount* for covered expenses when you receive the following:

- *Ancillary services* from a *non-network provider* when you are at a *network health care treatment facility*;
- Services that are not considered *ancillary services* from a *non-network provider*, when you are at a *network health care treatment facility*, and you did not consent to the *non-network provider* to obtain such services;
- Services from a *non-network provider* when a *network provider* is not available; or
- Additional services from a *non-network provider* related to *emergency care* after you are stabilized and you did not consent to the *non-network provider* to obtain such services.

Any *copayment, deductible and/or coinsurance* you pay for covered expenses based on the *qualified payment amount* will be applied to the *network provider out-of-pocket limit*.

You will be responsible to pay the *non-network provider copayment, deductible and/or coinsurance* and you may also be responsible to pay any amount over the *maximum allowable fee* for covered expenses if you consent to a *non-network provider* to receive the following:

- Services that are not considered *ancillary services* from a *non-network provider* when you are at a *network health care treatment facility*; or

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## UNDERSTANDING YOUR COVERAGE (continued)

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- Additional services from a *non-network provider* related to *emergency care* after you are stabilized.

Refer to the "Schedule of Benefits" sections to see what *your network provider* and *non-network provider* benefits are.

### How to find a network provider

You may find a list of *network providers* at [www.humana.com](http://www.humana.com). This list is subject to change. Please check this list before receiving services from a *qualified provider*. You may also call *our* customer service department at the number listed on *your ID card* to determine if a *qualified provider* is a *network provider*, or we can send the list to you. A *network provider* can only be confirmed by us.

### How to use your point of service (POS) plan

You may receive services from a *network provider* or *non-network provider* with your POS plan without a referral from *your primary care physician*. Refer to the "Schedule of Benefits" for any *preauthorization* requirements.

### Continuity of care

You may be eligible to elect continuity of care if you are a continuing care patient as of the date any of the following events occur:

- *Your qualified provider* terminates as a *network provider*;
- The terms of a *network provider's* participation in the network changes in a manner that terminates a benefit for a service you are receiving as a continuing care patient; or
- The *policy* terminates.

You must be in a course of treatment with the *qualified provider* as a continuing care patient the day before you are eligible to elect continuity of care.

If you elect continuity of care, we will apply the *network provider* benefit level to *covered expenses* related to *your treatment* as a continuing care patient. You will be responsible for the *network provider copayment, deductible* and/or *coinsurance* during the transitional care until the earlier of:

- 90 days from the date we notify you the *qualified provider* is no longer a *network provider*;
- 90 days from the date we notify you the terms of a *network provider's* participation in the network changes in a manner that terminates a benefit for a service you are receiving as a continuing care patient; or
- 90 days from the date we notify you the *master group contract* terminates; or
- 9 months if you have a terminal illness; or
- The date you are no longer a continuing care patient.

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## UNDERSTANDING YOUR COVERAGE (continued)

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For the purposes of this "Continuity of care" provision, continuing care patient means at the time continuity of care becomes available, *you* are undergoing treatment from the *network provider* for:

- An acute *sickness* or *bodily injury* that is serious enough to require specialized medical treatment to avoid the reasonable possibility of death or permanent harm;
- A chronic *sickness* or *bodily injury* that is a life-threatening condition, degenerative, potentially disabling, or is a *congenital anomaly* and requires specialized medical care over a prolonged period of time;
- *Inpatient* care;
- A scheduled non-elective *surgery* and any related post-surgical care;
- A pregnancy;
- A disability; or
- A terminal illness.

For the purposes of this "Continuity of care" provision, a terminal illness means you have a medical prognosis with a life expectancy of 6 months or less.

Continuity of care is not available if:

- The *qualified provider's* participation in *our* network is terminated due to failure to meet applicable quality standards or fraud;
- *You* transition to another *qualified provider*;
- The services *you* receive services not related to *your* treatment as a continuing care patient;
- This "Continuity of Care" provision is exhausted; or
- *Your* coverage terminates, however the *master group contract* remains in effect.

All terms and provisions of the *master group contract* are applicable to this Continuity of Care provision.

### Seeking emergency care

If you have an *emergency medical condition* go to the nearest emergency facility.

*You*, or someone on *your* behalf, must call *us* within 48 hours after *your admission* to a *non-network hospital* for an *emergency medical condition*. If *your* condition does not allow *you* to call *us* within 48 hours after *your admission*, contact *us* as soon as *your* condition allows. *We* may transfer *you* to a *network hospital* in the *service area* when *your* condition is stable.

### Seeking urgent care

If *you* need *urgent care*, *you* must go to the nearest network *urgent care center* for the *network provider* benefit *copayment*, *deductible* or *coinsurance* to apply. *You* must receive services from a *network provider* for any follow-up care for the *network provider copayment*, *deductible* or *coinsurance* to apply.

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## UNDERSTANDING YOUR COVERAGE (continued)

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### Our relationship with qualified providers

*Qualified providers* are not *our* agents, employees or partners. All providers are independent contractors. *Qualified providers* make their own clinical judgments or give their own treatment advice without decisions made by *us*.

The *master group contract* will not change what is decided between *you* and *qualified providers* regarding *your* medical condition or treatment options. *Qualified providers* act on *your* behalf when they order services. *You* and *your qualified providers* make all decisions about *your* health care, no matter what *we* cover. *We* are not responsible for anything said or written by a *qualified provider* about *covered expenses* and/or what is not covered under this *certificate*. Please call *our* customer service department at the telephone number listed on *your* ID card if *you* have any questions.

### Our financial arrangements with network providers

*We* have agreements with *network providers* that may have different payment arrangements:

- Many *network providers* are paid on a discounted fee-for-services basis. This means they have agreed to be paid a set amount for each *covered expense*;
- Some *network providers* may have capitation agreements. This means the *network provider* is paid a set dollar amount each month to care for each *covered person* no matter how many services a *covered person* may receive, from the *network provider*, such as a *primary care physician* or a *specialty care physician*;
- *Hospitals* may be paid on a Diagnosis Related Group (DRG) basis or a flat fee per day basis for *inpatient* services. *Outpatient* services are usually paid on a flat fee per service or a procedure or discount from their normal charges.

### The certificate

The *certificate* is part of the *master group contract* and tells *you* what is covered and not covered and the requirements of the *master group contract*. Nothing in the *certificate* takes the place of or changes any of the terms of the *master group contract*. The final interpretation of any provision in the *certificate* is governed by the *master group contract*. If the *certificate* is different than the *master group contract*, the provisions of the *master group contract* will apply. The benefits in the *certificate* apply if *you* are a *covered person*.

---

## SCHEDULE OF BENEFITS

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Reading the Schedule of Benefits sections will help *you* understand:

- *Preauthorization* requirements;
- The level of benefits *we* generally pay for *covered expenses* and what *you* may be responsible for, including:
  - *Copayments* that may apply for each *covered expense*. *You* may be responsible for more than one *copayment* during the same visit with the same provider;
  - The *covered expenses* that require *you* to meet a *deductible*, if any, before benefits are paid by *us*; and
  - The *coinsurance* *you* are required to pay for *covered expenses*; and
- *Your out-of-pocket limit*.

The Schedule of Benefits sections outline the coverage and limitations provided under the *master group contract*. A more detailed explanation of *your* coverage and its limitations and exclusions for these benefits is provided in the Covered Expenses and "Limitations and Exclusions" sections of this *certificate*.

The benefits outlined under the "Schedule of Benefits – Behavioral Health," "Schedule of Benefits – Pharmacy Services," "Schedule of Benefits – Pediatric Dental," and "Schedule of Benefits – Pediatric Vision Care" sections are not payable under any other Schedule of Benefits of the *master group contract*. However, all other terms and provisions of the *master group contract* apply, including the *preauthorization* requirements, annual *deductible(s)* and any *out-of-pocket limit(s)*, unless otherwise stated.

### **Network provider verification**

This *certificate* contains multiple benefit levels. Refer to each Schedule of Benefits to see what benefit levels apply to *covered expenses*.

Refer to on *our* Website at [www.humana.com](http://www.humana.com) for a list of *network providers*. *You* may also contact *our* customer service department at the telephone number shown on *your* ID card. This list is subject to change.

### **Preauthorization requirements and penalty for services received from a non-network provider**

*Preauthorization* by *us* is required for certain services and supplies. Visit *our* Website at [www.humana.com](http://www.humana.com) or call the customer service telephone number on *your* ID card to obtain a list of services and supplies that require *preauthorization*. The list of services and supplies that require *preauthorization* is subject to change. Coverage provided in the past for services or supplies that did not receive or require *preauthorization*, is not a guarantee of future coverage of the same services or supplies.

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## SCHEDULE OF BENEFITS (continued)

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*You are responsible for informing your health care practitioner of the preauthorization requirements. You or your health care practitioner must contact us by telephone, electronic mail, or in writing to request the appropriate authorization. Your ID card will show the health care practitioner the telephone number to call to request authorization. Benefits are not paid at all for services or supplies that are not covered expenses.*

*If any required preauthorization of services or supplies is not obtained, the benefit payable for any covered expenses incurred for the services will be reduced to 50%, after any applicable deductibles or copayments. If the rendered services are not covered expenses, no benefits are payable. The out-of-pocket amounts incurred by you due to these benefit reductions may not be used to satisfy any out-of-pocket limits. This preauthorization penalty will apply if you received the services from a non-network provider when preauthorization is required and not obtained.*

### **Annual deductible**

*An annual deductible is a specified dollar amount you must pay for covered expenses, except for any deductible met for prescriptions or specialty drugs from a pharmacy or specialty pharmacy, per year before any applicable coinsurance and most benefits are paid under the master group contract. There are individual and family network provider and non-network provider deductibles. The deductible amount(s) for each covered person and each covered family are as follows, and must be satisfied each year, either individually or combined as a covered family. Covered expenses that apply to the individual deductible also apply to the family deductible. Once a covered person meets the individual deductible, the coinsurance applies to applicable covered expenses for that covered person. Once the family deductible is met, any remaining individual deductible for a covered person in the family is waived for that year. The coinsurance then applies to applicable covered expenses for all covered persons in the family. Copayments do not apply toward the annual deductible.*

*Any amount you pay exceeding the maximum allowable fee is not applied to the individual or family deductibles.*

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## General Information:

- Your medical/rx rates may be affected by a variety of factors, including industry classification, prevailing costs for care in your geographical area, group demographics, expected utilization of services and state regulations.
- Your medical/rx renewal rates may be affected by the size of your company. If you have had significant workforce changes, above or below 50 employees, since enrolling with Humana please notify us of this change.
- The medical/rx monthly total shown above does not include the monthly administration fee, if applicable.

POS plans offered by Humana Health Plan, Inc., a Health Maintenance Organization

## STATEMENT OF ACCOUNT

John N. Hughes, PSC  
 Attorney at Law  
 124 W. Todd St.  
 Frankfort, KY 40601

Invoice to:

Bluegrass Gas Sales Company  
 %Mark O'Brien

Invoice for 2021 ARF as of October 20, 2022

DATE OF SERVICE	REFERENCE.....	HOURS
6/7/21	Tele. MOB re: BGGGS rate application	.5
6/8	Response MOB re: ARF procedures, review BGGGS Annual Rpt, financials, 2011 rate case; issues for review	4.5
6/11	Tele. MOB, DS re; ARF issues	.75
6/16	Research rate issues; messages to MOB	2.75
12/1	Tele. DS re: ARF draft	.25
12/18	Review draft ARF; tele. DS	1.5
12/20	Review electronic notice, revisions to ARF	1
1/5	Review deficiency letter; tele DS	.25
1/25	Review procedural order, tele DS	.25
2/14	Tele DS re: case issues	.25
2/25	Tele. DS re: extension of time	.25
4/18	Tele. DS re: case issues; DR's	.25
4/27	Tele. DS re: extension of time	.25
5/6	Review PSC order, tele. DS	.25
5/20	Review PSC order	.25
6/1	Tele. DS re: amended ARF; review financial exhibits, rate revisions	2.5
6/14	Review Amended ARF	1.75
6/29	Review deficiency letter; tele. DS	.25
7/11	Tele. DS re: deficiency	.25
7/18	Tele. MOB re: case status	.25
8/1	Review DR	.25
8/26	Review DR responses	.75
8/31	Revisions to DR	.5

10/5	Review Order	.25
10/6	Tele DS re: case issues	.25
10/13	Review DR	.25
10/15	Review DR; response to hearing order	.25
10/17	Message DS re: case issues	.25
10/18	Review DR; several messages, calls to MOB, DS	.75
10/19	Tele. MOB, DS re: DR responses; draft responses	1.75
10/20	Revisions to DR, tele. MOB, DS	2.75
Expenses		0
Fees		26.25 hrs @ \$350.00= \$9,187.50
<b>TOTAL DUE</b>		<b>\$9,187.50</b>

## Monthly Account Summary / Projection

Sullivan and Associates CPA  
 2304 Hurstbourne Village Dr. Suite 600  
 Louisville, KY 40299

Bluegrass Gas Sales  
 c/o Julie Parsons  
 3620 Rockland Mills Rd  
 Center, KY 42214

Progress Billing / Statement of Account

<i>Month</i>	<i>Description of Work Performed</i>	<i>Hours</i>	<i>Rate</i>	<i>Total</i>	<i>Balance</i>
Jun-21	Meetings with MOB/JH/JP/ other Case Work	4.75	\$ 200	\$ 950	\$ 950
Jul-21	Phone calls - JH MOB	1.5	\$ 200	\$ 300	\$ 1,250
Aug-21	Phone calls - JH MOB	0.5	\$ 200	\$ 100	\$ 1,350
Sep-21	Phone calls - JH MOB	0.75	\$ 200	\$ 150	\$ 1,500
Oct-21	Case Work / Phone Calls	3	\$ 200	\$ 600	\$ 2,100
Nov-21	Case Work / Phone Calls Meetings	3	\$ 200	\$ 600	\$ 2,700
Dec-21	Case Work / Phone Calls Meetings / Filings	9	\$ 200	\$ 1,800	\$ 4,500
Jan-22	Phone calls - JH MOB	0.5	\$ 200	\$ 100	\$ 4,600
Feb-22	Phone calls - JH MOB	0.5	\$ 200	\$ 100	\$ 4,700
Mar-22	Phone calls - JH MOB	0.5	\$ 200	\$ 100	\$ 4,800
Apr-22	Phone calls - JH MOB	0.25	\$ 200	\$ 50	\$ 4,850
May-22	Field Work / Phone Calls / Filings	4	\$ 200	\$ 800	\$ 5,650
Jun-22	Field Work / Filings / Phone calls	2	\$ 200	\$ 400	\$ 6,050
Jul-22	Phone calls - JH MOB	0.5	\$ 200	\$ 100	\$ 6,150
Aug-22	Field Work / phone Calls	0.25	\$ 200	\$ 50	\$ 6,200
Sep-22	Case Work / Phone Calls Meetings	6	\$ 200	\$ 1,200	\$ 7,400
Oct-22	Case Work / Phone Calls Meetings	15	\$ 200	\$ 3,000	\$ 10,400
Estimated Time to Complete Case / Fees Calculated		5.5	\$ 200	\$ 1,100	\$ 11,500

**EXHIBIT 11**

<b>Borrower</b>	<b>Bluegrass Gas Sales</b>	
<b>Lender</b>	<b>Huntington National Bank</b>	
<b>ACCOUNT #:</b>		
<b>Loan Type</b>	<b>Vehicle</b>	
<b>AMOUNT OF LOAN:</b>	<b>\$ 40,000</b>	
<b>INTEREST RATE:</b>	<b>4.93%</b>	
<b>TERM:</b>	<b>60</b>	
<b>Loan Date</b>	<b>07/20/20</b>	

<b>DATE</b>	<b>PAYMENT</b>	<b># Days</b>	<b>INTEREST</b>	<b>PRINCIPLE</b>	<b>BALANCE</b>
07/20/20					\$40,000.00
08/20/20	\$755.00	31	\$167.48	\$587.52	\$39,412.48
09/20/20	\$755.00	31	\$165.02	\$589.98	\$38,822.51
10/20/20	\$755.00	30	\$157.31	\$597.69	\$38,224.82
11/20/20	\$755.00	31	\$160.05	\$594.95	\$37,629.87
12/20/20	\$755.00	30	\$152.48	\$602.52	\$37,027.35
01/20/21	\$755.00	31	\$155.04	\$599.96	\$36,427.39
02/20/21	\$755.00	31	\$152.53	\$602.47	\$35,824.92
03/20/21	\$755.00	28	\$135.49	\$619.51	\$35,205.40
04/20/21	\$755.00	31	\$147.41	\$607.59	\$34,597.81
05/20/21	\$755.00	30	\$140.19	\$614.81	\$33,983.00
06/20/21	\$755.00	31	\$142.29	\$612.71	\$33,370.29
07/20/21	\$755.00	30	\$135.22	\$619.78	\$32,750.51
08/20/21	\$755.00	31	\$137.13	\$617.87	\$32,132.64
09/20/21	\$755.00	31	\$134.54	\$620.46	\$31,512.19
10/20/21	\$755.00	30	\$127.69	\$627.31	\$30,884.88
11/20/21	\$755.00	31	\$129.32	\$625.68	\$30,259.19
12/20/21	\$755.00	30	\$122.61	\$632.39	\$29,626.81
<b>2020 Amortization Info</b>			\$1,659.46	\$7,400.54	\$29,626.81

**NONRECURRING CHARGE COST JUSTIFICATION**

Type of Charge: \_\_\_Collection Charge

1. Field Expense:

A. Materials (Itemize)

\_\_\_\_\_

B. Labor (Time and Wage)

\$15 per Hour - .5 Hour \$7.50\_\_\_\_\_

**Total Field Expense \$7.50**

2. Clerical and Office Expense

A. Supplies Postage / Envelopes \$2.00

B. Labor 15 Per Hour X .25 \$3.75

\_\_\_\_\_

**Total Clerical and Office Expense \$ 5.75\_\_\_\_\_**

3. Miscellaneous Expense

A. Transportation IRS Mileage 20 Miles X .58 \$ 11.60

B. Other (Itemize)

Misc \_\_\_\_\_ .15\_\_\_\_\_

\_\_\_\_\_

**Total Miscellaneous Expense \$11.75**

**Total Nonrecurring Charge Expense \$25.00**

## NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: \_\_\_ Reconnection Charge

### 1. Field Expense:

A.	Materials (Itemize)	
	Basic Supplies/	3.00
	_____	_____
B.	Labor (Time and Wage)	
	\$15 per Hour – 1.5 Hour	22.50_____
	<b>Total Field Expense</b>	<b>\$25.50</b>

### 2. Clerical and Office Expense

A.	Supplies	Postage / Envelopes	\$5.00
B.	Labor	15 Per Hour X 1.75	\$26.25
	<b>Total Clerical and Office Expense</b>		<b>\$31.25</b>

### 3. Miscellaneous Expense

A.	Transportation	IRS Mileage	20 Miles X .58	\$ _11.60
B.	Other (Itemize)			
	_____ Bank Fees			5.00_____
	_____ Administrative	_____		1.65_____
	<b>Total Miscellaneous Expense</b>			<b>\$18.25</b>

<b>Total Nonrecurring Charge Expense</b>	<b>\$75.00</b>
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**NONRECURRING CHARGE COST JUSTIFICATION**

Type of Charge: \_\_\_Returned Check Fee

1. Field Expense:

A. Materials (Itemize)

\_\_\_\_\_

B. Labor (Time and Wage)

**Total Field Expense** **\$0.00**

2. Clerical and Office Expense

A. Supplies Postage / Envelopes \$1.00

B. Labor 15 Per Hour X .25 \$3.75\_\_\_\_\_

**Total Clerical and Office Expense** **\$\_4.75\_\_\_\_\_**

3. Miscellaneous Expense

A. Bank Fees Returned Check Charge \$10.00

B. Other (Itemize)

Various\_\_\_\_\_ .25\_\_\_\_\_

**Total Miscellaneous Expense** **\$10.25**

**Total Nonrecurring Charge Expense** **\$15.00**

**EXHIBIT 13**

**Natural Gas of Kentucky**

Form for filing Rate Schedules

For Entire Service Area  
Community, Town or City

P.S.C. NO. 1

Original SHEET NO. 2

Natural Gas of Kentucky  
Name of Issuing Corporation

CANCELLING P.S.C. NO. \_\_\_\_\_  
SHEET NO. \_\_\_\_\_

CLASSIFICATION OF SERVICE

DISTRIBUTION TRANSPORTATION TARIFF

1. APPLICABILITY

Entire service area of the Company.

2. AVAILABILITY OF SERVICE

This tariff and rate is available to any local distribution company desiring transportation service subject to availability of capacity on the pipeline.

3. RATE, TERMS, AND SPECIAL PROVISIONS

Distribution gas transportation service will be provided at the following rate for each Mcf of gas transported: \$0.65

Any other terms, conditions or service shall be subject to special contract.

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

MAY 26 1996

PURSUANT TO 807 KAR 5011,  
SECTION 9 (1)

BY: Jordan E. Neal  
FOR THE PUBLIC SERVICE COMMISSION

DATE OF ISSUE May, 6 1996 DATE EFFECTIVE May 6, 1996

ISSUED BY Mark O'Brien TITLE PRESIDENT  
Name of Officer

ISSUED PURSUANT TO ORDER DATED MAY 6, 1996 IN CASE NO. 95-547

Form for Filing Rate Schedules

For Rural Barren County  
Community, Town or City

P.S.C. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

CANCELLING P.S.C. NO. \_\_\_\_\_

\_\_\_\_\_ SHEET NO. \_\_\_\_\_

Natural Gas of Kentucky  
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

Transportation Service	RATE PER UN
<p>Natural Gas of Kentucky, Inc. is establishing a transportation service for customer owned gas for delivery by Company to facilities of commercial and industrial customers in rural Barren County in Kentucky. Service under this tariff shall be performed pursuant to special contract between Customer and Company establishing specific requirements for quantities of natural gas to be transported, points of receipt and delivery, methods of metering, timing of receipts and deliveries of gas by Company, and other matters relating to individual customer circumstances. Service shall be subject to the Company's Rules and Regulations on file with the Commission.</p>	

PUBLIC SERVICE COMMISSION  
OF KENTUCKY  
EFFECTIVE

JAN 31 1994

PURSUANT TO 807 KAR 5:011,  
SECTION 9 (1)

Shane L. Lister  
PUBLIC SERVICE COMMISSION MANAGER

DATE OF ISSUE 7/20/93  
ISSUED BY Mark H. Yocum  
Name of Officer

DATE EFFECTIVE 1/31/94  
TITLE President

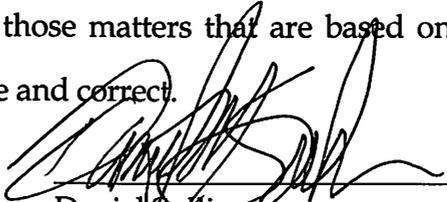
Issued by authority of an Order of the Public Service Commission of Kentucky in Case No. \_\_\_\_\_ dated \_\_\_\_\_

AFFIDAVIT

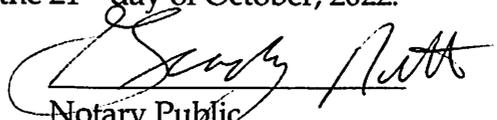
COMMONWEALTH OF KENTUCKY

COUNTY OF JEFFERSON

Affiant, Daniel Sullivan, appearing personally before me a notary public for and of the Commonwealth of Kentucky and after being first sworn, deposes, states, acknowledges, affirms and declares that he is authorized to submit this Response on behalf of Bluegrass Gas Sales, Inc. and that the information contained in the Response is true and accurate to the best of his knowledge, information and belief, after a reasonable inquiry and as to those matters that are based on information provided to him, he believes to be true and correct.

  
Daniel Sullivan

This instrument was produced, signed, acknowledged and declared by Daniel Sullivan to be his act and deed the 21<sup>st</sup> day of October, 2022.

  
Notary Public  
Registration Number: KYNP 14481

My Commission expires: 10-27-2024

