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APPLICATION FOR RATE ADJUSTMENT
BEFORE THE PUBLIC SERVICE COMMISSION

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

BLUEGRASS GAS SALES, INC.

(Name of Utility)

3620 ROCKLAND MILLS RD

(Business Mailing Address - Number and Street, or P.O. Box)

CENTER, KY 42214

(Business Mailing Address - City, State, and Zip)

888-317-6350

(Telephone Number)

BASIC INFORMATION

NAME, TITLE, ADDRESS, TELEPHONE NUMBER and E-MAIL ADDRESS of the person to whom correspondence or communications concerning this application should be directed:

DANIEL SULLIVAN

(Name)

2304 HURSTBOURNE VILLAGE DR, STE 600

(Address - Number and Street or P.O. Box)

LOUISVILLE, KY 40299

(Address - City, State, Zip)

502-473-8088

(Telephone Number)

daniel@dsullivancpa.com

(Email Address)

(For each statement below, the Applicant should check either "YES", "NO", or "NOT APPLICABLE" (N/A))

- | | YES | NO | N/A |
|---|-------------------------------------|--------------------------|-----|
| 1. a. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| b. Applicant operates two or more divisions that provide different types of utility service. In its immediate past calendar year of operation, Applicant had \$5,000,000 or less in gross annual revenue from the division for which a rate adjustment is sought. | <input type="checkbox"/> | <input type="checkbox"/> | N/A |
| 2. a. Applicant has filed an annual report with the Public Service Commission for the past year. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| b. Applicant has filed an annual report with the Public Service Commission for the two previous years. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |
| 3. Applicant's records are kept separate from other commonly-owned enterprises. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | |

YES NO N/A

4. a. Applicant is a corporation that is organized under the laws of the state of KENTUCKY, is authorized to operate in, and is in good standing in the state of Kentucky.
- b. Applicant is a limited liability company that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- c. Applicant is a limited partnership that is organized under the laws of the state of _____, is authorized to operate in, and is in good standing in the state of Kentucky.
- d. Applicant is a sole proprietorship or partnership.
- e. Applicant is a water district organized pursuant to KRS Chapter 74.
- f. Applicant is a water association organized pursuant to KRS Chapter 273.
5. a. A paper copy of this application has been mailed to Office of Rate Intervention, Office of Attorney General, 1024 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601-8204.
- b. An electronic copy of this application has been electronically mailed to Office of Rate Intervention, Office of Attorney General at rateintervention@ag.ky.gov.
6. a. Applicant has 20 or fewer customers and has mailed written notice of the proposed rate adjustment to each of its customers no later than the date this application was filed with the Public Service Commission. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- b. Applicant has more than 20 customers and has included written notice of the proposed rate adjustment with customer bills that were mailed by the date on which the application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
- c. Applicant has more than 20 customers and has made arrangements to publish notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in its service area, the first publication having been made by the date on which this Application was filed. A copy of this notice is attached to this application. **(Attach a copy of customer notice.)**
7. Applicant requires a rate adjustment for the reasons set forth in the attachment entitled "Reasons for Application." **(Attach completed "Reasons for Application" Attachment.)**

YES NO N/A

8. Applicant proposes to charge the rates that are set forth in the attachment entitled "Current and Proposed Rates." **(Attach completed "Current and Proposed Rates" Attachment.)**
9. Applicant proposes to use its annual report for the immediate past year as the test period to determine the reasonableness of its proposed rates. This annual report is for the 12 months ending December 31, 2020.
10. Applicant has reason to believe that some of the revenue and expense items set forth in its most recent annual report have or will change and proposes to adjust the test period amount of these items to reflect these changes. A statement of the test period amount, expected changes, and reasons for each expected change is set forth in the attachment "Statement of Adjusted Operations." **(Attach a completed copy of appropriate "Statement of Adjusted Operations" Attachment and any invoices, letters, contracts, receipts or other documents that support the expected change in costs.)**
11. Based upon test period operations, and considering any known and measurable adjustments, Applicant requires additional revenues of \$ 131,314 and total revenues from service rates of \$ 476,475. The manner in which these amounts were calculated is set forth in "Revenue Requirement Calculation" Attachment. **(Attach a completed "Revenue Requirement Calculation" Attachment.)**
12. As of the **date of the filing of this application**, Applicant had 693 customers.
13. A billing analysis of Applicant's current and proposed rates is attached to this application. **(Attach a completed "Billing Analysis" Attachment.)**
14. Applicant's depreciation schedule of utility plant in service is attached. **(Attach a schedule that shows per account group: the asset's original cost, accumulated depreciation balance as of the end of the test period, the useful lives assigned to each asset and resulting depreciation expense.)**
15. a. Applicant has outstanding evidences of indebtedness, such as mortgage agreements, promissory notes, or bonds.
- b. Applicant has attached to this application a copy of each outstanding evidence of indebtedness (e.g., mortgage agreement, promissory note, bond resolution).
- c. Applicant has attached an amortization schedule for each outstanding evidence of indebtedness.

YES NO N/A

- 16. a. Applicant is not required to file state and federal tax returns.
- b. Applicant is required to file state and federal tax returns.
- c. Applicant's most recent state and federal tax returns are attached to this Application. **(Attach a copy of returns.)**
- 17. Approximately _____ **(Insert dollar amount or percentage of total utility plant)** of Applicant's total utility plant was recovered through the sale of real estate lots or other contributions.
- 18. Applicant has attached a completed Statement of Disclosure of Related Party Transactions for each person who 807 KAR 5:076, §4(h) requires to complete such form.

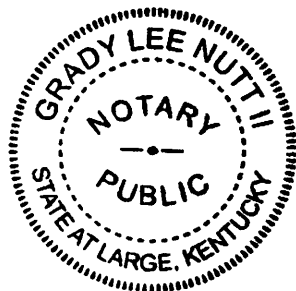
By submitting this application, the Applicant consents to the procedures set forth in 807 KAR 5:076 and waives any right to place its proposed rates into effect earlier than six months from the date on which the application is accepted by the Public Service Commission for filing.

I am authorized by the Applicant to sign and file this application on the Applicant's behalf, have read and completed this application, and to the best of my knowledge all the information contained in this application and its attachments is true and correct.

Signed *Mark O'Brien*
 Officer of the Company/Authorized Representative
 Title PRESIDENT
 Date June 15, 2022

COMMONWEALTH OF KENTUCKY
 COUNTY OF JEFFERSON

Before me appeared Mark O'Brien, who after being duly sworn, stated that he/she had read and completed this application, that he/she is authorized to sign and file this application on behalf of the Applicant, and that to the best of his/her knowledge all the information contained in this application and its attachments is true and correct.



Grady Nutt
 Notary Public
 My commission expires: 10/27/2024

LIST OF ATTACHMENTS
(Indicate all documents submitted by checking box)

- Customer Notice of Proposed Rate Adjustment Exhibit 1
- "Reasons for Application" Attachment Exhibit 2
- Current and Proposed Rates" Attachment Exhibit 3
- "Statement of Adjusted Operations" Attachment Exhibit 4
- "Revenue Requirements Calculation" Attachment Exhibit 5
- Attachment Billing Analysis" Attachment Exhibit 6
- Depreciation Schedules Exhibit 7
- Outstanding Debt Instruments (i.e., Bond Resolutions, Mortgages, Promissory Notes,
Amortization Schedules.) Exhibit 8
- State Tax Return Exhibit 9
- Federal Tax Return Exhibit 10
- Statement of Disclosure of Related Party Transactions - ARF Form 3 Exhibit 11

NOTICE OF APPLICATION OF BLUEGRASS GAS SALES, INC. TO ADJUST RATES FOR NATURAL GAS SERVICE (Amended)

Pursuant to the Kentucky Public Service Commission's regulation 807 KAR 5:076, Bluegrass Gas Sales, Inc. ("BGS") gives notice that an application will be filed on or around June 9, 2021, with the Kentucky Public Service Commission seeking approval to adjust its rates for natural gas service. This rate adjustment will apply to all BGS's customers. The proposed rates will produce additional annual revenue of approximately \$125,353. The increase is to be effective in 3 Months or sooner if approved by the Kentucky Public Service Commission. If BGS's application is approved, monthly natural gas bills will increase as follows:

<i>Description</i>	<i>Total \$ Change</i>	<i>Percentage Change</i>
All Customers	\$125,353	36.32%

<i>Description</i>	<i>Existing Customer Charge</i>	<i>Proposed Customer Charge</i>	<i>Proposed \$ Increase Amount</i>	<i>% of Proposed Increase</i>
All Customers	\$10	\$17.50	\$59,910	75.00%

<i>Description</i>	<i>Existing Gas Base Rates (per Mcf)</i>	<i>Proposed Gas Base Rates (per Mcf)</i>	<i>Proposed \$ Increase Amount per Class</i>	<i>% of Proposed Increase</i>
All Customers	\$5.1416	\$6.41	\$65,443	24.67%

Base Rates only, no Gas Cost included.

BGS has also proposed to increase its current Reconnect fee from \$25.00 to \$75.00 for customers.

<i>Customer Class</i>	<i>Current Fee</i>	<i>Proposed Fee</i>	<i>\$ Change</i>	<i>% Change</i>
All Customers	\$25.00	\$75.00	50.00	200%

The rates contained in this notice are the rates proposed by BGS. However, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates that are higher or lower than those proposed by BGS. BGS has available for inspection at its office the application which it submitted to the Kentucky Public Service Commission. A person may examine this application at BGS's office located at 3620 Rockland Mills Rd, Center, Kentucky 42214. You may contact the office at (270) 565-5757 or you can email us at bluegrassgas@scrtv.com. A person may also examine the application at the Kentucky Public Service Commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, 40601, Monday through Friday, 8:00 a.m. to 4:30 p.m. (subject to the PSC's COVID 19 State of Alert policy), or through the Public Service Commission's website at <http://psc.ky.gov>. Comments regarding the application may be submitted to the Kentucky Public Service Commission through its website or by mail to the Kentucky Public Service Commission, PO Box 615, Frankfort, Kentucky, 40602. You may contact the Kentucky Public Service Commission at (502) 564-3940. A person may submit a timely written request for intervention to the Kentucky Public Service Commission, PO Box 615, Frankfort, KY, 40602, establishing the grounds for the request including the status and interest of the party. If the Kentucky Public Service Commission does not receive a written request for intervention within thirty (30) days of the initial publication of this notice, the Kentucky Public Service Commission may take final action on the application

Attachment #2

Reasons for Application (Amended)

Bluegrass Gas Sales (“BGS”) is submitting an amended request for a rate increase per MCF gas sold to all customers and new minimum billing charge for all customers. In the original request filed in December 2021, BGS sought to add a new rate structure including both Residential and Non-Residential (business related). Due to the addition of the new class of customers, the PSC was requiring BGS perform a Cost-of-Service Study (COSS). Due to the high cost and timeliness of a study, BGS would like to avoid having the COSS performed. Therefore, BGS is now amending the original request to keep the Customer Types (Classes) unchanged. The base rate charged for each Mcf sold being requested is \$6.41 and it represents a 24.67% increase and will generate approximately \$65,443 in additional annual revenue. The minimum customer charges that the company is seeking a change, is to help stabilize income during warmer non winter months. The current minimum rates of \$10 per customer, have been in place since 2011 without any increases to the customers’ account. Other utilities across Kentucky have increased their minimum charges over the years, because of increasing costs. BGS feels the increase is in line with the current economic conditions. The new minimums would generate approximately \$65,886 in additional annual revenue. BGS is also requesting that the reconnect charge be increased from \$25 to \$75. BGS has not changed the reconnect fees in well over 15 years. This increase will bring the cost more in-line with costs of staff and equipment to perform the reconnect. BGS does not expect to generate material revenues on the reconnect fee since therefore, no additional revenues are being calculated for the rate adjustment case.

BGS is requesting a rate increase due to the following reasons:

1. The Economic Conditions with current inflationary pressures caused by rising prices due to Pandemic related policies and supply chain problems.
2. It has been 10 years since the last increase that was requested and costs during that time frame have increased more than 18.83% based on Cost-of-Living Statistics provided by the Bureau of Labor Statistics.
3. BGS is planning to upgrade/improve several key systems/equipment that will help provide efficiencies and additional services that will keep cost increases to a minimum.
4. To assist the company during slower gas sale month in helping meet current obligations and payroll expenses.

Exhibit 3

Bluegrass Gas Sales, Inc.
Proposed Rates (Amended Request)

<i>Base Rates</i>	<i>Present Rates</i>	<i>Proposed Rates</i>	<i>Percent Increase</i>
Customer Charges - Residential	\$10.00	\$ 17.50	75%
Per MCF Fee	\$5.1416	\$6.4100	24.67%

Exhibit 4

Bluegrass Gas Sales Inc.
 Profit / Loss Year ending 2020 with Adjustments to Normalize income

	Actual 2020	Pro Forma Adjustments	Footnotes	Pro Forma Adjustments
Revenues				
Home Gas Sales	\$ 592,655.38	(\$ 49,257.77)	1 & 2	\$ 543,397.61
Non taxable Covid Cares Act	5,000.00	(5,000.00)	3	0.00
Total Revenues	<u>597,655.38</u>	<u>(54,257.77)</u>		<u>543,397.61</u>
Cost of Sales				
Gas Purchases	208,480.09	(18,344.58)	4	\$ 190,135.51
Transportation	38,877.48			\$ 38,877.48
Total Cost of Sales	<u>247,357.57</u>	<u>(18,344.58)</u>		<u>229,012.99</u>
Gross Profit	<u>350,297.81</u>	<u>(35,913.19)</u>		<u>314,384.62</u>
Expenses				
Management Fees - Officers	17,022.00			\$ 17,022.00
Salaries - Accounting (Leased Employee)	22,054.68			\$ 22,054.68
Salaries - Operations	103,277.93			\$ 103,277.93
Payroll Tax Expense	8,014.60			\$ 8,014.60
Health Insurance Expense	25,845.38			\$ 25,845.38
Contract Labor	400.00			\$ 400.00
Bank Fees	3,705.53			\$ 3,705.53
Bad Debt Expense	5,109.27			\$ 5,109.27
Supplies-Office	1,479.81			\$ 1,479.81
Office Expense	3,601.42			\$ 3,601.42
Miscellaneous Expense	161.51			\$ 161.51
Kentucky Underground Protection	780.00			\$ 780.00
KY Gas Association	417.00			\$ 417.00
Postage	3,117.53			\$ 3,117.53
Interest Expense	3,594.39			\$ 3,594.39
Rent-Office	4,800.00			\$ 4,800.00
Rent-Equipment storage	1,500.00			\$ 1,500.00
Repairs & Maintenance	20,217.52			\$ 20,217.52
Insurance-Liab & Prop	7,804.76			\$ 7,804.76
Insurance-Vehicle	4,773.51			\$ 4,773.51
Legal / Professional	2,225.00			\$ 2,225.00
Legal / Professional - Rate Case Exp	0.00			\$ 0.00
Truck Expense/non fuel related	13,639.20			\$ 13,639.20
Fuel Expense	12,250.73			\$ 12,250.73
Taxes-Misc	166.69			\$ 166.69
Taxes-Property	7,231.05			\$ 7,231.05
Taxes-school taxes collected	14,589.68	(14,589.68)	1	\$ 0.00
PSC assessment	1,191.19			\$ 1,191.19
Public Awareness Program	1,997.53			\$ 1,997.53
Fees & Licenses	123.51			\$ 123.51
KY State Sales Tax Payble	4,712.76	(4,712.76)	1	\$ 0.00
Telephone	2,867.79			\$ 2,867.79
Utilities	187.20			\$ 187.20
Insurance-Workers comp	3,410.03			\$ 3,410.03
Depreciation	47,365.00			\$ 47,365.00
Total Expenses	<u>349,634.20</u>	<u>(19,302.44)</u>		<u>330,331.76</u>
Net Income	<u>\$ 663.61</u>	<u>(\$ 16,610.75)</u>		<u>(\$ 15,947.14)</u>

Bluegrass Gas Sales Inc.
 Adjustments / To normalize income

Adjustment Number	Description	Total amount of adjutment
1	Adjustment recorded to reduce Gross Revenue that included Sales Tax and School Tax Collected. This is necessary to show only operational revenues	\$ (19,302.44)
2	Adjustment to Reduce Gross revenues for the Logan County School District. Due to special contract pricing to the school, we have reduced revenues and gas purchased by the amount that was generated on behalf of the district. This will eliminate the School district from the pricing model since the special contract is in place.	\$ (29,955.33)

Logan County Schools 2020 Billing Analysis					
Month	MCF	Revenue	School tax	Tot billed	
January-20	794.720	\$ 4,889.19	\$ 146.67	\$ 5,035.86	
February-20	905.862	\$ 5,116.50	\$ 153.50	\$ 5,270.00	
March-20	484.673	\$ 2,896.67	\$ 86.90	\$ 2,983.57	
April-20	393.026	\$ 2,316.39	\$ 69.50	\$ 2,385.89	
May-20	158.673	\$ 1,047.32	\$ 31.42	\$ 1,078.74	
June-20	72.292	\$ 628.20	\$ 18.85	\$ 647.05	
July-20	76.059	\$ 655.21	\$ 19.65	\$ 674.86	
August-20	37.754	\$ 456.35	\$ 13.69	\$ 470.04	
September-20	53.886	\$ 526.80	\$ 29.36	\$ 556.16	
October-20	281.435	\$ 1,548.59	\$ 46.46	\$ 1,595.05	
November-20	798.228	\$ 4,698.47	\$ 140.95	\$ 4,839.42	
December-20	921.457	\$ 5,175.64	\$ 155.27	\$ 5,330.91	
	4,978.064	\$ 29,955.33	\$ 912.22	\$ 30,867.55	

- | | | |
|---|---|----------------|
| 3 | Adjustment to reduce other income. These were COVID 19 Economic Injury Disaster Loan Grant proceeds that were paid to the company at the beginning of the pandemic. They were not taxable and company will not receive any more funds as it relates to this program at this time. | \$ (5,000.00) |
| 4 | Adjustment to remove the cost of gas that was purchased and sold to the Logan County School district under contract. The cost of the purchasded gas was reduced by Gross Mcf sold X the Compay Average Price (as calculated for the Ky PSC Annual Report) | \$ (18,344.58) |

The calculation that was used to come to this amount is as follows:
 (Total Gas Cost) Divided by (MCF Purchased (total company)) times
 (MCF Purchased by Logan County)
 \$208,480.09 / 56,574 MCF Purch X 4978.064 = \$18,344.58

No other gas costs have been allocated to Logan County Schools as the company does not have a cost allocation segregation system in place. The current accounting system is well over 20 years old and as stated in other areas of this request, the new updated accounting system will give the company a more structured and flexible cost allocation system so more effective planning and monitoring of these areas can help in possible increase productivity and efficiencies not available within the current system.

Exhibit 5

Bluegrass Gas Sales, Inc
Income Statement with Proposed Adjustments for Rate Case
Test Period Ending December 31, 2020

	Normalized Income	Pro Forma Adjustments	Adj Ref	Pro Forma Adjustments
Revenues				
Home Gas Sales	\$ 543,397.61	(\$ 198,237.07)	A	\$ 345,160.54
Non taxable Covid Cares Act	0.00	0.00		\$ 0.00
Total Revenues	543,397.61	(198,237.07)		345,160.54
Cost of Sales				
Gas Purchases	190,135.51	(190,135.51)	B	(\$ 0.00)
Transportation	38,877.48	(38,877.48)	B	\$ 0.00
Total Cost of Sales	229,012.99	(229,012.99)		(0.00)
Gross Profit	314,384.62	30,775.92		345,160.55
Expenses				
Management Fees - Officers	17,022.00	7,978.00	C	\$ 25,000.00
Salaries - Accounting (Leased Employee)	22,054.68	4,152.90	D	\$ 26,207.58
Salaries - Operations	103,277.93	19,447.23	E	\$ 122,725.16
Health Insurance	25,845.38	1,292.27	F	\$ 27,137.65
Payroll Tax Expense	8,014.60	1,509.15	E	\$ 9,523.75
Contract Labor	400.00	2,100.00	G	\$ 2,500.00
Bank Fees	3,705.53	570.00	H	\$ 4,275.53
Bad Debt Expense	5,109.27	0.00		\$ 5,109.27
Supplies-Office	1,479.81	500.00	I	\$ 1,979.81
Office Expense	3,601.42	1,500.00	I	\$ 5,101.42
Miscellaneous Expense	161.51	0.00		\$ 161.51
Kentucky Underground Protection	780.00	0.00		\$ 780.00
KY Gas Association	417.00	0.00		\$ 417.00
Postage	3,117.53	300.00	J	\$ 3,417.53
Interest Expense	3,594.39	0.00		\$ 3,594.39
Rent-Office	4,800.00	2,700.00	K	\$ 7,500.00
Rent-Equipment storage	1,500.00	1,500.00	K	\$ 3,000.00
Repairs & Maintenance	20,217.52	6,500.00	L	\$ 26,717.52
Insurance-Liab & Prop	7,804.76	2,400.00	M	\$ 10,204.76
Insurance-Vehicle	4,773.51	900.00	M	\$ 5,673.51
Legal / Professional	2,225.00	1,000.00	N	\$ 3,225.00
Legal / Professional - Rate Case Exp	0.00	6,666.67	O	\$ 6,666.67
Truck Expense/non fuel related	13,639.20	3,250.00	P	\$ 16,889.20
Fuel Expense	12,250.73	12,000.00	P	\$ 24,250.73
Taxes - Misc	166.69	0.00		\$ 166.69
Taxes-Property	7,231.05	1,800.00	Q	\$ 9,031.05
PSC assessment	1,191.19	200.00	Q	\$ 1,391.19
Public Awareness Program	1,997.53	0.00		\$ 1,997.53
Fees & Licenses	123.51	0.00		\$ 123.51
Telephone	2,867.79	250.00	R	\$ 3,117.79
Utilities	187.20	0.00		\$ 187.20
Insurance-Workers comp	3,410.03	750.00	L	\$ 4,160.03
Depr-Distribution Main	47,365.00	9,700.00	S	\$ 57,065.00
Total Expenses	330,331.76	88,966.22		419,297.98
Net Income	(\$ 15,947.14)	(\$ 58,190.29)		(\$ 74,137.43)

Bluegrass Gas Sales, Inc.
Explanation of Adjustments to Support Rate Request Documentation

- A. Operating Revenue – Base Rate - Bluegrass Gas Sales reported total test period operating revenues from gas sales of \$592,655. Included in this amount are purchased gas costs and gas transmission fees. These costs are recovered through its purchased gas adjustment and have been excluded for purposes of determining base rate revenue. See attached calculation for Normalized Base Rate Revenue Calculation for additional documentation. This calculation is attached at the end of this exhibit. Exhibit 5-1
- B. Gas Cost Recovery – Reduced fees by the amount of costs to be recovered by additional rates allowed by PSC and not to be included in the ARF calculations. Please see the attached calculation and documentations regarding the Gas Purchase Cost and the reduction of that including the Transportation Costs. Exhibit 5-1
- C. Management Fees – Officers – The fee paid that is paid to the management company (Home Office Inc.), (HO) for services that BGS staff is not able to provide due to budgetary constraints. The services provided by HO include legal, regulatory, tax, accounting, and other management /administrative functions. In prior rate case approval, the payment for the services performed was \$1,418.50 per month. Additional duties that have been added to the roles in managing the company includes additional calculation of Gas Cost Recovery, PSC reports, KDOR Property Tax Returns and other regulatory items. Also, since the fee has not changed since 2011 and because of the additional duties, management is requesting raising the fee by \$7,978 to total \$25,000 per year. This represents an annual increase of 4.6% per year. See Memo attached from Home Office describing services provided plus the estimate of \$25,000 per year fees. Exhibit 5-2 (Home Office Memo)
- D. Salaries – Accounting / Administrative – The accounting manager for the company is currently being leased from HO, described above. This portion of Salaries have remained at the same rate over the last 10 years since previous rate adjustment. BGS looks to increase salaries to become more competitive in the labor market and reflect a more livable wage. The calculation used is a Cost-of-Living adjustment since the last pay raise was calculated. The amount over the period that no wage increases were made equates to an 18.83% increase. The accounting manager at Bluegrass Gas performs all bookkeeping, billing, on-site regulatory requirements and other services not performed by the management company described earlier. See monthly invoice from Home Office that shows breakdown of the billing for payroll. See Exhibit 5-3 (Home Office Inc Payroll Invoice) and 5-4 (Payroll Information / Job Duties)
- E. Salaries-Operations and related expenses – Salaries – Operations and Management Fees – Accounting reflect the payroll of 5 individuals. The utility reported 3 fulltime and 1 part time employees when the last rate increase was calculated. Since 2012, there are now 5 employees with 4 considered fulltime employees (FTE). No salary adjustments have been made in the previous 10 years. 2 new employees have been brought on to assist as customer activity has been encountered. Due to the lack of salary adjustments, current employees' loyalty and longevity, and payroll expenses that are below area averages, the utility proposes to increase salaries approximately 18.83% as reflected in the Annual COLA calculated by the Bureau of Labor Statistics. This reflects an annual adjustment over the past five years of approximately 1.88%. See Payroll Information attached in Exhibit 5-4.
- F. Insurance – Health - Last 2-year average of insurance premiums was approximately \$25,000. Historically, insurance premiums have increased 4-5% annual due to our small plan. Therefore,

Adjustments to Support Rate Request Documentation (Continued)

Page 2

BGS is requesting a 5% increase to reflect the upcoming needs of the employees currently covered by the insurance. Some of the costs are paid by the employee but most are covered by the company. See Exhibit 5-3 for breakdown / invoice of health insurance paid for employees.

- G. Contract Labor Costs – These costs reflect labor and other charges for work that is performed by individuals not considered employees. This number fluctuates annually and was way down during test period due to COVID and other issues. The increase in contract costs is for \$2100 to reflect additional work that is necessary for some of the aging equipment and possible future upgrades. This is for casual labor that involves lawncare, painting maintaining equipment not covered by employees.
- H. Bank Fees – This represents costs of the company to collect customer payments via Credit Card and EPayment. This is done as a courtesy for convenience to the customer base and represents an increase of the merchant fee of 2.65% cost multiplied by approximately 25% of the customer payments the company will receive of the new increase This represents a historical amount collected by credit cards in the past.
- I. Office Expense / Supplies – This increase amount includes the some of the additional supplies needed when upgrading computer systems, increasing costs due to high inflation, and software cost increases plus additional mailing and other expenses related to the rate increase.
- J. Postage – Due to increase in customer base and higher postage rates we are proposing an increase of 9.6% to reflect higher postage rates in 2021 plus additional customers sent billing over prior years including mailings for the upcoming rate increase proposal and required notifications.
- K. Rent – The company has 2 active rental agreements. The first includes Office space that is owned by another company that has similar common ownership. This includes the office space that has been the corporate office of BGS for over 20 years. A proposed increase from \$1,200 per quarter in rental rates is being requested due to market rate conditions and the actual amount of space being provided by the lessor. The rental property being leased includes office space and some storage for equipment and other items. Historically, the rental rates have been below market due to low inventory allowed and not a lot of market movement in this area. Therefore, since the rates are believed to be still below market, the company is looking for an increase to \$1,875 per quarter. This represents approximately 5.6% increase annually since the company's had the last rate increase adjustment. The company also leases space from a minority shareholder for Equipment and other storage. The rental has been paid for several years and the rate set for the storage was \$1,500 per year. The company feels that the rate is well below market rates and would like to bring that more in line by increasing the storage rental to \$3,000 per year. The current office location is in Center, Kentucky which is situated in Metcalfe County. This is a rural location with little commercial rental activity. The utility could not locate any office rental activity for comparable rental rates in Metcalfe County. It was determined that Center KY is a part of the Glasgow Micropolitan Statistical Area (MSA). Therefore, we have attached several real estate rental listings that contain information on properties available in the Glasgow MSA. As you will note, the rates are higher than the amounts that Bluegrass is requesting. Bluegrass understands that a discount should be applied to the other MSA market rates due to its rural location. See the Exhibit attached as a PDF file noted "Ex #4 - Real Estate Market Rates – Local Area". Most properties average 10-12 Dollars a Square foot for the year. The proposed increase is well under that amount.

Adjustments to Support Rate Request Documentation (Continued)

Page 3

- L. Repairs & Maintenance – Bluegrass Gas has always provided maintenance that is required for compliance with all regulatory agencies and for continuity of service. The 3-year average of expenses paid for Repairs and maintenance is \$18,617. But due to aging equipment and other market conditions, the company has seen large swings in these expenses over the years. Due to current economic times with large increases in inflation and supply chain problems, we are requesting an increase in this expense of \$6,500 which represents an increase of approximately 32% but due to issues listed above. The increases allowed by the PSC in 2011 were approved when the Repairs and Maintenance costs averaged 9500 – 10,000 per year. It is extremely challenging to prepare/budget for items that include unplanned and emergency maintenance. The company does as much preventive maintenance as possible to keep systems/equipment in peak condition.
- M. Insurance – Liability and Property - 3-year average cost of insurance was more than \$16,600 with prior year total premium of \$15,988. Due to additional equipment added to the insurance policy, current economic conditions, \$4,050 for this current year is being requested. A copy of the insurance policy and declaration pages have been attached.
- N. Professional Fees – Ongoing regulatory, financial, and other reporting needs will have increases in fees going forward. They have been relatively stable for the last few years but additional consulting work with addition of new software and the need to integrate in tax systems plus other regulatory issues will show an increase the fees charged. Therefore, the company has budgeted an additional \$1000 for the projected increases.
- O. Rate Case Fees Adjustment – The company has budgeted \$20,000 for Legal and accounting work for the Rate Case adjustment. Due to PSC rules, the fees can be amortized over 3 years to reflect the new rates and give the company additional time to absorb the fees and not pass them on all at once. The company has hired 2 consultants to assist in this process. The Regulatory attorney has issued a verbal estimate of \$10,000 and the accounting advisor has also proposed a total of \$10,000 for the completion of the task. Invoices can be provided as necessary as they become available.
- P. Truck Maintenance / Gasoline – Proposing large increase in fuel due to current economic situation with gas pricing doubling over test period. Company is also expecting higher maintenance expenses due to inflationary periods that are being experienced. Since the trial period of 2020, fuel prices have increased from an average of \$2.20 per the US Bureau of Labor Statistics National Index, to over \$5.00 now.
- Q. Property Tax – Property tax calculations place a high level of the assessed value on the historical income produced by the company over the last few years. The company has showed losses during most of the years since the prior rate increase in 2011. The company estimates that the increased income should increase the taxable value of the property especially if the average profitability increases. The company shows a 25% increase in taxes over the next few years because of future profitability of the company.
- R. Telephone Costs – The company is requesting an additional \$250 for the year on telephone costs as increases of phone expenses and additional phones required for employees for after hours. This represents an increase of 8.5% over last years costs and the company sees that this expense is increased on a regular basis.
- S. BGS is looking to purchase and install new equipment in both the administrative and operational functions of the business. With the planned equipment upgrades, the company looks to provide

Adjustments to Support Rate Request Documentation (Continued)

Page 4

natural gas to its customers in a safer, more secure and improved efficiency. The following equipment purchases are included with this rate increase request

Security System including cameras and other monitoring systems throughout the company office and equipment storage facilities. The improved security/monitoring will help maintain lower costs to the customers due to lower replacement costs of equipment damage or that needing replacement plus assists in lowering insurance rates. The company had a verbal estimate provided locally and the original purchase price would be approximately \$2,500 and the company expects the system's useful life of 5 years for planning purposes. Useful life in the eyes of the internal revenue service is 5 years. Therefore, for purposes of this filing, the company assumes proration of the cost at \$500 per year and that will be added to the adjustment calculation for the determination of revenue requirements.

New Billing / Accounting system upgrades – The company is planning on replacing a 20-year-old legacy billing system. The new system will bring additional efficiencies to BGS and would be in compliance with system, security and data integrity requirements of regulators. The new system will provide more billing options, additional reporting options more analytic data to assist the company in becoming more efficient and provide better customer care. The new system has an estimated cost of \$17,500 with a projected useful life of 5 years. Therefore, the company is adding additional depreciation costs of \$3,500 to the adjustment calculation for the determination of revenue requirements. The useful life can be expected to longer than 5 years however, for internal revenue purposes, accounting information systems can be depreciated over 5 years. Included in the amount being requested, there is a \$2,300 annual renewal fee. That will keep the system working and operational for this timeframe until required upgrades. – See proposal for new accounting / billing systems attached Exhibit 5-5

The company is reviewing options to upgrade 2-meter stations including zero emissions odorizers included for both. The original systems are still in working order but have been in place for over 15 plus years. Due to the aging of the systems, they will be requiring additional maintenance every year. The improvements will assist the company to continue the safe delivery of natural gas to all its customers. The company has obtained an estimate for the work and will be approximately \$85,000 for the improvements. The useful life for this calculation is 15 years based on Internal Revenue Service definitions. Therefore, the company is adding additional costs to depreciation of \$5,700 annually. More documentation is attached to this as Exhibit 5-6 including details and specification of the equipment and proposals sought for the equipment and an estimate provided by a trusted longtime vendor.

Exhibit 5-1

Bluegrass Gas Sales
Normalized Base Rate Revenue Calculation
Note A - Additional Information

Base Rate	\$ 5.1416	Per Approved PSC Rate
Multiplied by: MCF Sales	<u>51,595</u>	MCF Sales minus Logan County Purchases
Volumetric Rate Revenues	\$ 265,281	
Bas Rate - Minimum Charges	<u>\$ 79,880</u>	Based on 7,988 Bills sent through System
	\$ 345,161	
Less: Total Gas Service Revenues	<u>\$ 543,398</u>	Per Reported Revenues to PSC and Tax Returns
Pro Forma Adjustment (GCR)	\$ (198,237)	
Remove Purchase Gas Cost	\$ (190,136)	Per PSC Report
Remove Transportation Costs	\$ (38,877)	Per PSC Report

Purchased Gas Costs are Recovered through the purchase gas adjustment; those costs are excluded when determining base rate revenue

(See "Rate Adjustment Notes" Attached for further explanations.

Home Office Inc.

Memo

To: Bluegrass Gas Sales, Inc.

From: Mark O'Brien, President

Date: 06/01/2022

Re: Breakdown of Costs for Management fees including Periodic Accounting /
Regulatory work performed

Per the request of Bluegrass Gas Sales, we have broken down costs of our services performed by our company for Regulatory and other accounting related work.

Description of management and administrative services performed

- Quarterly preparation of PSC Gas Cost Recovery reports.
- Monthly preparation of management reports including Gas purchased, PSC related reports, tax related reports and other documents as needed.
- Monthly Nominations process and planning for upcoming Gas Purchase related duties.
- Technology costs including Backup facilities for systems, VPN Technology, and other IT related resources.
- Payroll processing and reporting costs.

We estimate that Home Office works a minimum 25-27 hours monthly for the services and our typical discounted billing amount is \$80 per hour. This approximates the total we are anticipating covering our costs of \$25,000 per year broken down to \$2083.33 per month.

**Bluegrass Gas Sales
Payroll / Duties and Other Information**

Date	Names	Job Titles	Job Description	Pay Rates
12/30/20	Kathy Acree	Part Time Receptionist/general office worker	Data entry, reception, bill generation	\$15 Per Hour
12/30/20	Gail W. Parsons	Field Tech/Meter Reader	Meter reading/general pipeline maintenance	\$2087.25 Per Month
12/30/20	Rex A. Parsons	Operations	General Manger of operations and field oversight	\$1837.89 Per Month
12/30/20	Craig Deweese	Field Tech/Meter Reader	Meter reading/general pipeline maintenance	\$500 Per Week
12/30/20	Joshua Cole	Field Tech/Meter Reader	Meter reading/general pipeline maintenance	\$500 per Week
**12/30/2020	Julie Parsons	Accounting Manager / Office Manager	Billing, Accounting, Payroll etc	\$2,544.78 Per Month

***See Notes

Note: Julie Parsons is an employee of Home Office Incorporated and she is considered a leased employee by Bluegrass Gas. This occurred several years ago due to economic and staffing issues at the time. Bluegrass gas pays 100% of her payroll costs including taxes and other insurance related costs (See invoice from Home Office billed to Bluegrass Gas for her total costs)

Ampstun Corporation

PO Box 784
Richmond, KY 40476-0784
1-888-252-4784



November 22, 2021

Ampstun System Proposal: Advanced Data Conversion Prepared for Bluegrass Gas Sales, KY

Ampstun System - Utility Billing Module

\$6,000.00

Billing module includes: Customer Care (CIS), Customer Billing, Online Payment Center and Customer Portal, eBilling option for electronic billing, Meter Reading, Work Orders and Administrative.

Billing Data Conversion (Advanced)

\$3,750.00

Advanced data conversion programming includes accounts, locations, meters, and beginning balance per account, with one year of transaction history. The cost is calculated based on the following schedule: \$3,000 plus \$1.00 per converted account.

On-Site Training and Support

\$5,875.00

- Ampstun Web-based System Training: Billing (3 days)
- Ampstun Web-based System Training: Billing Follow-up (2 days)

In person training includes: balancing, data refinement and general training.
The cost of the support and training services covers the trainers' rental car and/or airfare, travel time and living expenses while on-site.
See proposal notes for additional details regarding training.

UMS Win Discount

-\$2,000.00

Proposal Total	\$13,625.00
25% Down Payment	\$3,406.25

Sign: _____

Date: _____

PO#:: _____

Proposal valid until 12/31/2022

Proposal Notes

This proposal is based on the following number of customers, pricing may be adjusted if the number of converted accounts changes significantly: **750 Customers**

Payment Terms

Unless other payment terms are arranged, final payment for the proposal is due at the beginning of the training visit. Ampstun Corporation also requires a twenty-five percent down payment and one of the following with the acceptance of this proposal - a valid purchase order, or a letter of intent stating the proposal has been accepted and payment will be made in full when the system is installed.

Proposal Acceptance

The Ampstun Corporation proposal total cost is based on the understanding that the entire proposal and all components are accepted as presented. Both parties agree that this written proposal constitutes the complete and exclusive statement of the agreement between them which supersedes all proposals, oral or written, and all other communication between them relating to the proposal scope and content. Both parties agree that all Ampstun Corporation software is provided subject to the standard Ampstun Corporation Software License Agreement shown below.

Ampstun Corporation, Inc. grants to you a non-exclusive, non-transferable license to use the software programs and related documentation in this package (collectively referred to as the "Software"). Any attempted sublicense, assignment, rental, sale or other transfer of the Software or the rights or obligations of this Software License Agreement, without the prior written consent of Ampstun Corporation, Inc., shall be void. This agreement will be governed by the laws of the Commonwealth of Kentucky.

This Software and documentation are copyrighted. Unauthorized copying, reverse engineering, decompiling, disassembling, and creating derivative works based on the Software are prohibited. Title to the Software is not transferred to you by this license. Ownership and title to the Software and to the actual contents of this package, including the copy of the Software and the media on which it is stored and the associated documentation, are retained by Ampstun Corporation, Inc. This agreement sets forth the entire agreement between parties. The terms herein may not be changed or modified except by an instrument in writing duly signed on behalf of both parties.

Ampstun Corporation, Inc. does not warrant that the Software will be free from error or will meet your specific requirements. You assume complete responsibility for decisions made or actions taken regarding selection of the Software to achieve your intended results. Ampstun Corporation, Inc. shall not be responsible for incidental, special, or consequential damages resulting from the use of this Software.

Ampstun Corporation Annual Support Fees

Software updates, unlimited toll-free phone support, and remote modem support are provided to users who remain on support with Ampstun Corporation. For existing Ampstun customers, these fees will be billed using your same schedule. For new Ampstun customers, this fee is due on the installation anniversary each year.

Current pricing for annual support fees:

Billing Module	\$2,250
TOTAL	\$2,250

On-Site Training and Support

It is advised to have your computer-networking expert(s) available as needed during the first day of the Ampstun Corporation Representative's initial on-site training; which helps to ensure that any issues related to computers, networking, modem, or printing problems can be resolved quickly and efficiently. If for any reason this cannot be accommodated, it may have a negative impact on the amount of training time that is actually available to your staff during the time allotted for the on site visit.

The on-site training-conversion visit is designed to address three equally important tasks, 1) training, 2) data refinement and, 3) account balancing. In most cases these functions are carried out simultaneously throughout the on-site visit. There will always be the need for both data refinement and account balancing activities during the on-site visit.

A preliminary, tentative, planning only date for the on-site visit will be established at the time that the proposal is prepared. When there is data conversion included in the proposal the final confirmed date for the on-site visit will not be established until after the customer has signed for the acceptance of the first data conversion.

The total number of on-site days for this service is indicated in the On-Site Training and Support Services pricing section of this proposal. If additional days of conversion support and training might be desirable, these additional days can be added to the proposal before acceptance. Additional support days can also be requested during the software conversion visit. These days are charged at a rate of \$875.00 per day plus travel time and travel expenses. Lodging, meals and transportation costs for installation and training services are included in the proposal. The on-site time quoted in this proposal is our best estimate of what will be required and should not be considered a guarantee.

In some cases the travel expense dollars included in the proposal includes an amount for airplane tickets. To get a lower fare, and to save you money, we usually purchase the ticket well in advance of the planned trip. If it becomes necessary to change the dates of travel you agree to pay the additional charges associated with the change of tickets and plans.

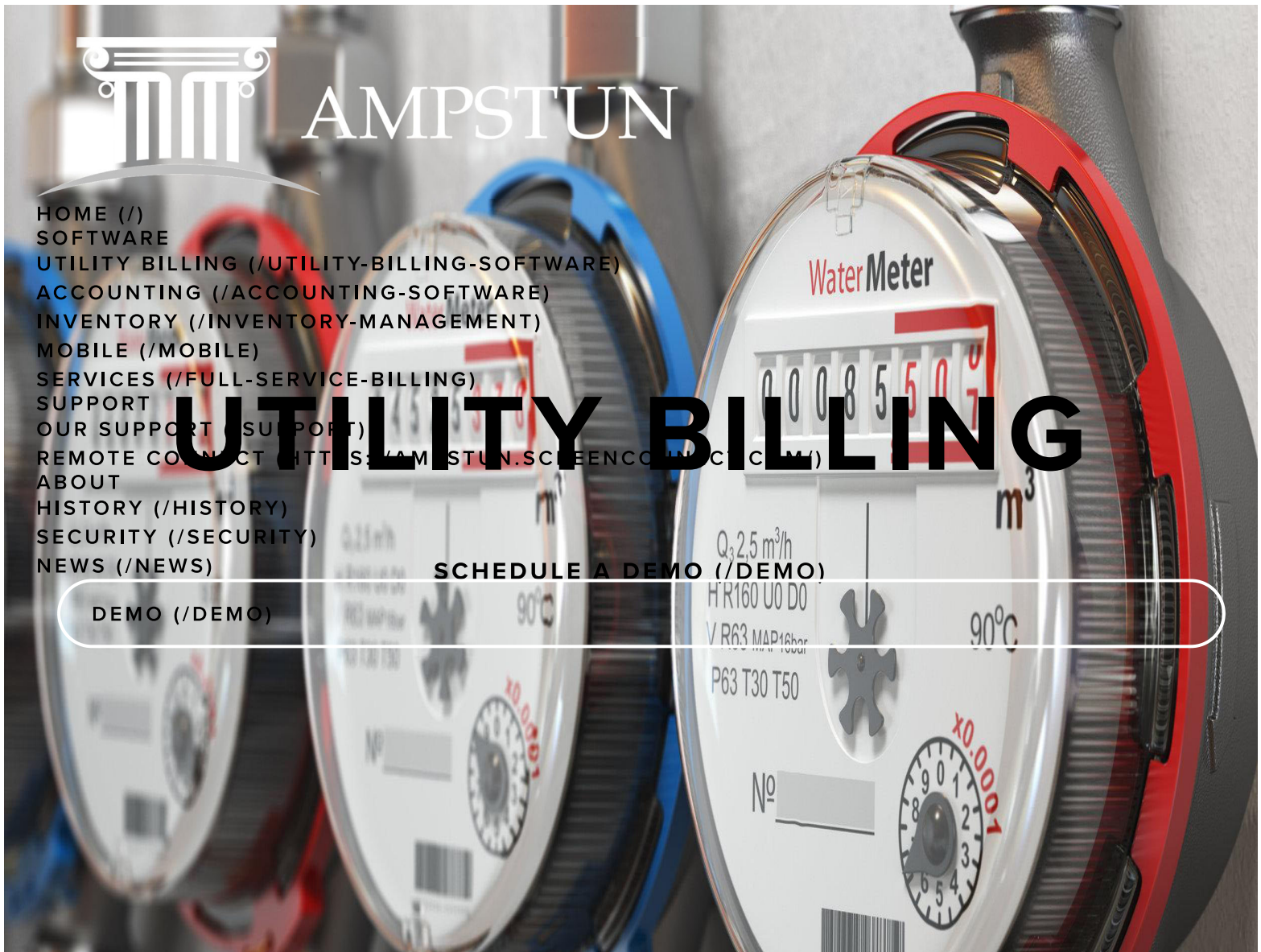


AMPSTUN

- HOME (/)
- SOFTWARE
- UTILITY BILLING (/UTILITY-BILLING-SOFTWARE)
- ACCOUNTING (/ACCOUNTING-SOFTWARE)
- INVENTORY (/INVENTORY-MANAGEMENT)
- MOBILE (/MOBILE)
- SERVICES (/FULL-SERVICE-BILLING)
- SUPPORT
- OUR SUPPORT (/SUPPORT)
- REMOTE CONNECT (HTTPS://AMPSTUN.SCREENCOMMUNICATION.COM)
- ABOUT
- HISTORY (/HISTORY)
- SECURITY (/SECURITY)
- NEWS (/NEWS)
- SCHEDULE A DEMO (/DEMO)**

UTILITY BILLING

DEMO (/DEMO)



Software

- UTILITY BILLING
(/UTILITY-BILLING-SOFTWARE)
- ACCOUNTING
(/ACCOUNTING-SOFTWARE)
- INVENTORY
(/INVENTORY-MANAGEMENT)
- MOBILE (/MOBILE)

Our powerful utility billing system is built on 30 years of feedback from customers and provides a complete billing solution for your utility regardless of size.



CLOUD BASED SYSTEM

Our billing system is located in the cloud. No need to worry about desktop system requirements, server maintenance or backing up local data.

CONNECT ANYWHERE

Since our system is web based, connect from anywhere - in the office, on the road or at home. Launch our system with any device with a web browser and an internet connection.



AMI/AMR INTEGRATION

Import reads from any brand of drive by or fix based read system. Designed to support the most up to date technology from all the top meter vendors.

PAPERLESS BILLING

Integrated paperless billing functionality that allows customers to login to their online portal to view bills, update contact information and



pay their bill online. Payments post automatically in real time to customers accounts.

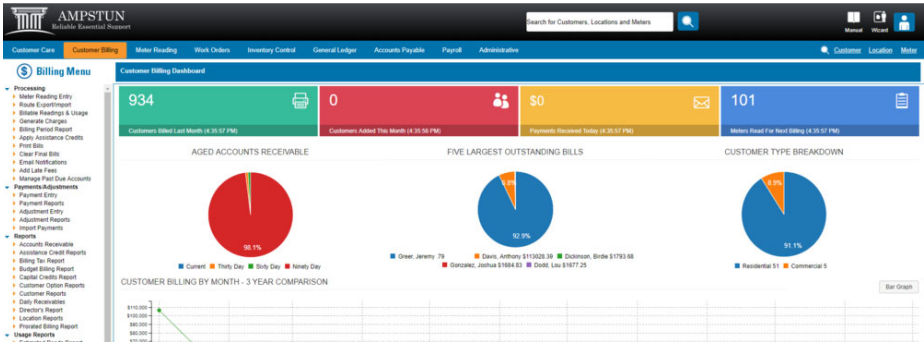


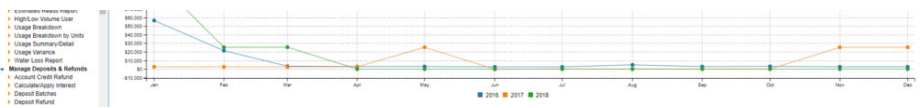
EMAIL & TEXT ALERTS

Send email and text notifications for late bills, disconnects or safety alerts. Contact your entire customer base or one single customer with the push of a button.

WORK ORDERS

Create and manage work orders electronically or print to paper. Field personnel can view, edit or close work orders on any mobile device. Apply time and material used from our inventory module or apply inventory to projects for advanced cost tracking.





- **AUTOMATIC UPDATES**

We update the system regularly with repairs, fixes and enhancements at no cost to you. Most are done overnight simply require closing and re-opening your browser.

- **STREAMLINED BILLING PROCESS**

Our billing process is straight forward and intuitive. No jumping through hoops to manipulate reads or rates.

- **ACCOUNTING INTEGRATION**

Link to Sage-50, Quickbooks or Ampstun's web based Accounting.

- **METER MANAGEMENT**

Meter test tracking, backflow prevention tracking and change out management.

- **ADVANCED BILLING FEATURES**

Direct read reads or follow up bills on account to a third party

Print post card or full page bills or export to a third party print/mail service. Manage deposits, payment plans and final bills. Process bank drafts that automatically post to customers accounts.

- **LOCAL HOSTING AVAILABLE**

Utilities also have the option to host our system themselves. Our implementation team will work with the utilities IT staff to configure a local server with our software installed.

Questions? Call To Learn More

888-252-4784

SCHEDULE A DEMO (/DEMO)

Would you like to walk through our software?

SCHEDULE NOW (/DEMO)

UTILITY BILLING (/UTILITY-BILLING-SOFTWARE)

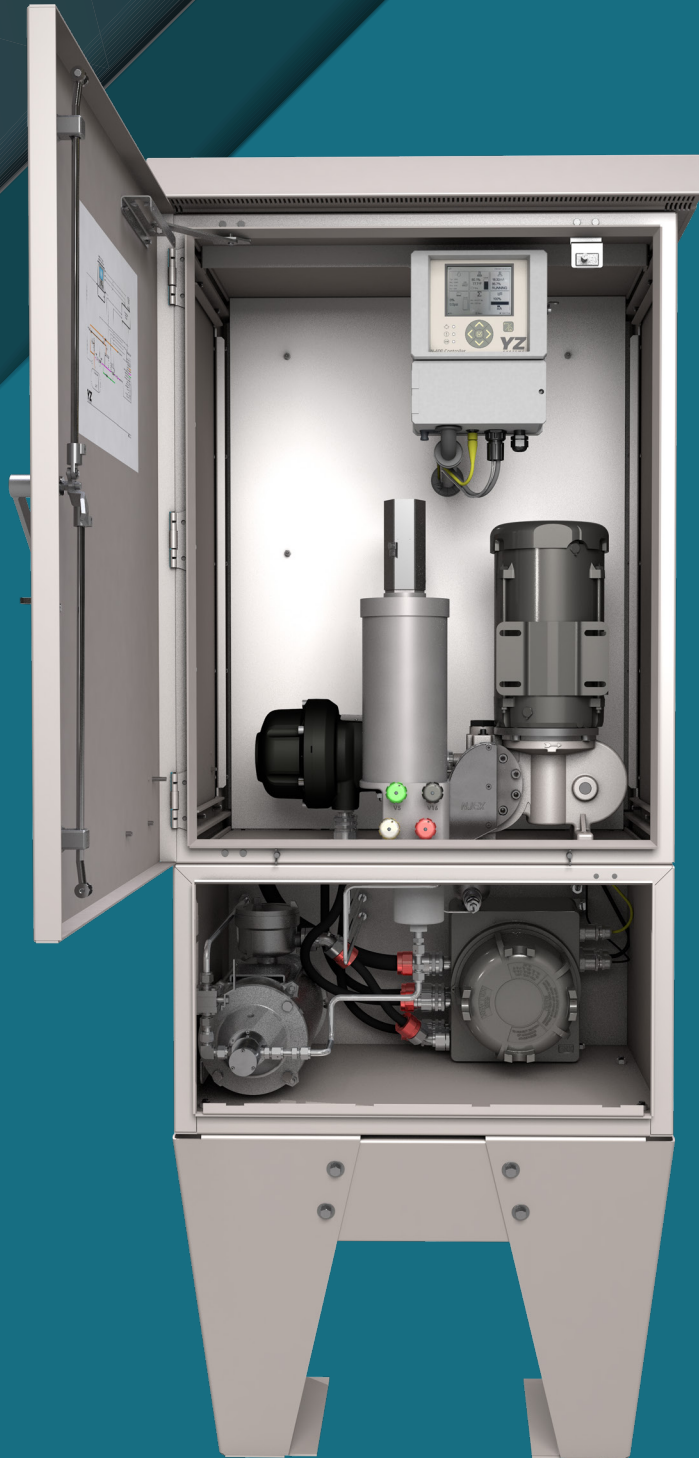
ACCOUNTING (/ACCOUNTING-SOFTWARE)

INVENTORY (/INVENTORY-MANAGEMENT)

DEMO (/DEMO)

FREE T-SHIRT (/FREE-T-SHIRT)

Exhibit 5-6



ZEO

Zero Emission Odorization

Zero methane emission,
compact design



Sales Order B85355

Tri-State Meter & Regulator Service

P.O. Box 18061
 2865 Rudder Road
 Memphis, TN 38181-0061 USA
 Telephone: 901/363-0377

Order Date 12/01/21

Printed by: DWE

Bill To: 9870

Bluegrass Gas Sales Inc.
 3620 Rockland Mills Road
 Center, KY 42214
 USA

Ship To:

Bluegrass Gas Sales Inc.
 3620 Rockland Mills Road
 Center, KY 42214
 USA

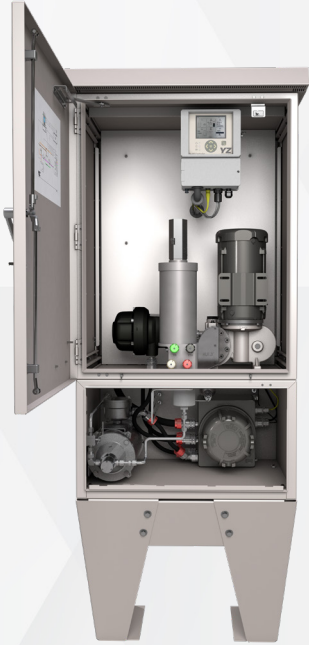
THIS IS A BID/ESTIMATE

Customer	Ship Via	F.O.B.	Terms	Purchase Order Number	Salesperson	Reference No.
9870		MEMPHIS	Net 30 Days	Verbal	DWE	

Ordered	Billed	Current Shipment	B.O.	Item Number	Item Description	Tax	Unit Price	Extended Price
1	0			YZ-MISC-PARTS	YZ 6400Z-03FR-D6A ZERO EMISSIONS ODORIZER Includes 120 gallon tank with fire size RV and rail skid; aluminum powder coated cabinet. NOTE: No heat option with the ZEO. The continuously running motor generates adequate heat in freezing conditions 14-16 weeks ARO	N	38115.00	38115.00
1	0			C5-0301	YZ ODORANT INJECTION PROBE 1/2" NPT PROBE OPTION NO. 1	N	887.25	887.25
1	0			C5-0303	YZ ODORANT INJECTION PROBE W/SITE GLASS 1/2" NPT CONNECTION PROBE OPTION NO 2	N	1559.25	1559.25
1	0			59207	YZ BACK PRESSURE REGULATOR ASSEMBLY **required for pipeline pressure < 250 psig	N	1811.25	1811.25

Print Name: _____ . Initial _____ Insure all UPS shipments valued over \$100.00 All returns require RGA and must be in resellable new condition. Packed By: _____ (Initials) Date: _____ Weight: _____ * All QUOTATIONS VALID FOR 30-DAYS FROM ABOVE ORDER DATE.							Non Taxable Subtotal Taxable Subtotal Tax Total Order	42372.75 0.00 0.00 42372.75
--	--	--	--	--	--	--	--	--------------------------------------

Achieving Natural Gas Odorization with Zero Methane Emission



Zero Emission Odorization (ZEO)

Gas odorization is a critical safety requirement to ensure communities have a safe supply of natural gas. 30 years ago YZ Systems changed the industry by introducing the NJEX family of odorant injection systems. We have earned a reputation of delivering accurate, reliable and odor-free operation in a wide variety of mission critical applications. YZ has yet again revolutionized natural gas odorization with their latest innovation.

The new ZEO is the next generation of odorization systems. The zero-emission design consolidates the NJEX design, incorporates the proven mROY electric pump and is controlled by the new N400 controller. It delivers the same advantages as previous YZ odorization systems in a simple compact design, while producing no methane during normal operation.

Key Advantages:

- Zero emission design
- Odor free operation
- Extended design life
- Consolidated design resulting in a standard, compact unit
- Simplification in maintenance and operation

Versatile Design to Optimize Any Application & Process

Best-fit. The ZEO is a "total systems approach" designed to be an incredibly versatile system for low, mid, and high flow rates. This makes it ideal for scalability.

Process Control. The consolidated design simplifies operation and maintenance. Standard features include a double diaphragm pump, known volume Verometer, and the N400 controller to limit process disruptions.

Verification. With real-time system monitoring, documentation and a paperless audit trail, the new N400 controller provides enhanced diagnostics and troubleshooting features.

Customer Service. The ZEO is covered by YZ Technical Service, which is a dedicated global team of experienced engineers and field service technicians available 24 hours a day.

Key Components



New N400 Controller

The ZEO works with a new YZ controller to better serve your application requirements. This model includes:

- IS-approved for C1D1 and ATEX/IECEX Zone 1 applications
- 4.4" front lit LCD display
- Memory module for audit trail
- Multi-language support
- Proportional to flow, proportional to time and batch mode options
- Modbus RTU (RS-485)
- Maintenance function wizard



mROY Pump and Manifold

The mROY metering pump with Actuator Capacity Control (ACC) is a controlled-volume, hydraulically-actuated diaphragm pump. Its compact design contains a plunger that reciprocates at a fixed rate, displacing a variable volume of hydraulic fluid and thereby actuating a flexible, chemically inert PTFE diaphragm to create the pumping action. This field-proven design enables metering with repetitive steady-state accuracy at a $\pm 1\%$ range.

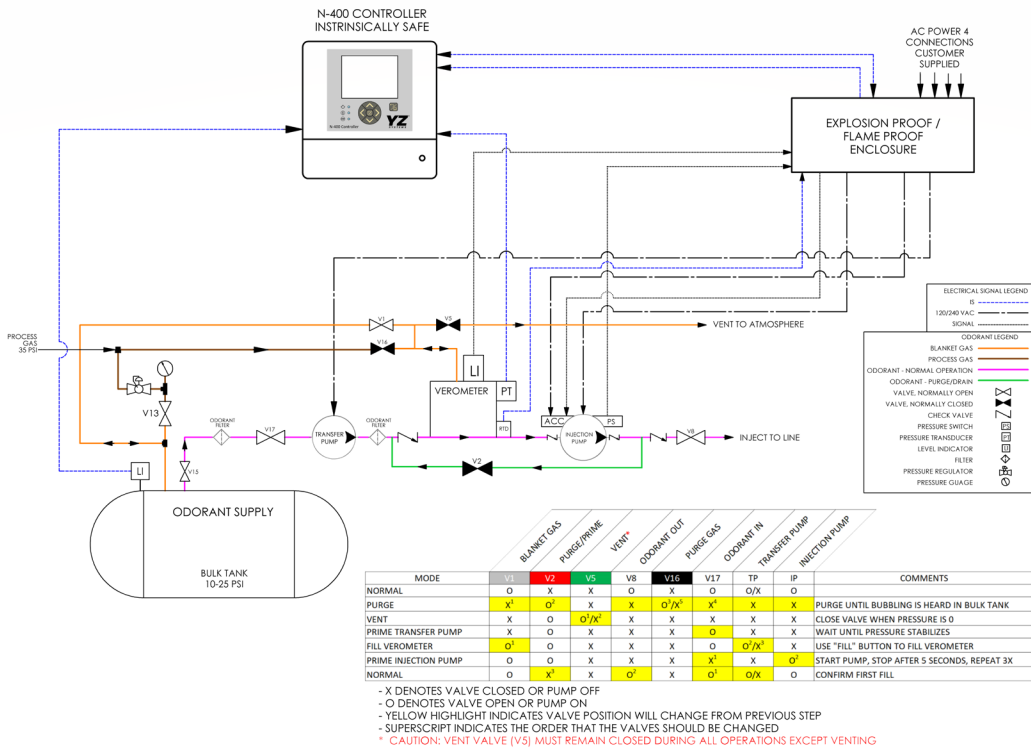
The mROY delivers maximum uptime, the highest levels of accuracy, reliability and performance. With a unique redundant diaphragm feature, it protects against disruptions in the odorization process.



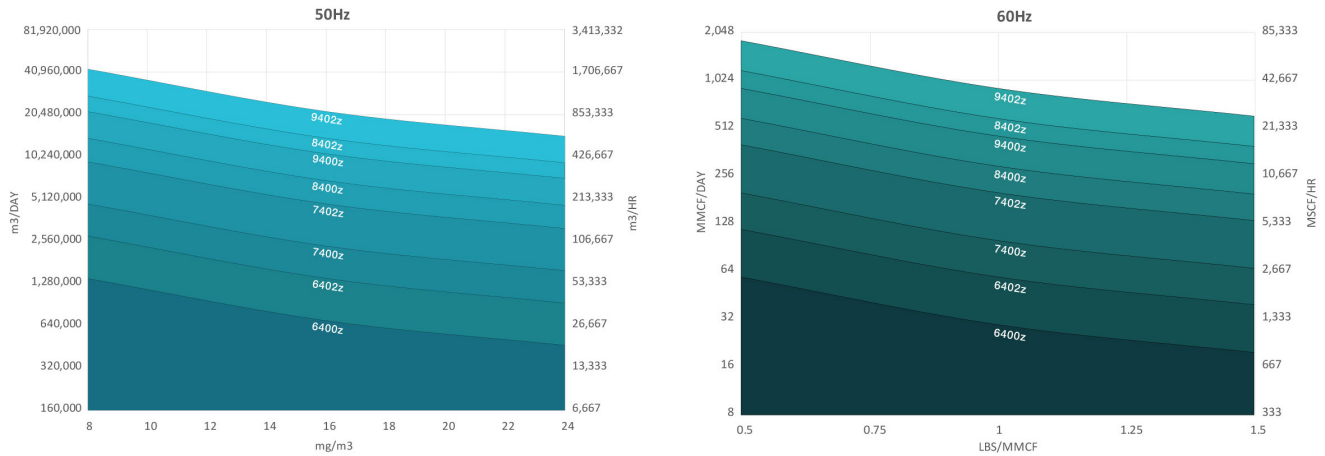
Key Features:

- High performance diaphragm with 96,000 hours of design life
- Double diaphragm design feature is standard to protect against process disruption
- Custom pump head uses the same proven YZ check valves NJEX has been using for 20+ years
- Compact pump/manifold design reduces potential leak paths
- Color coded valves make operation and maintenance simple
- Meets standards for CE and ATEX

ZEO P&ID



Performance at Max Pressure



NJEX ZEO 7400Z - 00 N N - D 6 A

NJEX ZEO Gas Odorization Series

- 6400Z - Single Unit, Low Volume Primary Odorizer
- 6402Z - Dual Unit, Low Volume Primary Odorizer*
- 7400Z - Single Unit, Low-Mid Volume Primary Odorizer
- 7402Z - Dual Unit, Low-Mid Volume Primary Odorizer*
- 8400Z - Single Unit, Mid-High Volume Primary Odorizer
- 8402Z - Dual Unit, Mid-High Volume Primary Odorizer*
- 9400Z - Single Unit, High Volume Primary Odorizer
- 9402Z - Dual Unit, High Volume Primary Odorizer*

*Dual units consist of two single cabinets
 Contact the factory about retrofitting any 6302, 7302 or 8302 to ZEO

Odorant Tank Selection

- 00 - No Selection
- 01 - 20 Gallon
- 02 - 60 Gallon
- 03 - 120 Gallon
- 04 - 250 Gallon
- 05 - 500 Gallon
- 06 - 1000 Gallon
- 07 - 2000 Gallon

Relief Valve Packaging

- N - No Selection
- S - Standard
- F - Fire Size Rated

Enclosure Option

- A - Angled Leg Set w/ Standard Enclosure (skid mounted, single cabinet or skid mounted, single cabinet retrofit)
- B - Straight Leg Set w/ Standard Enclosure (cabinet only, dual systems)

Power Option

- 6 - 60Hz, Single Phase 115VAC
- 5 - 50Hz or 60 Hz, Single Phase 230VAC

Hazardous Location

- D - UL/CSA Class 1 Div. 1
- Z - ATEX/IECEx Zone 1

Skid Selection

- N - No Selection
- R - Rail Skid
- C - Containment Skid Selection (110% of Tank Capacity)

Focusing on Your Priorities

YZ Systems is committed to the safety of people and the environment and has provided precision equipment to the energy industry for the past 60 years. Our innovative designs deliver accuracy while our versatile solutions accommodate a wide range of performance requirements. Commitment to quality is our top priority to ensure the protection of your most precious assets.



YZ Systems is part of Ingersoll Rand. Ingersoll Rand (NYSE:IR) advances the quality of life by creating comfortable, sustainable and efficient environments. Our people and our family of brands work together to enhance the quality and comfort of air in homes and buildings; transport and protect food and perishables; and increase industrial productivity and efficiency. We are committed to a world of sustainable progress and enduring results.

Contact Your Rep

Visit yzsystems.com and select "Find a Sales Rep" for your local contact. For 24 hour technical support, contact (800) 653-9435.

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E: mrapsing@miltonroy.co.sg

www.yzsystems.com

ATTACHMENT #7 - BOOK DEPRECIATION

BLUEGRASS GAS SALES, INC.

2020 DEPRECIATION SCHEDULE

No.	Form	Category	Description	Date Acquired	Date Sold	Cost/ Basis	Depr. Basis	Book Method	Book Life	Prior Year		Current Year		Ending		
										Accum	DEPR	Depr	Accum	Accum	Depr	
6	Form 1120S	1	BUBBY R-O-W HWY 90	9/05/1996		1,000	1,000									
90	Form 1120S	1	RIGHT OF WAY	5/26/1998		600	600									
141	Form 1120S	1	RIGHT OF WAY	1/01/1998		95	95									
150	Form 1120S	1	RIGHT OF WAY	8/21/2000		500	500									
308	Form 1120S	1	RIGHT OF WAY - MATNEY	2/05/2007		800	800									
		1 Total	RIGHT OF WAYS			2,995	2,995									
1	Form 1120S	2	MEASURING STATION	11/01/95		2,830	2,830	S/L	25	2,825	5	2,830			2,830	
7	Form 1120S	2	METER STATION COMP	8/22/1996		6,132	6,132	S/L	25	5,880	245	6,125			6,125	
8	Form 1120S	2	REGULATORS FOR MET	8/22/1996		3,668	3,668	S/L	25	3,528	140	3,668			3,668	
256	Form 1120S	2	CONSOLIDATED PIPE	3/24/2003		1,547	1,547	S/L	25	1,038	62	1,100			1,100	
		2 Total	MEASURING STATION			14,177	14,177			13,271	452	13,723			13,723	
2	Form 1120S	3	DISTRIBUTION MAINS	11/01/95		93,191	93,191	S/L	40	58,236	2,330	60,566			60,566	
9	Form 1120S	3	MAMMOTH PETRO 200'	1/11/1996		3,000	3,000	S/L	40	1,800	75	1,875			1,875	
10	Form 1120S	3	MAMMOTH PETRO 1 LI"	2/09/1996		1,700	1,700	S/L	40	1,032	43	1,075			1,075	
11	Form 1120S	3	LESSENBERRY'S ELECTRIC	5/20/1996		384	384	S/L	40	240	10	250			250	
12	Form 1120S	3	LESSENBERRY'S ELECTRIC	6/06/1996		305	305	S/L	40	192	8	200			200	
81	Form 1120S	3	DISTRIBUTION MAIN	6/30/1997		6,464	6,464	S/L	40	3,726	162	3,888			3,888	
91	Form 1120S	3	DISTRIBUTION MAIN	2/19/1998		131	131	S/L	40	66	3	69			69	
92	Form 1120S	3	DISTRIBUTION MAIN	2/20/1998		119	119	S/L	40	66	3	69			69	
93	Form 1120S	3	DISTRIBUTION MAIN	3/31/1998		545	545	S/L	40	308	14	322			322	
94	Form 1120S	3	DISTRIBUTION MAIN	9/22/1998		722	722	S/L	40	396	18	414			414	
95	Form 1120S	3	DISTRIBUTION MAIN	9/22/1998		483	483	S/L	40	264	12	276			276	
96	Form 1120S	3	DISTRIBUTION MAIN	11/03/98		11,259	11,259	S/L	40	6,182	281	6,463			6,463	
142	Form 1120S	3	DISTRIBUTION MAIN	1/01/1998		929	929	S/L	40	506	23	529			529	
143	Form 1120S	3	DISTRIBUTION MAIN	12/31/99		4,900	4,900	S/L	40	2,460	123	2,583			2,583	
196	Form 1120S	3	20000' SDR-11 1"	12/01/01		4,400	4,400	S/L	40	1,989	110	2,099			2,099	
197	Form 1120S	3	20000' SDR-11 2"	12/01/01		9,060	9,060	S/L	40	4,105	227	4,332			4,332	
198	Form 1120S	3	DELIVERY	12/01/01		830	830	S/L	40	380	21	401			401	
216	Form 1120S	3	MAMMOTH PETROLEUM - JONE	4/04/2002		2,000	2,000	S/L	40	887	50	937			937	
217	Form 1120S	3	CITIBANK - CONS PIPE ORDE	4/15/2002		496	496	S/L	40	213	12	225			225	
218	Form 1120S	3	MAMMOTH PETROLEUM - CODY	4/25/2002		8,050	8,050	S/L	40	3,555	201	3,756			3,756	
219	Form 1120S	3	REPNET - MARKERS W/STICKE	8/08/2002		1,563	1,563	S/L	40	679	39	718			718	
257	Form 1120S	3	REPNET 100 PIPELINE	2/06/2003		1,601	1,601	S/L	40	677	40	717			717	
258	Form 1120S	3	REPNET-MARKERS FOR PIPELN	4/08/2003		1,635	1,635	S/L	40	687	41	728			728	
259	Form 1120S	3	GLASGOW WELL SUPP 3936SDR	10/22/03		1,210	1,210	S/L	40	485	30	515			515	
268	Form 1120S	3	SHUT OFF VALVE SIGNS	8/31/2004		566	566	S/L	40	215	14	229			229	

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No.	Form	Category	Description	Date Acquired	Date Sold	Cost/ Basis	Depr. Basis	Book Method	Book Life	Prior Year		Current Year		Ending	
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284	Form 1120S	3	REPNET PIPELINE	5/20/2005		802	802	S/L	40	292	20	312			
293	Form 1120S	3	MCJUNKIN / PIPE 1000FT 1"	05/03/06		350	350	S/L	40	123	9	132			
294	Form 1120S	3	MCJUNKIN/PIPE ALLEN CO CA	5/03/2006		3,255	3,255	S/L	40	1,107	81	1,188			
295	Form 1120S	3	MCJUNKIN/APPALACIAN	5/03/2006		216	216	S/L	40	69	5	74			
296	Form 1120S	3	AMPRO USA VALVE BOXES 4"	06/06/06		2,538	2,538	S/L	40	856	63	919			
301	Form 1120S	3	PIPELINE	3/22/2007		1,535	1,535	S/L	40	485	38	523			
331	Form 1120S	3	PIPELINE - CONS PIPE	8/21/2012		1,876	1,876	S/L	40	345	47	392			
332	Form 1120S	3	PIPELINE - CONS PIPE	11/14/12		700	700	S/L	40	129	18	147			
352	Form 1120S	3	DISTRIBUTION / MCJUNKIN	10/30/15		1,662	1,662	S/L	20	346	83	429			
357	Form 1120S	3	DISTRIBUTION	5/27/2016		1,446	1,446	S/L	20	258	72	330			
358	Form 1120S	3	HDPE FITTINGS	7/27/2016		2,207	2,207	S/L	20	376	110	486			
359	Form 1120S	3	DISTRIBUTION	9/04/2016		2,000	2,000	S/L	20	333	100	433			
360	Form 1120S	3	DISTRIBUTION	11/23/16		3,115	3,115	S/L	20	481	156	637			
366	Form 1120S	3	PIPELINE	7/18/2016		25,149	25,149	S/L	40	2,149	1,629	3,778			
367	Form 1120S	3	PIPELINE - DIST MAIN	2/18/2017		2,275	2,275	S/L	40	161	57	218			
368	Form 1120S	3	PIPELINE - DIST MAIN	3/02/2017		532	532	S/L	40	37	13	50			
369	Form 1120S	3	PIPELINE - DIST MAIN	4/26/2017		2,500	2,500	S/L	40	168	63	231			
370	Form 1120S	3	PIPELINE-DIST MAIN	6/26/2017		6,062	6,062	S/L	40	380	152	532			
371	Form 1120S	3	PIPELINE - DIST MAIN	12/29/17		3,200	3,200	S/L	40	160	98	258			
388	Form 1120S	3	DISTRIBUTION LINE	04/12/18		1,000	1,000	S/L	20	83	50	133			
389	Form 1120S	3	DISTRIBUTION LINE	05/10/18		2,000	2,000	S/L	20	167	100	267			
391	Form 1120S	3	DISTRIBUTION LINE	06/14/18		1,081	1,081	S/L	20	90	54	144			
393	Form 1120S	3	DISTRIBUTION LINE	07/17/18		2,324	2,324	S/L	20	181	116	297			
394	Form 1120S	3	DISTRIBUTION LINE	08/02/18		1,808	1,808	S/L	20	121	90	211			
	Form 1120S	3	DISTRIBUTION LINE	10/08/20		2,034	2,034	S/L	20	-	85	85			
		3 Total	DISTRIBUTION MAIN			227,210	227,210			98,243	7,199	105,442			
3	Form 1120S	4	METERS AND INSTALLATION	11/01/95		2,500	2,500	S/L	30	2,075	83	2,158			
13	Form 1120S	4	TUCKER METER SERVI	1/29/1996		2,500	2,500	S/L	30	1,992	83	2,075			
14	Form 1120S	4	MAMMOTH PETRO. HOU	2/24/1996		150	150	S/L	30	120	5	125			
15	Form 1120S	4	MAMMOTH PETRO. HOU	2/24/1996		150	150	S/L	30	120	5	125			
16	Form 1120S	4	MAMMOTH PETRO. HOU	2/24/1996		150	150	S/L	30	120	5	125			
17	Form 1120S	4	MAMMOTH PETRO. HOU	3/04/1996		600	600	S/L	30	480	20	500			
18	Form 1120S	4	MAMMOTH PETRO. HOU	4/02/1996		600	600	S/L	30	480	20	500			
19	Form 1120S	4	MAMMOTH PETRO. HOU	4/02/1996		600	600	S/L	30	480	20	500			
20	Form 1120S	4	MAMMOTH PETRO. HOU	4/09/1996		600	600	S/L	30	480	20	500			
21	Form 1120S	4	REBUILT HOUSE METER	11/08/96		2,250	2,250	S/L	30	1,800	75	1,875			
22	Form 1120S	4	INS SWIVEELS NUTS R	11/08/96		325	325	S/L	30	264	11	275			

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23	Form 1120S	4	REBUILT AMER GAS ME	11/08/96		450	450	S/L	30	360	360	15	15	375	375
24	Form 1120S	4	METER FOR SCHOOL	12/03/96		450	450	S/L	30	360	360	15	15	375	375
25	Form 1120S	4	GOGGIN TRUCK LINE	12/03/96		258	258	S/L	30	216	216	9	9	225	225
82	Form 1120S	4	METERS AND INSTALLATION	6/30/1997		8,635	8,635	S/L	30	6,524	6,524	288	288	6,812	6,812
97	Form 1120S	4	METERS AND INSTALLATION	1/30/1998		53	53	S/L	30	44	44	2	2	46	46
98	Form 1120S	4	METERS AND INSTALLATION	2/16/1998		1,900	1,900	S/L	30	1,386	1,386	63	63	1,449	1,449
99	Form 1120S	4	METERS AND INSTALLATION	2/17/1998		55	55	S/L	30	44	44	2	2	46	46
100	Form 1120S	4	METERS AND INSTALLATION	5/26/1998		2,500	2,500	S/L	30	1,826	1,826	83	83	1,909	1,909
101	Form 1120S	4	METERS AND INSTALLATION	5/26/1998		325	325	S/L	30	242	242	11	11	253	253
102	Form 1120S	4	METERS AND INSTALLATION	5/26/1998		200	200	S/L	30	154	154	7	7	161	161
103	Form 1120S	4	METERS AND INSTALLATION	5/27/1998		202	202	S/L	30	154	154	7	7	161	161
104	Form 1120S	4	METERS AND INSTALLATION	5/27/1998		900	900	S/L	30	660	660	30	30	690	690
105	Form 1120S	4	METERS AND INSTALLATION	8/11/1998		1,475	1,475	S/L	30	1,078	1,078	49	49	1,127	1,127
106	Form 1120S	4	METERS AND INSTALLATION	8/27/1998		1,620	1,620	S/L	30	1,188	1,188	54	54	1,242	1,242
107	Form 1120S	4	METERS AND INSTALLATION	8/27/1998		93	93	S/L	30	66	66	3	3	69	69
108	Form 1120S	4	METERS AND INSTALLATION	10/07/98		788	788	S/L	30	572	572	26	26	598	598
109	Form 1120S	4	METERS AND INSTALLATION	11/03/98		2,575	2,575	S/L	30	1,892	1,892	86	86	1,978	1,978
110	Form 1120S	4	METERS AND INSTALLATION	11/04/98		711	711	S/L	30	528	528	24	24	552	552
144	Form 1120S	4	METERS & INSTALLATION	12/15/99		5,432	5,432	S/L	30	3,628	3,628	181	181	3,809	3,809
151	Form 1120S	4	METERS AND INSTALLATION	3/28/2000		586	586	S/L	30	395	395	20	20	415	415
152	Form 1120S	4	METERS AND INSTALLATION	5/17/2000		109	109	S/L	30	78	78	4	4	82	82
153	Form 1120S	4	METERS AND INSTALLATION	10/18/00		1,069	1,069	S/L	30	691	691	36	36	727	727
154	Form 1120S	4	METERS AND INSTALLATION	11/27/00		1,696	1,696	S/L	30	1,088	1,088	57	57	1,145	1,145
199	Form 1120S	4	TUCKER METER SERVICE	1/15/2001		1,487	1,487	S/L	30	948	948	50	50	998	998
200	Form 1120S	4	TUCKER METER SERVICE	7/23/2001		800	800	S/L	30	498	498	27	27	525	525
220	Form 1120S	4	TUCKER METER SERVICE	2/25/2002		3,068	3,068	S/L	30	1,821	1,821	102	102	1,923	1,923
221	Form 1120S	4	LESSENBERRY'S ELECTRRIC	3/25/2002		649	649	S/L	30	391	391	22	22	413	413
222	Form 1120S	4	TUCKER METER SERVICE	8/26/2002		110	110	S/L	30	69	69	4	4	73	73
223	Form 1120S	4	CONSOLIDATED PIPE	9/04/2002		1,801	1,801	S/L	30	1,039	1,039	60	60	1,099	1,099
260	Form 1120S	4	REBUILT METERS-TUCKER MET	11/06/03		2,105	2,105	S/L	30	1,132	1,132	70	70	1,202	1,202
269	Form 1120S	4	PIPE LOCKING VALVES	1/16/2004		247	247	S/L	30	128	128	8	8	136	136
270	Form 1120S	4	PIPE ORD RISER/METER STOP	3/02/2004		1,053	1,053	S/L	30	554	554	35	35	589	589
271	Form 1120S	4	LARGE METER/LOGAN CO SCH	3/03/2004		450	450	S/L	30	238	238	15	15	253	253
285	Form 1120S	4	METER	3/28/2005		1,246	1,246	S/L	30	619	619	42	42	661	661
286	Form 1120S	4	METER	7/06/2005		960	960	S/L	30	464	464	32	32	496	496

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287	Form 1120S	4	METER	11/11/05		1,261	1,261	S/L	30	595	595	42	637		
297	Form 1120S	4	METERS/TUCKER / REBUILT	3/08/2006		1,112	1,112	S/L	30	512	512	37	549		
302	Form 1120S	4	METER	1/08/2007		800	800	S/L	40	260	260	20	280		
303	Form 1120S	4	METER	2/16/2007		694	694	S/L	40	218	218	17	235		
304	Form 1120S	4	METER	5/18/2007		877	877	S/L	40	277	277	22	299		
309	Form 1120S	4	METER - TUCKER	12/22/08		1,525	1,525	S/L	40	418	418	38	456		
313	Form 1120S	4	METER	1/07/2009		659	659	S/L	40	176	176	16	192		
314	Form 1120S	4	METER	7/08/2009		1,167	1,167	S/L	40	305	305	29	334		
315	Form 1120S	4	METER	11/27/09		1,319	1,319	S/L	40	333	333	33	366		
321	Form 1120S	4	METERS / COSOL PIP	3/19/2010		899	899	S/L	40	215	215	22	237		
323	Form 1120S	4	METERS - TUCKER	2/21/2011		1,007	1,007	S/L	40	221	221	25	246		
324	Form 1120S	4	METERS - TUCKER	9/23/2011		1,177	1,177	S/L	40	239	239	29	268		
325	Form 1120S	4	METERS/PIPE RISER/L SER	10/25/11		895	895	S/L	40	180	180	22	202		
326	Form 1120S	4	RISERS/VALVES - CONSOL	12/01/11		824	824	S/L	40	170	170	21	191		
333	Form 1120S	4	METERS - TUCKER	9/19/2012		870	870	S/L	40	159	159	22	181		
334	Form 1120S	4	METERS - CONS PIPE	10/31/12		1,745	1,745	S/L	40	315	315	44	359		
335	Form 1120S	4	METER - TUCKER	9/04/2012		946	946	S/L	40	176	176	24	200		
340	Form 1120S	4	METERS	3/08/2013		1,206	1,206	S/L	40	205	205	30	235		
341	Form 1120S	4	METERS	5/31/2013		938	938	S/L	40	152	152	23	175		
342	Form 1120S	4	METER	11/15/13		477	477	S/L	40	74	74	12	86		
343	Form 1120S	4	METERS	12/04/13		926	926	S/L	40	140	140	23	163		
348	Form 1120S	4	tucker meter	10/20/14		522	522	S/L	40	67	67	13	80		
349	Form 1120S	4	TUCKER METER	11/19/14		4,770	4,770	S/L	40	605	605	119	724		
353	Form 1120S	4	METERS AND INSTALL	1/17/2015		700	700	S/L	10	344	344	70	414		
354	Form 1120S	4	METERS	10/06/15		2,765	2,765	S/L	10	1,177	1,177	277	1,454		
361	Form 1120S	4	METERS	10/20/16		1,549	1,549	S/L	10	491	491	155	646		
372	Form 1120S	4	METERS	2/23/2017		954	954	S/L	10	270	270	95	365		
373	Form 1120S	4	METERS	9/29/2017		1,546	1,546	S/L	10	349	349	155	504		
379	Form 1120S	4	Meters	04/01/19		969	969	S/L	10	73	73	73	145		
381	Form 1120S	4	METERS	05/01/19		3,300	3,300	S/L	10	220	220	220	440		
387	Form 1120S	4	METERS	03/21/18		2,877	2,877	S/L	15	320	320	192	511		
392	Form 1120S	4	METERS	06/14/18		1,009	1,009	S/L	15	112	112	67	179		
395	Form 1120S	4	METERS	09/11/18		6,150	6,150	S/L	15	513	513	410	923		
	Form 1120S	4	METERS	08/07/20		3,180	3,180	S/L	15	-	-	88	88		
	Form 1120S	4	METERS	09/03/20		6,360	6,360	S/L	15	141	141	141	141		

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	Form 1120S	4	METERS	09/24/20		6,360	6,360	S/L	15			141		141	
		4 Total	METERS			120,818	120,818				49,366	4,654		54,020	
4	Form 1120S	5	REGULATORS AND INS	11/01/95		8,567	8,567	S/L	30		7,150	286		7,436	
26	Form 1120S	5	EQUIP CONTROL REGU	9/05/1996		5,003	5,003	S/L	30		4,008	167		4,175	
27	Form 1120S	5	OVERNITE TRANS CO	9/05/1996		299	299	S/L	30		240	10		250	
28	Form 1120S	5	EQUIP CONTROLS - HO	12/03/96		2,047	2,047	S/L	30		1,632	68		1,700	
83	Form 1120S	5	REGULATORS AND INS	6/30/1997		6,993	6,993	S/L	30		5,359	233		5,592	
111	Form 1120S	5	REGULATORS AND INS	2/11/1998		675	675	S/L	30		506	23		529	
112	Form 1120S	5	REGULATORS AND INS	10/05/98		1,203	1,203	S/L	30		880	40		920	
113	Form 1120S	5	REGULATORS AND INS	12/07/98		659	659	S/L	30		484	22		506	
114	Form 1120S	5	REGULATORS AND INS	12/10/98		1,056	1,056	S/L	30		770	35		805	
145	Form 1120S	5	REGULATORS & INSTAL	11/24/99		1,250	1,250	S/L	30		844	42		886	
155	Form 1120S	5	REGULATORS AND INS	3/02/2000		678	678	S/L	30		456	23		479	
156	Form 1120S	5	REGULATORS AND INS	5/22/2000		810	810	S/L	30		529	27		556	
157	Form 1120S	5	REGULATORS AND INS	6/12/2000		907	907	S/L	30		587	30		617	
158	Form 1120S	5	REGULATORS AND INS	6/23/2000		1,000	1,000	S/L	30		644	33		677	
159	Form 1120S	5	REGULATORS AND INS	8/03/2000		619	619	S/L	30		407	21		428	
160	Form 1120S	5	REGULATORS AND INS	8/04/2000		991	991	S/L	30		640	33		673	
161	Form 1120S	5	REGULATORS AND INS	8/17/2000		233	233	S/L	30		155	8		163	
162	Form 1120S	5	REGULATORS AND INS	9/18/2000		438	438	S/L	30		289	15		304	
163	Form 1120S	5	REGULATORS AND INS	12/31/00		69	69	S/L	30		38	2		40	
201	Form 1120S	5	EQUIPMENT CONTROLS REGULA	1/12/2001		558	558	S/L	30		360	19		379	
202	Form 1120S	5	MAMMOTH PETROLEUM	6/25/2001		1,800	1,800	S/L	30		1,111	60		1,171	
203	Form 1120S	5	TRISTATE METER AND REGULA	6/26/2001		416	416	S/L	30		259	14		273	
204	Form 1120S	5	TRISTATE METER AND REGULA	9/27/2001		503	503	S/L	30		310	17		327	
205	Form 1120S	5	TRISTATE METER AND REGULA	11/02/01		306	306	S/L	30		182	10		192	
206	Form 1120S	5	MCJUNKIN APPALACHIAN	11/19/01		693	693	S/L	30		417	23		440	
207	Form 1120S	5	TRISTATE METER AND REGULA	12/31/01		152	152	S/L	30		90	5		95	
224	Form 1120S	5	TRISTATE METER AND REGULA	1/23/2002		526	526	S/L	30		322	18		340	
225	Form 1120S	5	TRISTATE METER AND REGULA	3/18/2002		277	277	S/L	30		160	9		169	
226	Form 1120S	5	CITIBANK - CONS ORDER	5/06/2002		136	136	S/L	30		88	5		93	
227	Form 1120S	5	TRISTATE METER AND REGULA	5/29/2002		2,989	2,989	S/L	30		1,759	100		1,859	
228	Form 1120S	5	TRISTATE METER AND REGULA	8/22/2002		212	212	S/L	30		122	7		129	
229	Form 1120S	5	EQUIPMENT CONTROLS -REGUL	9/19/2002		58	58	S/L	30		35	2		37	
230	Form 1120S	5	TRISTATE METER AND REGULA	12/19/02		649	649	S/L	30		375	22		397	

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										Accum	DEPR	Depr		Accum	Depr
231	Form 1120S	5	TRISTATE METER AND REGULA	12/31/02		610	610	S/L	30	340		20	360		
261	Form 1120S	5	TRISTATE METER & REGULATO	2/06/2003		869	869	S/L	30	491		29	520		
262	Form 1120S	5	TRISTATE REG - BANDY POUL	2/26/2003		834	834	S/L	30	471		28	499		
263	Form 1120S	5	REGULATORS - CH PLAT	4/28/2003		683	683	S/L	30	383		23	406		
264	Form 1120S	5	REGULATORS-20	12/12/03		580	580	S/L	30	306		19	325		
272	Form 1120S	5	REGULATOR/LOG SCH BD	3/10/2004		225	225	S/L	30	126		8	134		
273	Form 1120S	5	24 1 143-80-2 REGULATORS"	11/22/04		659	659	S/L	30	332		22	354		
288	Form 1120S	5	REGULATOR-TRISTATE	7/29/2005		794	794	S/L	30	375		26	401		
305	Form 1120S	5	REGULATOR/	2/07/2007		453	453	S/L	40	142		11	153		
306	Form 1120S	5	REGULATOR/TRI STATE	4/24/2007		697	697	S/L	40	216		17	233		
310	Form 1120S	5	REGULATORS - MCJUNKIN/TRI	1/28/2008		2,042	2,042	S/L	40	608		51	659		
316	Form 1120S	5	REGULATOR	3/25/2009		624	624	S/L	40	172		16	188		
317	Form 1120S	5	REGULATOR	12/17/09		1,528	1,528	S/L	40	380		38	418		
322	Form 1120S	5	REGULATORS	7/20/2010		733	733	S/L	40	170		18	188		
327	Form 1120S	5	REGULATORS / 20 TRISTATE	5/18/2011		805	805	S/L	40	172		20	192		
328	Form 1120S	5	REGULATORS/ MORMON/LEGRAN	11/14/11		575	575	S/L	40	114		14	128		
336	Form 1120S	5	REGULATOR - TRISTATE	2/17/2012		497	497	S/L	40	94		12	106		
337	Form 1120S	5	REGULATOR - TRISTATE	5/22/2012		336	336	S/L	40	61		8	69		
338	Form 1120S	5	REGULATOR - TRISTATE	9/27/2012		902	902	S/L	40	167		23	190		
344	Form 1120S	5	REGULATOR	4/10/2013		699	699	S/L	40	115		17	132		
355	Form 1120S	5	REGULATORS	11/13/15		2,013	2,013	S/L	10	838		201	1,039		
365	Form 1120S	5	REGULATORS	12/01/16		1,002	1,002	S/L	40	77		25	102		
374	Form 1120S	5	REGULATORS	9/26/2017		684	684	S/L	10	153		68	221		
385	Form 1120S	5	REGULATORS	08/01/19		1,120	1,120	S/L	10	47		47	93		
396	Form 1120S	5	REGULATOR	11/09/18		1,554	1,554	S/L	15	112		104	216		
	Form 1120S	5	REGULATOR	01/18/20		579	579	S/L	15	-		39	39		
	Form 1120S	5	REGULATOR	10/08/20		576	576	S/L	15	-		32	32		
		5 Total	REGULATORS			65,445	65,445			37,670		2,364	40,034		
84	Form 1120S	6	HOUSE HOOKUPS	6/30/1997		6,736	6,736	S/L	40	4,206		168	4,374		
86	Form 1120S	6	HOUSE HOOKUPS	6/30/1997		5,100	5,100	S/L	30	3,910		170	4,080		
115	Form 1120S	6	HOUSE HOOKUPS	1/07/1998		61	61	S/L	30	44		2	46		
116	Form 1120S	6	HOUSE HOOKUPS	3/09/1998		450	450	S/L	30	330		15	345		
117	Form 1120S	6	HOUSE HOOKUPS	5/01/1998		600	600	S/L	30	440		20	460		
118	Form 1120S	6	HOUSE HOOKUPS	5/26/1998		750	750	S/L	30	550		25	575		
119	Form 1120S	6	HOUSE HOOKUPS	7/13/1998		830	830	S/L	30	616		28	644		

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120	Form 1120S	6	HOUSE HOOKUPS	10/29/98		2,550	2,550	S/L	30	1,870	85	1,955			1,955
146	Form 1120S	6	HOUSE HOOKUPS	12/20/99		6,450	6,450	S/L	30	4,306	215	4,521			4,521
164	Form 1120S	6	HOUSE HOOKUPS	2/22/2000		1,293	1,293	S/L	30	854	43	897			897
165	Form 1120S	6	HOUSE HOOKUPS	12/31/00		3,300	3,300	S/L	30	2,090	110	2,200			2,200
208	Form 1120S	6	CONSOLIDATED PIPE RISERS	2/15/2001		716	716	S/L	30	453	24	477			477
209	Form 1120S	6	MAMMOTH PETROLEUM	7/23/2001		600	600	S/L	30	369	20	389			389
210	Form 1120S	6	MAMMOTH PETROLEUM	12/31/01		1,500	1,500	S/L	30	900	50	950			950
274	Form 1120S	6	2500 PLASTIC PIPE	8/10/2004		795	795	S/L	30	416	27	443			443
278	Form 1120S	6	PIPE	1/01/2005		400	400	S/L	30	195	13	208			208
		6 Total	HOOKUPS			32,131	32,131			21,549	1,015	22,564			22,564
5	Form 1120S	7	COMPUTER	11/01/95		3,478	3,478	S/L	30	3,004	116	3,120			3,120
29	Form 1120S	7	LESSENBERRY'S ELECTRIC	2/05/1996		277	277	S/L	30	216	9	225			225
30	Form 1120S	7	LESSENBERRY'S ELECTRIC	2/26/1996		517	517	S/L	30	408	17	425			425
31	Form 1120S	7	EQUIP CONTROLS	10/23/96		184	184	S/L	30	144	6	150			150
121	Form 1120S	7	HOUSE HOOKUPS	12/14/98		563	563	S/L	30	418	19	437			437
166	Form 1120S	7	GREENTREE SOFTWARE	4/26/2000		2,000	2,000	S/L	30	1,318	67	1,385			1,385
167	Form 1120S	7	GREENTREE SOFTWARE	5/30/2000		2,789	2,789	S/L	30	1,822	93	1,915			1,915
168	Form 1120S	7	GREENTREE SOFTWARE	6/05/2000		1,500	1,500	S/L	30	979	50	1,029			1,029
211	Form 1120S	7	AUGER FOR ROAD BORES	7/31/2001		1,000	1,000	S/L	30	608	33	641			641
232	Form 1120S	7	GREENTREE SOFTWARE	6/04/2002		900	900	S/L	30	527	30	557			557
233	Form 1120S	7	GAS SNIFFER PARTS	6/17/2002		840	840	S/L	30	491	28	519			519
234	Form 1120S	7	FUSER HEATER	6/27/2002		577	577	S/L	30	333	19	352			352
289	Form 1120S	7	COMPUTER	7/18/2005		1,130	1,130	S/L	5	1,130	-	1,130			1,130
290	Form 1120S	7	SOFTWARE UPGRADE/PEACHTRE	9/27/2005		795	795	S/L	5	795	-	795			795
292	Form 1120S	7	OFFICE FURN/DESK/FILE/HUT	7/06/2005		1,800	1,800	S/L	7	1,800	-	1,800			1,800
299	Form 1120S	7	BUSH HOG	6/27/2006		716	716	S/L	10	716	-	716			716
300	Form 1120S	7	GENERATOR	12/04/06		519	519	S/L	10	519	-	519			519
307	Form 1120S	7	LAPTOP COMPUTER	3/16/2007		3,283	3,283	S/L	7	3,283	-	3,283			3,283
312	Form 1120S	7	COMPUTER SOFTWARE UPGRADE	6/10/2008		1,250	1,250	S/L	7	1,250	-	1,250			1,250
347	Form 1120S	7	COMPUTER / OFFICE	4/01/2013		1,300	1,300	S/L	7	1,255	45	1,300			1,300
386	Form 1120S	7	SHOP DOORS	02/18/18		2,560	2,560	S/L	7	670	366	1,036			1,036
		7 Total	HOOKUPS			27,978	27,978			21,686	898	22,584			22,584
85	Form 1120S	8	TRUCKS	11/24/97		4,145	4,145	S/L	30	3,174	138	3,312			3,312
235	Form 1120S	8	WILLIAMS & TUCKER T100	3/01/2002		1,850	1,850	S/L	30	1,106	62	1,168			1,168
236	Form 1120S	8	1 TON TRUCK	12/31/02		5,000	5,000	S/L	30	2,839	167	3,006			3,006

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237	Form 1120S	8	3 TRAILERS AND COMPRESSOR	12/31/02		10,000	10,000	S/L	30	5,661	333	5,994			
265	Form 1120S	8	TRAILER	4/29/2003		2,685	2,685	S/L	30	1,500	90	1,590			
275	Form 1120S	8	S10 TRUCK MOTOR	6/09/2004		939	939	S/L	5	939	-	939			
276	Form 1120S	8	2004 TOYOTA TACOMA	12/10/04		7,761	7,761	S/L	5	7,761	-	7,761			
279	Form 1120S	8	TRUCK	1/01/2005		17,018	17,018	S/L	5	17,018	-	17,018			
291	Form 1120S	8	5 x 14 TRAILER	3/30/2005		822	822	S/L	7	822	-	822			
350	Form 1120S	8	FORD F150 PICKUP	6/18/2014		9,299	9,299	S/L	5	9,299	-	9,299			
351	Form 1120S	8	HAYES TRAILER	7/16/2014		3,930	3,930	S/L	7	3,039	561	3,600			
363	Form 1120S	8	2013 TOYOTA TUNDRA	7/06/2016		15,033	15,033	S/L	5	10,524	3,007	13,531			
375	Form 1120S	8	2017 DODGE RAM TRUCK	9/01/2017		40,505	40,505	S/L	7	13,501	5,786	19,287			
383	Form 1120S	8	TOYOTA TUNDRA	06/01/19		8,882	8,882	S/L	7	740	740	1,480			
384	Form 1120S	8	TOYOTA TUNDRA / EMRG LIGHTS	07/01/19		1,210	1,210	S/L	7	86	86	173			
385	Form 1120S	8	VEHICLE IMPROVEMENTS	12/31/17		1,914	1,914	S/L	7	547	273	820			
		8	2019 Dodge Ram	07/06/20		45,852	45,852	S/L	5		4,585	4,585			
		8 Total	TRUCKS / TRAILERS			176,845	176,845			78,556	15,829	94,386			
169	Form 1120S	9	MAMMOTH PETROLEUM	6/23/2000		7,500	7,500	S/L	30	4,881	250	5,131			
397	Form 1120S	9	HOUSE HOOKUPS	11/09/18		954	954	S/L	40	26	24	50			
		9 Total	HOOKUPS			8,454	8,454			4,907	274	5,181			
32	Form 1120S	10	MAMMOTH PETRO 2PL"	2/19/1996		3,000	3,000	S/L	40	1,800	75	1,875			
33	Form 1120S	10	MAMMOTH PETRO 2N"	2/24/1996		2,865	2,865	S/L	40	1,728	72	1,800			
34	Form 1120S	10	MAMMOTH PETRO 1 G"	2/24/1996		450	450	S/L	40	264	11	275			
35	Form 1120S	10	MAMMOTH PETRO 2PL"	3/08/1996		2,325	2,325	S/L	40	1,392	58	1,450			
36	Form 1120S	10	MAMMOTH PETRO 1PL"	3/08/1996		970	970	S/L	40	576	24	600			
37	Form 1120S	10	MAMMOTH PETRO HOU	4/19/1996		450	450	S/L	40	264	11	275			
38	Form 1120S	10	MAMMOTH P PETRO 90	4/19/1996		900	900	S/L	40	552	23	575			
39	Form 1120S	10	MAMMOTH PETRO 500'	4/26/1996		750	750	S/L	40	456	19	475			
40	Form 1120S	10	MAMMOTH PETRO 500'	5/03/1996		750	750	S/L	40	456	19	475			
41	Form 1120S	10	MAMMOTH PETRO 2L"	5/10/1996		4,500	4,500	S/L	40	2,712	113	2,825			
42	Form 1120S	10	MAMMOTH PETRO TIR	6/11/1996		131	131	S/L	40	72	3	75			
43	Form 1120S	10	100' LEGRANDE LINE	6/14/1996		1,500	1,500	S/L	40	912	38	950			
44	Form 1120S	10	2 LEGRANDE LINE"	6/24/1996		3,000	3,000	S/L	40	1,800	75	1,875			
45	Form 1120S	10	ROAD BORE HWY - 31	7/08/1996		1,350	1,350	S/L	40	816	34	850			
46	Form 1120S	10	ROAD BORE HWY - 571	7/08/1996		1,050	1,050	S/L	40	624	26	650			
47	Form 1120S	10	ROAD BORE HWY - 218	7/08/1996		1,200	1,200	S/L	40	720	30	750			
48	Form 1120S	10	ROAD BORE HWY - 218	7/22/1996		3,750	3,750	S/L	40	2,256	94	2,350			

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49	Form 1120S	10	HOUSE HOOKUPS WIG	7/29/1996		1,500	1,500	S/L	40	912	38	950			
50	Form 1120S	10	HOURLY BACKHOE	8/06/1996		180	180	S/L	40	120	5	125			
51	Form 1120S	10	HOURLY CREW & TRUCK	8/06/1996		180	180	S/L	40	120	5	125			
52	Form 1120S	10	1 PIPE INSTALL & MAIN"	8/06/1996		500	500	S/L	40	312	13	325			
53	Form 1120S	10	MMAINLINE TAP IN	8/06/1996		150	150	S/L	40	96	4	100			
54	Form 1120S	10	HOUSE HOOKUPS @ EN	8/06/1996		600	600	S/L	40	360	15	375			
55	Form 1120S	10	HOUSE HOOKUPS - 5	8/15/1996		1,050	1,050	S/L	40	624	26	650			
56	Form 1120S	10	6667 ' 2 INSTALLED HW"	8/17/1996		10,001	10,001	S/L	40	5,998	250	6,248			
57	Form 1120S	10	HOSE HOOKUPS - LEGR	8/31/1996		1,800	1,800	S/L	40	1,078	45	1,123			
58	Form 1120S	10	5000 ' 2 INSTALLED HW"	9/09/1996		7,500	7,500	S/L	40	4,510	188	4,698			
59	Form 1120S	10	5000 ' 1 INSTALLED HW"	10/18/96		7,500	7,500	S/L	40	4,510	188	4,698			
60	Form 1120S	10	HORSE CAVE HOUSE H	10/31/96		2,250	2,250	S/L	40	1,342	56	1,398			
61	Form 1120S	10	3 ROAD BORES HWY 90	11/12/96		7,900	7,900	S/L	40	4,750	198	4,948			
62	Form 1120S	10	2 INSTALLED HWY 90"	11/19/96		4,500	4,500	S/L	40	2,710	113	2,823			
63	Form 1120S	10	2 INSTALLED HWY 90"	12/02/96		5,850	5,850	S/L	40	3,504	146	3,650			
64	Form 1120S	10	HOUSE HOOKUPS HOR	12/19/96		900	900	S/L	40	552	23	575			
65	Form 1120S	10	HOUSE HOOKUPS HWY	12/19/96		2,400	2,400	S/L	40	1,440	60	1,500			
79	Form 1120S	10	MAMMOTH INVOICE 131	1/31/1996		2,000	2,000	S/L	40	1,200	50	1,250			
80	Form 1120S	10	MAMMOTH PETRO. HOU	5/03/1996		450	450	S/L	40	264	11	275			
87	Form 1120S	10	PIPELINE CONSTRUC	6/30/1997		5,748	5,748	S/L	40	3,312	144	3,456			
122	Form 1120S	10	PIPELINE CONSTRUCTION	3/09/1998		3,450	3,450	S/L	40	1,892	86	1,978			
123	Form 1120S	10	PIPELINE CONSTRUCTION	4/09/1998		2,350	2,350	S/L	40	1,298	59	1,357			
124	Form 1120S	10	PIPELINE CONSTRUCTION	7/01/1998		300	300	S/L	40	176	8	184			
125	Form 1120S	10	PIPELINE CONSTRUCTION	7/06/1998		775	775	S/L	40	418	19	437			
126	Form 1120S	10	PIPELINE CONSTRUCTION	7/06/1998		5,550	5,550	S/L	40	3,058	139	3,197			
127	Form 1120S	10	PIPELINE CONSTRUCTION	8/10/1998		2,635	2,635	S/L	40	1,452	66	1,518			
128	Form 1120S	10	PIPELINE CONSTRUCTION	8/31/1998		4,179	4,179	S/L	40	2,288	104	2,392			
129	Form 1120S	10	PIPELINE CONSTRUCTION	9/23/1998		6,750	6,750	S/L	40	3,718	169	3,887			
130	Form 1120S	10	PIPELINE CONSTRUCTION	11/12/98		2,750	2,750	S/L	40	1,518	69	1,587			
140	Form 1120S	10	PIPELINE CONSTRUCI	8/07/1998		2,135	2,135	S/L	40	1,166	53	1,219			
147	Form 1120S	10	PIPELINE CONSTRUCTI	6/15/1999		56,175	56,175	S/L	40	28,846	1,404	30,250			
170	Form 1120S	10	MAMMOTH PETROLEUM	1/25/2000		6,475	6,475	S/L	40	3,229	162	3,391			
171	Form 1120S	10	MAMMOTH PETROLEUM	2/11/2000		4,375	4,375	S/L	40	2,168	109	2,277			
172	Form 1120S	10	MAMMOTH PETROLEUM	2/18/2000		4,375	4,375	S/L	40	2,166	109	2,275			
173	Form 1120S	10	MAMMOTH PETROLEUM	2/28/2000		500	500	S/L	40	258	13	271			

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174	Form 1120S	10	MAMMOTH PETROLEUM	3/02/2000		4,375	4,375	S/L	40	2,162	109	2,271			2,271
175	Form 1120S	10	MAMMOTH PETROLEUM	3/15/2000		4,375	4,375	S/L	40	2,158	109	2,267			2,267
176	Form 1120S	10	MAMMOTH PETROLEUM	3/30/2000		4,375	4,375	S/L	40	2,154	109	2,263			2,263
177	Form 1120S	10	MAMMOTH PETROLEUM	4/10/2000		1,750	1,750	S/L	40	868	44	912			912
178	Form 1120S	10	MAMMOTH PETROLEUM	4/24/2000		2,500	2,500	S/L	40	1,240	63	1,303			1,303
179	Form 1120S	10	MAMMOTH PETROLEUM	5/09/2000		3,500	3,500	S/L	40	1,729	88	1,817			1,817
180	Form 1120S	10	MAMMOTH PETROLEUM	6/23/2000		1,925	1,925	S/L	40	937	48	985			985
181	Form 1120S	10	MAMMOTH PETROLEUM	6/30/2000		2,625	2,625	S/L	40	1,287	66	1,353			1,353
182	Form 1120S	10	MAMMOTH PETROLEUM	8/04/2000		2,500	2,500	S/L	40	1,223	63	1,286			1,286
183	Form 1120S	10	MAMMOTH PETROLEUM	8/21/2000		12,583	12,583	S/L	40	6,099	315	6,414			6,414
184	Form 1120S	10	MAMMOTH PETROLEUM	12/31/00		25,025	25,025	S/L	40	11,894	1,626	13,520			13,520
238	Form 1120S	10	MAMMOTH PETROLEUM	5/24/2002		3,000	3,000	S/L	40	1,320	75	1,395			1,395
239	Form 1120S	10	BACKHOE RENTAL	7/08/2002		175	175	S/L	40	70	4	74			74
			10 Total PIPELINE			263,382	263,382			141,906	7,591	149,497			
66	Form 1120S	11	1 BLACK STEEL PIPE"	1/26/1996		31	31	S/L	40	24	1	25			25
			11 Total PIPELINE			31	31			24	1	25			
67	Form 1120S	12	2SDR-11 PLASTIC PIPE"	7/09/1996		1,500	1,500	S/L	40	912	38	950			950
68	Form 1120S	12	2 X 1 BUTT FUSE SDR 1	8/05/1996		36	36	S/L	40	24	1	25			25
69	Form 1120S	12	20000' 1 SDR 11 BLK - N"	8/26/1996		2,520	2,520	S/L	40	1,512	63	1,575			1,575
78	Form 1120S	12	N AMER 24500' 2 SDR 1"	8/26/1996		10,070	10,070	S/L	40	6,048	252	6,300			6,300
88	Form 1120S	12	PIPE PURCHASE PLASTIC	6/30/1997		750	750	S/L	40	437	19	456			456
131	Form 1120S	12	PIPE PURCHASE PLASTIC	6/15/1998		4,464	4,464	S/L	40	2,464	112	2,576			2,576
132	Form 1120S	12	PIPE PURCHASE PLASTIC	6/15/1998		6,384	6,384	S/L	40	3,520	160	3,680			3,680
133	Form 1120S	12	PIPE PURCHASE PLASTIC	6/24/1998		754	754	S/L	40	418	19	437			437
134	Form 1120S	12	PIPE PURCHASE PLASTIC	7/30/1998		158	158	S/L	40	88	4	92			92
135	Form 1120S	12	PIPE PURCHASE PLASTIC	10/05/98		246	246	S/L	40	132	6	138			138
136	Form 1120S	12	PIPE PURCHASE PLASTIC	11/30/98		100	100	S/L	40	66	3	69			69
148	Form 1120S	12	PIPE PURCHASE PLASTIC	12/10/99		12,559	12,559	S/L	40	6,298	314	6,612			6,612
185	Form 1120S	12	PIPE PURCHASE PLASTIC	4/11/2000		87	87	S/L	40	40	2	42			42
186	Form 1120S	12	PIPE PURCHASE PLASTIC	5/09/2000		11,005	11,005	S/L	40	5,403	275	5,678			5,678
187	Form 1120S	12	PIPE PURCHASE PLASTIC	7/08/2000		393	393	S/L	40	195	10	205			205
188	Form 1120S	12	PIPE PURCHASE PLASTIC	12/08/00		170	170	S/L	40	76	4	80			80
212	Form 1120S	12	GLASGOW WELL SUPPLY - PIP	9/27/2001		512	512	S/L	30	306	17	323			323
240	Form 1120S	12	MCJUNKIN APPALACHIAN 1PI"	11/15/02		2,438	2,438	S/L	40	1,045	61	1,106			1,106
277	Form 1120S	12	4000 FT 1 PIPE"	10/14/04		1,200	1,200	S/L	40	458	30	488			488

2020 DEPRECIATION SCHEDULE

No.	Form	Category	Description	Date Acquired	Date Sold	Cost/ Basis	Depr. Basis	Book Method	Book Life	Prior Year		Current Year		Ending	
										Accum	DEPR	Depr		Accum	Depr
280	Form 1120S	12	PLASTIC PIPE - MCJUNKIN A	5/23/2005		1,272	1,272	S/L	40	467		32		499	
311	Form 1120S	12	PIPELINE - MCJUNKIN	9/12/2008		1,208	1,208	S/L	40	340		30		370	
318	Form 1120S	12	PIPELINE	11/16/09		2,424	2,424	S/L	40	615		61		676	
329	Form 1120S	12	PIPELINE/MCJUNKIN	6/30/2011		3,195	3,195	S/L	40	680		80		760	
330	Form 1120S	12	PIPELINE/MCJUNKIN	8/29/2011		2,014	2,014	S/L	40	417		50		467	
339	Form 1120S	12	PIPELINE - MCJUNKIN	12/17/12		2,279	2,279	S/L	40	399		57		456	
345	Form 1120S	12	PIPELINE	6/14/2013		14,225	14,225	S/L	40	2,343		356		2,699	
346	Form 1120S	12	PIPELINE	9/26/2013		2,279	2,279	S/L	40	356		57		413	
380	Form 1120S	12	PIPELINE	04/01/19		1,783	1,783	S/L	40	33		33		67	
	Form 1120S	12	PIPELINE	04/20/20		599	599	S/L	40	-		10		10	
		12 Total	PIPELINE			86,624	86,624			35,092		2,156		37,249	
70	Form 1120S	13	LESSENBERRY'S ELEC	6/28/1996		340	340	S/L	40	216		9		225	
71	Form 1120S	13	LESSENBERRY'S ELEC	7/23/1996		266	266	S/L	40	168		7		175	
72	Form 1120S	13	LESSENBERRY'S ELEC	8/02/1996		42	42	S/L	40	24		1		25	
73	Form 1120S	13	LESSENBERRY'S ELEC	8/09/1996		250	250	S/L	40	144		6		150	
74	Form 1120S	13	LESSENBERRY'S ELEC	8/22/1996		322	322	S/L	40	192		8		200	
75	Form 1120S	13	LESSENBERRY'S ELEC	9/23/1996		452	452	S/L	40	264		11		275	
76	Form 1120S	13	LESSENBERRY'S ELEC	10/10/96		480	480	S/L	40	288		12		300	
77	Form 1120S	13	LESSENBERRY'S ELEC	10/21/96		169	169	S/L	40	96		4		100	
89	Form 1120S	13	TRACER WIRE PIPELINE	6/30/1997		778	778	S/L	40	437		19		456	
137	Form 1120S	13	TRACER WIRE PIPELINE	8/13/1998		170	170	S/L	40	88		4		92	
138	Form 1120S	13	TRACER WIRE PIPELINE	9/01/1998		350	350	S/L	40	198		9		207	
139	Form 1120S	13	TRACER WIRE PIPELINE	9/03/1998		58	58	S/L	40	22		1		23	
149	Form 1120S	13	TRACER WIRE PIPELINE	10/15/99		936	936	S/L	40	465		23		488	
189	Form 1120S	13	TRACKER WIRE PIPELINE	1/06/2000		218	218	S/L	40	100		5		105	
190	Form 1120S	13	TRACKER WIRE PIPELINE	1/07/2000		372	372	S/L	40	180		9		189	
191	Form 1120S	13	TRACKER WIRE PIPELINE	2/09/2000		424	424	S/L	40	218		11		229	
192	Form 1120S	13	TRACKER WIRE PIPELINE	5/09/2000		450	450	S/L	40	216		11		227	
193	Form 1120S	13	TRACKER WIRE PIPELINE	6/22/2000		405	405	S/L	40	195		10		205	
194	Form 1120S	13	TRACKER WIRE PIPELINE	8/16/2000		522	522	S/L	40	252		13		265	
195	Form 1120S	13	TRACKER WIRE PIPELINE	10/16/00		657	657	S/L	40	307		16		323	
213	Form 1120S	13	LESSENBERRY'S ELECTRIC	1/10/2001		280	280	S/L	40	133		7		140	
214	Form 1120S	13	LESSENBERRY'S ELECTRIC	3/15/2001		88	88	S/L	40	38		2		40	
215	Form 1120S	13	LESSENBERRY'S ELECTRIC	4/02/2001		85	85	S/L	40	38		2		40	
241	Form 1120S	13	LESSENBERRY'S ELECTRIC	1/14/2002		188	188	S/L	40	90		5		95	

2020 DEPRECIATION SCHEDULE

No.	Form	Category	Description	Date Acquired	Date Sold	Cost/ Basis	Depr. Basis	Book Method	Book Life	Prior Year		Current Year		Ending	
										Accum	DEPR	Depr		Accum	Depr
242	Form 1120S	13	LESSENBERRY'S ELECTRIC	4/23/2002		245	245	S/L	40	106	6	112			
243	Form 1120S	13	LESSENBERRY'S ELECTRIC	6/17/2002		120	120	S/L	40	53	3	56			
244	Form 1120S	13	LESSENBERRY'S ELECTRIC	7/24/2002		256	256	S/L	40	105	6	111			
245	Form 1120S	13	LESSENBERRY'S ELECTRIC	7/30/2002		219	219	S/L	40	87	5	92			
246	Form 1120S	13	LESSENBERRY'S ELECTRIC	8/07/2002		146	146	S/L	40	69	4	73			
247	Form 1120S	13	LESSENBERRY'S ELECTRIC	9/03/2002		164	164	S/L	40	69	4	73			
248	Form 1120S	13	LESSENBERRY'S ELECTRIC	11/18/02		202	202	S/L	40	86	5	91			
249	Form 1120S	13	LESSENBERRY'S ELECTRIC	12/16/02		560	560	S/L	40	239	14	253			
266	Form 1120S	13	LESSENBERRY ELEC TRACER W	1/07/2003		307	307	S/L	40	136	8	144			
267	Form 1120S	13	LESSENBERRY ELEC TRACER W	1/28/2003		199	199	S/L	40	85	5	90			
281	Form 1120S	13	LESSENBERRY ELECT TRACER W	7/20/2005		215	215	S/L	40	72	5	77			
298	Form 1120S	13	LESSENBERRYS / TRACER WIR	11/03/06		225	225	S/L	40	79	6	85			
362	Form 1120S	13	TRACER WIRE/LESSENBERRY	9/16/2016		762	762	S/L	40	62	19	81			
390	Form 1120S	13	TRACER WIRE PIPELINE	06/13/18		1,005	1,005	S/L	20	84	50	134			
		13 Total	PIPELINE			12,927	12,927			5,701	345	6,046			
250	Form 1120S	14	5110 DITCH SWITCH	12/31/02		24,000	24,000	S/L	30	13,600	800	14,400			
251	Form 1120S	14	3610 DITCH SWITCH	12/31/02		17,000	17,000	S/L	30	9,639	567	10,206			
252	Form 1120S	14	ROAD BORING MACHINE	12/31/02		12,000	12,000	S/L	30	6,800	400	7,200			
376	Form 1120S	14	BACKHOE TIRES	9/24/2017		1,800	1,800	S/L	10	405	180	585			
377	Form 1120S	14	DITCHWITCH TRANSMISSION	10/03/17		2,572	2,572	S/L	10	578	257	835			
		14	TERAMITE ENGINE	08/21/20		2,089	2,089	S/L	10	-	87	87			
		14 Total	EQUIPMENT			59,461	59,461			31,022	2,291	33,313			
253	Form 1120S	15	BUILDING	12/31/02		40,000	40,000	S/L	40	17,000	1,000	18,000			
282	Form 1120S	15	BUILDING IMPROVEMENTS	7/29/2005		1,420	1,420	S/L	40	519	36	555			
283	Form 1120S	15	BUILDING IMPROVEMENTS	9/19/2005		865	865	S/L	40	313	22	335			
		15 Total	BUILDING			42,285	42,285			17,832	1,058	18,890			
254	Form 1120S	16	TOOLS	12/31/02		5,000	5,000	S/L	30	2,839	167	3,006			
319	Form 1120S	16	PIPE TOOLS	1/23/2009		721	721	S/L	10	721	-	721			
320	Form 1120S	16	PIPE TOOLS	2/27/2009		1,869	1,869	S/L	10	1,869	-	1,869			
356	Form 1120S	16	TOOLS	8/17/2015		2,243	2,243	S/L	10	971	224	1,195			
364	Form 1120S	16	PORTABLE GENERATORS	9/16/2016		1,960	1,960	S/L	10	637	196	833			
378	Form 1120S	16	TRU TECH TOOLS	3/02/2017		1,432	1,432	200DB HY	7	907	351	1,258			
382	Form 1120S	16	ODOR DETECTOR	06/01/19		5,130	5,130	S/L	10	299	299	599			
		16 Total	TOOLS			18,355	18,355			8,243	1,237	9,481			
255	Form 1120S	17	LAND	12/31/02		5,000	5,000	S/L		-	-	-			

Bluegrass Gas Sales, Inc.

3620 Rockland Mills Rd
Center, KY 42214
Telephone (888) 317-6350

June 16, 2022

Linda Bridwell, PE
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RE: PSC Approval per KRS 278-300
Debts with Terms greater than 2 years.

Dear Ms. Bridwell:

Responding to your inquiry from an earlier application for Rate increase, it was asked if the loans on the books have been approved by the PSC from a previous order. There are 2 loans on the books that currently do not have official approval.

1. SBA Economic Injury Disaster Loan COVID 19 Pandemic – This loan was approved and disbursed by the Small Business Administration. Due to timing and issues during the pandemic, no approval was sought, and the company was advised that it was not necessary.
2. Vehicle loan – This loan was funded in 2020 during the middle of the Pandemic Shutdown. A truck was purchased because another had to be replaced. The company did not go through the process of obtaining approval by the PSC due to the timing and necessity of replacing the vehicle and the uncertainty of the Pandemic.
3. The other loan on the books was under the 2 year amortization / payback time frame so no approval was necessary.

If there are any additional questions concerning this issue, please feel free to contact our accountant.

Respectfully:



Mark O'Brien
President

SBA Loan #4522677906

Application #3303180108

LOAN AUTHORIZATION AND AGREEMENT (LA&A)

***A PROPERLY SIGNED DOCUMENT IS
REQUIRED PRIOR TO ANY
DISBURSEMENT***

CAREFULLY READ THE LA&A:

This document describes the terms and conditions of your loan. It is your responsibility to comply with ALL the terms and conditions of your loan.

SIGNING THE LA&A:

All borrowers must sign the LA&A.

- Sign your name *exactly* as it appears on the LA&A. If typed incorrectly, you should sign with the correct spelling.
- If your middle initial appears on the signature line, sign with your middle initial.
- If a suffix appears on the signature line, such as Sr. or Jr., sign with your suffix.
- Corporate Signatories: Authorized representatives should sign the signature page.

*Your signature represents your agreement to comply
with the terms and conditions of the loan.*

SBA Loan #4522677906

Application #3303180108

U.S. Small Business Administration

Economic Injury Disaster Loan

LOAN AUTHORIZATION AND AGREEMENT

Date: 06.14.2020 (Effective Date)

On the above date, this Administration (SBA) authorized (under Section 7(b) of the Small Business Act, as amended) a Loan (SBA Loan #4522677906) to Bluegrass Gas Sales, Inc (Borrower) of 11405 Park Rd Louisville Kentucky 40223 in the amount of seventy-four thousand five hundred and 00/100 Dollars (\$74,500.00), upon the following conditions:

PAYMENT

- Installment payments, including principal and interest, of \$363.00 Monthly, will begin Twelve (12) months from the date of the promissory Note. The balance of principal and interest will be payable Thirty (30) years from the date of the promissory Note.

INTEREST

- Interest will accrue at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date(s) of each advance.

PAYMENT TERMS

- Each payment will be **applied first to interest accrued to the date of receipt of each payment**, and the balance, if any, will be applied to principal.
- Each payment will be made when due even if at that time the full amount of the Loan has not yet been advanced or the authorized amount of the Loan has been reduced.

COLLATERAL

- For loan amounts of greater than \$25,000, Borrower hereby grants to SBA, the secured party hereunder, a continuing security interest in and to any and all "Collateral" as described herein to secure payment and performance of all debts, liabilities and obligations of Borrower to SBA hereunder without limitation, including but not limited to all interest, other fees and expenses (all hereinafter called "Obligations"). The Collateral includes the following property that Borrower now owns or shall acquire or create immediately upon the acquisition or creation thereof: all tangible and intangible personal property, including, but not limited to: (a) inventory, (b) equipment, (c) instruments, including promissory notes (d) chattel paper, including tangible chattel paper and electronic chattel paper, (e) documents, (f) letter of credit rights, (g) accounts, including health-care insurance receivables and credit card receivables, (h) deposit accounts, (i) commercial tort claims, (j) general intangibles, including payment intangibles and software and (k) as-extracted collateral as such terms may from time to time be defined in the Uniform Commercial Code. The security interest Borrower grants includes all accessions, attachments, accessories, parts, supplies and replacements for the Collateral, all products, proceeds and collections thereof and all records and data relating thereto.
- For loan amounts of \$25,000 or less, SBA is not taking a security interest in any collateral.

SBA Loan #4522677906

Application #3303180108

REQUIREMENTS RELATIVE TO COLLATERAL

- Borrower will not sell or transfer any collateral (except normal inventory turnover in the ordinary course of business) described in the "Collateral" paragraph hereof without the prior written consent of SBA.
- Borrower will neither seek nor accept future advances under any superior liens on the collateral securing this Loan without the prior written consent of SBA.

USE OF LOAN PROCEEDS

- Borrower will use all the proceeds of this Loan solely as working capital to alleviate economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter and to pay Uniform Commercial Code (UCC) lien filing fees and a third-party UCC handling charge of \$100 which will be deducted from the Loan amount stated above.

REQUIREMENTS FOR USE OF LOAN PROCEEDS AND RECEIPTS

- Borrower will obtain and itemize receipts (paid receipts, paid invoices or cancelled checks) and contracts for all Loan funds spent and retain these receipts for 3 years from the date of the final disbursement. Prior to each subsequent disbursement (if any) and whenever requested by SBA, Borrower will submit to SBA such itemization together with copies of the receipts.
- Borrower will not use, directly or indirectly, any portion of the proceeds of this Loan to relocate without the prior written permission of SBA. The law prohibits the use of any portion of the proceeds of this Loan for voluntary relocation from the business area in which the disaster occurred. To request SBA's prior written permission to relocate, Borrower will present to SBA the reasons therefore and a description or address of the relocation site. Determinations of (1) whether a relocation is voluntary or otherwise, and (2) whether any site other than the disaster-affected location is within the business area in which the disaster occurred, will be made solely by SBA.
- Borrower will, to the extent feasible, purchase only American-made equipment and products with the proceeds of this Loan.
- Borrower will make any request for a loan increase for additional disaster-related damages as soon as possible after the need for a loan increase is discovered. The SBA will not consider a request for a loan increase received more than **two (2)** years from the date of loan approval unless, in the sole discretion of the SBA, there are extraordinary and unforeseeable circumstances beyond the control of the borrower.

DEADLINE FOR RETURN OF LOAN CLOSING DOCUMENTS

- **Borrower will sign and return the loan closing documents to SBA within 2 months of the date of this Loan Authorization and Agreement.** By notifying the Borrower in writing, SBA may cancel this Loan if the Borrower fails to meet this requirement. The Borrower may submit and the SBA may, in its sole discretion, accept documents after 2 months of the date of this Loan Authorization and Agreement.

COMPENSATION FROM OTHER SOURCES

- Eligibility for this disaster Loan is limited to disaster losses that are not compensated by other sources. Other sources include but are not limited to: (1) proceeds of policies of insurance or other indemnifications, (2) grants or other reimbursement (including loans) from government agencies or private organizations, (3)

SBA Loan # 7906

Application # 108

claims for civil liability against other individuals, organizations or governmental entities, and (4) salvage (including any sale or re-use) of items of damaged property.

- Borrower will promptly notify SBA of the existence and status of any claim or application for such other compensation, and of the receipt of any such compensation, and Borrower will promptly submit the proceeds of same (not exceeding the outstanding balance of this Loan) to SBA.
- Borrower hereby assigns to SBA the proceeds of any such compensation from other sources and authorizes the payor of same to deliver said proceeds to SBA at such time and place as SBA shall designate.
- SBA will in its sole discretion determine whether any such compensation from other sources is a duplication of benefits. SBA will use the proceeds of any such duplication to reduce the outstanding balance of this Loan, and Borrower agrees that such proceeds will not be applied in lieu of scheduled payments.

DUTY TO MAINTAIN HAZARD INSURANCE

- Within 12 months from the date of this Loan Authorization and Agreement the Borrower will provide proof of an active and in effect hazard insurance policy including fire, lightning, and extended coverage on all items used to secure this loan to at least 80% of the insurable value. Borrower will not cancel such coverage and will maintain such coverage throughout the entire term of this Loan. **BORROWER MAY NOT BE ELIGIBLE FOR EITHER ANY FUTURE DISASTER ASSISTANCE OR SBA FINANCIAL ASSISTANCE IF THIS INSURANCE IS NOT MAINTAINED AS STIPULATED HEREIN THROUGHOUT THE ENTIRE TERM OF THIS LOAN.** Please submit proof of insurance to: U.S. Small Business Administration, Office of Disaster Assistance, 14925 Kingsport Rd, Fort Worth, TX. 76155.

BOOKS AND RECORDS

- Borrower will maintain current and proper books of account in a manner satisfactory to SBA for the most recent 5 years until 3 years after the date of maturity, including extensions, or the date this Loan is paid in full, whichever occurs first. Such books will include Borrower's financial and operating statements, insurance policies, tax returns and related filings, records of earnings distributed and dividends paid and records of compensation to officers, directors, holders of 10% or more of Borrower's capital stock, members, partners and proprietors.
- Borrower authorizes SBA to make or cause to be made, at Borrower's expense and in such a manner and at such times as SBA may require: (1) inspections and audits of any books, records and paper in the custody or control of Borrower or others relating to Borrower's financial or business conditions, including the making of copies thereof and extracts therefrom, and (2) inspections and appraisals of any of Borrower's assets.
- Borrower will furnish to SBA, not later than 3 months following the expiration of Borrower's fiscal year and in such form as SBA may require, Borrower's financial statements.
- Upon written request of SBA, Borrower will accompany such statements with an 'Accountant's Review Report' prepared by an independent public accountant at Borrower's expense.
- Borrower authorizes all Federal, State and municipal authorities to furnish reports of examination, records and other information relating to the conditions and affairs of Borrower and any desired information from such reports, returns, files, and records of such authorities upon request of SBA.

SBA Loan # 906

LIMITS ON DISTRIBUTION OF ASSETS

- Borrower will not, without the prior written consent of SBA, make any distribution of Borrower's assets, or give any preferential treatment, make any advance, directly or indirectly, by way of loan, gift, bonus, or otherwise, to any owner or partner or any of its employees, or to any company directly or indirectly controlling or affiliated with or controlled by Borrower, or any other company.

EQUAL OPPORTUNITY REQUIREMENT

- If Borrower has or intends to have employees, Borrower will post SBA Form 722, Equal Opportunity Poster (copy attached), in Borrower's place of business where it will be clearly visible to employees, applicants for employment, and the general public.

DISCLOSURE OF LOBBYING ACTIVITIES

- Borrower agrees to the attached Certification Regarding Lobbying Activities

BORROWER'S CERTIFICATIONS

Borrower certifies that:

- There has been no substantial adverse change in Borrower's financial condition (and organization, in case of a business borrower) since the date of the application for this Loan. (Adverse changes include, but are not limited to: judgment liens, tax liens, mechanic's liens, bankruptcy, financial reverses, arrest or conviction of felony, etc.)
- No fees have been paid, directly or indirectly, to any representative (attorney, accountant, etc.) for services provided or to be provided in connection with applying for or closing this Loan, other than those reported on SBA Form 5 Business Disaster Loan Application'; SBA Form 3501 COVID-19 Economic Injury Disaster Loan Application; or SBA Form 159, 'Compensation Agreement'. All fees not approved by SBA are prohibited.
- All representations in the Borrower's Loan application (including all supplementary submissions) are true, correct and complete and are offered to induce SBA to make this Loan.
- No claim or application for any other compensation for disaster losses has been submitted to or requested of any source, and no such other compensation has been received, other than that which Borrower has fully disclosed to SBA.
- Neither the Borrower nor, if the Borrower is a business, any principal who owns at least 50% of the Borrower, is delinquent more than 60 days under the terms of any: (a) administrative order; (b) court order; or (c) repayment agreement that requires payment of child support.
- Borrower certifies that no fees have been paid, directly or indirectly, to any representative (attorney, accountant, etc.) for services provided or to be provided in connection with applying for or closing this Loan, other than those reported on the Loan Application. All fees not approved by SBA are prohibited. If an Applicant chooses to employ an Agent, the compensation an Agent charges to and that is paid by the Applicant must bear a necessary and reasonable relationship to the services actually performed and must be comparable to those charged by other Agents in the geographical area. Compensation cannot be contingent on loan approval. In addition, compensation must not include any expenses which are deemed by SBA to be unreasonable for services actually performed or expenses actually incurred. Compensation must not include

SBA Loan #:

Application #:

charges prohibited in 13 CFR 103 or SOP 50-30, Appendix 1. **If the compensation exceeds \$500 for a disaster home loan or \$2,500 for a disaster business loan, Borrower must fill out the Compensation Agreement Form 159D which will be provided for Borrower upon request or can be found on the SBA website.**

- Borrower certifies, to the best of its, his or her knowledge and belief, that the certifications and representations in the attached Certification Regarding Lobbying are true, correct and complete and are offered to induce SBA to make this Loan.

CIVIL AND CRIMINAL PENALTIES

- Whoever wrongfully misapplies the proceeds of an SBA disaster loan shall be civilly liable to the Administrator in an amount equal to one-and-one half times the original principal amount of the loan under 15 U.S.C. 636(b). In addition, any false statement or misrepresentation to SBA may result in criminal, civil or administrative sanctions including, but not limited to: 1) fines, imprisonment or both, under 15 U.S.C. 645, 18 U.S.C. 1001, 18 U.S.C. 1014, 18 U.S.C. 1040, 18 U.S.C. 3571, and any other applicable laws; 2) treble damages and civil penalties under the False Claims Act, 31 U.S.C. 3729; 3) double damages and civil penalties under the Program Fraud Civil Remedies Act, 31 U.S.C. 3802; and 4) suspension and/or debarment from all Federal procurement and non-procurement transactions. Statutory fines may increase if amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

RESULT OF VIOLATION OF THIS LOAN AUTHORIZATION AND AGREEMENT

- If Borrower violates any of the terms or conditions of this Loan Authorization and Agreement, the Loan will be in default and SBA may declare all or any part of the indebtedness immediately due and payable. SBA's failure to exercise its rights under this paragraph will not constitute a waiver.
- A default (or any violation of any of the terms and conditions) of any SBA Loan(s) to Borrower and/or its affiliates will be considered a default of all such Loan(s).

DISBURSEMENT OF THE LOAN

- Disbursements will be made by and at the discretion of SBA Counsel, in accordance with this Loan Authorization and Agreement and the general requirements of SBA.
- Disbursements may be made in increments as needed.
- Other conditions may be imposed by SBA pursuant to general requirements of SBA.
- Disbursement may be withheld if, in SBA's sole discretion, there has been an adverse change in Borrower's financial condition or in any other material fact represented in the Loan application, or if Borrower fails to meet any of the terms or conditions of this Loan Authorization and Agreement.
- **NO DISBURSEMENT WILL BE MADE LATER THAN 6 MONTHS FROM THE DATE OF THIS LOAN AUTHORIZATION AND AGREEMENT UNLESS SBA, IN ITS SOLE DISCRETION, EXTENDS THIS DISBURSEMENT PERIOD.**

SBA Loan #

Application #

PARTIES AFFECTED

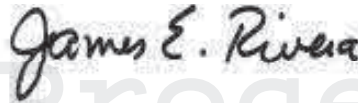
- This Loan Authorization and Agreement will be binding upon Borrower and Borrower's successors and assigns and will inure to the benefit of SBA and its successors and assigns.

RESOLUTION OF BOARD OF DIRECTORS

- Borrower shall, within 180 days of receiving any disbursement of this Loan, submit the appropriate SBA Certificate and/or Resolution to the U.S. Small Business Administration, Office of Disaster Assistance, 14925 Kingsport Rd, Fort Worth, TX. 76155.

ENFORCEABILITY

- This Loan Authorization and Agreement is legally binding, enforceable and approved upon Borrower's signature, the SBA's approval and the Loan Proceeds being issued to Borrower by a government issued check or by electronic debit of the Loan Proceeds to Borrower's banking account provided by Borrower in application for this Loan.



James E. Rivera
Associate Administrator
U.S. Small Business Administration

The undersigned agree(s) to be bound by the terms and conditions herein during the term of this Loan, and further agree(s) that no provision stated herein will be waived without prior written consent of SBA. **Under penalty of perjury of the United States of America, I hereby certify that I am authorized to apply for and obtain a disaster loan on behalf of Borrower, in connection with the effects of the COVID-19 emergency.**

Bluegrass Gas Sales, Inc

Date: 06.14.2020

Mark O'Brien, Owner/Officer

Note: Corporate Borrowers must execute Loan Authorization and Agreement in corporate name, by a duly authorized officer. Partnership Borrowers must execute in firm name, together with signature of a general partner. Limited Liability entities must execute in the entity name by the signature of the authorized managing person.



SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

**NOTICE OF PAYCHECK PROTECTION PROGRAM
FORGIVENESS PAYMENT**

Borrower: Bluegrass Gas Sales, Inc.
Lender of Record: Stock Yards Bank & Trust Company
SBA Loan No.: 6580627006
Loan Approval Date: 04/07/2020
Loan Disbursement Amount: \$ 21,715.00

Amount of Forgiveness Requested by Lender: \$ 21,715.00
Forgiveness Amount Remitted: \$ 21,715.00 in principal and \$ 193.35 in interest
Forgiveness Payment Date: 03/05/2021

As authorized by Section 1106 of the CARES Act, SBA has remitted to the Lender of Record the payment listed above for forgiveness of the Borrower's Paycheck Protection Program (PPP) loan.

If any balance remains on the PPP loan after application of the forgiveness payment, the Lender must notify the Borrower of the date on which the first payment is due, and the loan must be repaid by the Borrower on or before the maturity date.

For loans of \$150,000 and less [except for those borrowers that together with their affiliates received loans of \$2 million or greater], the borrower must retain records relevant to the loan forgiveness application that prove compliance with the requirements of Section 7(a)(36) and Section 7A of the Small Business Act—with respect to employment records, for the 4-year period following submission of the loan forgiveness application, and with respect to other records, for the 3-year period following submission of the loan forgiveness application.

For loans greater than \$150,000, the Borrower must retain all records relating to the Borrower's PPP loan for six years from the date the loan is forgiven or repaid in full.

THIS DOCUMENT IS A NOTICE OF PAYMENT ONLY. ISSUANCE OF THIS NOTICE OF PAYMENT DOES NOT PROVIDE THE BORROWER WITH A RIGHT TO APPEAL TO THE SBA OFFICE OF HEARINGS AND APPEALS.



00000000019934713095504122020

PAID

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$21,715.00	04-12-2020	04-12-2022		0002	153657-1	10258	

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "*****" has been omitted due to text length limitations.

Borrower: Bluegrass Gas Sales, Inc. 3620 Rockland Mills Rd Center, KY 42214

Lender: STOCK YARDS BANK & TRUST COMPANY COMMERCIAL LENDING DEPARTMENT 1040 EAST MAIN STREET P.O. BOX 32890 LOUISVILLE, KY 40232-2890

Principal Amount: \$21,715.00 Interest Rate: 1.000% Date of Note: April 12, 2020

EFFECTIVE FUNDING DATE. This document is dated as of April 12, 2020, but is effective as of the date of funding.

PROMISE TO PAY. Bluegrass Gas Sales, Inc. ("Borrower") promises to pay to STOCK YARDS BANK & TRUST COMPANY ("Lender"), or order, in lawful money of the United States of America, the principal amount of Twenty-one Thousand Seven Hundred Fifteen & 00/100 Dollars (\$21,715.00), together with interest on the unpaid principal balance from April 12, 2020, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 1.000%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 18 payments of \$1,222.06 each payment. Borrower's first payment is due November 12, 2020, and all subsequent payments are due on the same day of each month after that. Borrower's final payment will be due on April 12, 2022, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; and then to principal. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

RE-AMORTIZATION OF OUTSTANDING BALANCE. Commencing on the first scheduled payment date, the outstanding principal balance and any accrued interest will be re-amortized over the remaining term of the loan.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/365 simple interest basis; that is, by applying the ratio of the interest rate over the number of days in a year (365 for all years, including leap years), multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: STOCK YARDS BANK & TRUST COMPANY, P. O. BOX 39511 LOUISVILLE, KY 40233.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, the interest rate on this Note shall be increased by 5.000 percentage points. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

Change in Ownership. Any change in ownership of twenty-five percent (25%) or more of the common stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or

**PROMISSORY NOTE
(Continued)**

Loan No: _____

Page 2

performance of this Note is impaired.

SBA DEFAULTS. Borrower does not disclose, or anyone acting on their behalf does not disclose, any material fact to Lender or SBA; makes, or anyone acting on their behalf makes, a materially false or misleading representation to Lender or SBA; reorganizes, merges, consolidates, or otherwise changes ownership or business structure without Lender's prior written consent; or becomes the subject of a civil or criminal action the Lender believes may materially affect Borrower's ability to pay the Note.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

WHEN FEDERAL LAW APPLIES. When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligation, defeat any claim of SBA, or preempt federal law.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Jefferson County, Commonwealth of Kentucky.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the debt against any and all such accounts.

COLLATERAL. This loan is unsecured.

FINAL AGREEMENT. The undersigned represents and agrees that: (A) this agreement, together with the other documents executed in connection herewith and/or referred to herein collectively, the "Loan Documents" which represent the final agreement between the undersigned and the lender with respect to the subject matter thereof; (B) there are no unwritten oral agreements between the parties; and (C) the loan documents may not be contradicted by evidence of any prior, contemporaneous, or subsequent oral agreements or understandings of the parties. The term "Parties" means Stock Yards Bank & Trust Company and any and all entities or individuals who are obligated, directly or indirectly to repay the indebtedness represented by the Note or any applicable guaranty agreements or have pledged property as security for the indebtedness represented by the Promissory Note.

ATTORNEYS' FEES; EXPENSES. Borrower and or Grantor shall be liable for and must reimburse Lender for any and all costs incurred (A) by Lender to collect from and enforce payment of any and all amounts owed on the Note or any other loan document, (B) by Lender to defend itself in any and all legal proceedings from claims alleged by Borrower or any Guarantor against Lender relating to any loan document, and (C) by Lender in any and all legal proceeding related to any loan document. The costs incurred by Lender that Borrower shall be liable for and must reimburse Lender shall include any and all costs incurred before, during, in and after any and all legal proceeding in any forum, including but not limited to legal proceedings in state, federal and bankruptcy courts, both for trial and appeal. The costs incurred by Lender shall include attorneys' fees, court fees, and other expenses, taxable and non-taxable, incurred by or on behalf of the Lender, including but not limited to expenses for service of subpoenas transcripts and documents, and expert witnesses, both consulting and testifying.

SBA. When SBA is the holder, this Note will be interpreted and enforced under federal law, including SBA regulations. Lender or SBA may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, SBA does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Note, Borrower may not claim or assert against SBA any local or state law to deny any obligations, defeat any claim of SBA, or preempt federal law.

CORRECTION PROVISION FOR NOTE. Notwithstanding the foregoing, Borrower hereby agrees, if requested by Lender or its attorney or agent, to cooperate fully in the correction, if necessary in the reasonable discretion of Lender, of this Note and any and all other documents for the loan ("Loan") evidenced hereby (including any Guaranty) so that all documents accurately describe the Loan and to make any payment necessary due to any change in the Closing Statement or other disbursement document. Borrower agrees to comply with such request by Lender forthwith but at least within ten (10) days from the date thereof. Borrower hereby appoints Lender as Borrower's attorney-in-fact with the limited power of attorney (coupled with an interest) to make such changes and execute on Borrower's behalf and in Borrower's stead any documents therefor as if Borrower executed such documents in person, but this appointment shall not relieve Borrower of obligations hereunder. Borrower agrees to assume and hold Lender harmless from all costs and expenses incurred by Lender due to Borrower's failure to comply reasonably with Lender's requests.

BORROWER WAIVER. Borrower waives all suretyship defenses. Borrower may not use an oral statement of the Lender or SBA to contradict or alter the written terms of this Note. If any part of this Note is unenforceable, all other parts remain in effect. To the extent allowed by law, Borrower waives all demands and notices in connection with this Note, including presentment, demand, protest, and notice of dishonor. Borrower also waives any defenses based upon any claim that Lender did not obtain any guarantee.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PROMISSORY NOTE
(Continued)

Loan No: 19934713

Page 3

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

BLUEGRASS GAS SALES, INC.

By: 

Mark H. O'Brien, President of Bluegrass Gas Sales,
Inc.

to these disclosures: The following disclosures are required to be given by federal law:

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you have made all payments
4.93 %	\$ 5301.80	\$ 40000.00	\$

Your payment schedule will be (final payment amount is estimated):

Number of Payments	Amount of Payments	When Payments Are Due
60	755.03	Monthly beginning on 08/20/2020
N/A	N/A	N/A

Security: You are giving a security interest in a motor vehicle.
 You are also giving a security interest in the following personal property (list each item): N/A
 Property Insurance: You may obtain property insurance from anyone you want that is acceptable to us.
 Filing fees: \$ 22.00
 Late charge: If a payment is more than 10 days late, you will be charged \$35.00.
 Prepayment: If you pay off early, you will not have to pay a penalty, and will not be entitled to a refund of any prepaid finance charge.
 See the other parts of this agreement and any other contract documents for any additional information about nonpayment, default, any full before the scheduled date, prepayment penalties, and security interests.

Date of this loan
 The date of this loan is 07/06/2020
 Principal amount of this loan
 The principal amount of this loan is 40235.00
 Interest rate
 The interest rate applicable to this loan is 4.6900 % per year.
 Itemization of amount financed
 We and/or the Dealer may be retaining a portion of the charges from other products and services sold in connection with this loan. You authorize us to pay the proceeds of this loan in the following manner:
 1. To Dealer on your behalf \$ 40000.00
 For your information, Dealer represents to you and to us that this amount covers the items in (a) through (f) below and in the sum of items (c) through (f). We do not warrant or guarantee Dealer's application of these amounts.
 (a) Cash price \$ 45829.88
 (sum of items (i) through (iii) below)
 (i) Price of property/services purchased \$ 45777.38
 (may include taxes, accessories and other items)
 (ii) Dealer documentation fee \$ N/A
 (iii) License, title and registration fees \$ 52.50
 (b) Less down payment \$ 5851.88
 (sum of items (i) and (iv) below, but not less than zero)
 (i) Cash (including rebates) \$ 5851.88
 (ii) Trade-in allowance (gross) \$ N/A
 Year N/A Make N/A Model N/A
 (iii) Amount owed on trade-in \$ N/A
 (iv) Trade-in allowance (net) \$ N/A
 (c) Unpaid balance of cash price ((a) minus (b)) \$ 39978.00
 (d) Additional amount to pay off trade-in \$ 0.00
 (e) Payoff of prior loan (if a refinance) \$ N/A
 (f) Lien filing fee \$ 22.00
 (Same amount as is "Filing fees" from the Federal disclosures above)
 (g) Credit Insurance \$ N/A
 (h) Extended service contract or warranty \$ N/A
 (i) N/A \$ N/A
 (j) N/A \$ N/A
 (k) N/A \$ N/A
 (l) N/A \$ N/A
 2. To us for N/A \$ N/A
 3. To us for N/A \$ N/A
 4. To us for N/A \$ N/A
 5. To us for Loan Fee \$ 235.00
 6. Less prepaid finance charge \$ 235.00
 7. Amount financed (sum of 1, 2, 3, 4 and 5, minus 6) \$ 40000.00

Credit Insurance
 Credit life insurance and credit disability insurance are NOT loan and will not be provided unless each of you to be insured indicating your agreement to pay the additional cost for the t Your choice whether or not to buy credit insurance has NO make your loan, and we do NOT consider your insurance of make our loan decision. Any insurance benefit may not pay t If you want to buy credit insurance, you are buying it from c not from or through us. Any questions about this insurance Dealer, and not us. If you want to buy it, you must sign be type of insurance elected. Two signatures for a type of In joint coverage for both persons signing is elected. The poll by the insuring company will more fully describe the covera of the credit insurance.

Credit Life Insurance: Term: N/A months Cost: \$
 (1) N/A (2) _____
 (Signature)

Credit Disability Insurance: Term: N/A months
 (1) N/A (2) _____
 (Signature)

Optional Debt Protection Agreements
 Debt Protection Agreements are NOT REQUIRED to obtain provided unless you sign below and agree to pay the cost (Guaranteed Auto Protection) is a type of debt protector will give you additional documents for any of these produc will credit your loan for the amount that your GAP protecti cancelled when we receive payment for that amount from the GAP protection.

You want to buy GAP at a cost of \$ N/A

GAP Company Name: N/A
 (1) N/A
 (Signature)
 (2) N/A
 (Signature)

Collateral for this agreement
 As collateral for this loan, you give us a security interest and its accessions, and in any attachments existing as of which you acquire within 10 days after that date:

YEAR 2019 MAKE DODGE
 MODEL RAM ODOMETER 10860
 VIN 3C6UR5JL9KG665091

Your promise to pay
 By signing this agreement, you promise to pay us all of the following:
 • The principal amount of this loan as promised in this agreement

You represent that you will use the collateral primarily for family or household use business farming purpose



For calendar year 2020 or tax years beginning (MM-DD-YY) 01-01 - 20 20 , and ending (MM-DD-YY) 12-31 - 20 20

A Entity Type <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> General Partnership		B FEIN/SSN XX-XXXXXXX Name of Pass-Through Entity BLUEGRASS GAS SALES INC		C Kentucky Corporation/LLET Account Number (Required) XXXXXX <input type="checkbox"/> Change of Name Telephone Number	
D LLET Exemption Code []		Number and Street 3620 ROCKLAND MILLS ROAD City CENTER		State of Organization KY Date of Organization 08/1994	
E Income Tax Exemption Code []		G Check applicable boxes <input type="checkbox"/> Publicly traded partnership <input type="checkbox"/> Qualified investment partnership <input type="checkbox"/> LLC <input type="checkbox"/> LP <input type="checkbox"/> LLP <input type="checkbox"/> Initial return <input type="checkbox"/> Change of accounting period <input type="checkbox"/> Amended return (Complete Part V) <input type="checkbox"/> Short-period return (Complete Part IV) <input type="checkbox"/> Final return (Complete Part IV)		Principal Business Activity in KY UTILITIES NAICS Code Number in KY 221210	
F Provider 3-Factor Apportionment Code []		H K-1 and Owner Information 2 Schedule(s) K-1 Issued 1 Resident Owners 1 Nonresident Owners Other Type of Owners Schedule(s) K-1 Received			

PART I—ORDINARY INCOME (LOSS) COMPUTATION

1	Federal ordinary income (loss)	15,663	00
ADDITIONS TO FEDERAL ORDINARY INCOME			
2	State taxes based on net/gross income		00
3	Federal depreciation (do not include IRC § 179 expense deduction)	27,604	00
4	Related party expense (attach Schedule RPC)		00
5	(Loss) from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6		00
6	Gain from Kentucky Form 4797, line 17		00
7	Federal allowable depletion from Form 1120S, line 15 or Form 1065, line 17		00
8	Enter additions to federal taxable income from Kentucky Schedule(s) K-1.		00

OFFICIAL USE ONLY	
P W 2 0 4	V A L #



PART I—ORDINARY INCOME (LOSS) COMPUTATION—continued

9	Internal Revenue Code adjustments (see instructions)	▶9		00
10	Other additions (attach explanation)	▶10		00
11	Total (add lines 1 through 10)	▶11	43,267	00

SUBTRACTIONS FROM FEDERAL ORDINARY INCOME

12	Federal work opportunity credit	▶12		00
13	Kentucky depreciation (do not include IRC § 179 expense deduction)	▶13	40,185	00
14	Gain from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6	▶14		00
15	(Loss) from Kentucky Form 4797, line 17	▶15		00
16	Kentucky allowable depletion	▶16		00
17	Enter subtractions from federal taxable income from Kentucky Schedule(s) K-1.	▶17		00
18	Internal Revenue Code adjustments (see instructions)	▶18		00
19	Other subtractions (attach explanation)	▶19		00
20	Total subtractions (add lines 12 through 19)	▶20	40,185	00
21	Kentucky ordinary income (loss) (line 11 less line 20)	▶21	3,082	00



PART II—LLET COMPUTATION

1	Schedule L, Section E, line 1 (Page 11)	▶1		175	00
2	Tax credit recapture	▶2			00
3	Total (add lines 1 and 2)	▶3		175	00
4	Nonrefundable LLET credit from Kentucky Schedule(s) K-1	▶4			00
5	Nonrefundable tax credits (attach Schedule TCS)	▶5			00
6	LLET liability (greater of line 3 less lines 4 and 5 or \$175 minimum)	▶6		175	00
7	Estimated tax payments	▶7			00
8	Certified rehabilitation tax credit	▶8			00
9	Film industry tax credit	▶9			00
10	Extension payment	▶10			00
11	Prior year's tax credit	▶11			00
12	Income tax overpayment from Part III, line 13	▶12			00
13	LLET paid on original return	▶13			00
14	LLET overpayment on original return	▶14			00
15	Estimated Tax Penalty (attach Form 2220-K)	▶15			00
16	LLET and Estimated Tax Penalty due (lines 6,14, and 15 less lines 7 through 13)	OWE ▶16		175	00
17	LLET overpayment (lines 7 through 13 less lines 6, 14, and 15)	▶17			00
18	Credited to 2020 income tax	▶18			00
19	Credited to 2020 interest	▶19			00
20	Credited to 2020 penalty	▶20			00
21	Credited to 2021 LLET	▶21			00
22	Amount to be refunded (line 17 less lines 18 through 21)	REFUND ▶22			00



PART III—INCOME TAX COMPUTATION (For S-Corporations or Partnerships)

By checking the box, the Partnership elects to pay the tax on behalf of its partners due to an IRS audit per KRS 141.211(4).

1	Excess net passive income tax	▶1		00
2	Built-in gains tax	▶2		00
3	Tax installment on LIFO recapture	▶3		00
4	Total (add lines 1 through 3, but not less than zero)	▶4		00
5	Estimated tax payments	▶5		00
6	Extension payment	▶6		00
7	Prior year's tax credit	▶7		00
8	LLET overpayment from Part II, line 18	▶8		00
9	Income tax paid on original return	▶9		00
10	Income tax overpayment on original return	▶10		00
11	Income tax due (lines 4 and 10 less lines 5 through 9)	OWE ▶11		00
12	Income tax overpayment (lines 5 through 9 less lines 4 and 10)	▶12		00
13	Credited to 2020 LLET	▶13		00
14	Credited to 2020 interest	▶14		00
15	Credited to 2020 penalty	▶15		00
16	Credited to 2021 corporation income tax	▶16		00
17	Amount to be refunded (line 12 less lines 13 through 16)	REFUND ▶17		00



PART IV—EXPLANATION OF FINAL RETURN AND/OR SHORT-PERIOD RETURN

- Ceased operations in Kentucky
- Change of ownership
- Successor to previous business
- Change in filing status
- Merger
- Other _____

PART V—EXPLANATION OF AMENDED RETURN CHANGES

Multiple horizontal lines for text entry, overlaid with a large diagonal watermark reading "CLIENT COPY".

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

Sign Here	Signature of Member	Date
	Name of Member (Please print)	Title PRESIDENT
Paid Preparer Use	Signature of Preparer	Date
	Name of Preparer or Firm (Please print) SULLIVAN AND ASSOCIATES CPA, PLLC	ID Number XXXXXXXXXX
	Email and/or Telephone No. daniel@dsullivancpa.com (502) 473-8088	May the DOR discuss this return with this preparer? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

Enclose	All supporting federal forms and schedules, including Federal Schedule(s) C, E, and/or F.	Refund or No Payment	Kentucky Department of Revenue P. O. Box 856905 Louisville, KY 40285-6905
Payment	Check Payable: Kentucky State Treasurer E-Pay Options: www.revenue.ky.gov	With Payment	Kentucky Department of Revenue Frankfort, KY 40620-0021



SCHEDULE Q—QUESTIONNAIRE

IMPORTANT: Questions 1 and 2 must be answered if this is the pass-through entity's initial return or if a return was not filed under the same name and same federal I.D. number for the preceding year. **Failure to do so may result in a request for a delinquent return.**

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

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

Name
FEIN _____
Address

- 2 If a foreign pass-through entity, enter the date qualified to do business in Kentucky.
- _____

Questions 3–7 must be completed by all pass-through entities.

- 3 The pass-through entity's books are in care of:

Name CORPORATE OFFICE
Address
3620 ROCKLAND MILLS ROAD
CENTER, KY 42214

- 4 Are disregarded entities included in this return?
 Yes No

If yes, attach **Schedule DE**.

- 5 For the taxable period being reported, was the pass-through entity a partner or member in a pass-through entity doing business in Kentucky?
 Yes No

If yes, list the name(s) and federal I.D. number(s) of the pass-through entity(ies).

A Name _____
FEIN _____
B Name _____
FEIN _____
C Name _____
FEIN _____
D Name _____
FEIN _____
E Name _____
FEIN _____
F Name _____
FEIN _____
G Name _____
FEIN _____

- 6 For taxable period being reported, was the pass-through entity doing business in Kentucky other than through its interest held in a pass-through entity doing business in Kentucky?
 Yes No

- 7 Was this return prepared on:
- (a) cash basis
 - (b) accrual basis
 - (c) other _____
- _____
- _____



SCHEDULE K—OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION A **Distributive Share Items** **Total Amount**

1 Kentucky ordinary income (loss) from trade or business activities (Page 2, Part I, line 21)	▶ 1	3,082	00
2 Net income (loss) from rental real estate activities (attach federal Form 8825)	▶ 2		00
3 (a) Gross income from other rental activities	▶ 3(a)		00
(b) Less expenses from other rental activities (attach schedule)	▶ (b)		00
(c) Net income (loss) from other rental activities (line 3(a) less line 3(b))	▶ (c)		00
4 Portfolio income (loss):			
(a) Interest income	▶ 4(a)		00
(b) Dividend income	▶ (b)		00
(c) Royalty income	▶ (c)		00
(d) Net short-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable.)	▶ (d)		00
(e) Net long-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable.)	▶ (e)		00
(f) Other portfolio income (loss) (attach schedule)	▶ (f)		00
5 Partnerships Only: Guaranteed payments to partners	▶ 5		00
6 IRC § 1231 net gain (loss) (other than due to casualty or theft)(attach federal Form 4797 and Kentucky Form 4797)	▶ 6		00
7 Other income (loss) (attach schedule)	▶ 7		00
8 Charitable contributions (attach schedule)	▶ 8		00
9 IRS § 179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	▶ 9	3,082	00
10 Deductions related to portfolio income (loss) (attach schedule)	▶ 10		00
11 Other deductions (attach schedule)	▶ 11		00



SCHEDULE K—OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.—continued

SECTION A—continued	Distributive Share Items	Total Amount
---------------------	--------------------------	--------------

Investment Interest

12 (a) Interest expense on investment debts	▶ 12(a)	00
(b)(1) Investment income included on Section A, lines 4(a), 4(b), 4(c), and 4(f)	▶ (b)(1)	00
(b)(2) Investment expenses included on Section A, line 10	▶ (b)(2)	00

Non-Refundable Tax Credits (see instructions)

13 Enter the applicable tax credit:

(a) _____	▶ 13(a)	00
(b) _____	▶ (b)	00
(c) _____	▶ (c)	00

GENERAL PARTNERSHIPS ONLY—Refundable Tax Credits

14 Certified rehabilitation tax credit (attach Kentucky Heritage Council certification(s))	▶ 14	00
15 Film industry tax credit (attach Kentucky Film Office certification(s))	▶ 15	00

Other Items

16 (a) Type of IRC §59(e)(2) expenditures Amount of IRC §59(e)(2) expenditures	▶ 16(b)	00
17 Tax-exempt interest income	▶ 17	00
18 Other tax-exempt income	▶ 18	00
19 Nondeductible expenses	▶ 19	9,761 00
20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	▶ 20	00
21 Supplemental information required to be reported to each owner (attach schedule)	▶ 21	00
22 S-corporations only: Total dividend distributions paid from accumulated earnings and profits	▶ 22	00



SCHEDULE K—OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.—continued

SECTION B—LLET Pass-through Items (Required)

1	Kentucky gross receipts from Schedule L, Section A, line 2	▶1	592,655	00
2	Total gross receipts from Schedule L, Section B, line 1	▶2	592,655	00
3	Kentucky gross profits from Schedule L, Section A, line 5	▶3	592,655	00
4	Total gross profits from Schedule L, Section B, line 3	▶4	592,655	00
5	Limited liability entity tax (LLET) nonrefundable credit from page 3, Part II, the total of lines 4 and 6, less \$175	▶5		00

SECTION C—Apportionment Pass-through Items

1	Kentucky receipts from Schedule A, Part I, line 1	▶1		00
2	Total receipts from Schedule A, Part I, line 2	▶2		00

SECTION D—Apportionment for Providers (KRS 141.121(1)(e))

1	Kentucky property from Schedule A, Part I, line 5	▶1		00
2	Total property from Schedule A, Part I, line 6	▶2		00
3	Kentucky payroll from Schedule A, Part I, line 8	▶3		00
4	Total payroll from Schedule A, Part I, line 9	▶4		00



SCHEDULE L—LIMITED LIABILITY ENTITY TAX COMPUTATION

Check the box and complete Schedule L-C, Limited Liability Entity Tax—Continuation Sheet, if the limited liability pass-through entity filing this tax return is a partner or member of a limited liability pass-through entity or general partnership doing business in Kentucky. Enter the total amounts from Schedule L-C in Section A of this schedule.

SECTION A—Computation of Kentucky Gross Receipts and Gross Profits

1(a)	Gross receipts less returns and allowances	▶1(a)	592,655	00
(b)	Kentucky statutory gross receipts reductions	▶(b)		00
2	Adjusted gross receipts (line 1(a) less line 1(b))	▶2	592,655	00
3(a)	Cost of goods sold (attach Schedule COGS)	▶3(a)		00
(b)	Kentucky statutory cost of goods sold reductions	▶(b)		00
4	Adjusted cost of goods sold (line 3(a) less line 3(b))	▶4		00
5	Gross profits (line 2 less line 4)	▶5	592,655	00

SECTION B—Computation of TOTAL Gross Receipts and Gross Profits

1	Adjusted gross receipts	▶1	592,655	00
2	Cost of goods sold (attach Schedule COGS)	▶2		00
3	Gross profits (line 1 less line 2)	▶3	592,655	00



If Section B, Line 1 or 3 is \$3,000,000 or less, SKIP Sections C and D and enter \$175 in Section E, Line 1 and then enter \$175 on page 3, Part II, Line 1. Otherwise, continue to Section C on the next page.



SCHEDULE L—LIMITED LIABILITY ENTITY TAX COMPUTATION—continued

SECTION C—Computation of Gross Receipts LLET

1 If gross receipts from all sources (Section B, line 1) are greater than \$3,000,000, but less than \$6,000,000, enter the following:

(Section A, line 2 x 0.00095) – $\left[\frac{\$2,850 \times (\$6,000,000 - \text{Section A, line 2})}{\$3,000,000} \right]$

but in no case shall the result be less than zero.

▶1

	00
--	----

2 If gross receipts from all sources (Section B, line 1) are \$6,000,000 or greater, enter the following: Section A, line 2 x 0.00095.

▶2

	00
--	----

3 Enter the amount from line 1 or line 2.

▶3

	00
--	----

SECTION D—Computation of Gross Profits LLET

1 If gross profits from all sources (Section B, line 3) are greater than \$3,000,000, but less than \$6,000,000, enter the following:

(Section A, line 5 x 0.0075) – $\left[\frac{\$22,500 \times (\$6,000,000 - \text{Section A, line 5})}{\$3,000,000} \right]$

but in no case shall the result be less than zero.

▶1

	00
--	----

2 If gross profits from all sources (Section B, line 3) are \$6,000,000 or greater, enter the following: Section A, line 5 x 0.0075.

▶2

	00
--	----

3 Enter the amount from line 1 or line 2.

▶3

	00
--	----

SECTION E—Computation of LLET

1 Enter the lesser of Section C, line 3 or Section D, line 3 here and on Page 3, Part II, line 1. If less than \$175, enter the minimum of \$175 here and on Page 3, Part II, line 1.

▶1

	175 00
--	--------



2003441833

➤ See instructions.

➤ Attach to Form 720, PTE, or 725.

Name of Entity BLUEGRASS GAS SALES INC	Federal Identification Number XX-XXXXXXX	Kentucky Corporation/LLET Account Number 110469
---	---	--

		Limited Liability Entity Tax	
		Column A Kentucky Cost of Goods Sold	Column B Total Cost of Goods Sold
1	Inventory at beginning of year	1	00
2	Purchases	2	00
3	Cost of labor	3	00
4	Additional section 263A costs	4	00
5	Other costs	5	00
6	Total (add lines 1 through 5)	6	00
7	Inventory at end of year	7	00
8	Cost of goods sold (subtract line 7 from line 6)	8	00
9	Detail of purchases on line 2:	9	
(a)		(a)	00
(b)		(b)	00
(c)		(c)	00
(d)		(d)	00
(e)		(e)	00
(f)		(f)	00
(g)		(g)	00
(h)		(h)	00
(i)		(i)	00
(j)		(j)	00
(k)		(k)	00
10	Detail of additional section 263A costs on line 4:	10	
(a)		(a)	00
(b)		(b)	00
(c)		(c)	00
(d)		(d)	00
(e)		(e)	00
(f)		(f)	00
(g)		(g)	00
(h)		(h)	00
(i)		(i)	00
(j)		(j)	00
(k)		(k)	00
11	Detail of other costs on line 5:	11	
(a)		(a)	00
(b)		(b)	00
(c)		(c)	00
(d)		(d)	00
(e)		(e)	00
(f)		(f)	00
(g)		(g)	00
(h)		(h)	00
(i)		(i)	00
(j)		(j)	00
(k)		(k)	00

Income (Loss) and Deductions, continued

5	Partnerships only: Guaranteed payments to partners	▶ 5		00
6	IRC §1231 net gain (loss)(other than due to casualty or theft)	▶ 6		00
7	Other income (loss) (attach schedule)	▶ 7		00
8	Charitable contributions (attach schedule)	▶ 8		00
9	IRC §179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	▶ 9	2,055	00
10	Deductions related to portfolio income (loss) (attach schedule)	▶ 10		00
11	Other deductions (attach schedule)	▶ 11		00

Investment Interest

12	(a) Interest expense on investment debts	▶ 12(a)		00
	(b) (1) Investment income included on lines 4(a), 4(b), 4(c), and 4(f)	▶ b(1)		00
	(b) (2) Investment expenses included on line 10	▶ b(2)		00

Tax Credits—Nonrefundable (see instructions)

13	Enter the applicable tax credit			
	(a) ▶ _____	▶ 13(a)		00
	(b) ▶ _____	▶ 13(b)		00
	(c) ▶ _____	▶ 13(c)		00

General Partnerships Only—Tax Credits—Refundable

14	Certified rehabilitation tax credit (attach Kentucky Heritage Council certification(s))	▶ 14		00
15	Film industry tax credit (attach Kentucky Film Office certification(s))	▶ 15		00

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION A — continued	Pro Rata Share Items	Total Amount
Other Items		
16 (a) Type of IRC § 59(e)(2) expenditures	▶	
(b) Amount of IRC §59(e)(2) expenditures.	▶ 16(b)	00
17 Tax-exempt interest income	▶ 17	00
18 Other tax-exempt income	▶ 18	00
19 Nondeductible expenses	▶ 19	6,507 00
20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	▶ 20	00
21 Supplemental information required to be reported to each owner (attach schedule)	▶ 21	00
22 S-corporations only: Total dividend distributions paid from accumulated earnings and profits	▶ 22	00

SECTION B — LLET Pass-through Items (Required)	OWNER'S SHARE	
1 Kentucky gross receipts	▶ 1	395,104 00
2 Total gross receipts	▶ 2	395,104 00
3 Kentucky gross profits	▶ 3	395,104 00
4 Total gross profits	▶ 4	395,104 00
5 Limited liability entity tax (LLET) nonrefundable credit	▶ 5	00

SECTION C — Apportionment Pass-through Items	OWNER'S SHARE	
1 Kentucky receipts	▶ 1	00
2 Total receipts	▶ 2	00

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION D— Apportionment for Providers (KRS 141.121(1)(e))

OWNER'S SHARE

1	Kentucky property	▶ 1		00
2	Total property	▶ 2		00
3	Kentucky payroll	▶ 3		00
4	Total payroll	▶ 4		00

SECTION E—Resident Shareholder Adjustment

1	Combination of Kentucky Schedule K-1, Schedule A, lines 1 through 6, 9, and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 1		00
2	Combination of federal Schedule K-1, Form 1120S, lines 1 through 11, and portions of line 12 or federal Schedule K-1, Form 1065, lines 1 through 12, and portions of line 13. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 2		00
3	Enter the difference of lines 1 and 2 here and on appropriate line on Schedule M (see instructions)	▶ 3		00



Owner's identifying number XXX-XX-XXXX	Pass-through Entity's FEIN XX-XXXXXXX	Kentucky Corporation/LLET Account Number 110469
Owner's name, address, and ZIP code #2 JADIE PARSONS XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX		Pass-through entity's name, address, and ZIP code <i>Check if applicable:</i> <input type="checkbox"/> Qualified investment pass-through entity BLUEGRASS GAS SALES INC 3620 ROCKLAND MILLS ROAD CENTER, KY 42214

Type of Pass-through Entity Issuing the K-1 Partnership S-corporation General Partnership

A (1) Partnerships Only: Partner's share of liabilities

Enter partner's percentage of:	(i) Before change or termination	(ii) End of Year
Nonrecourse \$ _____	Profit Sharing _____	_____
Qualified nonrecourse financing \$ _____	Loss Sharing _____	_____
Other \$ _____	Ownership of capital _____	_____

(2) S-corporations Only: Owner's percentage of stock ownership for tax year 33.333300%

B (1) Resident owner's taxable percentage of pro rata share items B(1) **100%**

(2) Nonresident owner's taxable percentage of pro rata share items (see Schedule A instructions) B(2) _____%

C What type of entity is this owner?
 Individual Estate Trust Single Member LLC General Partnership Corporation
 S Corporation Other Pass-through Entity ESOP Tax Exempt _____

D Check the box if nonresident owner's income is reported on:
 Kentucky Nonresident Income Tax Withholding on Distributive Share Income Report and Composite Income Tax Return (Form 740NP-WH and Form PTE-WH)

E Check the box if applicable: (1) Final K-1 (2) Amended K-1

IMPORTANT: Refer to Owner's Instructions for Schedule K-1 before entering information from Schedule K-1 on your tax return.

SECTION A	Pro Rata Share Items	Total Amount
------------------	-----------------------------	---------------------

Income (Loss) and Deductions				
1 Kentucky ordinary income (loss) from trade or business activities	▶ 1		1,027	00
2 Net income (loss) from rental real estate activities	▶ 2			00
3 Net income (loss) from other rental activities	▶ 3			00
4 Portfolio income (loss):				
(a) Interest income	▶ 4(a)			00
(b) Dividend income	▶ 4(b)			00
(c) Royalty income	▶ 4(c)			00
(d) Net short-term capital gain (loss)	▶ 4(d)			00
(e) Net long-term capital gain (loss)	▶ 4(e)			00
(f) Other portfolio income (loss) (attach schedule)	▶ 4(f)			00

Income (Loss) and Deductions, continued

5	Partnerships only: Guaranteed payments to partners	▶ 5		00
6	IRC §1231 net gain (loss)(other than due to casualty or theft)	▶ 6		00
7	Other income (loss) (attach schedule)	▶ 7		00
8	Charitable contributions (attach schedule)	▶ 8		00
9	IRC §179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	▶ 9	1,027	00
10	Deductions related to portfolio income (loss) (attach schedule)	▶ 10		00
11	Other deductions (attach schedule)	▶ 11		00

Investment Interest

12	(a) Interest expense on investment debts	▶ 12(a)		00
	(b) (1) Investment income included on lines 4(a), 4(b), 4(c), and 4(f)	▶ b(1)		00
	(b) (2) Investment expenses included on line 10	▶ b(2)		00

Tax Credits—Nonrefundable (see instructions)

13	Enter the applicable tax credit			
	(a) ▶ _____	▶ 13(a)		00
	(b) ▶ _____	▶ 13(b)		00
	(c) ▶ _____	▶ 13(c)		00

General Partnerships Only—Tax Credits—Refundable

14	Certified rehabilitation tax credit (attach Kentucky Heritage Council certification(s))	▶ 14		00
15	Film industry tax credit (attach Kentucky Film Office certification(s))	▶ 15		00

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION A — continued	Pro Rata Share Items	Total Amount
Other Items		
16 (a) Type of IRC § 59(e)(2) expenditures ▶ _____		
(b) Amount of IRC §59(e)(2) expenditures. ▶ 16(b)		00
17 Tax-exempt interest income ▶ 17		00
18 Other tax-exempt income ▶ 18		00
19 Nondeductible expenses ▶ 19		3,254 00
20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV ▶ 20		00
21 Supplemental information required to be reported to each owner (attach schedule) ▶ 21		00
22 S-corporations only: Total dividend distributions paid from accumulated earnings and profits ▶ 22		00

SECTION B — LLET Pass-through Items (Required)	OWNER'S SHARE
1 Kentucky gross receipts ▶ 1	197,551 00
2 Total gross receipts ▶ 2	197,551 00
3 Kentucky gross profits ▶ 3	197,551 00
4 Total gross profits ▶ 4	197,551 00
5 Limited liability entity tax (LLET) nonrefundable credit ▶ 5	00

SECTION C — Apportionment Pass-through Items	OWNER'S SHARE
1 Kentucky receipts ▶ 1	00
2 Total receipts ▶ 2	00

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION D— Apportionment for Providers (KRS 141.121(1)(e))

OWNER'S SHARE

1	Kentucky property	▶ 1		00
2	Total property	▶ 2		00
3	Kentucky payroll	▶ 3		00
4	Total payroll	▶ 4		00

SECTION E—Resident Shareholder Adjustment

1	Combination of Kentucky Schedule K-1, Schedule A, lines 1 through 6, 9, and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 1	1,027	00
2	Combination of federal Schedule K-1, Form 1120S, lines 1 through 11, and portions of line 12 or federal Schedule K-1, Form 1065, lines 1 through 12, and portions of line 13. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 2	1,888	00
3	Enter the difference of lines 1 and 2 here and on appropriate line on Schedule M (see instructions)	▶ 3	-861	00

Form **1120-S**

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
Go to www.irs.gov/Form1120S for instructions and the latest information.

2020

For calendar year 2020 or tax year beginning _____, ending _____

A S election effective date 1/1/1995	TYPE OR PRINT	Name BLUEGRASS GAS SALES INC	D Employer identification number XX-XXXXXXX	
B Business activity code number (see instructions) 221210		Number, street, and room or suite no. If a P.O. box, see instructions. 3620 ROCKLAND MILLS ROAD	E Date incorporated 8/17/1994	
C Check if Sch. M-3 attached <input type="checkbox"/>		City or town CENTER	State KY	ZIP code 42214
		Foreign country name	Foreign province/state/county	Foreign postal code
				F Total assets (see instructions) \$ 737,508

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No. If "Yes," attach Form 2553 if not already filed.

H Check if: (1) Final return (2) Name change (3) Address change (4) Amended return (5) S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year 2

J Check if corporation: (1) Aggregated activities for section 465 at-risk purposes (2) Grouped activities for section 469 passive activity purposes

Caution: Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a Gross receipts or sales	1a	592,655	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		592,655
	2 Cost of goods sold (attach Form 1125-A)	2		247,357
	3 Gross profit. Subtract line 2 from line 1c	3		345,298
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4		
5 Other income (loss) (see instructions—attach statement)	5			
6 Total income (loss). Add lines 3 through 5	6		345,298	
Deductions (see instructions for limitations)	7 Compensation of officers (see instructions — attach Form 1125-E)	7		
	8 Salaries and wages (less employment credits)	8		103,278
	9 Repairs and maintenance	9		20,218
	10 Bad debts	10		5,109
	11 Rents	11		4,800
	12 Taxes and licenses	12		34,840
	13 Interest (see instructions)	13		3,594
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14		27,604
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising	16		
	17 Pension, profit-sharing, etc., plans	17		
	18 Employee benefit programs	18		
	19 Other deductions (attach statement)	19		130,192
	20 Total deductions. Add lines 7 through 19	20		329,635
	21 Ordinary business income (loss). Subtract line 20 from line 6	21		15,663
Tax and Payments	22a Excess net passive income or LIFO recapture tax (see instructions)	22a		
	b Tax from Schedule D (Form 1120-S)	22b		
	c Add lines 22a and 22b (see instructions for additional taxes)	22c		0
	23a 2020 estimated tax payments and 2019 overpayment credited to 2020	23a		
	b Tax deposited with Form 7004	23b		
	c Credit for federal tax paid on fuels (attach Form 4136)	23c		
	d Reserved for future use	23d		
	e Add lines 23a through 23d	23e		0
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	24		
	25 Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed	25		0
26 Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid	26		0	
27 Enter amount from line 26: Credited to 2021 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	27		0	

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

Sign Here Signature of officer _____ Date _____ Title PRESIDENT

May the IRS discuss this return with the preparer shown below? See instructions. Yes No

Paid Preparer Use Only

Print/Type preparer's name DANIEL M SULLIVAN	Preparer's signature	Date 12/28/2021	Check <input type="checkbox"/> if self-employed	PTIN XXXXXXXXXX
Firm's name SULLIVAN AND ASSCIATES CPA, PLLC	Firm's EIN XX-XXXXXXX	Phone no. (502) 473-8088		
Firm's address 2304 HURSTBOURNE VILLAGE DR, STE 600	City LOUISVILLE	State KY	ZIP code 40299	

Schedule B		Other Information (see instructions) (continued)	Yes	No
12	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?			X
	If "Yes," enter the amount of principal reduction	▶ \$		
13	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions		X	
14a	Did the corporation make any payments in 2020 that would require it to file Form(s) 1099?		X	
b	If "Yes," did the corporation file or will it file required Form(s) 1099?		X	
15	Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?			X
	If "Yes," enter the amount from Form 8996, line 15	▶ \$		

Schedule K		Shareholders' Pro Rata Share Items	Total amount
Income (Loss)	1	Ordinary business income (loss) (page 1, line 21)	1 15,663
	2	Net rental real estate income (loss) (attach Form 8825)	2
	3a	Other gross rental income (loss)	3a
	b	Expenses from other rental activities (attach statement)	3b
	c	Other net rental income (loss). Subtract line 3b from line 3a	3c 0
	4	Interest income	4
	5	Dividends: a Ordinary dividends	5a
		b Qualified dividends	5b
	6	Royalties	6
	7	Net short-term capital gain (loss) (attach Schedule D (Form 1120-S))	7
Deductions	8a	Net long-term capital gain (loss) (attach Schedule D (Form 1120-S))	8a
	b	Collectibles (28%) gain (loss)	8b
	c	Unrecaptured section 1250 gain (attach statement)	8c
	9	Net section 1231 gain (loss) (attach Form 4797)	9
	10	Other income (loss) (see instructions) Type ▶	10
	11	Section 179 deduction (attach Form 4562)	11 10,000
	12a	Charitable contributions	12a
	b	Investment interest expense	12b
	c	Section 59(e)(2) expenditures Type ▶	12c
	d	Other deductions (see instructions) Type ▶	12d
Credits	13a	Low-income housing credit (section 42(j)(5))	13a
	b	Low-income housing credit (other)	13b
	c	Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c
	d	Other rental real estate credits (see instructions) Type ▶	13d
	e	Other rental credits (see instructions) Type ▶	13e
	f	Biofuel producer credit (attach Form 6478)	13f
	g	Other credits (see instructions) Type ▶	13g
Foreign Transactions	14a	Name of country or U.S. possession ▶	
	b	Gross income from all sources	14b
	c	Gross income sourced at shareholder level	14c
		Foreign gross income sourced at corporate level	
	d	Reserved for future use	14d
	e	Foreign branch category	14e
	f	Passive category	14f
	g	General category	14g
	h	Other (attach statement)	14h
		Deductions allocated and apportioned at shareholder level	
	i	Interest expense	14i
	j	Other	14j
		Deductions allocated and apportioned at corporate level to foreign source income	
	k	Reserved for future use	14k
	l	Foreign branch category	14l
	m	Passive category	14m
	n	General category	14n
	o	Other (attach statement)	14o
	Other information		
p	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued ▶	14p	
q	Reduction in taxes available for credit (attach statement)	14q	
r	Other foreign tax information (attach statement)		

Schedule K		Shareholders' Pro Rata Share Items (continued)	Total amount	
Alternative Minimum Tax (AMT) Items	15a	Post-1986 depreciation adjustment	15a	-5,182
	b	Adjusted gain or loss	15b	
	c	Depletion (other than oil and gas)	15c	
	d	Oil, gas, and geothermal properties—gross income	15d	
	e	Oil, gas, and geothermal properties—deductions	15e	
	f	Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a	Tax-exempt interest income	16a	
	b	Other tax-exempt income	16b	
	c	Nondeductible expenses	16c	9,761
	d	Distributions (attach statement if required) (see instructions)	16d	
	e	Repayment of loans from shareholders	16e	
Other Information	17a	Investment income	17a	
	b	Investment expenses	17b	
	c	Dividend distributions paid from accumulated earnings and profits	17c	
	d	Other items and amounts (attach statement)		
Reconciliation	18	Income (loss) reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p	18	5,663

Schedule L		Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)		
1	Cash		16,545		82,236		
2a	Trade notes and accounts receivable	86,284		100,748			
b	Less allowance for bad debts		86,284		100,748		
3	Inventories						
4	U.S. government obligations						
5	Tax-exempt securities (see instructions)						
6	Other current assets (attach statement)						
7	Loans to shareholders						
8	Mortgage and real estate loans						
9	Other investments (attach statement)						
10a	Buildings and other depreciable assets	1,088,494		1,156,124			
b	Less accumulated depreciation	565,068	523,426	612,433	543,691		
11a	Depletable assets						
b	Less accumulated depletion		0		0		
12	Land (net of any amortization)		7,995		7,995		
13a	Intangible assets (amortizable only)						
b	Less accumulated amortization		0		0		
14	Other assets (attach statement)		2,272		2,838		
15	Total assets		636,522		737,508		
Liabilities and Shareholders' Equity							
16	Accounts payable		395,703		388,641		
17	Mortgages, notes, bonds payable in less than 1 year		8,400		17,229		
18	Other current liabilities (attach statement)		2,881		24,210		
19	Loans from shareholders		156,000		156,000		
20	Mortgages, notes, bonds payable in 1 year or more		33,358		120,871		
21	Other liabilities (attach statement)		13,945		3,420		
22	Capital stock		25,000		25,000		
23	Additional paid-in capital		210,343		210,343		
24	Retained earnings		(209,108)		(208,206)		
25	Adjustments to shareholders' equity (attach statement)						
26	Less cost of treasury stock						
27	Total liabilities and shareholders' equity		636,522		737,508		

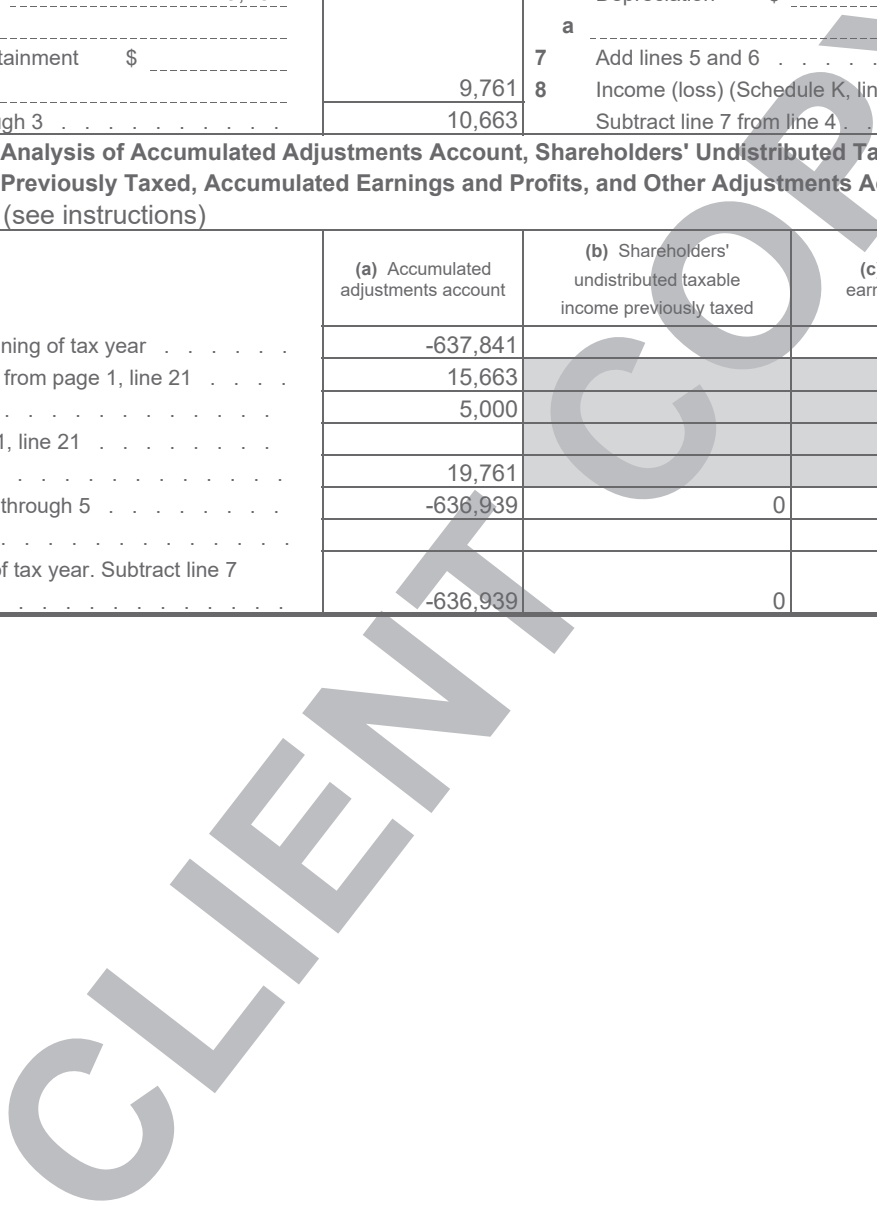
Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books	902	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize) -----		a	Tax-exempt interest \$ -----	
				See Statement -----	5,000
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):	
a	Depreciation \$ ----- 9,761			Depreciation \$ -----	0
b	Travel and entertainment \$ -----	9,761	7	Add lines 5 and 6	5,000
			8	Income (loss) (Schedule K, line 18). Subtract line 7 from line 4	5,663
4	Add lines 1 through 3	10,663			

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1 Balance at beginning of tax year	-637,841			
2 Ordinary income from page 1, line 21	15,663			
3 Other additions	5,000			
4 Loss from page 1, line 21				
5 Other reductions	19,761			
6 Combine lines 1 through 5	-636,939	0	0	0
7 Distributions				
8 Balance at end of tax year. Subtract line 7 from line 6	-636,939	0	0	0



**Schedule K-1
(Form 1120-S)**

Department of the Treasury
Internal Revenue Service

2020

For calendar year 2020, or tax year

beginning ending

Shareholder's Share of Income, Deductions, Credits, etc.

▶ See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number
XX-XXXXXXX

B Corporation's name, address, city, state, and ZIP code

BLUEGRASS GAS SALES INC
3620 ROCKLAND MILLS ROAD
CENTER, KY 42214

C IRS Center where corporation filed return e-file

Part II Information About the Shareholder

D Shareholder's identifying number Shareholder: 1
XXX-XX-XXXX

E Shareholder's name, address, city, state, and ZIP code

MARK OBRIEN

F Current year allocation percentage 66.666700 %

G Shareholder's number of shares
Beginning of tax year
End of tax year

H Loans from shareholder
Beginning of tax year \$ 104,052
End of tax year \$ 104,052

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss)	13	Credits
	10,442		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
		A	-3,455
11	Section 179 deduction	16	Items affecting shareholder basis
	6,667	C	6,507
12	Other deductions		
		17	Other information
		V*	See Attached Stmt

For IRS Use Only

18 More than one activity for at-risk purposes*

19 More than one activity for passive activity purposes*

* See attached statement for additional information.

K-1 Statement (Sch K-1, Form 1120S)

Line 15 - AMT Items

A Code A - Post-1986 depreciation adjustment A -3,455

Line 16 - Items affecting shareholder basis

C Code C - Nondeductible expenses C 6,507

Line 17 - Other Information

Section 199A Information (Code V)

	Non-SSTB	SSTB
Income Items		
Ordinary Income	<u>10,442</u>	<u>0</u>
Deduction Items		
Section 179 expense deduction	<u>6,667</u>	<u>0</u>
Additional Information		
Section 199A W-2 wages	<u>68,852</u>	<u>0</u>
Section 199A unadjusted basis	<u>304,266</u>	<u>0</u>

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**Schedule K-1
(Form 1120-S)**

Department of the Treasury
Internal Revenue Service

2020

For calendar year 2020, or tax year

beginning

ending

**Shareholder's Share of Income, Deductions,
Credits, etc.**

▶ See separate instructions.

Part I Information About the Corporation

A Corporation's employer identification number

XX-XXXXXXX

B Corporation's name, address, city, state, and ZIP code

BLUEGRASS GAS SALES INC
3620 ROCKLAND MILLS ROAD
CENTER, KY 42214

C IRS Center where corporation filed return
e-file

Part II Information About the Shareholder

D Shareholder's identifying number

Shareholder: 2

XXX-XX-XXXX

E Shareholder's name, address, city, state, and ZIP code

JADIE PARSONS

F Current year allocation percentage 33.333300 %

G Shareholder's number of shares

Beginning of tax year

End of tax year

H Loans from shareholder

Beginning of tax year \$ 51,948

End of tax year \$ 51,948

For IRS Use Only

**Part III Shareholder's Share of Current Year Income,
Deductions, Credits, and Other Items**

1	Ordinary business income (loss)	13	Credits
	5,221		
2	Net rental real estate income (loss)		
3	Other net rental income (loss)		
4	Interest income		
5a	Ordinary dividends		
5b	Qualified dividends	14	Foreign transactions
6	Royalties		
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured section 1250 gain		
9	Net section 1231 gain (loss)		
10	Other income (loss)	15	Alternative minimum tax (AMT) items
		A	-1,727
11	Section 179 deduction	16	Items affecting shareholder basis
	3,333	C	3,254
12	Other deductions		
		17	Other information
		V*	See Attached Stmt

18 More than one activity for at-risk purposes*
19 More than one activity for passive activity purposes*

* See attached statement for additional information.

K-1 Statement (Sch K-1, Form 1120S)

Line 15 - AMT Items

A Code A - Post-1986 depreciation adjustment **A** -1,727

Line 16 - Items affecting shareholder basis

C Code C - Nondeductible expenses **C** 3,254

Line 17 - Other Information

Section 199A Information (Code V)

	Non-SSTB	SSTB
Income Items		
Ordinary Income	<u>5,221</u>	<u>0</u>
Deduction Items		
Section 179 expense deduction	<u>3,333</u>	<u>0</u>
Additional Information		
Section 199A W-2 wages	<u>34,426</u>	<u>0</u>
Section 199A unadjusted basis	<u>152,133</u>	<u>0</u>

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Depreciation and Amortization

(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to your tax return.**

▶ **Go to www.irs.gov/Form4562 for instructions and the latest information.**

Attachment
Sequence No. **179**

Name(s) shown on return BLUEGRASS GAS SALES INC	Business or activity to which this form relates 1120S - UTILITIES	Identifying number XX-XXXXXXX
---	---	---

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	1,040,000
2 Total cost of section 179 property placed in service (see instructions)	2	67,629
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,590,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	1,040,000
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29		
	7	10,000
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	10,000
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	10,000
10 Carryover of disallowed deduction from line 13 of your 2019 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	15,663
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	10,000
13 Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	13	0

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

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

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2020	17	14,248
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2020 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property		2,089	5	HY	200DB	418
c 7-year property		See Stmt				2,437
d 10-year property						
e 15-year property		See Stmt				132
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2020 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L
b 12-year			12 yrs.		S/L
c 30-year			30 yrs.	MM	S/L
d 40-year			40 yrs.	MM	S/L

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	10,369
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	27,604
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

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

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

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

Table with columns (a) through (i) for depreciation and other information. Includes rows 24a, 25, 26, 27, 28, and 29.

Section B—Information on Use of Vehicles

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

Table with columns (a) through (f) for information on use of vehicles. Includes rows 30 through 36.

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

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

Table with columns Yes and No for questions 37 through 41 regarding employer exceptions.

Part VI Amortization

Table with columns (a) through (f) for amortization. Includes rows 42, 43, and 44.

Kentucky State Depreciation and Amortization

(Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to your tax return.**

▶ **Go to www.irs.gov/Form4562 for instructions and the latest information.**

Attachment
Sequence No. **179**

Name(s) shown on return BLUEGRASS GAS SALES INC	Business or activity to which this form relates 1120S - UTILITIES	Identifying number XX-XXXXXXX
---	---	---

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	100,000
2 Total cost of section 179 property placed in service (see instructions)	2	67,629
3 Threshold cost of section 179 property before reduction in limitation (see instructions)	3	99,999,999
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	0
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	100,000
6		
(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29		
	7	10,000
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	10,000
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	10,000
10 Carryover of disallowed deduction from line 13 of your 2019 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	3,082
12 Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	3,082
13 Carryover of disallowed deduction to 2021. Add lines 9 and 10, less line 12	13	6,918

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

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

Part III MACRS Depreciation (Don't include listed property. See instructions.)

Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2020	17	20,788
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2020 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19 a 3-year property						
b 5-year property		2,089	5	HY	200DB	418
c 7-year property		See Stmt				2,437
d 10-year property						
e 15-year property		See Stmt				132
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2020 Tax Year Using the Alternative Depreciation System

20 a Class life					S/L
b 12-year			12 yrs.		S/L
c 30-year			30 yrs.	MM	S/L
d 40-year			40 yrs.	MM	S/L

Part IV Summary (See instructions.)

21 Listed property. Enter amount from line 28	21	16,410
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	40,185
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

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

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

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

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 25-29.

Section B—Information on Use of Vehicles

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

Table with 6 main columns: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Includes rows 30-36.

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

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

Table with 2 columns: Yes, No. Includes rows 37-41.

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.


**STATEMENT OF DISCLOSURE OF
RELATED PARTY TRANSACTIONS**

I swear or affirm to the best of my knowledge and belief the information set forth below represents all present transactions and those transactions occurring within the past twenty-four (24) months between BLUEGRASS GAS SALES, INC. ("Utility") and related parties that exceed \$25.00 in value. For the purpose of this statement, "related party transactions" include, all transactions and payments in excess of \$25.00, except regular salary, wages and benefits, made directly to or on behalf of: 1) the Utility's current or former employees; 2) current or former members of the Utility's board of commissioners or board of directors; 3) persons who have a 10 percent or greater ownership interest in the Utility; 4) family members* of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or 5) a business enterprise in which any current or former Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or a family member of such person has an ownership interest.

Name of Related Party (Individual or Business)	Type of Service Provided By Related Party	Amount of Compensation
Natural Gas of Kentucky, Inc.	All Gas Transport / Transmission Services (all services previously approved by PSC)	\$38,877.48
Home Office Inc. (Management Ser)	Provides, Management, Accounting, Tax and Admin Services(PSC approved in PY)	\$17,022.00
Rex Parsons, Individual	Equipment/other Storage Facility	\$1,500.00

- Check this box if the Utility has no related party transactions.
- Check box if additional transactions are listed on the supplemental page.
- Check box if any employee of the Utility is a family member of the Utility's chief executive officer, a Utility commissioner, or any person with a 10 percent or greater ownership interest in the Utility. The name of each employee and the official to whom they are related and the nature of the relationship are listed on the supplemental page entitled "Employees Related to Utility Officials."

MARK O'BRIEN
(Print Name)


(Signed)

PRESIDENT
(Position/Office)

* "Family Member" means any person who is the spouse, parent, sibling, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, or grandchild of any current Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility; or is a dependent for tax purposes of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility or his or her spouse; or who is a member of the household of any Utility employee, director, commissioner or person with a 10 percent or greater ownership interest in the Utility.

Bluegrass Gas Sales Inc.
Employees Related to Utility Officials

<i>Family Member</i>	<i>Party Related To</i>	<i>Nature of Relationship</i>
Rex Parsons	Rex Parsons, Owner	Son
Gail Parsons	Rex Parsons, Owner	Grandson
Craig Deweese	Rex Parsons, Owner	Grandson
Julie Parsons	Rex Parsons, Owner	Daughter in Law

COMMONWEALTH OF KENTUCKY

COUNTY OF JEFFERSON

Subscribed and sworn to before me by PAULA STIPP
(Name)

this 23 day of DECEMBER, 20 21.

[Signature]
NOTARY PUBLIC KYNP4984
State-at-Large 473-24

