## NATURAL GAS SERVICE AGREEMENT

This NATURAL GAS SERVICE AGREEMENT (Service Agreement) is made and entered into as of the /orday of Malch, 2008, by and between Bluegrass Gas Sales Company, (Bluegrass) a Kentucky corporation, whose address is 3620 Rockland Mills Rd., Center, KY 42214 and The Center for Courageous Kids, whose address is 1501 Burnley Road, Scottsville, KY 42164 (Customer) referred to jointly as the parties."

## WITNESS:

Whereas Customer has a facility located at 1501 Burnley Road, Scottsville, KY 42154 that is energy intensive and qualifies under KRS 278.170 as a charitable or eleemosynary institution, and

Whereas Customer has annual gas volume requirements in amounts which exceed average usage and which provide stable annual loads that benefit Bluegrass, and

Whereas Bluegrass desires to provide natural gas service in accordance with these terms and conditions:

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

- 1. <u>Natural Gas Service Type and Volume Levels.</u> Customer agrees to purchase from Bluegrass all of Customer's energy fuel requirements for Customer's facility, and Bluegrass agrees to provide service to Customer of the type specified below, subject to the provisions of approved tariffs of the Public Service Commission filed by Bluegrass, the related rules and regulations governing natural gas service and this Service Agreement.
- 2. The price to be paid by Customer for natural gas delivered by Bluegrass shall be calculated as follows:

0-500 Mcf at 100% of residential tariff rate 500.1 – 1000 Mcf at 90% of residential tariff rate

1000.1 Mcf and above at 85% of residential tariff rate

The rates are subject to periodic adjustments through Bluegrass's Gas Cost Recovery Mechanism or general rate adjustment. Such rates, including gas cost adjustments, shall be subject to change as permitted by law. Any federal, state of other legal taxes, other than those based upon or measured by Bluegrass's income which apply now or may be imposed, shall be paid by the Customer, in addition to the rates/as/specified.

3. This Agreement shall become effective for service on the first day of the month after approved by the Public Service Commission ("PSC") in full force and effect for one year (the "Primary Term"), and yes unless and until terminated at the end of the Primary Term or any subsequent armual term by either party upon one hundred twenty (120) days prior written notice to the

other party. Customer agrees that while this Service Agreement is in effect, all natural gas consumed by Customer shall be delivered by Bluegrass, and it will not supplement its energy needs with any alternative fuel.

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

If to Bluegrass:

Julie Parsons 3620 Rockland Mills Rd. Center, KY 42214

If to Customer:

Roger Murtie
The Center for Courageous Kids
1501 Burnley Road
Scottsville, KY 42164

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

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

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

Bluegrass Gas Sales Company
By:
Title: Resident
Witness: Debbie Prown

Customer:

By: & THE ROSER F. MURTIE

Title: PREVIDENT

Witness:

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE 4/13/2008

4/13/2008 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Executive Director