

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF PAUL AND BARBARA)
MCGOWAN AND ERIC YOUNG FOR APPROVAL)
OF THE TRANSFER OF OWNERSHIP OF) CASE NO. 2010-00422
LOVELACEVILLE WATER COMPANY'S PUMPING,)
TREATMENT, AND DISTRIBUTION FACILITIES)

FIRST INFORMATION REQUEST OF COMMISSION STAFF
TO PAUL AND BARBARA MCGOWAN

Paul and Barbara McGowan ("McGowans"), pursuant to 807 KAR 5:001, are to file with the Commission the original and three copies of the following information, with a copy to all parties of record. The information requested herein is due no later than December 7, 2010. Each response shall be answered under oath.

The McGowans shall make timely amendment to any prior response if they obtain information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which the McGowans fail or refuse to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for their failure to completely and precisely respond. Careful attention shall be given to copied material to ensure that it is legible.

1. Assuming the Commission approves the transfer, will the McGowans continue to perform any duties or services for Lovelaceville Water Company ("Lovelaceville")? If yes, list the duties and services to be performed and explain the basis for any compensation to be paid.

2. Do the McGowans intend to transfer all of Lovelaceville's assets to Eric Young? If no, describe each asset that will not be transferred.

3. Do you anticipate paying or receiving any cash with the proposed transfer of assets? If yes, state the amounts and explain the purpose of the amounts.

4. Who will be entitled to the customer account receivable balances that remain due to Lovelaceville on the date of the asset transfer?

5. Refer to Lovelaceville's 2009 annual report filed with the Kentucky Public Service Commission.

a. On page 18, depreciation expense for 2009 is reported at \$3,823. Provide the calculation of this amount.

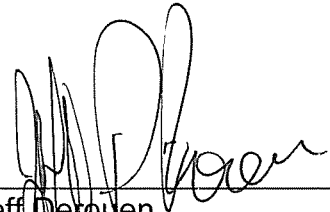
b. On page 23, plant additions for 2009 totaling \$25,241 are separated into the plant accounts shown below.

Plant Account	Amount of Addition
311, Pumping Equipment	\$2,142
339, Other Plant and Mis. Equip.	599
345, Power Operated Equipment	22,500
Total	<u>\$25,241</u>

For each plant addition, provide a detailed description of the asset and provide documentation supporting the cost of each addition such as a vendor invoice or contract.

DATED: DEC 01 2010

cc: Parties of Record



Jeff DeBouen
Executive Director
Public Service Commission
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Paul S McGowan
Owner
Lovelaceville Water Company
P. O. Box 109
Lovelaceville, KY 42060

J. Eric Young
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