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March 21, 2006

Jeffrey Ruttenberg
Member
Red Barn Waste Management, LLC
P. O. Box 1047
Lexington, KY 40588

RE: Case No. 2006-00051

Please see enclosed data request from Commission Staff in the above case.

If you need further assistance, please contact Dale Wright at (502) 564-3940 ext. 235.

Sincerely,

Beth O'Donnell
Executive Director

BOD/jc
Enclosure

Jeffrey Ruttenberg
Member
Red Barn Waste Management, LLC
P. O. Box 1047
Lexington, KY 40588

Honorable David Edward Spenard
Assistant Attorney General
Office of the Attorney General
Utility & Rate Intervention Division
1024 Capital Center Drive
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Frankfort, KY 40601-8204

Harold L. Williams
Chimney Rock Waste Management, LLC
220 Chimney Rock Road
Harrodsburg, KY 40330

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF RED BARN WASTE)
MANAGEMENT, LLC FOR APPROVAL OF)
THE TRANSFER OF OWNERSHIP AND) CASE NO. 2006-00051
OPERATING INTERESTS OF CHIMNEY)
ROCK WASTE MANAGEMENT, LLC)

COMMISSION STAFF'S FIRST DATA REQUEST
TO CHIMNEY ROCK WASTE MANAGEMENT, LLC
AND RED BARN WASTE MANAGEMENT, LLC

Pursuant to 807 KAR 5:001, Commission Staff requests that Chimney Rock Waste Management, LLC ("Chimney Rock") and Red Barn Waste Management, LLC ("Red Barn") (jointly "Applicants") file with the Commission, within 14 days of the date of this request, the original and 8 copies of the following information, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the person who is responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been previously provided, in the format requested herein, reference may be made to the specific location of said information in responding to this information request.

1. Applicants state that Exhibit 1 of the application is additional information concerning the financial, technical, and managerial abilities of the new owner and its

ability to operate the facility. However, Exhibit 1 contains only statements that Jerry C. Ruttenberg, the sole member of Red Barn, has over 20 years' experience as a sophisticated property developer and investor, and that he and his companies currently own real property assets valued at over \$10 million.

a. Provide financial statements, tax returns, or other evidence of the financial integrity of Mr. Ruttenberg.

b. Provide a list of the companies that are referenced in Exhibit 1.

2. KRS 278.020(5) provides that before approving the transfer of assets as proposed, the Commission must find that the acquiring company, Red Barn, "has the financial, technical, and managerial abilities to provide reasonable service." Provide documentary evidence showing that Red Barn has the financial, technical, and managerial abilities to operate Chimney Rock.

3. KRS 278.020(6) provides that the Commission must find that the proposed transaction "is to be made in accordance with law, for a proper purpose and is consistent with the public interest." Explain how the proposed transaction benefits the public.

4. Provide a fully executed Notice of Adoption of the current rules, regulations and tariffed rates related to Chimney Rock that are filed of record with the Commission.

5. Provide a duly authorized and executed Letter of Credit in the sum of \$10,000 payable to the Public Service Commission for use if the Commission, or someone on its behalf, needs to operate the wastewater facility.

6. Will the Sanitary Sewer System and RV Park be owned by separate companies?

7. On page 7, the Original Purchase and Sales Agreement states that "Seller and Purchaser have agreed to enter into a mutually agreeable management contract for the Seller to manage the property for a period of seven (7) months in exchange for Two Thousand (\$2,000.00) per month with the right to terminate the management contract with thirty days (30) days written notice...."

a. Will the management agreement cover the management of the Sanitary Sewer System?

b. If yes, what portion of the cost will be allocated to the Sanitary Sewer System?

c. What does the company plan to do after the 7-month period has expired?

8. On page 1 of the application, Applicants state that Melvin Price will continue to be the wastewater treatment plant operator after the transfer to Red Barn is complete. Provide a copy of the contract between Red Barn and Mr. Price. Include the monthly fee that Mr. Price will charge Red Barn for his services.

9. Provide an unredacted copy of the Purchase and Sale Agreement between Red Barn and Chimney Rock.

10. Provide an unredacted copy of any amendments that have been made to the Original Purchase and Sale Agreement.

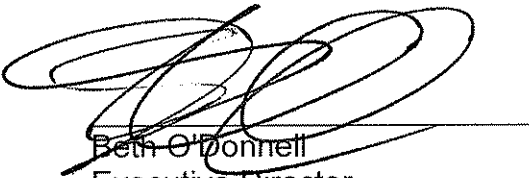
11. Provide the journal entries Red Barn proposes to make to record the purchase.

12. On page 2 of the application, Applicants state that Red Barn, "is currently applying for a transfer of the existing KPDES Permit." What is the current status of the application?

13. Where will Red Barn maintain copies of its tariffs and rates that will be available for customer review?

14. If customers have questions concerning their billing and service, who will they be directed to contact?

15. Will there be an emergency contact telephone number posted at the treatment facility? If there will be an emergency contact telephone number, identify the party/person that will be responsible for these calls.



Beth O'Donnell
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Dated: March 21, 2006

cc: Parties of Record

Case No. 2006-00051