



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Charles R. Borders
Commissioner

March 31, 2011

Duke Energy Business Services, LLC
Attention: Rocco O. D'Ascenzo
139 East Fourth Street, 1303 Main
Cincinnati, Ohio 45201-0960

Re: Duke Energy Kentucky, Inc.
Petition for Confidential Protection received 3/11/11
PSC Reference #: 2011-00091

Dear Mr. D'Ascenzo:

The Public Service Commission has received the Petition for Confidential Protection you filed on March 11, 2011 on behalf of Duke Energy Kentucky, Inc., ("Duke"), to protect certain information filed with the Commission as confidential pursuant to Section 7 of 807 KAR 5:001 and KRS 61.878. The information you seek to have treated as confidential is identified as being contained in Duke's Final Hedging Report for the period April 1, 2010 through March 31, 2011, and the Interim Report on Ongoing Gas Hedging Activity Program. The information is more particularly described as relating to volumes of gas purchased through the use of hedging instruments for its hedging plan.

Your justification for having the Commission handle this material as confidential is that the public disclosure of the information would compromise Duke's competitive position in the industry, which would result in an unfair commercial advantage to its competitors.

Based on a review of the information and pursuant to KRS 61.878 and 807 KAR 5:001, Section 7, the Commission has determined that the information requested to be held confidential is of a proprietary nature, which if publicly disclosed would permit an unfair commercial advantage to Duke's competitors. Therefore, the information requested to be treated as confidential **meets the criteria for confidential protection** and will be maintained as a nonpublic part of the Commission's file in this case. The procedure for usage of confidential materials during formal proceedings may be found at Section 7(8) of 807 KAR 5:001.

Mr. D'Ascenzo
March 31, 2011
Page 2

If the information becomes publicly available or no longer warrants confidential treatment, Duke Energy Kentucky, Inc. is required by Section 8(9)(a) of 807 KAR 5:001 to inform the Commission so that the information may be placed in the public record.

Sincerely,

Stephanie Bell For *Jeff Derouen*

Jeff Derouen
Executive Director

kg/

cc: Parties of Record