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July 25, 2011

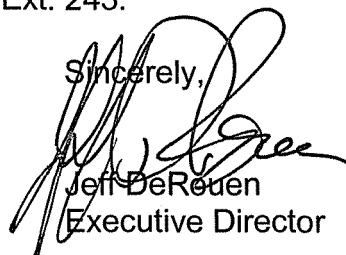
Mr. Rocco D'Ascenzo
Duke Energy Business Services, Inc.
Room 25, Atrium II
P.O. Box 960
Cincinnati, OH 45201-0960

Re: Case No. 2011-00091
Informal Conference Memorandum

Dear Mr. D'Ascenzo:

Enclosed please find a memorandum that has been filed into the record of the above-referenced case. Any comments regarding the contents of the memorandum should be submitted to the Commission within five days of receipt of this letter. Any questions regarding this memorandum should be directed to Leah Faulkner of the Commission Staff at 502-564-3940, Ext. 243.

Sincerely,



Jeff DeReuen
Executive Director

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Attachments

INTRA-AGENCY MEMORANDUM
KENTUCKY PUBLIC SERVICE COMMISSION

TO: Main Case File – Case No. 2011-00091
Application of Duke Energy Kentucky, Inc. to Implement a Hedging Program to Mitigate Price Volatility in the Procurement of Natural Gas.

FROM: Anita Mitchell, Team Leader

DATE: July 25, 2011

SUBJECT: May 10, 2011 Informal Conference

Pursuant to the Commission Staff's April 27, 2011 Notice of Informal Conference, an informal conference was held in this case on May 10, 2011. A list of those participating is attached as Attachment A to this memorandum. The purpose of the informal conference was to discuss Duke Energy Kentucky, Inc.'s ("Duke Kentucky") application for approval to continue its natural gas hedging plan through March 31, 2014.

Duke Kentucky discussed its current hedging plan and its application and informed Commission Staff that it would be filing its final report on its hedging activity for the 12 months ended March 31, 2011 in the very near future. After thorough discussion of the plan, Commission Staff requested that Duke Kentucky provide for the record a written discussion of the reasonableness of continuing the plan given the current market conditions for natural gas.

The conference was then adjourned.

Attachment

ATTACHMENT A
TO MEMORANDUM TO FILE CASE NO. 2011-00091

Informal Conference - May 10, 2011 Case No 2011-00091

Duke Energy

Quita Mitchell

PSC

Allyson Stonaker

PSC

Rocco D'Ascenzo

DUKE

Steve Niederbaumer

Duke

Jeff Kern

Duke

JEFF SHAW

PSC

Leah Faulkner

PSC