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July 20, 2012

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

Re: Duke Energy Kentucky, Inc.
Petition for Confidential Treatment received 5/15/12
PSC Reference – Case No. 2012-00180

Dear Mr. D'Ascenzo:

The Public Service Commission has received the Petition for Confidential Treatment you filed on May 15, 2012 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 Annual Report on Hedging for April 1, 2011 through March 31, 2012 and its report on Ongoing Gas Hedging for Future Deliveries. The information is described as relating to volumes of gas purchased through the use of hedging instruments for its hedging plan.

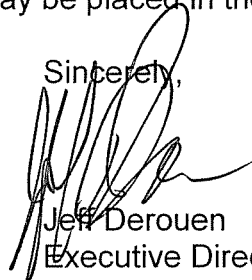
Your justification for having the Commission handle this material as confidential is that the public disclosure of the information could result in an unfair commercial advantage to competitors.

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.

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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,

A handwritten signature in black ink, appearing to read "Jeff Derouen", is written over the typed name and title.

Jeff Derouen
Executive Director

kg/

cc: Parties of Record