

COMMONWEALTH OF KENTUCKY

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

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**PUBLIC SERVICE  
COMMISSION**

In the Matter of:

AN ADJUSTMENT OF RIDER )  
AMRP OF DUKE ENERGY )  
KENTUCKY, INC. )

CASE NO. 2008-00114

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PETITION OF DUKE ENERGY KENTUCKY, INC.  
FOR CONFIDENTIAL TREATMENT OF INFORMATION  
CONTAINED IN THE FIRST QUARTER, 2008 FILING AND ANNUAL FILING

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Duke Energy Kentucky, Inc. ("DE-Kentucky"), pursuant to 807 KAR 5:001, Section 7, respectfully requests the Commission to classify and protect as confidential in the present proceeding certain information that is contained in its 2008 First Quarter filing and is being filed with this petition. In support thereof, DE-Kentucky states:

1. DE-Kentucky has filed today documents containing a description of contractor bid information solicited by DE-Kentucky for its accelerated cast iron and bare steel main replacement program ("AMRP"). The documents contain the contractors' unit pricing, the public disclosure of which would damage DE-Kentucky because this bidding was done pursuant to a confidential competitive bidding process and, if the information is publicly disclosed, this would likely make it more difficult to obtain contractors to bid on future projects. As required by 807 KAR 5:001, Section 7(2)(b), DE-Kentucky is providing one copy of the bid information under seal.

2. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878 (1)(c). To qualify for this exemption and, therefore, maintain the

confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of that party. To the extent that disclosure of this information would cause fewer contractors to bid for this work, as discussed in more detail below, this would tend to raise the costs of DE-Kentucky's AMRP Program.

3. The bid information described above contains sensitive pricing information, the disclosure of which would injure DE-Kentucky and its competitive position and business interests. DE-Kentucky's bid process is a competitively-bid process in which contractors submit confidential bids. Public release of this information would make contractors less likely to bid on DE-Kentucky's projects in the future or encourage them to adjust their pricing in a way that undermines the integrity of the competitive bidding. This would produce less competition or allow an opportunity for bidding contractors to manipulate pricing proposals for DE-Kentucky's construction jobs, both of which would likely result in higher prices.

4. The bid information described above contains the following categories of information, which are commercially sensitive: copies of the specific contracts signed by each contractor describing the work and estimated costs and copies of the bids submitted by each contractor.

5. The information for which DE-Kentucky is seeking confidential treatment is not known outside of DE-Kentucky and its contractors, and it is not disseminated within DE-Kentucky except to those employees with a legitimate business need to know and act upon the information.

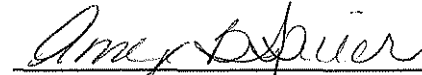
6. The public interest will be served by granting this Motion, in that competition among DE-Kentucky's prospective contractors will be fostered and this will help enable DE-Kentucky to provide retail gas service at a low cost.

7. DE-Kentucky has previously requested confidential treatment for similar information in the quarterly filings in Case No. 2004-00098.

WHEREFORE, Duke Energy Kentucky, Inc. respectfully requests that the Commission classify and protect as confidential the specific information described herein.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.



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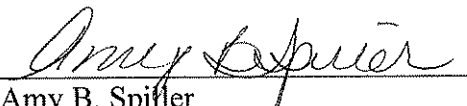
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of Duke Energy Kentucky, Inc.'s Petition for Confidential Treatment of Information Contained in the First Quarter, 2008 Filing was served on the following by overnight mail, this 31<sup>st</sup> day of March 2008.

  
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Amy B. Spifler

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