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Dianne B. Kuhnell. Senior Paralegal

RECEIVED

APR 2 1 2011

PUBLIC SERVICE

COMMISSION

VIA OVERNIGHT DELIVERY

April 20, 2011

Mr. Jeff Derouen Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

Re: Case No. 2010-00494

Dear Mr. Derouen:

Enclosed please find an original and twelve copies of the responses to the Staff Post-Hearing Requests being filed in the above referenced matter.

Enclosed please find an original and twelve copies of Duke Energy Kentucky Inc.'s Public response to Staff Post-Hearing Data Requests First Set of Data Requests and Petition for Confidential Treatment in the above captioned case. Also enclosed in the white envelope is one set of the confidential response to STAFF-POST HEARING-DR-01-001 being filed under seal.

Please date-stamp the two copies of the letter, the Data Requests and the Petition and return to me in the enclosed envelope.

Sincerely,

Dianne Kuhnell Senior Paralegal

cc: Dennis G. Howard II

VERIFICATION

State of Ohio)
)
County of Hamilton)

The undersigned, Lisa D. Steinkuhl, being duly sworn, deposes and says that I am employed by the Duke Energy Corporation affiliated companies as Lead Rates Analyst; that on behalf of Duke Energy Kentucky, Inc., I have supervised the preparation of the responses to the foregoing information requests; and that the matters set forth in the foregoing response to information requests are true and accurate to the best of my knowledge, information and belief after reasonable inquiry.

Lisa D. Steinkuhl, Affiant

Subscribed and sworn to before me by Lisa D. Steinkuhl on this April, 2011.

ADELE M. DOCKERY Notary Public, State of Ohio My Commission Expires 01-05-2014

NOTARY PUBLIC

My Commission Expires: 1/5/2014

VERIFICATION

STATE OF NORTH CAROLINA)	
)	SS
COUNTY OF MECKLENBERG)	

The undersigned, John D. Swez, being duly sworn, deposes and says that he is employed by the Duke Energy Corporation affiliated companies as Director, Generation Dispatch and Operations for Duke Energy Business Services, LLC; that on behalf of Duke Energy Kentucky, Inc., he has supervised the preparation of the responses to the foregoing information requests; and that the matters set forth in the foregoing supplemental response to information requests are true and accurate to the best of his knowledge, information and belief after reasonable inquiry.

John D. Swez

Subscribed and sworn to before me by John D. Swez on this $\frac{18}{2011}$ day of April 2011.

NOTARY PUBLIC

My Commission Expires:

6/17/12

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Duke Energy Kentucky Case No. 2010-00494 Staff Post Hearing Data Request Date Received: March 22, 2011

STAFF-POST HEARING-DR-01-001 PUBLIC

REQUEST:

Provide Duke Kentucky's most recent projected natural gas requirements for the years 2011 and 2012 in MCF and dollars.

RESPONSE:

CONFIDENTIAL AND PROPRIETARY TRADE SECRET

The responses to this data request will be available to all parties in the case upon execution of a Confidentiality Agreement..

PERSON RESPONSIBLE: N/A

Duke Energy Kentucky
Case No. 2010-00494
Staff Second Set Post Hearing Data Request
Date Received: April 11, 2011

STAFF-DR-02-002 (POST HEARING)

REQUEST:

The Affidavit of Publication submitted by Duke on March 17, 2011 indicates that notice was published in the Kentucky Enquirer and at "Cincinnati.com." Describe Cincinnati.com.

RESPONSE:

Cincinnati.com is the electronic version of the Kentucky and Cincinnati Enquirer newspapers. Newspaper public notices can be found on Cincinnati.com, however, they are only available for viewing on the day that it is advertised.

PERSON RESPONSIBLE: N/A



APR 2 1 2011

PUBLIC SERVICE

COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

An Examination of the Application of)	
The Fuel Adjustment Clause of Duke Energy)	Case No. 2010-494
Kentucky, Inc from November 1, 2008 through)	
October 31, 2010)	

PETITION OF DUKE ENERGY KENTUCKY, INC. FOR CONFIDENTIAL TREATMENT OF INFORMATION CONTAINED IN ITS RESPONSE TO COMMISSION STAFF'S SECOND SET OF POST HEARING DATA REOUESTS

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:001, Section 7, respectfully requests the Commission to classify and protect certain information provided by Duke Energy Kentucky in its response to the second set of post hearing data requests, number 1, as requested by Commission Staff (Staff) in this case on April 11, 2011. The information that Staff seeks through discovery and for which Duke Energy Kentucky now seeks confidential treatment (Confidential Information) shows the Company's projected natural gas requirements both in MCF volume and dollars, which happens to include sensitive information regarding Duke Energy Kentucky's regulated utility affiliates in Ohio.

The response in the Second Post Hearing Data Request Number 1 contains sensitive information, the disclosure of which would injure Duke Energy Kentucky and its competitive position and business interest. Specifically, the response to number 1 provides Duke Energy Kentucky's anticipated future natural gas requirements and costs. This response could provide power marketing competitors and fuel vendors with knowledge regarding Duke Energy Kentucky's operating costs and commodity positions that will allow them potentially to

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¹ Second Set Post-Hearing Data Request No. 1.

manipulate the marketplace so as to unnecessarily cause consumers to pay more for natural gas than they otherwise would.

In support of this Petition, Duke Energy Kentucky states:

- 1. 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. Public disclosure of the information identified herein would, in fact, prompt such a result for the reasons set forth below.
- 2. Public disclosure of projected natural gas requirements in Data Request Number 1 would afford Duke Energy Kentucky's competitors and potential vendors a distinct competitive advantage in any contractual negotiations. Vendors and competitors would know Duke Energy Kentucky's projected monthly natural gas requirements for the next two years. This information could be used against Duke Energy Kentucky as it negotiates to satisfy its projected requirements.
- 3. The information for which Duke Energy Kentucky is seeking confidential treatment is not known outside of Duke Energy Corporation.
- 4. Duke Energy Kentucky does not object to limited disclosure of the confidential information described herein, pursuant to an acceptable protective agreement, to intervenors with a legitimate interest in reviewing the same for the purpose of participating in this case.
- 5. The Commission has treated the same information described herein as confidential in other utilities' responses to the same data requests such as

- Louisville Gas and Electric Company Case No. 2008-521² and Kentucky Utilities Case 2008-520³ and for Duke Energy Kentucky in Case No. 2008-00522⁴.
- On February 14, 2011, Duke Energy Kentucky filed a Petition for Confidential

 Protection of the information contained in Duke Energy Kentucky's Response to

 Staff's Data Request No. 5. This is the same information contained in Duke

 Energy Kentucky's Second Post Hearing Data Response number 1 and for which

 Duke Energy Kentucky is now seeking confidential treatment of. On February 23,

 2011, the Commission ordered this information as confidential.⁵
- 7. This information was, and remains, integral to Duke Energy Kentucky's effective execution of business decisions. And such information is generally regarded as confidential or proprietary. Indeed, as the Kentucky Supreme Court has found, "information concerning the inner workings of a corporation is 'generally accepted as confidential or proprietary." Hoy v. Kentucky Industrial Revitalization Authority, Ky., 904 S.W.2d 766, 768.
- 8. In accordance with the provisions of 807 KAR 5:001 Section 7, the Company is filing with the Commission one copy of the Confidential Material highlighted and ten (10) copies without the confidential information.

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

² Case No. 2008-521, Letter granting Confidential treatment, March 20, 2009.

³ Case No. 2008-520, Letter granting Confidential treatment, March 20, 2009.

⁴ Case No. 2008-522, Letter granting Confidential treatment, March 20, 2009.

⁵ Case No. 2010-494, Letter granting Confidential treatment, February 23, 2011.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

Rocco O. D'Ascenzo (92796) Associate General Counsel Amy B. Spiller (85309) Deputy General Counsel Duke Energy Business Services, LLC

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Cincinnati, Ohio 45201-0960

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e-mail: rocco.d'ascenzo@duke-energy.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing filing was served on the following via overnight mail, postage prepaid, this 20 day of April 2011:

Dennis G. Howard II Assistant Attorney General The Kentucky Office of the Attorney General 1024 Capital Center Drive Frankfort, Kentucky 40602-2000

Rocco O. D'Ascenzo