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March 12, 2009

Lindsey W. Ingram, III
Stoll Keenon Ogden, PLLC
300 West Vine Street, Suite 2100
Lexington, Kentucky 40507-1801

Re: Kentucky American Water - Petition for Confidential Treatment received
December 23, 2008 - PSC Reference – Case No. 2008-00427

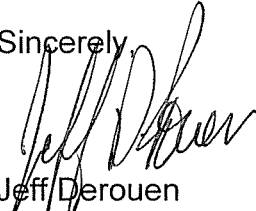
Dear Mr. Ingram:

The Public Service Commission has received the Petition for Confidential Treatment you filed on December 23, 2008 on behalf of Kentucky American Water to protect certain information filed with the Commission as confidential under Section 7 of 807 KAR 5:001 and KRS 61.870 et. seq. The information you seek to have treated as confidential is identified as certain information filed in Kentucky American Water's Responses to Item Nos. 105, 133 and 189 of the Attorney General's 1st Information Requests. Your justification for having the Commission handle this material as confidential is that the information is confidential and proprietary information and contains employee incentive compensation plans; expected returns on the assets in AWW pension plan; and benchmarking studies with the AWW corporate family.

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 you seek to keep confidential is of a proprietary nature, which if publicly disclosed would permit an unfair commercial advantage to your client'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.

If the information becomes publically available or no longer warrants confidential treatment, Kentucky American Water 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,



Jeff Derouen
Executive Director

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cc: Parties of Record