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April 24, 2009

Hon. John N. Hughes
124 West Todd Street
Frankfort, Kentucky 40601

Re: Water Service Corporation of Kentucky
Petition for Confidential Treatment received March 5, 2009
PSC Reference: Case No. 2008-00563

Dear Mr. Hughes:

The Public Service Commission has received the Petition for Confidentiality you filed on March 5, 2009 on behalf of Water Service Corporation of Kentucky, 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 described as information contained in its schedules attached to its application, and specifically described as the Independent Auditor's Report, Exhibit 12; the Distribution of Expenses Report, Exhibit 16; and certain schedules in Exhibit 4 which contains employee wages and salaries. Your justification for having the Commission handle this material as confidential is that the public disclosure of the information would compromise their competitive position in the industry and result in an unfair commercial advantage to their competitors, and that Exhibit 4 contains information of a personal nature.

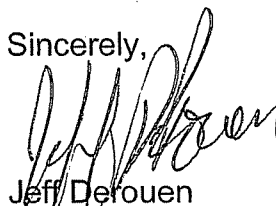
Based on a review of the information and pursuant to KRS 61.878 and 807 KAR 5:001, Section 7, the Commission has determined that you have failed to demonstrate that the information you seek to keep confidential in Exhibit 12 and Exhibit 16 is "generally recognized as confidential or proprietary, which if openly disclosed would permit an unfair commercial advantage to {your} competitors..." as set forth in KRS 61.878(c)(1), and therefore does not meet the criteria for confidential protection, and is hereby **DENIED**.

The Commission in its review of the information in Exhibit 4 contained in your Petition has concluded that only a portion of the information contained in Exhibit 4 meets the criteria for confidential protection. KRS 61.878(1)(a) authorizes confidentiality for information of a personal nature, i.e. the name of an individual. However, the position

and salary are not subject to withholding under KRS 61.878(1)(a) as they are not of a "personal nature". Therefore, in order to afford confidential protection to the names of the individuals listed in Exhibit 4, Water Service Corporation of Kentucky will need to provide the Commission within 20 days, a redacted version excluding only the names of the individuals if you want it to remain confidential. Your Petition is therefore **DENIED** as to those portions of Exhibit 4 other than the individuals' names. The remaining information contained in Exhibit 4 does not meet the criteria for confidentiality and therefore cannot be redacted.

The information denied confidential treatment will be withheld from public inspection for 20 days from the date of this letter in accordance with 807 KAR 5:001. If you disagree with the Commission's decision, you may seek a rehearing with the Commission within 20 days of the date of this letter under the provisions of KRS 278.400.

Sincerely,



Jeff Derouen
Executive Director

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cc: Parties of Record