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July 13, 2009

Rocco O. D'Ascenzo
Duke Energy Kentucky, Inc.
P.O. Box 960
139 East 4th Street
Cincinnati, OH 45201

Julie S. Janson
Duke Energy Kentucky, Inc.
P.O. Box 960
139 East 4th Street
Cincinnati, OH 45201

RE: Duke Energy Kentucky, Inc.
Case No. 2009-00202
Filing Deficiencies

The Commission staff has reviewed Duke Energy Kentucky, Inc.'s application in the above case. The filing is rejected for the reasons set forth below:

Filing deficiencies pursuant to 807 KAR 5:011:

- (1) Section 10(9)(h)(11) - The filing refers to the balance sheets and statements of cash flow, also provided pursuant to this section, neither of which identify the company's capital structure. To comply with this section, the dollar amounts and ratios of the equity and debt components of the capital structure for the three-year forecast period must be provided.
- (2) Section 10(9)(h)(12) - The filing contains only the net rate base amounts for each of the three years in the forecast period. To comply with this section, the rate base for each year, showing all components that make up the rate base, must be provided.

The statutory time period in which the Commission must process this case will not commence until the above-mentioned information is filed with the Commission. If your filing contains a proposed effective date, the rejection of your filing for reasons of

deficiencies voids the proposed effective date. When you file the required information to correct the deficiencies you may refile your proposed tariff with a new proposed effective date that is at least 30 days from the date you file the required information. You are requested to file 10 copies of this information within 15 days of date of this letter.

In all future correspondence or filings connected with this case, please reference the above case number. If you need further assistance, please contact Jeff Shaw at 502-564-3940 ext. 237.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

JD/rs