



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P. O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda K. Breathitt
Commissioner

August 15, 2012

LG&E and KU Energy LLC
Attention: Allyson Sturgeon
220 West Main Street
Louisville, Kentucky 40202

Re: Kentucky Utilities Company
Petition for Confidential Treatment received 6/28/12
PSC Reference – Case No. 2012-00207

Dear Ms. Sturgeon:

The Public Service Commission has received the Petition for Confidential Treatment you filed on June 28, 2012 on behalf of Kentucky Utilities Company ("KU") to protect certain information filed with the Commission as confidential pursuant to Section 7 of 807 KAR 5:001 and KRS 61.878. The information you seek to have treated as confidential is identified as being contained in KU's Response to Commission Data Request No. 5(b). The information is described as a spreadsheet that demonstrates KU's embedded cost of capital which contains annualized costs associated with revolving credit.

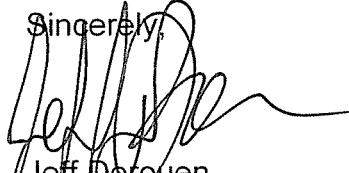
Your justification for having the Commission handle this material as confidential is that the public disclosure of the information could result in an unfair commercial advantage to competitors.

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 requested to be held confidential is of a proprietary nature, which if publicly disclosed would permit an unfair commercial advantage to KU's competitors. Therefore, the information requested to be treated as confidential **meets the criteria for confidential protection** and will be removed from the public record and 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.

Ms. Sturgeon
August 15, 2012
Page 2

If the information becomes publicly available or no longer warrants confidential treatment, Kentucky Utilities Company 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

kg/

cc: Parties of Record