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January 13, 2010

Duke Energy Business Services, Inc.
Attention: Rocco D'Ascenzo
139 East Fourth Street, Rm 2500
P.O. Box 960
Cincinnati, Ohio 45201-0960

Re: Duke Energy Kentucky, Inc.
Petition for Confidential Treatment received 12/17/09
PSC Reference – Case No. 2009-00429

Dear Mr. D'Ascenzo:

The Public Service Commission has received the Petition for Confidential Treatment you filed on December 17, 2009 on behalf of Duke Energy Kentucky, Inc. ("Duke") to protect certain information filed with the Commission as confidential pursuant to Section 7 of 807 KAR 5:001 and KRS 61.870. The information you seek to have treated as confidential is identified as information contained in Duke's Response to Commission's 1st Data Request, No. 7 dated 12-3-09. The information is more specifically described as containing the cost of various back-up power supply plans for 2010-2014, which resulted from a competitive bidding process.

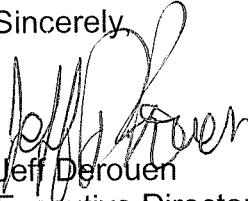
Your justification for having the Commission handle this material as confidential is that the public disclosure of the information would compromise Duke's competitive position in the industry and result in an unfair commercial advantage to its competitors.

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

Mr. D'Ascenzo
January 13, 2010
Page 2

If the information becomes publicly available or no longer warrants confidential treatment, Duke Energy Kentucky, Inc. 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