

## **House Bill 247 (Stein) of the 133<sup>rd</sup> Ohio General Assembly**

Proponent Testimony of Rocco O. D'Ascenzo,  
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Before the Ohio House of Representatives Public Utilities Committee  
October 9, 2019

Chairman Callender, Vice Chairman Wilkin, Ranking Member Smith, and members of the Public Utilities Committee, my name is Rocco D'Ascenzo and I am Deputy General Counsel of Duke Energy Ohio and Duke Energy Kentucky. Our parent company, Duke Energy Corp. (Duke Energy) is one of the largest energy holding companies in the United States and a Fortune 150 company. Duke Energy was recently named to Fortune's 2019 "World's Most Admired Companies" list and Forbes' 2019 "America's Best Employers" list.

Duke Energy employs more than 29,000 industry professionals and, through its regulated subsidiaries, provides utility service to approximately 7.6 million retail electric customers and 1.6 million natural gas customers across seven states – Ohio, Kentucky, Indiana, Tennessee, North Carolina, South Carolina, and Florida.

In the Buckeye State, Duke Energy Ohio provides retail electric service to approximately 718,000 customers and natural gas service to approximately 435,000 customers. And, after 180 years of service, we are woven into the fabric of our communities. In 2018 alone, our employees and retirees volunteered over 11,800 hours of their time to 1,800 events and community projects and contributed over \$1.2 million to organizations across the Greater Cincinnati region. During this same period, the Duke Energy Foundation invested over \$2.2 million to advance education, workforce development and urban revitalization and to protect the environment.

On behalf of the Company and our customers, I appreciate the opportunity to share a perspective in support of House Bill 247, which will further crucial energy policy objectives here in Ohio, including (1) leveraging utilities' vast experience for the benefit of customers and expanding customers' selection of potential energy solutions; (2) fostering continuing grid modernization; and (3) maximizing utilities' flexibility to support Ohio's economic growth.

It should come as no surprise that the most reliable information about our customers and their expectations comes directly from our customers. In recognition of this, Duke Energy regularly conducts surveys and focus groups across its seven-state footprint. It has become clear to us that our customers want greater access to energy information, greater control over energy consumption, and the ability to identify and implement energy products and services to provide that control.

Not only do customers tell us about their needs and their plans, but they ask that the Company – as their trusted energy advisor – assist them in achieving their goals. Very often the assistance customers need extends beyond the simple delivery of electricity to their homes and businesses.

They may need surge protection throughout their premises. They may need to develop a better understanding of how they can consume energy more efficiently. A customer may be planning a new construction project and need access to an onsite temporary generator. They may be experiencing excessive voltage problems at their facility and need assistance to assess the cause and identify possible solutions. Perhaps they need maintenance services on their own electric delivery infrastructure. And for larger nonresidential customers, they may learn that their total energy costs can be reduced by adding a customer-owned substation. Utilities possess the knowledge, experience, and expertise to provide timely solutions. Customers, if they so choose, should be able to rely upon their utilities to do so.

As we are all aware, technology is changing every day. Duke Energy, like companies in many industries, continues to face a transformational wave – a mix of rising customer demands and technology adoption – that requires us to adapt how we operate and deliver value to our customers. And, the tempo of change is increasing, too. Our customers expect Duke Energy, as one of the largest energy holding companies in the country, to keep pace with technological advancements. This includes providing access to more frequent, more detailed, and more individualized communications, as well as real-time information on the status of their service. Duke Energy Ohio customers demand choices. Prohibiting utility participation in the market for providing customer solutions is antithetical to Ohio's pro-competition policies – it harms, rather than helps, utility customers. It only makes sense that a customer's trusted local utility should be one of their options.

House Bill 247 provides customers with the choices they desire and deserve.

It is no secret that customers have high expectations for their utilities. Duke Energy Ohio is committed to not only meeting those expectations but anticipating and exceeding them. However, for all the value potential of customer-focused energy solutions, it is all for naught without reliable and resilient distribution and transmission systems. Distribution utilities must continually invest in energy infrastructure and customers must have access to all available resources – including those from utilities – to meet their evolving energy needs. When utilities can deliver on those expectations, businesses grow, jobs are created and retained, and customers and their communities thrive.

The energy grid is a vast system that delivers affordable, reliable power that fuels today's industrial and digital economy. As utilities look to exceed customer demands for new benefits and solutions, they are investing to create a more modern, intelligent grid that can also meet everchanging physical and cyber security challenges.

Duke Energy Ohio continually invests in maintaining and modernizing its energy delivery infrastructure to provide safe, reliable, and affordable service to customers. Across our Ohio footprint, self-healing technologies, which automatically isolate trouble and restore power, have prevented over 700,000 customer outages and saved 90 million customer outage minutes since 2009. And with its full deployment of smart meters, Duke Energy Ohio performs over 1 million remote meter readings each billing month and has avoided almost 100,000 truck rolls through remote order fulfillment already in 2019. With the advanced meters, customers can access

enhanced usage information and alerts. These technologies also improve outage detection and give customers more options to improve their experience.

House Bill 247 supports utilities in their efforts to continue making the “smart” grid investments that power the lives of customers.

Duke Energy Ohio also supports House Bill 247’s recognition of the electric utility’s role in economic development through the inclusion of infrastructure development opportunities. Site selectors recognize that speed to market is imperative to business development. Ready access to sites that have reliable and abundant energy is necessary for attracting new business and new jobs.

Utilities must have the flexibility to deploy new capital to support the economic growth of our customers and communities at the speed of their businesses, while maintaining safe, reliable and affordable service to all. It is critical that Ohio law encourages and supports the utility investments that are necessary to attract new jobs and ensure that our communities can grow. Robust employment opportunities drive Ohio’s economy and the Company shares the state’s goal of promoting economic growth and job creation that leads to prosperity for our communities.

House Bill 247 is a positive step in that regard.

In conclusion, I appreciate the opportunity to offer an informed perspective on House Bill 247 and how it benefits Duke Energy Ohio’s customers. Our Government and Regulatory Affairs team stands ready to work with members of this committee, the House of Representatives, the Senate, Governor DeWine’s administration, and all other stakeholders as the bill advances through the legislative process. As always, Duke Energy Ohio remains committed to working on the State’s evolving energy policy and, specifically, the role public utilities play in fulfilling our customers’ energy needs.