SUBSTITUTE SENATE BILL 103
OF THE 136TH OHIO GENERAL ASSEMBLY
TESTIMONY OF BRIAN WEISKER, PRESIDENT, DUKE ENERGY NATURAL GAS BUSINESS
BEFORE THE OHIO HOUSE ENERGY COMMITTEE

October 29, 2025

Chair Holmes, Vice Chair Mathews, Ranking Member Rader, and members of the Ohio House Energy Committee:

My name is Brian Weisker, and I am President of Duke Energy's natural gas business. I am responsible for the company's regulated natural gas operations in Ohio, Kentucky, Tennessee, and North and South Carolina. I also lead our natural gas commercial operations, which include supply, wholesale marketing, transportation and pipeline services, field customer service, sales and delivery, and business development. In Ohio, we provide safe and reliable natural gas service to roughly 490,000 customers, continuing the nearly two-hundred-year legacy of our predecessor companies. I wish to thank Representatives Dovilla and Fischer for their work on House Bill 142, and this committee for the opportunity to testify today in support of Substitute Senate Bill 103 (S.B. 103).

Duke Energy applauds Ohio's passage of legislation over the past decade to protect critical infrastructure, to guarantee that customers retain access to natural gas service, and to promote the state's economic competitiveness. Those laws affirm the significant contributions that natural gas provides to Ohioans' quality of life and prosperity. S.B. 103 aligns with these principles by expanding upon the policies of House Bill 15 (H.B. 15), enacted through multiple near-unanimous votes of this General Assembly earlier this year.

I. Natural gas plays an essential role in our daily lives, our economy, and our shared national policy priorities.

Natural gas is a vital resource for Ohio, powering homes, businesses, and industries, and supporting everything from heating and cooking to manufacturing and transportation. In 2023, natural gas made up about 36% of the nation's primary energy use, with demand rising.[1] Ensuring continued investment in natural gas infrastructure is essential for economic dominance, energy independence, and national security—goals addressed by the regulatory updates in S.B. 103.

[1] U.S. Energy Information Administration. 2025. *Natural Gas Explained, Use of Natural Gas*. https://www.eia.gov/energyexplained/natural-gas/use-of-natural-gas.php.

II. H.B. 15 modernized Ohio's electric utility regulatory model, providing much needed common-sense reforms that should be similarly applied to the natural gas utility industry.

As Ohio's sole combined natural gas and electric utility, Duke Energy was involved in the legislative process for H.B. 15. During that process, Amy Spiller, President of Duke Energy Ohio, testified as to how multi-year rate plans benefit customers, regulators, and utilities by using forecasting and annual adjustments for investments, revenues, and expenses.

To reiterate, under Ohio's highly regarded modernized paradigm:

- Customers benefit from more predictable rates and flattening of rate increases, and they may realize cost savings sooner.
- Regulators gain efficiency in managing rate cases.
- Utilities can better plan investments, often securing more favorable financing that reduces costs for customers.
- Utilities must file rate cases at least every three years, providing greater transparency into utility financials.

The natural gas and electric utility industries share many similarities, including variables used to determine customer rates. The rate design principle of cost causation is also common across industries. The regulatory structure I just described is a marked improvement over the historical approach to setting electric utility rates. The same will hold true for the natural gas industry and our customers.

There are some facets unique to the natural gas industry that bear explanation. This includes the need to maintain certain riders that facilitate the state's customer choice laws, and that allow for the recovery of costs for safety requirements, state taxes, and customer-specific projects. As one example, the cost of extending service to a single customer is billed only to that customer through a rider. To prevent double recovery of capital investments that are already included in base rates, S.B. 103 expressly prohibits the Public Utilities Commission of Ohio from approving capital recovery riders if a natural company's base rates are set by a multi-year plan. Duke Energy Ohio supports this reform; however, other non-capital recovery riders need to be maintained, as is provided in S.B. 103, to facilitate the operation of other facets of our business outside of capital investments.

Additionally, the Infrastructure Development Rider (IDR) serves as an important mechanism for economic development, enabling current customers to grow their operations and supporting the attraction of new businesses to Ohio. Commission approval of the IDR is conditional upon the utility meeting strict criteria, and customer charges are limited by statute. Changes to the law by the last General Assembly allow the IDR to be used to fund new infrastructure to serve economic development sites, not just individual customers. This enables utilities to work with organizations like the Department of Development and JobsOhio to support business growth and job creation. Recently, Duke Energy Ohio received approval under the IDR law to move forward with construction of a pipeline that is designed to serve a specific new industrial park in southwest Ohio. However, because this project will increase natural gas capacity in the general region, it will simultaneously improve the economic marketability of six additional sites. Given that IDRs address needs and opportunities that are unanticipated at the time base rates are set, its charges are capped, and it is only approved when supporting business development endorsed by the state or a regional economic development partner, those statutes should remain unchanged.

III. Large load customers present unique challenges in the effects they have on infrastructure and smaller load customers, necessitating specific policies to address them.

Natural gas supports Ohio's diverse and growing industries, including defense manufacturing, data centers, and pharmaceuticals, which have different load profiles and often require much higher capacity than smaller users. State policy should recognize these unique needs, encourage innovation and growth, and ensure fair cost allocation. S.B. 103's provisions for large load customers aim to balance the interests of all customers while allowing utilities to respond quickly to new opportunities.

IV. Conclusion

To summarize, by building upon H.B. 15, S.B. 103 harmonizes regulation of the natural gas sector with that of the electric sector, while protecting customers and supporting economic growth. S.B. 103 will better equip natural gas utilities to plan, build, operate, maintain, and secure the critical infrastructure needed to deliver safe and reliable service. Duke Energy values the work thus far to develop this important legislation. We urge its swift passage.