

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY :
 :
Proposed general increase in electric rates : No. 10-_____
 :
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Direct Testimony of
DR. JUAN ANDRADE
President of the United States Hispanic Leadership Institute

On Behalf of
Commonwealth Edison Company

- List of Issues & Major Conclusions

- ComEd's commitment to corporate social citizenship is exemplary; it is a commitment that is also embraced by ComEd employees, including its most senior-level executives.
- ComEd's approach to community involvement and reinvestment is qualitatively different from those of other large area corporations, and has led ComEd to establish innovative programs to support the communities it serves.
- ComEd's community involvement activities have supported and strengthened in numerous ways the educational and employment opportunities in the communities in which its customers work, live, and raise their families.

TABLE OF CONTENTS

Section	Page
I. Introduction and Purpose	1
A. Identification of Witness.....	1
B. Purposes of Testimony.....	1
C. Summary of Conclusion	1
D. Background and Experience	2
II. ComEd’s Commitments to Supporting and Strengthening the Community	2

1 **I. Introduction and Purpose**

2 **A. Identification of Witness**

3 **Q. What is your name and for whom do you work?**

4 A. My name is Juan Andrade, Jr. I am the president of the United States Hispanic
5 Leadership Institute (“Institute”), where I have been employed since May 1982.

6 **B. Purpose of Testimony**

7 **Q. What is the purpose of your testimony?**

8 A. I was asked by Commonwealth Edison Company (“ComEd”) to describe its community
9 outreach and development efforts that I have observed over the years and to discuss
10 ComEd’s commitment to improving the quality of life for individuals and families in the
11 communities it serves. Although many of ComEd’s activities are well-known, such as its
12 sponsorship of the United Way of Metropolitan Chicago, the Chicago Urban League,
13 Metropolitan Family Services, DuSable Museum of African American History, Casa
14 Central and many other non-profit organizations across northern Illinois, the focus of my
15 testimony will be ComEd’s activities in the Latino community because that is the
16 community with which I am most familiar. I believe, however, that the ComEd
17 participation and support I describe also occurs more broadly throughout the Chicago
18 area and northern Illinois.

19 **C. Summary of Conclusion**

20 **Q. Briefly, what is the conclusion of your testimony?**

21 A. ComEd is a model corporate citizen. Over the years, ComEd has played an increasingly
22 important role in improving the communities where its customers work, live and raise
23 their families. ComEd’s multifaceted approach to community involvement indicates an

24 intimate understanding of the nature of corporate citizenship that is needed to support the
25 interests of the communities in which it operates and has had far-reaching positive
26 impacts on the economic, social and educational development of Chicago area and
27 northern Illinois communities.

28 **D. Background and Experience**

29 **Q. What is your professional experience?**

30 A. I have a Bachelor's Degree from Howard Payne College (now Howard Payne
31 University), a Master's in Education from Antioch College, an Educational Specialist
32 Degree and a Doctorate in Education from Northern Illinois University, and a Master of
33 Arts from Loyola University Chicago.

34 I have extensive experience in the social, economic and political issues affecting
35 the Latino community, with a focus on the community in Chicago. My qualifications and
36 experience are detailed in my curriculum vitae, which is attached to this testimony as
37 ComEd Exhibit 3.1.

38 **II. ComEd's Commitments to Supporting and Strengthening the Community**

39 **Q. When did you first become aware of ComEd's community involvement in the
40 Chicago area?**

41 A. I first began to observe ComEd's community involvement in the early 1980s through my
42 work with the community in the Chicago area. And, through my current professional
43 involvements, I continue to observe ComEd's ongoing commitments to the community.

44 **Q. In terms of community involvement, how is ComEd different from other major
45 corporations doing business in the Chicago area?**

46 A. In my experience, ComEd stands out because its commitment to the communities where
47 its customers live and work can be seen at all levels, including the personal and
48 professional commitments of the Board of Directors, senior executives and management-
49 level employees. What also sets ComEd apart from its corporate peers is that ComEd's
50 commitment to reinvesting in the communities that it serves also comes in all forms.
51 Within the Latino community, for example, ComEd supports educational and economic
52 development by donating to scholarships that fund educational opportunities for
53 underserved students and supports community organizations by undertaking leadership
54 roles within these organizations. ComEd distinguishes itself from the rest of the business
55 community in terms of the support given to community organizations by senior ComEd
56 leadership, as I will discuss more fully in later parts of this testimony.

57 Q. **Can you provide some specific examples of ComEd's community support and**
58 **development activities?**

59 A. Yes. ComEd supports a number of community-based nonprofit organizations that
60 provide essential services to the communities in which ComEd serves. Moreover,
61 ComEd is part of the Exelon family of companies and, as I describe below, Exelon itself
62 also demonstrates this same commitment to Chicago area communities.

63 Organizations such as Erie House, Casa Central, the National Mexican Fine Arts
64 Museum and the Puerto Rican Arts Alliance are just a few organizations of which I am
65 personally knowledgeable that have benefited from the generosity of ComEd and its
66 senior executives. In 2009 alone, ComEd and Exelon donated almost \$400,000 to these
67 organizations. Senior executives at ComEd and Exelon have chaired annual dinners for
68 most of these organizations, helping to raise \$250,000 to upwards of \$1,000,000 per

69 event. And as uncommon as it is to see senior executives of the same corporation assume
70 active leadership roles in fundraising for community-based organizations, it is even more
71 uncommon to see a member of the corporate Board of Directors serve as a dinner chair
72 for these organizations. This was the Institute's experience in 2009 when Judge Nelson
73 Diaz served as the Institute's dinner chair. In my opinion, Judge Diaz's election to the
74 Exelon Board of Directors in 2004 and service as the Institute's dinner chair in 2009 are
75 both testaments to Exelon's commitment to diversity in governance and respect for the
76 diverse communities Exelon and ComEd serve. Exelon's Bill VonHoene, Jr. is chairing
77 the event this summer.

78 Without knowing the impact that these organizations have in the community, it
79 may be difficult to appreciate the significance of ComEd's community investment efforts.
80 The organizations that ComEd supports each serve a vital function in the community in
81 the following ways:

- 82 • Casa Central: Founded in 1954 to provide social services to Chicago's
83 Latino community, including, for example, programs to ensure the health
84 and well-being of the community's elderly population, early learning and
85 development programs for children, and interim housing and domestic
86 violence intervention services, Casa Central is now the largest Latino
87 social service agency in Chicago and one of the largest, if not the largest,
88 in the nation with a staff of 450 and a \$16 million annual budget. The
89 agency serves an estimated 25,000 people annually. ComEd's Leslie
90 Koczur serves on the board of directors of Casa Central.

- 91 • Erie Neighborhood House: Founded in 1870 in the settlement house
92 tradition, Erie House was one of the first comprehensive social service
93 agencies in Chicago. Erie House continues to be a vital Chicago
94 institution for the city's diverse and low-income populations. Today, Erie
95 House provides, among other programs and services, award-winning
96 educational programs, after-school programs, emergency food relief,
97 technology training and access, and adult outcomes-based education
98 programs to an estimated 5,000 people annually. Exelon's Tom O'Neil
99 serves on the board of directors.
- 100 • The National Mexican Fine Arts Museum: The largest Mexican cultural
101 center and museum in the United States, this museum's mission is to
102 foster knowledge of and appreciation for Mexican culture by, for example,
103 preserving important cultural artifacts and by providing professional
104 development and educational programs to established and aspiring artists.
105 ComEd's Fidel Marquez serves on the board of directors.
- 106 • The Puerto Rican Arts Alliance: Dedicated to preserving Puerto Rican
107 culture, promoting the arts, and providing a venue for emerging artists and
108 musicians to showcase their talent, the Puerto Rican Alliance encourages
109 cross cultural connections among various ethnic groups throughout the
110 city.

111 Moreover, senior executives at ComEd and Exelon have demonstrated a personal
112 commitment to leveraging their influence to generate additional contributions for these
113 organizations. For example, the Chairman and CEO of Exelon, John Rowe, contributed

114 \$2 million (which was matched by Exelon) and the Chairman and CEO of ComEd, Frank
115 Clark, contributed \$200,000, respectively, of their personal money toward the
116 establishment of the Rowe-Clark Math and Science Academy, a state-of-the-art charter
117 school that provides a college preparatory education to a diverse body of students from
118 throughout the City of Chicago. Exelon and the Rowe family have also contributed \$3
119 million to create a new charter elementary school on Chicago's west side.

120 **Q. Aside from its support of specific organizations, does ComEd's participation in the**
121 **community take other forms?**

122 **A.** Yes. ComEd is involved in a number of activities in support of local communities.

123 *First*, since 1983, the Institute has held an annual Latino leadership conference in
124 Chicago, which has served as the exclusive host city for its national conference. For the
125 last 17 years, ComEd has played an integral role in making each conference a memorable
126 event by assisting the Institute in the production of a video tribute to the Institute's
127 National Hispanic Hero Award recipient. This video tribute is presented at the Institute's
128 annual conference, which is the largest Latino leadership conference in the nation with
129 over 6,000 participants from nearly 40 states attending each year.

130 Featured in these video tributes have been some of the most important Latino
131 leaders of the last 50 years, including, for example, Cesar Chavez – founder of the United
132 Farm Workers Union, Dr. Antonia Novello – the first woman and first Hispanic Surgeon
133 General of the United States, and Henry Cisneros – the 10th Secretary of the United States
134 Department of Housing and Urban Development.

135 In all, there have been 31 recipients of the Institute's National Hispanic Hero
136 Award. The Institute is the only Latino organization in the country to have honored the

137 majority of the most prominent Latino leaders of our time and, with ComEd’s help, the
138 Institute has been able to capture these leaders’ personal stories and the major
139 accomplishments of their life’s work. This has enabled tens of thousands of young
140 people, the next generation of leaders, to personally meet and hear the most influential
141 Latino leaders in America during the last 50 years.

142 **Second**, in furtherance of Exelon’s mission to support diversity and inclusion
143 within its workforce, it has several Employee Networks Groups. One of these inclusive,
144 voluntary and corporate-wide groups, Organization for Latinos at Exelon (“OLE”), aims
145 to strengthen Exelon’s ties with the Latino community. OLE has been very active in
146 raising scholarship money for Latino students in need. In fact, some of the funds raised
147 by OLE have been donated to the Institute to support our various scholarship programs.
148 OLE also sponsors cultural awareness activities during Hispanic Heritage Month, which
149 has included inviting prominent Latinos to give company-wide presentations to enhance
150 non-Latino employees’ understanding of some of the communities that Exelon and
151 ComEd serve.

152 **Third**, ComEd’s community involvement efforts have increased educational and
153 employment opportunities for residents in the communities that it serves. For example,
154 in 2007, ComEd contributed \$100,000 to the Institute for educational scholarships. This
155 contribution enabled students to pursue educational and subsequent employment
156 opportunities that might not have otherwise been attainable. Institute scholarship
157 recipients from Chicago include the highest ranking Latino in the Chicago Public
158 Schools, an executive at the Ford Motor Company, the director of ENLACE, an
159 organization that works with Latino youth, and a successful attorney, to name just a few.

160 To date, over 60 youth in Chicago have received scholarships from the Institute, which
161 were made possible by ComEd's support. In addition, ComEd's support of our national
162 conference, discussed above, has enabled the Institute to sponsor its annual College
163 Recruitment Fair in Chicago, which is now one of the largest in the nation.

164 **Q. Have ComEd's community involvement efforts expanded over the years?**

165 **A.** Yes. During the 1980s, ComEd, like many corporations of that time, had neither the
166 depth nor the expanse in terms of community commitment and reinvestment that it has
167 today. For example, in the 1980s, a then-Vice President of ComEd, Bill Cormack, began
168 supporting the Spanish Coalition for Jobs ("SCJ") after he had the opportunity to meet
169 SCJ's Executive Director. As a result of this meeting, Mr. Cormack agreed to support the
170 organization's mission "to enhance the quality of life for Latinos through educational,
171 vocational and employment services, and through advocacy, thus enabling the
172 achievement of economic independence" by providing financial support to SCJ and
173 serving on the SCJ Board of Directors. ComEd has had a senior executive on the SCJ
174 Board since that time, nearly 30 years ago. One of the longest serving ComEd executives
175 on the SCJ Board, Assir Da Silva, formerly served as the Board Chair for many years.

176 During the course of ComEd's relationship with SCJ, thousands of youth have
177 gained very marketable employment skills and economic independence. The impact of
178 SCJ in the community can be seen in the accomplishments of its alumni, who include a
179 currently elected state representative and a commissioner who, after having served in the
180 Chicago City Council and the Illinois State Senate, will assume office on the Cook
181 County Board in December of 2010.

182 But while ComEd can and should be commended for the consistent and
183 substantial support of SCJ that I discussed above, there was more that ComEd could do to
184 support the communities where ComEd's customers lived, worked and raised their
185 families. In the 1990s, I observed ComEd undergo an extraordinary paradigm shift that
186 enhanced and expanded ComEd's commitment to community investment. In light of
187 ComEd's and Exelon's desire to strengthen their relationships with the community, Mr.
188 Rowe, the then-newly appointed Chairman and CEO of Exelon, expressed to me during a
189 conversation at a White Sox game in 1998 that he understood and appreciated the need
190 for more diversity on the Board of Directors and at the senior executive level, and that
191 ComEd and Exelon were also committed to increasing the level of their community
192 involvement. From that point forward, I began to observe an accelerated commitment at
193 all levels within ComEd to explore innovative ways to support the communities in which
194 it operated.

195 **Q. Can you provide an example of ComEd's innovative approach to community**
196 **support?**

197 **A.** Yes. In my opinion, the best demonstration of ComEd's innovative community support
198 strategies involves the donation of a piece of property to El Valor in the 1990s. El Valor
199 is a pioneering organization founded by the late Ms. Guadalupe Reyes to serve Latinos
200 with serious learning disabilities in community-based settings. While this was not
201 ComEd's first gift to El Valor, it was significant because it provided a facility where El
202 Valor trainees could receive the quality and quantity of training necessary to live
203 independently.

204 At the time El Valor was founded, the most common remedy for young people
205 with severe learning disabilities was institutionalization in a state-operated facility. El
206 Valor provided the opportunity for these individuals to live at home while learning to live
207 independently, to work for a living, take pride in their work, get paid, and pay taxes like
208 everyone else. ComEd provided the property and a facility where El Valor participants
209 could be trained to repair streets lights that were owned by ComEd and needed
210 throughout the city. This partnership between El Valor and ComEd enabled many
211 individuals to learn a marketable employment skill, enabled ComEd to continue
212 providing properly functioning street lights, and provided the lighting needed by all
213 communities throughout the city of Chicago.

214 Over the long term, this facility served as a model for what would become El
215 Valor's most ambitious undertaking, a Civic Leadership Capital Campaign, to build three
216 Children and Family Centers at a cost of approximately \$30 million. ComEd was one of
217 the largest contributors to this campaign. All three centers are in operation and continue
218 to serve individuals in the Chicago area.

219 **Q. Does this conclude your testimony?**

220 **A. Yes.**