

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.

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1 **I. Introduction and Purpose**

2 **A. Identification of Witness**

3 **Q. Are you the same Juan Andrade, Jr. that submitted Direct Testimony in this**
4 **proceeding?**

5 **A. Yes.**

6 **B. Purpose of Testimony**

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

8 **A.** The purpose of my testimony is to respond to and expand upon issues raised by Illinois
9 Office of the Attorney General (“AG”) witness Roger Colton in his Direct Testimony.
10 Specifically, Mr. Colton discusses ComEd’s obligations as “part of the larger
11 community” and benefits such as “reputational capital” that ComEd will receive from the
12 “provision of affordable rates.” Colton Dir., AG Ex. 5.0, 36:811-832, 47:1114-48:1145.
13 I was asked by Commonwealth Edison Company (“ComEd”) to describe ComEd’s
14 community outreach and development efforts that I have observed over the years and to
15 discuss ComEd’s commitment to improving the quality of life for individuals and
16 families in the communities it serves. In addition, Mr. Colton recommends that ComEd’s
17 parent company Exelon fund certain programs that ComEd proposes to offer through the
18 alternative regulation plan. *Id.*, 41:942-949, 50:1196-1201. My testimony discusses
19 contributions that Exelon has already made to several community based organizations as
20 well as programs that assist underserved members of ComEd’s community.

21 **C. Summary of Conclusion**

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

23 A. ComEd is a model corporate citizen. Over the years, ComEd has played an increasingly
24 important role in improving the communities where its customers work, live and raise
25 their families. ComEd's multifaceted approach to community involvement indicates an
26 intimate understanding of the nature of corporate citizenship that is needed to support the
27 interests of the communities in which it operates and has had far-reaching positive
28 impacts on the economic, social and educational development of Chicago area and
29 northern Illinois communities. In short, ComEd does not "remain aloof" from the
30 problems and needs of its customers as Mr. Colton suggests. *Id.*, 36:829-832.

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

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

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

45 Q. **Can you provide some specific examples of ComEd's community support and**
46 **development activities, separate and apart from those that you provided in your**
47 **Direct Testimony?**

48 A. Yes. As I stated in my Direct Testimony, organizations such as Erie House, Casa
49 Central, the National Mexican Fine Arts Museum and the Puerto Rican Arts Alliance are
50 just a few organizations of which I am personally knowledgeable that have benefited
51 from the generosity of ComEd and its senior executives. Specifics that were not included
52 in my Direct Testimony, however, include that in 2009 alone, ComEd and Exelon
53 donated almost \$400,000 to these organizations. Senior executives at ComEd and Exelon
54 have chaired annual dinners for most of these organizations, helping to raise \$250,000 to
55 upwards of \$1,000,000 per event. And as uncommon as it is to see senior executives of
56 the same corporation assume active leadership roles in fundraising for community-based
57 organizations, it is even more uncommon to see a member of the corporate Board of
58 Directors serve as a dinner chair for these organizations. This was the Institute's
59 experience in 2009 when Judge Nelson Diaz served as the Institute's dinner chair. In my
60 opinion, Judge Diaz's election to the Exelon Board of Directors in 2004 and service as
61 the Institute's dinner chair in 2009 are both testaments to Exelon's commitment to
62 diversity in governance and respect for the diverse communities Exelon and ComEd
63 serve. Exelon's Bill VonHoene, Jr. is chairing the event this summer. In addition,
64 ComEd's Leslie Koczur serves on the board of directors of Casa Central.

65 Q. **Aside from its support of specific organizations and the example that you discussed**
66 **in your Direct Testimony, does ComEd's participation in the community take other**
67 **forms?**

68 A. Yes. In furtherance of Exelon's mission to support diversity and inclusion within its
69 workforce, it has several Employee Networks Groups. One of these inclusive, voluntary
70 and corporate-wide groups, Organization for Latinos at Exelon ("OLE"), aims to
71 strengthen Exelon's ties with the Latino community. OLE has been very active in raising
72 scholarship money for Latino students in need. In fact, some of the funds raised by OLE
73 have been donated to the Institute to support our various scholarship programs. OLE also
74 sponsors cultural awareness activities during Hispanic Heritage Month, which has
75 included inviting prominent Latinos to give company-wide presentations to enhance non-
76 Latino employees' understanding of some of the communities that Exelon and ComEd
77 serve.

78 ComEd's community involvement efforts have increased educational and
79 employment opportunities for residents in the communities that it serves. For example,
80 in 2007, ComEd contributed \$100,000 to the Institute for educational scholarships. This
81 contribution enabled students to pursue educational and subsequent employment
82 opportunities that might not have otherwise been attainable. Institute scholarship
83 recipients from Chicago include the highest ranking Latino in the Chicago Public
84 Schools, an executive at the Ford Motor Company, the director of ENLACE, an
85 organization that works with Latino youth, and a successful attorney, to name just a few.
86 To date, over 60 youth in Chicago have received scholarships from the Institute, which
87 were made possible by ComEd's support. In addition, ComEd's support of our national
88 conference, discussed in my Direct Testimony, has enabled the Institute to sponsor its
89 annual College Recruitment Fair in Chicago, which is now one of the largest in the
90 nation.

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

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

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

109 But while ComEd can and should be commended for the consistent and
110 substantial support of SCJ that I discussed above, there was more that ComEd could do to
111 support the communities where ComEd's customers lived, worked and raised their
112 families. In the 1990s, I observed ComEd undergo an extraordinary paradigm shift that
113 enhanced and expanded ComEd's commitment to community investment. In light of

114 ComEd's and Exelon's desire to strengthen their relationships with the community, Mr.
115 Rowe, the then-newly appointed Chairman and CEO of Exelon, expressed to me during a
116 conversation at a White Sox game in 1998 that he understood and appreciated the need
117 for more diversity on the Board of Directors and at the senior executive level, and that
118 ComEd and Exelon were also committed to increasing the level of their community
119 involvement. From that point forward, I began to observe an accelerated commitment at
120 all levels within ComEd to explore innovative ways to support the communities in which
121 it operated.

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

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

131 ComEd provided the property and a facility where El Valor participants could be
132 trained to repair streets lights that were owned by ComEd and needed throughout the city.
133 This partnership between El Valor and ComEd enabled many individuals to learn a
134 marketable employment skill, enabled ComEd to continue providing properly functioning
135 street lights, and provided the lighting needed by all communities throughout the city of
136 Chicago.

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

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

143 A. Yes.