

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.

1 **I. Introduction and Purpose**

2 **A. Identification of Witness**

3 **Q. Are you the same Juan Andrade, Jr. who 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 Rebuttal Testimony.
10 These issues are largely similar to the issues raised in Mr. Colton’s Direct Testimony,
11 which was stricken by the Administrative Law Judges. Specifically, Mr. Colton
12 discusses “what constitutes the ‘public interest’ in ratemaking.” Colton Reb., AG Ex.
13 9.0, 1:9-13. I was asked by Commonwealth Edison Company (“ComEd”) to describe
14 ComEd’s commitment to the public interest by way of its community outreach and
15 development efforts that I have observed over the years and to discuss ComEd’s
16 commitment to improving the quality of life for individuals and families in the
17 communities it serves. In addition, Mr. Colton recommends that ComEd’s parent
18 company Exelon fund certain programs that ComEd proposes to offer through the
19 alternative regulation plan. *Id.*, 35:806-38:867. My testimony discusses contributions
20 that Exelon has already made to several community based organizations as well as
21 programs that assist underserved members of ComEd’s community.

22 **C. Summary of Conclusion**

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

24 A. ComEd is a model corporate citizen. Over the years, ComEd has played an increasingly
25 important role in improving the communities where its customers work, live and raise
26 their families. ComEd's multifaceted approach to community involvement indicates an
27 intimate understanding of the nature of corporate citizenship that is needed to support the
28 interests of the communities in which it operates and has had far-reaching positive
29 impacts on the economic, social and educational development of Chicago area and
30 northern Illinois communities. In short, ComEd is committed to furthering the "public
31 interest." *Id.*, 36:829-832.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

144 A. Yes.