



An Exelon Company

# “Powering Lives”

Prepared by

ComEd April 15, 2015

Diverse Business, Veteran Business,  
and Small Business Report Pursuant  
to 220 ILCS 5/5-117

Prepared for the Illinois Commerce Commission



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## 1.0 Introduction

Diversity is central to ComEd Culture. We are a business that serves every single person and every single community in our service territory. We do well when our communities do well, and only when they do well. We must have all communities represented and empowered within our company if we are to meet the needs of and truly serve our customers. It is our deep commitment that all our customers see themselves in our work.

As part of this commitment, we view minority, women and veteran owned businesses as valued partners in our efforts to achieve our mission. Diversity-certified suppliers bring distinct skills, different perspectives and novel ideas. Their efforts bolster ComEd's ability to deliver a premier customer service experience, and truly serve our communities.

For our 2014 results, I'm delighted and proud that we spent more than 26% of our investment in goods and services with diversity-certified suppliers. Our year-over-year diversity-certified supplier expenditures grew by \$100 million, or a full 32%. Today, more than ever, ComEd is raising the bar on innovation and customer connection, which means working with creative and diverse suppliers. The need for a resilient, clean and adaptable energy supply has never been more acute. That's why our Diverse Business Empowerment team is hard at work providing opportunities to not only diverse suppliers, but to diverse "innovators" who will create the next generation of "smart energy" solutions for our customers.

Finally, I want to express my appreciation to the suppliers, regulators and legislators who have supported our diversity initiatives, and to the many employees who keep the lights on — day in and day out. We hope this report will spur discussion about business diversity best practices and the role utilities can play in advancing Illinois' economic development. Thank you for taking the time to review ComEd's 2014 Diverse Business Empowerment Report.

Anne R. Pramaggiore  
CEO and President, ComEd



## ComEd's Diverse Business Empowerment Contribution to Illinois' Economic Vitality

The graphic below is designed to illustrate what ComEd's commitment to diversity-certified supplier means to the Illinois economy and to the economic vitality of the communities in which we operate. This report demonstrates how the economic activity we generate benefits not only our employees, but also companies, cities and towns throughout the state. Our commitment to diversity-certified supplier inclusion has never been stronger.



Ornelas Construction wants to thank you for the opportunity to work for ComEd in 2014. More so than anything else, we want to thank ComEd for teaching us how to work in an electrical distribution system safely. From the live substations, to the freight tunnels, to tie-ups in Chicago Streets; you took this Hispanic business enterprise under your wings teaching us how important safety is for this electrical utility. You gave us nothing but the greatest watchmen to help us every step of the way. Today, when I prepare a pre-job brief in a substation I remind my employees what a ComEd employee told my group at a Wyoming, Illinois substation. He said, "you hear how silent it is in this substation, well don't be complacent, there are thousands of volts coming through here! This silence is very deadly." Thank you again for the work, but better yet, thank you for the great education. We look forward to working with you in 2015!

John F. Etten  
Business Manager  
Ornelas Construction

## 2.0 Terms and Definitions

ComEd defines diverse suppliers per the guidelines of the *National Minority Supplier Development Council*, the *Women's Business Enterprise National Council*, and the *U.S. Small Business Administration*.

**Minority-owned business** - A for-profit enterprise, regardless of size, physically located in the United States, which is 51% owned, operated and controlled by minority group members, defined from the following:

**Asian-Indian-Owned Business Enterprise** - A U.S. citizen whose origins are from India, Pakistan or Bangladesh.

**Asian-Pacific-Owned Business Enterprise** - A U.S. citizen whose origins are from Japan, China, Indonesia, Malaysia, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Thailand, Samoa, Guam, the U.S. Trust Territories of the Pacific or the Northern Marianas.

**African American-Owned Business Enterprise** - A U.S. citizen having origins in any of the Black racial groups of Africa.

**Hispanic-Owned Business Enterprise** - A U.S. citizen of Hispanic heritage, from any of the Spanish-speaking areas of the following regions: Mexico, Central America, South America or the Caribbean Basin only.

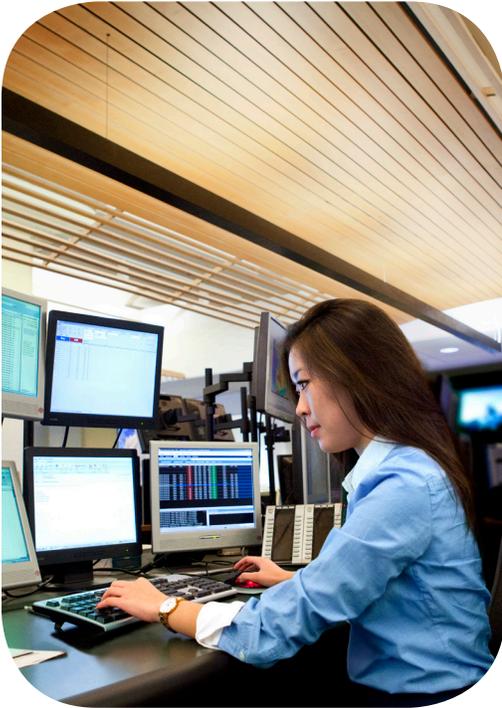
**Native American-Owned Business Enterprise** - A person who is an American Indian, Eskimo, Aleut or Native Hawaiian, and regarded as such by the community of which the person claims to be a part.

**Woman-Owned Business Enterprise** - An independent business concern that is at least 51% owned and controlled by one or more women who are U.S. citizens or Legal Resident Aliens; whose business formation and principal place of business are in the US or its territories; and whose management and daily operation is controlled by one or more of the women owners.



ComEd has provided me with valuable mentoring and consultation! PMI Systems started 2014 with 2-3 employees. Currently we employ 13 full time employees (with more potential for growth). In my opinion, this is a testament to the commitment that ComEd has to the success of its MWBE Program.

Dwayne Barlow  
President and CEO  
PMI Systems, Inc.



***U.S. Small Business Administration-*** as defined by the Small Business Act, a small business concern is “one that is independently owned and operated and which is not dominant in its field of operation.”

***Small Business*** - Depending on the industry, “small” is defined by either the number of employees or average annual receipts of a business concern. Website reference for size standards by NAICS code is [www.sba.gov/services/contractingopportunities/sizestandardstoc/index.html](http://www.sba.gov/services/contractingopportunities/sizestandardstoc/index.html).

***Veteran-Owned Business*** - a small business that is at least 51% owned, operated and controlled by one or more veterans.

***Subcontractor*** - any party or person (who is not an employee of the Prime Contractor) who enters into any agreement or arrangement with a Prime Contractor.

***Diversity-Certified Supplier*** - any legal entity that is: (i) organized to engage in commercial transactions; (ii) at least 51% owned and controlled by one or more individuals who are socially and economically disadvantaged; and (iii) managed by, and the daily business operations controlled by, one or more of the socially and economically disadvantaged individuals who own it.

***Prime Contractor/Supplier*** – any party or person (who is not an employee of the utility) who enters into any agreement or arrangement with the utility for the furnishing of supplies or services for the use of real or personal property, which, in whole or in part, is necessary to the performance of any one or more contracts.

***Goal*** – a target which, when achieved, indicates progress in a preferred direction. A goal is neither a quota nor a set-aside.

***Long-term goal*** – a goal applicable to a period of five (5) years.

***Mid-term goal*** – a goal applicable to a period of three (3) years.

I serve on Chicago United's board, and at a recent meeting, the board had a lively discussion about how large firms could help smaller firms grow to scale. As I followed the discussion I couldn't help but think that ComEd is way ahead of the curve on this (again). ComEd has a long history of supporting the growth of small businesses. Just one example... One of the toughest things for any business to do is match resources to work demand. Smoothing out the peaks and valleys, as best as possible, provides the staff stability that is extremely helpful to a growing business. By recognizing this and making it a priority, ComEd (under the terrific leadership of Michelle Blaise) established a working model that allowed Primera to forecast and secure resources in response to demand. Our side of that bargain was to construct a robust recruitment and training infrastructure. I think we did that pretty well!

Michael DeSantiago, PE  
 Founder, President and CEO  
 Primera Engineers

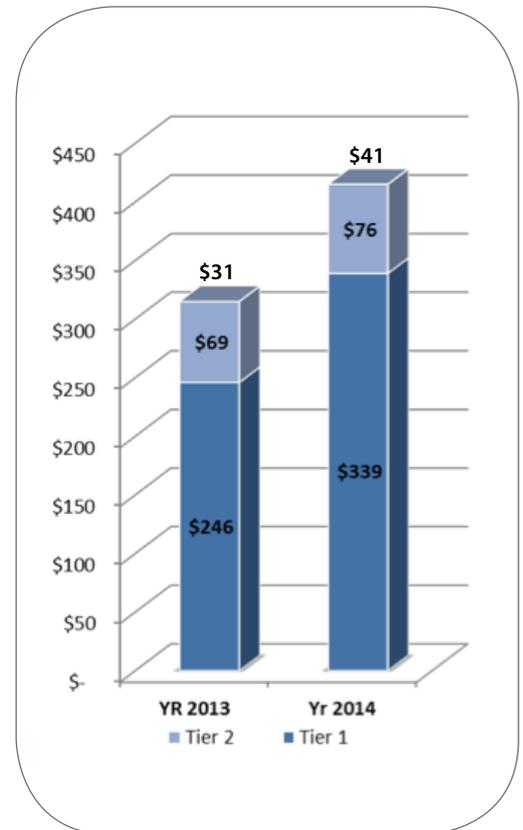
**Control** - exercising the power to make policy decisions (determined by the certifying entities).

**Operate** - being actively involved in the day-to-day management and not merely acting as officers or directors.

### 3.0 Summary Of Women-Owned, Minority-Owned, Veteran-Owned, Small Business Enterprise Goals and Spending In The Previous Calendar Year

In 2014, ComEd undertook an in-depth review within every product category and business function. The company identified actions that would help us drive sustainable diverse supplier inclusion growth faster and remove barriers to diversity-certified supplier progress. As a result of this review, ComEd set out to broaden our Diverse Business Empowerment Plan with more substantive and far-reaching diverse supplier development initiatives.

The company also revised supplier diversity targets to ensure that we can achieve our long-term ambitions. The most significant change we made was to recognize that, though ComEd leads the State of Illinois in diverse supplier expenditures, we can make an even bigger difference to the economic development of the State of Illinois, if we leverage our scale, influence and resources. Consistent with this change ComEd set out to achieve new heights in supplier diversity. During 2014, a 26% goal for diverse supplier inclusion was established and regularly monitored. The 26% goal was the most ambitious in ComEd's history. ComEd ended 2014 by meeting the 26% goal.



In 2014, ComEd increased its year-over-year diversity certified spend by 32 percent. The company spent more than \$415 million, or 26 percent of its procurement base, with diversity-certified suppliers. Tier One (T1) spend (expenditures with diverse suppliers who contract directly with ComEd) increased from \$246 to \$339, or by \$93 million, 38 percent more than 2013. ComEd's Tier Two (T2) spend (expenditures with diverse companies who serve as subcontractors) increased from \$69 million to \$76 million, or by \$7 million, 10 percent more than 2013.

Importantly, the company spent an overall \$1.6 billion on products and services to ensure safe, reliable and affordable electric service to its customers. This represented a total procurement base increase of 18 percent when compared to the previous year. In comparison, and as a result of the intense focus on supplier diversity, ComEd's diversity-certified supplier spend increased by 32 percent. This rate of increase significantly surpassed the overall total procurement increase. In summary, ComEd's diversity-certified supplier spend increased by a rate-of-increase 1.8 times greater than the rate of total spend (a detailed analysis of ComEd's spend by category and certification is included in the appendix).

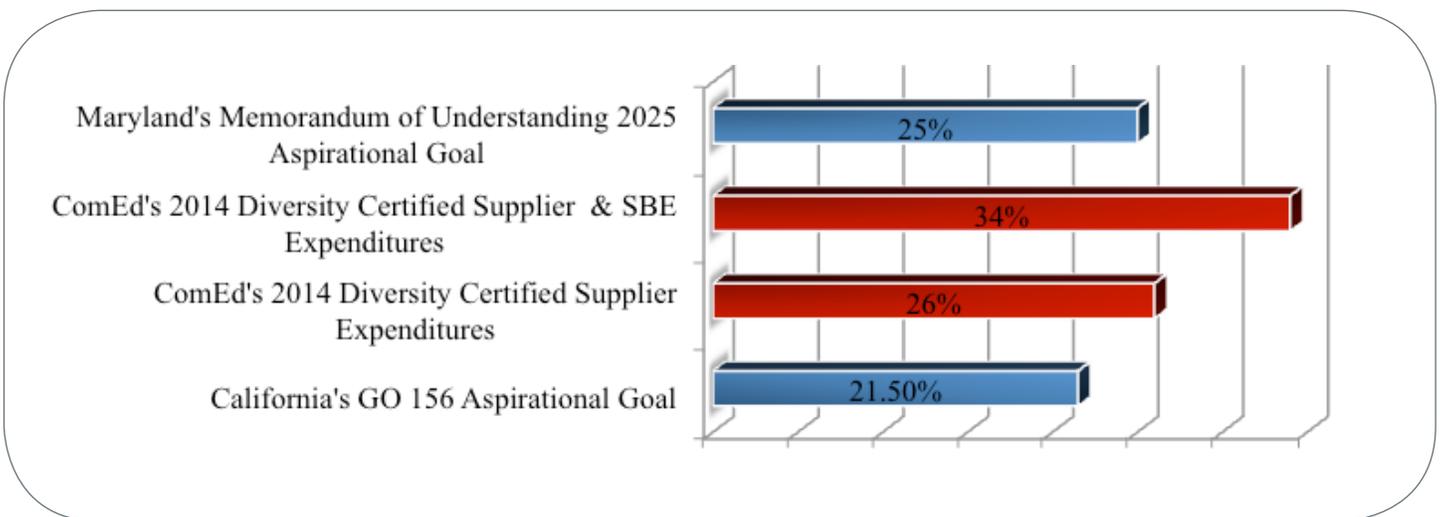
			MBE, WBE & VBE Combined		Total (\$MM)
	Illinois (\$MM)	Percent	Non-Illinois (\$MM)	Percent	
2013 Tier 1	\$ 220	89%	\$ 26	11%	\$ 246
2014 Tier 1	\$ 301	89%	\$ 38	11%	\$ 339
2013 Tier 2	\$ 41	59%	\$ 28	41%	\$ 69
2014 Tier 2	\$ 50	65%	\$ 26	35%	\$ 76

	2014	2014	2014
Certification Category	Tier 1	Tier 2	Total
MBE	\$157	\$32	\$189
WBE	\$178	\$41	\$219
VBE	\$4	\$3	\$7
Total MBE/WBE/VBE	\$339	\$76	\$415
SBE	\$129	\$0	\$129
Total	\$468	\$76	\$544

ComEd is a great partner that advocates for diversity at all levels. We have expanded our services and territory as a result of a ComEd referral, and now we have learned a new skill that we can provide across our whole territory. We have grown with our partners, and we will continue to look at new markets as we grow with ComEd.

Christy Webber  
 Founder, President and CEO  
 Christy Webber, Co.

In addition, listed below are nationally relevant benchmarks for comparison to ComEd's diversity-certified supplier expenditures. These targets and achievements afford ComEd stakeholders comparables and an analytical context for ComEd's diversity-certified supplier expenditures and a contrast to national norms. These statistics demonstrate that ComEd's self-directed achievement of 26 percent diversity-certified supplier expenditures exceeds the 21.5 percent standard established by General Order 156 (GO 156) in California, which has grown to be one of the most highly regulated utilities markets in the country. Importantly, ComEd's 2014 achievement exceeds the aspirational goal of 25 percent established by Maryland for the year 2025. Finally, in 2014 ComEd achieved a 34% spend-when \$129 million in Small Business Enterprise (SBE) Spend is added to the total diversity-certified supplier spend.



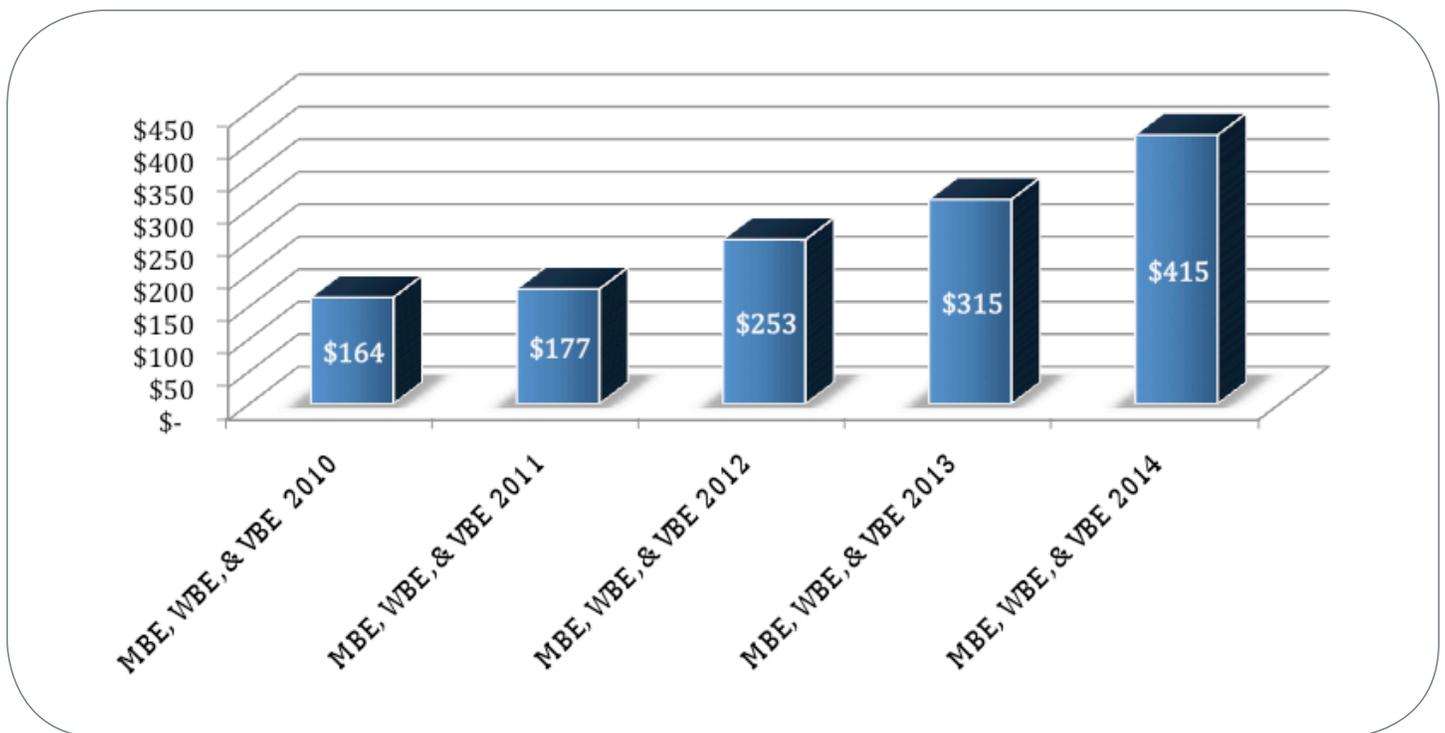
ComEd's continued supplier diversity growth reinforces the company's commitment to diversity-certified suppliers and the economic vitality of the State of Illinois and the communities we serve. In 2014, the benefits of the increased diversity-certified supplier spend were felt across a broad spectrum of demographics, which is an essential part of our strategy. ComEd's diversity-certified supplier spend strategy is designed to increase spending in the key operational areas of the business where there are consistent product, service and support needs.

As a direct result of this focus on strategic sourcing, competitive bidding and supplier development, ComEd's results in 2014 increased in almost every major category:

- Total diverse spend reached an all-time high of \$415 million, increasing \$100 million.
- Total minority business enterprise (MBE) spend reached an all-time high of \$189 million.

- Total woman business enterprise (WBE) spend reached an all-time high of \$219 million.
- Combining minority, women and veteran-owned business categories, ComEd spent more than \$415 million, an increase over 2013 of \$100 million, or 32 percent.
- African American owned business enterprise spend reached an all-time high of \$39 million, increasing \$20 million or an annual increase of 105 percent.
- Hispanic American owned business enterprise spend reached an all-time high of \$38 million, increasing \$21 million or an annual increase of 124 percent.
- Native American owned business enterprise spend reached an all-time high of \$62 million, increasing \$7 million or an annual increase of 13 percent.
- Total Small Business Enterprise spend reached an all-time high of \$129 million, an increase over 2013 of \$30 million or 30 percent.
- Total Illinois diversity-certified supplier spend reached an all-time high of \$351 million, increasing \$90 million or 34 percent.
- Finally, in 2014 ComEd spent 34 percent of its total expenditures with diversity certified firms and small business enterprises.

ComEd is unwavering in its commitment to integrate supplier diversity into its procurement process. The company's diverse spend over the last five years demonstrates the progress it has made in this critical area. Our diversity certified spend increased \$251 million or 153 percent. The table below provides figures demonstrating ComEd's commitment to advancing the inclusion of diverse suppliers.



Nash Brothers takes great pride in its historically strong strategic alliance with ComEd. Our relationship requires full commitment on both sides - creating value for all. This partnership requires consistent and effective communication – a skill Nash Brothers and ComEd demonstrate daily on and off the job sites. Nash Brothers and ComEd share similar core values, commitment to excellence, respect for employees, loyalty and community building. Being a valuable partner of ComEd is of key significance to Nash Brothers. Recently, we had the opportunity to support the Construct Program. This program highlights the commitment shown to encourage, to educate, and to provide opportunities in the construction field for men and women who are in search of new career paths. It is a great pleasure to work with ComEd, a company which promotes the belief that with success comes social responsibility.

Christopher Nash  
President  
Nash Brothers Construction Co, Inc.



## 4.0 Policies and Methodology

ComEd's Office of Diverse Business Empowerment (CDBE) and ComEd's Diversity Council maintain and consistently report on diversity-certified supplier activities and accomplishments. The goal of ComEd's methodology is designed to create viable and prosperous women, minority and veteran-owned enterprises by providing them with significant and measurable opportunities to participate in and compete fairly for contracts and subcontracts. The ComEd supply chain additionally supports diversity-certified suppliers through recruitment and technical assistance.

The CDBE Office additionally promotes the utilization of a comprehensive subcontracting plan for prime contractors as a competitive component of every bid. In this way, ComEd encourages prime contractors to assist in the increased utilization of diversity-certified suppliers. ComEd's diversity-certified supplier activities are conducted consistent with reasonable and competitive procurement practices and consistent with our primary public service obligation to ensure that utility services are provided to the ratepayers in the State of Illinois at just and reasonable rates. The goal of our activities is to assure a fair proportion of total contracts and subcontracts for products and services are awarded to women, minority, and veteran business enterprises.

### *Purposes:*

- a) Encourage greater economic opportunity for women, minority, and veteran business enterprises (WMVBE) business enterprises;
- b) Promote competition among suppliers to enhance economic efficiency in the procurement of ComEd contracts; and
- c) Examine, clarify and expand ComEd's diversity-certified suppliers programs for procurement of products and services from diverse enterprises.

At Sutton Ford we enjoy being business trailblazers, defying impossible odds, and making an economic difference. I started off with a background in engineering from Michigan State ('78), and through my relationship with ComEd I have leveraged that background to become one of the most resourceful auto dealers in the Midwest. I currently serve as a board member for Ingalls Hospital, and the Village of Matteson Economic Development Commission, a micro finance non-profit. None of this would be possible without strategic alliances with companies like ComEd.

In summary, the partnership between ComEd and Sutton Ford drives economic innovation.

Nate Sutton  
President and CEO  
Sutton Ford

A critical element of process oversight and governance of sourcing activities is to establish and reinforce policies and procedures. As a result, ComEd has a specific sourcing procedure governing supplier diversity, which is part of Company Management Model. This procedure provides sourcing professionals with the Diverse Business Empowerment mission, vision and goals; identifies the roles of sourcing and Diverse Business Empowerment professionals; and illustrates the key processes necessary to make the Diverse Business Empowerment program successful.

In 2014, the CDBE implemented new processes and systems to more effectively capture diversity data and continue to improve line of sight for each spend category. During 2014, the CDBE Office implemented a new process by which the office engaged prime contractors at a February 24, 2014, Summit for Grid Resiliency Investment Portfolio contracting. The importance of diversity-certified supplier inclusion was additionally stressed at the ComEd Contractor's of Choice orientation. In addition, to achieve ComEd's diversity certified spending goals, the CDBE Office partnered with the sourcing organization, the ComEd Diversity and Inclusion Steering Council and front line supervisors to develop and implement strategies and programs to strengthen diversity-certified supplier inclusion in ComEd's contracting. The CDBE Office's responsibilities included:

- tracking and reporting supplier diversity spend results;
- leading cross-functional teams to achieve supplier diversity goals;
- developing and implementing certified supplier development strategies with internal and external stakeholders;
- responding to potential diversity-certified supplier inquiries;
- managing internal and external stakeholder on-boarding transitions;
- developing supplier diversity communications and training plans;
- improving processes and project management;
- coordinating supplier diversity outreach events;
- engaging with community-based supplier diversity organizations; and
- managing technical assistance programs.

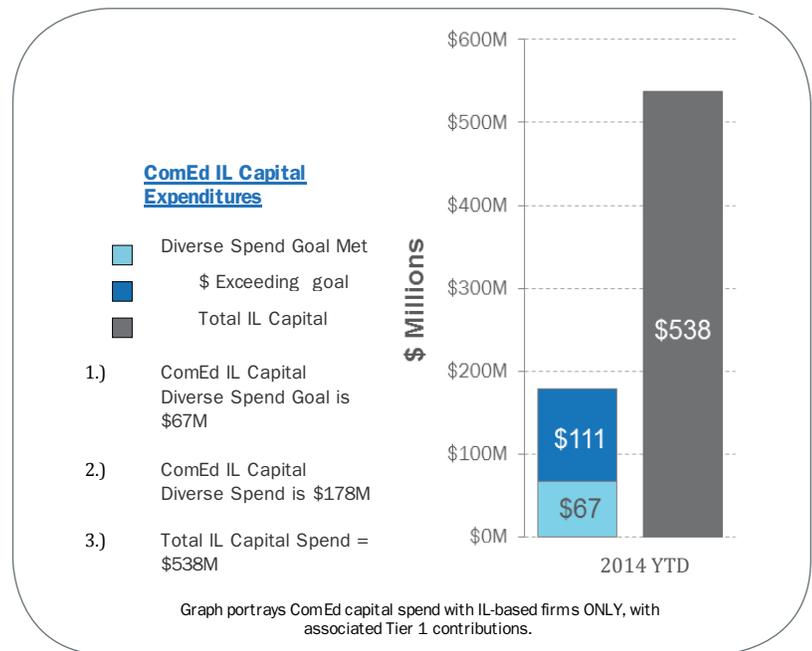
In summary, ComEd maintains ambitious diversity-certified supplier goals and a rigorous inclusion process. This methodology is long standing. Indeed, it is a part of our corporate DNA. Our diversity-certified supplier goal is both straightforward and simple. We wish to take advantage of the untapped or under-utilized resources that are available so that consumers receive the best product, greatest innovation and premier service at the lowest possible cost. The ComEd diversity-certified supplier program is rooted in the understanding that diversity provides our business with a significant competitive position in terms of enriching our communities and the businesses we seek to serve.

## 4.1 The Economic Impact of ComEd's Infrastructure Improvements

In 2014, the intensity of ComEd's infrastructure modernization efforts had a uniquely positive impact on diversity-certified supplier expenditures. During 2014, ComEd invested over \$538 million in total Illinois capital spend to deliver vital electric infrastructure modernization projects to the State of Illinois. Of this \$538 million, \$178 million, or 33 percent was spent with diversity-certified suppliers. This significant investment is a crucial part of ComEd's economic development strategy to boost economic growth and prosperity, increase energy efficiency, and support thousands of new jobs. Funding provided through ComEd's infrastructure modernization programs is made up of a number of individual programs, each providing targeted funding for greater diverse supplier inclusion in efficient energy transmission and distribution.

## 4.2 ComEd's Energy Infrastructure Modernization Act

In October 2012, ComEd received approval to upgrade and modernize its electric system to build a stronger, more reliable infrastructure. As part of this \$2.6 billion effort, ComEd launched one of the largest and most extensive capital projects in company history. A cornerstone of this initiative is our commitment to increase spending with diversity-certified suppliers by 15 percent over a 10-year period. The increase is being measured over ComEd's 2010 capital spending baseline. The intent of the self-directed diversity-certified supplier goal was to make known ComEd's commitment to economic growth for diversity certified businesses as a function of the project.



Looking back on 2014, the impact of ComEd's capital expenditures on supplier diversity was one of the year's most significant highlights. ComEd set an ambitious diverse supplier inclusion goal for its annual capital expenditures to ensure economic return to our diversity certified partners in Illinois. In 2014, ComEd surpassed its goal by increasing capital expenditures with diverse suppliers to \$178 million, a 63 percent increase over 2013 expenditures. This growth represents 2014's largest dollar and percentage increase in diversity-certified supplier spend for any Exelon operating company and far outpaced the original diversity-certified supplier goal. More specifically, in 2014 ComEd invested \$444 million in total EIMA project capital spend.

The extraordinary growth in ComEd's diverse spending was in large part due to a concerted effort by ComEd, Exelon Business Services Company (BSC) sourcing and the CDBE Office to increase the number of diverse suppliers in sourcing events. This effort to increase sourcing event participation resulted in diverse supplier participation in capital investment that greatly exceeded targets set for 2014.

The chart on this page shows both ComEd's \$67 million goal, and the additional \$111 million ComEd attained to exceed the goal. Together, these sums represent \$178 million in diverse spend out of a total Illinois capital expenditure of \$538 million.

## 4.3 ComEd's Chicago Training Center



On October 20, 2014, Chicago Mayor Rahm Emanuel joined ComEd President and CEO Anne Pramaggiore, Speaker Michael Madigan, State Senator Antonio Munoz, Representative Edward Acevedo, IBEW Local 15 President Dean Apple and community leaders to break ground on ComEd's new, state-of-the-art Chicago Training Center at 3535 S. Iron Street in Bridgeport. The new training center will help train workers on new Smart Grid technologies as part of a \$2.6 billion investment by ComEd authorized by the Illinois General Assembly to modernize the Chicago region's electricity infrastructure. "Today's announcement goes beyond breaking ground on a new Training Center for ComEd, it is a partnership between the City of Chicago, our businesses and our residents – one that will ensure ComEd has access to a trained workforce today, and that students in Chicago Public Schools can capitalize on the career opportunities of tomorrow," Mayor Emanuel said. "Building a world-class workforce with the skills to compete in the high-growth fields of the future is critical to the continued growth of Chicago's economy."

The facility, which will employ 40 full-time staff, is specially designed as an education and training center for ComEd's workforce and will feature 51,000 square feet of classroom and indoor training space, a 138,000-square-foot outside training yard and a 200-seat auditorium. The facility also will include substation and manhole training areas, indoor pole yard, a meter training area, lead splicing bays for underground cable and manhole training areas. The Chicago Training Center will also serve as an auxiliary storm center to help expand ComEd's resource coordination during significant weather events.

The City of Chicago partnered with ComEd to develop an after school vocational training program in the facility. The program, the first of its kind for ComEd, will provide Chicago Public Schools (CPS) juniors and seniors with training to become utility workers of the future. As part of the new program, ComEd will provide access to trainers, mentors and classroom speakers, assist with curriculum development and support CPS students as they explore postsecondary career options. Upon completion of the program, students will be qualified for ComEd internships and have the experience needed to pursue career opportunities in the utilities industry.

"This is an exciting day as ComEd implements another benefit of the Smart Grid law," said Senate President John Cullerton. "ComEd's Chicago Training Center will support job growth and help to prepare the next generation of skilled utility workers." The Chicago Training Center, and its sister facility in Rockford, were made possible as part of the historic Energy Infrastructure Modernization Act, passed by the Illinois General Assembly, to ensure that ComEd would have an industry-leading workforce to implement its \$2.6 billion investment in Smart Grid and Smart Meter technology that will transform the delivery of power

to homes and businesses. Importantly, 89 percent of the construction of the project will be performed by diversity-certified suppliers. With this commitment to local diverse suppliers, ComEd exceeds its Chicago Franchise Agreement objectives, surpasses its EIMA diversity aspirations, showcases the depth of diverse construction company options, builds greater diverse supplier capacity and enhances relationships with strategic business partners.

## 4.4 ComEd's Commitment To Chicago United's Five Forward Program

Exelon and its affiliating utilities support several diverse supplier advocacy organizations. In 2014, ComEd completed its sixth year of support for the Chicago United (CU) Five Forward Initiative. ComEd was one of the charter members of the *Five Forward Initiative*. The Five Forward Initiative enlists the commitment of CEOs from mid-sized to large-sized corporations in the Chicago metropolitan area to establish or expand business relationships with five current and/or new local minority firms.

The initiative is designed to build a stronger regional economy and the scale of minority businesses. Empirical evidence indicates that diversity-certified suppliers disproportionately tend to locate within and hire from areas with higher percentages of minority residents. The enhanced flow of money to the region improves the property tax base, increases employment and earnings, ignites business activity and creates the multiplier effects of local firms and residents spending dollars with other local firms.

By committing to the Five Forward Initiative, local leaders have established a precedent in partnering with local minority firms that are equally invested in the area. ComEd's *Five Forward* expenditures from 2009 through 2014 total over \$23 million.

Though this growth in Five Forward expenditures is impressive, in 2014 ComEd launched Five Forward 2020. The Five Forward 2020 program is a strategic outreach and diverse supplier development process designed to equip select diversity-certified suppliers with the tools and knowledge to attain their next level of business growth through on-going and meaningful one-on-one mentorship, educational workshops on business skills, safety policies, the Exelon/ComEd bidding process, and hands on support of resources unique to this initiative. Five members of the original Five Forward program have elected to continue with Five Forward 2020, and seven more companies joined the roster.

## 4.5 ComEd's High Margin Strategy

In 2014, ComEd's high margin expenditures significantly contributed to accomplishing our diversity supplier spend goals. During 2014, ComEd and its parent company, Exelon Corporation, extended credit lines totaling \$123 million to help support 31 minority and community-owned banks in areas where ComEd and Exelon operate. These transactions help to grow local businesses, keep valuable dollars in the local economies, and are critical to many communities that are still challenged by the economic climate. Exelon's minority and community banking program, which began in 2003, remains unique in the energy industry. Locally, Seaway Bank and Trust Company and Riverside Community Bank served as lead arrangers for the \$34 million credit facility for ComEd. Administered by JP Morgan Chase since its inception, the program has more than tripled in credit facility size and quadrupled the number of participating banks.

## 4.6 Exclusions and Calculations

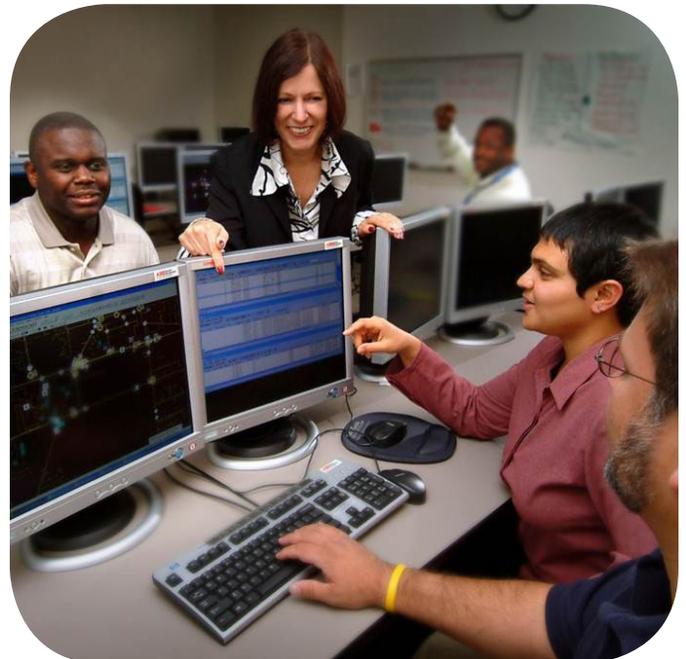
Payments made for the goods and services listed below are non-sourceable and considered “Exclusions” and therefore are not included in any of the calculations made in this report.

- Employee Expenses (salary, benefits, expense reimbursements, performance awards, petty cash, etc.)
- Parent, associated and/or subsidiary companies (charges for services rendered to the parent, ie., accounting, engineering, tax, advertising costs, etc.)
- Government agencies (taxes, street opening fees, license fees, etc.)
- Energy Rebates
- Fines
- Utility services (gas, electric, water, and telephone)
- Purchases from foreign owned companies outside of the U.S. that do not add value to a product once shipped to the United States or manufacture a product in the U.S.
- Charities and philanthropic contributions
- U. S. Post Office
- Power or commodity purchases (gas and/or electricity for resale or nuclear fuels)
- Damages
- Lease buyouts
- Rail Freight
- Easements
- Garnishments
- Tuition to Colleges and Universities
- Memberships
- Inter-Entity Payments
- Revenue Accounts

## 5.0 ComEd’s Short, Mid and Long Term Goals

The goal of ComEd’s Supplier Diversity process is to ensure that diversity-certified suppliers are included in the ComEd procurement process. We seek to:

- Provide purchasing opportunities for diverse suppliers;
- Identify diversity-certified suppliers that offer high-quality, cost-competitive goods and services, and match them with the needs of the company;
- Ensure that all qualified diverse suppliers have an opportunity to conduct business with ComEd;
- Sustain supplier diversity momentum;
- Become a recognized industry leader in diverse supplier inclusion as a natural part of our business culture



## 5.1 Short-Term Goals

In 2015, ComEd will focus its supplier diversity process on the following:

(a) Plan to increase goals:

\* Increase diversity-certified supplier expenditures to more than \$500 million

- Work within the Exelon Sourcing Process to identify and address contract opportunities
- Identify areas from the new and emerging technologies space where potential diversity-certified suppliers can be developed
- Develop diversity-certified suppliers, especially in historically underrepresented categories
- Continue to encourage and assist non-diverse prime suppliers to develop subcontracting plans to increase the utilization of diverse suppliers

(b) Plan to increase participation:

\* Enhance diversity-certified supplier development initiatives

- Graduate the first group of Five Forward 2020 participants, which aims to grow diversity certified businesses by helping them to successfully compete for service scalable contracts that advance ComEd's mission. This approach allows us to identify, develop and coach promising diversity-certified suppliers, creating opportunities that are mutually beneficial to both the participants and ComEd

(c) Plan to alert and encourage potential vendors:

\* Enhance communications and interactions with ComEd stakeholders

- Identify the most important ComEd stakeholders; determine their needs and define the issues that matter most to them
- Work with ComEd Diversity & Inclusion Council and Corporate Communications to access and enhance the supplier diversity communication plan that aligns with the goals and objectives of the entire organization
- Determine most appropriate communication channels with stakeholders; establish and maintain productive engagement strategies

## 5.2 Mid and Long-Term Goals

(a) Plan to increase goals:

- Create strategic relationships and develop diverse suppliers in underutilized categories
- Continue to seek additional prime and Tier 2 contracting opportunities

(b) Plan to increase participation:

- Continue to improve the internal reporting for better tracking of diverse spend and opportunity
- Continue to benchmark best practices among industry leading supplier diversity programs
- Continue to invite prime contractors to attend technical assistance and business development workshops with potential diverse subcontractors, category managers, and key decision makers

(c) Plan to alert and encourage potential vendors:

- Continue to implement a comprehensive marketing, training, and communications plan that promotes alliances with local and national diverse supplier advocacy organizations
- Continue to host workshops with prime and diverse suppliers to grow ComEd's contract inclusion opportunities

## 6.0 Planned 2015 Program Activities

The Supplier Diversity Office plans to conduct several innovative activities in 2015 to further encourage supplier diversity in the bidding and procuring of products and services. Planned activities include:

### 6.1 Internal Activities

**Executive Support:** Achievements in ComEd's Diverse Business Empowerment process are not possible without the leadership of ComEd's senior executives, the guidance of the Board of Directors and the commitment of every ComEd employee. As with all key areas of our business, ComEd senior executives measure our performance on diversity so we can identify ways to strengthen and expand our impact. Meeting diversity goals is not a one-time event, but a continuous and proactive process of defining, measuring, managing, evaluating and rewarding.

**Enhanced Supplier Diversity Participation in the Sourcing Process:** Diverse Business Empowerment processes are integrated into the day-to-day operations of Supply. The Supply Leadership team requires sourcing professionals to collaborate with the Diverse Business Empowerment Office to identify appropriate sourcing opportunities and potential diverse suppliers for the sourcing events managed by Supply. Timely communication with the Diverse Business Empowerment Office allows for efficient research of best-in-class diverse suppliers throughout a national network, facilitating opportunities to increase diverse spend across the company. Key process steps include:

- (a) Continue to strengthen internal stakeholder relationships through ComEd's total enterprise value creation
- (b) Utilize internal communications vehicles to educate and inform employees on Supplier Diversity strategy and process
- (c) Work with Category Managers to identify and address contract opportunities. Continue to improve subcontracting results, particularly in underutilized categories
- (d) Continue to improve processes and systems to more effectively capture diversity data to help the company measure performance against goals
- (e) Continue to encourage and promote the use of the online Tier 2 reporting system to hold our prime suppliers accountable for supporting our supplier diversity objectives
- (f) Provide training for new employees with procurement responsibility on how Supplier Diversity is integrated into the sourcing process



## 6.2 External Activities

ComEd is dedicated to maintaining a position of leadership in the field of supplier diversity. Our mission is to maintain a world-class supplier diversity program that attracts and retains qualified diversity suppliers who reflect the communities we serve. As one of Illinois largest procurers of goods and services, we appreciate the profound impact our decisions have on the evolution of Illinois diverse suppliers. The importance of diversity and inclusion to our culture and our business is reflected in our principles and every aspect of the company. Every core and performance value we have depends on our commitment to listening to different perspectives and considering every point of view in our daily interactions with each other, our suppliers and our customers.

At ComEd we recognize that an open, competitive atmosphere is beneficial to our customers, contractors, and employees and it is our policy to foster this environment. Ultimately, our position on supplier diversity demonstrates our commitment to our community and to good financial stewardship by using a wider pool of competitive suppliers for goods and services. Key process steps include:

- (a) Continue outreach efforts and collaborate with local and national advocacy organizations to expand the utilization of diverse suppliers
- (b) Attend Service Disabled Veteran events and build relationships to identify potential suppliers
- (c) Expand efforts in supplier development to help prepare diverse suppliers to compete more successfully for new business
- (d) Promote ComEd supplier diversity initiatives in local publications and diverse supplier directories

## 6.3 Plans For Identifying and Developing Diverse Suppliers In Low Utilization Categories

To increase diverse supplier opportunities in low-use areas in 2015, ComEd plans to:

- (a) Target high-potential diverse suppliers for opportunities in low utilization categories; areas such as Transmission & Substation construction and engineering design services
- (b) Conduct meetings with top prime suppliers to increase their subcontracting performance
- (c) Invite Sourcing and key decision-makers to networking workshops with diverse suppliers
- (d) Encourage emerging regional diverse suppliers to obtain certification through recognized third party organizations
- (e) Continue to provide monthly diverse supplier data reports to executive leadership
- (f) Attend outreach events and build relationships with diverse suppliers

## 6.4 Plans for Identifying and Developing Diverse Suppliers Where Diverse Suppliers are Limited

Throughout the years, ComEd has actively supported the development of its diversity-certified suppliers through technical workshops. These workshops focus on supporting the success of diversity-certified supplier partners within ComEd's supply chain. Participants in these workshops benefited from:

- Cross-functional supplier development team support
- Quality RFP response training
- Management development programs
- Detailed business analysis (i.e.: Strengths, Weaknesses, Opportunities, Threats analysis)
- Customized business development plans

In 2012, InTren, ComEd's largest WBE, joined ComEd's developmental efforts, by establishing its own second tier subcontracting program, through which the company tracked its expenditures with diverse suppliers. InTren expanded its subcontracting program expressly to support other diversity-certified suppliers. InTren's program offered formal mentoring to its participating suppliers. Through their mentoring program they sought to give smaller diverse suppliers the opportunity to grow. In 2014, InTren's self-directed developmental program resulted in \$14 million in expenditures with diversity certified subcontractors. In 2015, we will continue to work with suppliers like InTren to expand opportunities to diverse businesses.

To increase diverse supplier opportunities where diverse suppliers are currently limited, ComEd plans to engage in the following activities.

\*Continue to work with regional and national advocacy organizations to identify qualified Diversity-Certified Suppliers:

- Rainbow PUSH Trade Bureau (Illinois)
- The National Minority Supplier Development Council (and regional affiliates)
- The Women's Business Enterprise National Council (and regional affiliates)
- American Association of Blacks in Energy Entrepreneurship Committee
- National Association of Minority and Women Owned Law Firms
- National Association of Women Business Owners
- Human Rights Campaign
- The Congressional Black Caucus – Washington, D.C.
- The Elite Service Disabled Veterans Owned Business Network

### REGIONAL ORGNIZATIONS

- Illinois Hispanic Chamber of Commerce
- Hispanic American Construction Industry Association
- The Chicago Women's Business Development Center
- Chicago United (The Five Forward Program)
- U.S. Pan Asian American Chamber of Commerce (Midwest Region)



ComEd supplier diversity personnel and other employees actively participate in certification committees, business expos, matchmakers and many other activities in the State of Illinois. Conference and Trade Show Hosted and/or Attendance include:

- ComEd's Grid Resiliency Supplier Summit
- ComEd's Small Business Institute at Prairie State College
- Federation of Women Contractors Small Business Forum
- Chicago Minority Supplier Development Council Business Expo
- Illinois Hispanic Chamber of Commerce Business Expo
- National Minority Supplier Development Annual Trade Show
- Women Business Development Center Expo
- Heart of Illinois Business to Business Symposium
- Chicago MSDC Business Opportunity Fair
- Illinois Black Chamber Expo
- Annual Illinois Legislative Latino Caucus Foundation Conference
- Congressional Black Caucus Annual Legislative Conference
- Rainbow PUSH Annual Wall Street Week and Annual Convention
- National Association of Regulatory Utility Commissioners Annual Meeting

## 6.5 Plans for Subcontracting

To increase subcontracting dollars for diverse suppliers in 2015, ComEd plans to:

- (a) Revisit current contracts and conduct meetings with top prime suppliers with limited or no Tier 2 diverse spend to maximize diverse subcontracting opportunities;
- (b) Participate in planning and pre-bid meetings to ensure diverse supplier participation;
- (c) Encourage diverse subcontractors who are not currently certified to seek certification;
- (d) Require non-diverse bidders to submit subcontracting plans in all requests for proposals (RFPs);
- (e) Invite non-diverse prime contractors to attend networking/outreach events to help them identify potential subcontractors;
- (f) Provide quarterly subcontracting results to Supply Chain (Sourcing Personnel, Sourcing Management, and Supply Chain leaders);
- (g) Monitor diverse subcontracting commitments and performance.



## 7.0 Areas of Procurement

ComEd seeks to improve the availability of competitive goods and services to its operations. We provide equitable opportunities for diverse suppliers through active, competitive procurement of materials, equipment and services. Listed below are some of the materials and services we purchase:

### Materials:

Building and Construction Materials  
Chemicals, Fuels and Gases  
Distribution Transformers  
Electrical Distribution Equipment  
Fleet and Rental Equipment  
Meters  
Operations/Industrial Supplies  
Office Furniture  
Pipe, Valves and Fittings  
Transmission and Substation Materials  
Wire and Cable

### Services:

Advertising and Marketing  
Construction and Maintenance  
Consulting  
Customer Service  
Electric Construction and Maintenance  
Engineering Services  
Maintenance Repair  
Environmental Services  
Facilities Services  
Human Resources  
Information Technology  
Investment Services  
Legal Counsel

## 8.0 Explanation of Challenges

The utility industry's safety and capital requirements often serve as a deterrent for diversity certified firms. Therefore, there are few MBE companies with the capacity to support utilities. According to the 2012 Population Update to the 2010 Census, Hispanics comprise 16.3 percent of the Illinois population, and African Americans represent 14.7 percent. However, Hispanic owned businesses and African American owned businesses represent only 5 percent and 9.5 percent, respectively, of all companies in Illinois. In addition to the limited number of overall diversity certified firms, there are also a limited number of diversity certified firms in the electric transmission business. More than 98 percent of the utility system construction firms with employees in Illinois are White-owned and 15 percent are Women-owned.

## 9.0 Third-Party Certifications

To participate in ComEd's Supplier Diversity Program, suppliers must be certified. While ComEd does not certify diversity-certified suppliers, the company recognizes certifications from national, state and local organizations. ComEd, however, does not accept self-certification. If registering as a minority, woman or service-disabled, veteran-owned business, you must provide certification documentation through a third-party certification organization or office recognized by ComEd. These are:

- National Minority Supplier Development Council (NMSDC)
- Women's Business Enterprise National Council (WBENC)
- Associations for service veterans
- Federal, state, local government offices
- Public utility commissions

Suppliers who are already third-party certified as a minority, woman, veteran or service-disabled business can register immediately. Disclaimer: Supplier database registration does not guarantee business opportunities and does not result in an "approved" supplier status.

## 10.0 The Illinois Utilities Business Diversity Council

In 2014, ComEd along with representatives from the following utility companies: Ameren Illinois; Illinois American Water Company; Peoples Gas and North Shore Gas; and Nicor Gas began the formation of an Illinois Business Diversity Council, and a business diversity working group. The Illinois Utilities Business Diversity Council (hereinafter, the “Council”) is intended to serve Illinois utilities as a forum to identify and encourage emulation of model supplier diversity programs and best practices. The Council’s success measures will include increased spend with certified diverse suppliers, facilitating an environment for growth by engaging in development activities, and achieving sustained high level performance over time.

The Council’s vision is to advance the effectiveness of business diversity initiatives among our respective utility companies, and to encourage diverse suppliers to forge effective working relationships with utilities to help develop a strong economy and a productive environment for growth and access to diverse suppliers. The Council will provide education, information, and technical assistance, as an active resource for utility stakeholders on issues of supplier diversity.

Utilities Stakeholders include:

- Utility CEOs
- Sourcing & Procurement Teams
- Utility Regulatory Leadership
- Supplier Diversity Practitioners
- Illinois Commerce Commission
- Illinois Legislators

## 11.0 The 2014 Construct Program

In collaboration with 18 area businesses and four social service agencies, ComEd launched CONSTRUCT, an eight-week program that provides career guidance, life skills training, testing preparation, practical education and information on the requirements for entering the utility and construction industries. Participating companies will provide students with job shadowing experience as well.

CONSTRUCT is powered by an alliance of companies, social service agencies and labor unions, a uniquely collaborative approach to connect determined people, who have a strong work ethic, to the companies that need them in an industry that is growing. Led by ComEd, the participating companies include:

- Aldridge
- Asplundh
- Cathodic Protection Management, Inc.
- Choctaw-Kaul
- David Mason and Associates
- GroundHog Utility Construction, Inc.
- HBK
- Henkels & McCoy
- Intren
- Lindblad Construction Company of Joliet
- Meade
- MJ Electric
- MZI Group
- Nash Brothers Construction Company
- Nicor
- Osmose Utilities Services
- PMI Energy Solutions, LLC
- Primera Engineers
- Qualcoent
- Rod Group
- Trice Construction Company
- USIC

Participating social agencies are:

- Bethel New Life
- Chicago Urban League
- National Latino Education Institute
- YWCA of Metropolitan Chicago

Through this program, they are helping to increase the pool of qualified, minority candidates for construction jobs in Illinois and to make a different kind of connection.

We went from 30 students in the class of 2013 to 60 students in the class of 2014 this past May. Thirty of the sixty Construct Program graduates were hired in 2014.

## 12.0 ComEd Diversity-Certified Supplier Point of Contact

Section 5-117 of the Public Utilities Act 220 ILCS 5/5-117, effective on August 26, 2014, requires regulated gas, electric, and water utilities that have 100,000 customers or more to submit annual reports “on all procurement goals and actual spending for minority-owned, women-owned, veteran-owned, and small business enterprises in the previous calendar year,” and the utilities’ plan for implementing and realizing their goals for the following year. Section 5-117(f) requires that the ICC publish on its website:

1. A list of the points of contacts for the utilities;
2. The annual reports for a period of 5 years; and
3. A list of the certifications recognized and accepted by the utilities.

Section 5-117 reports are due annually on April 15th, beginning in 2015. Filings will be posted at <http://www.icc.illinois.gov/filings/mwvs/default.aspx>. Section 5-117 also requires the ICC and participating utilities to hold an **Annual Policy Meeting** that is open to the public on the subject of supplier diversity. The policy meeting will follow submission of the April 15th reports. The 2015 Annual Policy Meeting will be held at 1:00 p.m. on June 11, 2015 at the Illinois Commerce Commission, State of Illinois Building at 160 North LaSalle Street; Chicago, IL 60601.

For additional information on how to get involved in ComEd’s Supplier Diversity program, please contact Exelon’s Diverse Business Empowerment Office at (312) 394-2622, or email us at [supplier.diversity@exeloncorp.com](mailto:supplier.diversity@exeloncorp.com), or visit our website at [www.exeloncorp.com](http://www.exeloncorp.com), and click on the “Suppliers” link on the home page. In addition, you may contact the following individuals:

**Executive Sponsor:**

Fidel Marquez  
ComEd  
Senior Vice President,  
Legislative and External Affairs  
and Chief Governmental  
and Community Relations  
440 S. LaSalle  
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**Point of Contact:**

Martín Montes  
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**Point of Contact:**

Emmett Vaughn  
Director, Diverse Business Empowerment  
Exelon Corporation  
Chase Tower 10 S. Dearborn, 53rd Fl  
Chicago, Illinois 60603

## 13.0 SUCCESS STORIES: 2014 A Year of Unprecedented Recognition

Exelon is proud that our diverse business empowerment efforts have been recognized by several regional supplier diversity advocacy organizations. In the field of supplier diversity a regional Minority Supplier Development Council's "Corporation of the Year" award is coveted by Fortune 500 companies as one of the most sought-after honors. The award acknowledges a company's dedication to improving the overall participation of Asian, African American, Hispanic and Native American suppliers in the corporate supply chain. In 2014, the Exelon family of companies was the rare recipient of three regional "Corporations of the Year" honors for BGE and PECO, and ComEd.

First, the Capital Region Minority Supplier Development Council named BGE the "Corporation of the Year" for its efforts to develop relationships with minority-and-women owned businesses. Second, the Eastern Region Minority Supplier development Council named PECO its 'Corporation of the Year,' for its forward-thinking procurement principles. Finally, on April 24, 2015, ComEd will be presented with the "Corporation of the Year" Award from the Chicago Minority Supplier Development Council.

The Capital Region Minority Supplier Development Council recognized BGE for the increase in the number of diverse suppliers in its procurement program as well as the overall dollars spent with these suppliers. This is the first time that BGE has received this honor from the organization, a chapter of the National Minority Supplier Development Council that serves the Maryland, Virginia and Washington, D.C., region. The award was due in part to BGE's focus on expanding opportunities in categories in which diverse suppliers were under-represented.

The Eastern Region Minority Supplier Development Council recognized PECO/Exelon for the fourth time in eight years due to PECO's distinguished record as a true champion of supplier diversity. This award recognizes PECO's history of successfully partnering with minority-owned firms as both a critical element of its commercial success and a smart business practice. "Supplier diversity is an important part of our diversity and inclusion commitment," Craig Adams, PECO president and CEO. "Diversity and inclusion are about increasing opportunities and ensuring broad access, not just in terms of how we hire employees and suppliers, but as a fundamental way of doing business every day."

The Chicago Minority Supplier Development Council Awarded ComEd its "Corporation of the Year" for its unwavering commitment to integrate supplier diversity into its procurement process. The company's diverse spend over the last five years demonstrates the progress it has made in this critical area. ComEd's diversity certified spend increased, \$251 million or 153 percent from 2010 to 2014. A NMSDC award is meaningful and special, and is a testament to the passion and commitment that our leadership, employees and partners contribute to the Exelon experience. Every day we are inspired by stories of how our diverse partners provide innovative solutions, savings, and economic opportunities to their communities. Honors like this motivate us to continue making world-class supplier diversity a priority.



## 13.0 SUCCESS STORIES: PACO: BIG IDEAS NEED ROOM TO GROW

Passion, ambition, creativity and objectivity (PACO) are decisive attributes that Ozzie Godinez, CEO, and Pablo Acosta, COO, and founders for PACO [cross-cultural marketing] have contributed to the advertising industry in the last eight years since they ventured off on their own and founded the full-service marketing agency.

In their quest to combine what they loved most about their work at other agencies and to truly do things differently by eliminating unnecessary bureaucracies, they opened their doors at a time when many companies were shutting theirs. After a few years of steady work from some notable clients, PACO got its big break when in 2011 they were awarded the Hispanic portion of ComEd's marketing business. After a couple of years of award-winning campaigns, ComEd recognized that PACO's work transcended cultural differences, awarding them bigger and broader projects that now include general market customers as well as Hispanic audiences.

**Pablo Acosta, COO, and Ozzie Godinez, CEO**

With ComEd and other large clients leading the way, PACO has become one of the fastest growing minority-owned agencies in the Midwest—from a brainstorming duo around a kitchen table to more than 40 full-time employees today and growing. As a result, PACO is now expanding its office space, acquiring an additional 5,000 square feet to accommodate its rapid growth.

PACO has also gone from being recognized as a multicultural shop to a total market agency. But Acosta and Godinez recognize the importance of their Hispanic culture and the essence of who PACO is. "We started as a multicultural agency specializing in Hispanic work and that's always going to be a part of who we are," said Godinez. "But we're also a reflection of where the marketplace is today. We're Hispanic at heart but offer cross-cultural services all under one roof. We've always done so, but ComEd gave us the opportunity to showcase all that we can do." PACO has developed multi-media advertising campaigns for ComEd that for the first time in many years includes television. "When our clients task us with a challenge, we take it on and find creative and efficient solutions without compromising the quality of our work," said Acosta. "We approach everything we do with a win-win mentality. We want to be successful, but only if that means our clients are successful, too."

That win-win approach has definitely been applied to PACO's work with ComEd. PACO has helped to substantially increase awareness over the past year among its target audience with its energy efficiency campaign and to surpass all yearly goals for the Fridge and Freezer Recycling program.

"ComEd gave us an opportunity that we are really grateful for and that over the years we've proven ourselves," said Godinez. "Our work and the unprecedented results they have yielded speak for themselves."

## 13.0 SUCCESS STORIES: Nash Brothers Construction: A Legacy of Excellence



Nash Brothers, now led by Christopher Nash, was founded in the 1890's by two Chicago brothers, Patrick A. and Richard J. Nash, who were committed to the initial building of Chicago's young infrastructure, so vital to the growth of an emerging world-class city. From installing some of Chicago's original sewers, to building portions of the city's underground tunnel system to excavating and placing thousands of miles of conduit and natural gas pipelines, Nash Brothers built one of the region's most reputable and dependable underground construction companies.

Since Chris' great-grandfather co-founded Nash Brothers as an Illinois partnership in the 1890's, Nash Brothers has been delivering professional, reliable, timely, and cost-effective underground construction services to the utility industry, municipalities and general contractors. Nash Brothers today continues its fine tradition of providing superior value to our customers, the communities we serve and our employees.

"Nash Brothers takes great pride in its historically strong strategic alliance with ComEd. The relationship requires full commitment on both sides – creating value for all," said Chris Nash. This partnership requires consistent and effective communication – a skill Nash Brothers and ComEd demonstrate daily on and off the job sites. Nash Brothers and ComEd share similar core values, commitment to excellence, respect for employees, loyalty and community building.

Being a valuable partner of ComEd is of key significance to Nash Brothers. The two companies share a mutual appreciation for consistency, strong safety records, reliability and excellent work practices. For over 100 years, ComEd has kept Nash employees in the field, helping to implement ComEd goals for the community and the customers it serves.

Recently, Nash Brothers had the opportunity to support the "Construct" jobs training program. This program highlights the commitment shown to encourage, to educate, and to provide opportunities in the construction field for men and women who are in search of new career paths. Chris Nash stated, "It is a great pleasure to work with ComEd, a company that promotes the belief that with success comes social responsibility." In 2015, ComEd will continue to work with suppliers like Nash to expand opportunities to diverse businesses in the emerging smart grid smart meter market.



**Chris Nash, President**

## 13.0 SUCCESS STORIES: Sutton Ford: Driving Success, and Driving Innovation

Nate Sutton began his career as an engineer working for Owens-Corning Fiberglas Corp. and IBM. In 1987, he entered Ford's Dealer Training program and subsequently purchased his current dealership. Sutton holds a Bachelor of Science degree in packaging engineering from Michigan State University. He has been the recipient of many honors and awards including: Matteson Business man of the year, Ford's President's award for distinguished customer service, Ford Owner Loyalty distinguished dealer, Ford Motor Credit Corp's "Partner In Quality" award, and the Ford Top 100 Volume North America award.



Sutton's fleet sales expertise is an essential element of the relationship with Exelon. The pace of technological change in trucking over the past decade has been breathtaking. Commercial vehicles rolling off assembly lines now boast standard and optional features that would have been unthinkable just a few years ago. The proliferation of technology has penetrated virtually every aspect of truck design, from Bluetooth systems that enable drivers to talk on the phone safely to GPS-oriented telematics systems, computer-controlled integrated powertrains and high-pressure common-rail fuel injection systems.

Sutton Ford helps the Exelon family of companies stay competitive in its fleet purchases, drive out costs, and optimize productivity. They serve our fleet with expert advice, aggregated buying power, and processing efficiencies. Their leadership has deep and diverse experience in the transportation industry. Sutton translates this collective knowledge into concrete results and offers a consultative perspective in everything they do. The Exelon/Sutton partnership is a success measured in over \$23 million in annual expenditures for 2014. We are successful because we share common goals: to make a real impact on individual lives, to better our communities and to build our state's economic environment as a whole. Sutton knows that with our work we are addressing not only Exelon's fleet needs, but also we are addressing a long-term economic problem. Sutton is a comforting partner in this economic development process.

## 13.0 SUCCESS STORIES

### Stevenson Crane Services: The Lifting Professionals

Donna Stevenson founded Stevenson Crane Service, Inc. in 1989, with her life savings and one truck crane that she parked at a local gas station. Over the years, Stevenson's persistence, hard work and a focus on complete customer satisfaction paid off. Since its founding, Stevenson Crane has grown from its first truck crane to over 700 cranes and other specialty equipment, stored and dispatched from a state-of-the-art 27,000-square-foot yard, office and maintenance facility in Bolingbrook, Illinois. In addition, Stevenson Crane has a second facility in South Holland, Illinois, which includes a 50,000-square foot building housing equipment, service bays, dispatch and administrative offices. Stevenson's fleet offers full service rental and sales support to the industrial, commercial, and residential construction markets. By investing in the newest equipment, technology, and safety procedures available, Donna Stevenson has put her company on the national scene, employing more than 100 men and women and serving customers in 22 states.



Being family-owned and operated since opening its doors in 1989 is just one of the things that sets Stevenson Crane apart from the majority of its competitors. In addition, they have a unique ability to create custom solutions offering customers a much quicker solution to costly down-time. With over 36 years of reliable, quality, and safe services Stevenson Crane has earned its place as a recognized leader in the HeavyLift Crane industry. The company's fundamental objective has always been to establish and build enduring relationships with its clients. ComEd knows this fact well. Stevenson understands and shares ComEd's unyielding commitment to safety, and they have developed a safety culture that mirrors ComEd's. Indeed, after 36 years of service to ComEd, Stevenson Crane has yet to experience a safety incident. Stevenson's impeccable safety record and well-maintained equipment has earned them the reputation as "The Lifting Professionals" in the Chicagoland area.

Stevenson has not only excelled as a business owner but she has also been a trendsetter in a very male-dominated industry. She broke through gender barriers to become one of Illinois' most innovative business leaders. She's taken creative risks with a distinct flair that's all her own. She's the embodiment of an inspiring leader. Now she seeks to help other women establish themselves in their respective business endeavors. Donna Stevenson serves as the Women and Minority Liaison to the International Union of Operating Engineers. She is also a member of The Committee of 200, The Chicago Network, Women Construction Owners and Executives, Federation of Women Contractors, Three Rivers Manufacturing Association, Specialized Construction and Rigging Association, and the Contractors Association of Will and Grundy Counties. In 2015, ComEd looks forward to working with Stevenson to make an even bigger difference for women-owned businesses in Illinois.

## 13.0 SUCCESS STORIES: United Building Maintenance (UBM): A Profile in Entrepreneurship

Running a family-owned business in Chicago can be difficult. Yet locally-owned United Building Maintenance (UBM) Facility Services has proved that with an intimate, community-focused approach to business, solid management and a self-sufficient mindset, family-owned businesses can thrive in even the toughest of economic climates. UBM was founded in May of 1979 as a home based carpet-cleaning business. Today, they have grown to become one of the largest minority-owned firms in the Midwest, providing quality focused facility maintenance programs, including Janitorial Cleaning, HVAC/Mechanical, Painting, Elevator/ Escalator, Landscaping and Snow Plowing services.



James S. Cabrera currently serves as the Chief Executive Officer. Michael J. Cabrera is President. James Cabrera Jr. is Chief Operating Officer, and Amy Cabrera-Goddard is Director of Sales and Marketing. Together, the Cabrera family represents a potent force for economic empowerment. Currently, UBM employs over 2,000 people. They rank 15th on Crain's list of Chicago's largest minority-owned firms and hire more local employees than any other firm of the top 25 minority firms on their list. In 2012, UBM was named Supplier of the Year by the National Minority Supplier Development Council. That is an extraordinary feat for a company with such humble beginnings.

However, UBM is more than a company with phenomenal growth. They offer their corporate partners rock solid financial stability and inspiring leadership. Given its core value of humanity and mission of total client satisfaction, UBM is also rock solid beyond the financials. That is what makes them important as strategic partners for ComEd. As Michael Cabrera states, "We treat our employees with humanity...You can't clean 75 million square feet on a daily basis by yourself. You must have good people and good places, hard-working people that want to come to work every single day. Without those folks we wouldn't be in business."

The Cabrera family sees their father as the focus of the company's success; they consider him "the glue" of the family. Back in the 1970's, instead of seeking just a job, Cabrera took a different path that led to entrepreneurship. That path has led to a partnership with ComEd that has lasted over 20 years. Today, UBM is involved in dozens of facets of ComEd's work. They provide cleaning services for 49 ComEd facilities, HVAC, elevator and painting services throughout the ComEd service territory. In 2015, they were also selected as a subcontractor on the new ComEd Chicago training center. ComEd's commitment to support communities through strategic partnerships with companies like UBM has always been a cornerstone of our business and a belief that informs so many of our decisions. A partner like UBM allows us to expand our capacity to utilize the talent and resources available in our communities to employ and promote diverse employees. Importantly, UBM provides a highly visible example of how much success can be gained by taking the entrepreneurial path less traveled.

# APPENDIX

<b>T1</b>		
<b>CATEGORY</b>	<b>Reporting Description</b>	<b>Sum of 2014 T1</b>
<b>DISTRIBUTION CONSTRUCTION</b>	WOMAN	\$121,414,139.94
	AFRICAN AMERICAN	\$4,575,183.60
	HISPANIC	\$2,301,973.76
	VETERAN	\$264,182.25
	ASIAN	\$3,520.00
<b>DISTRIBUTION CONSTRUCTION Total</b>		<b>\$128,558,999.55</b>
<b>ELEC DISTRIBUTION EQUIPMENT</b>	NATIVE AMERICAN	\$33,961,559.18
	WOMAN	\$2,554,915.54
	ASIAN	\$28,800.00
	AFRICAN AMERICAN	\$24,376.59
<b>ELEC DISTRIBUTION EQUIPMENT Total</b>		<b>\$36,569,651.31</b>
<b>FACILITIES</b>	WOMAN	\$14,820,737.93
	HISPANIC	\$7,896,705.39
	AFRICAN AMERICAN	\$6,162,978.19
	ASIAN	\$751,128.44
<b>FACILITIES Total</b>		<b>\$29,631,549.95</b>
<b>MRO</b>	NATIVE AMERICAN	\$19,441,518.83
	VETERAN	\$829,782.19
	AFRICAN AMERICAN	\$591,523.94
	WOMAN	\$13,748.96
	ASIAN	\$2,084.14
<b>MRO Total</b>		<b>\$20,878,658.06</b>
<b>FLEET</b>	AFRICAN AMERICAN	\$15,303,757.57
	WOMAN	\$1,485,007.70
	HISPANIC	\$261,105.70
	NATIVE AMERICAN	\$12,276.62
	VETERAN	\$557.50
<b>FLEET Total</b>		<b>\$17,062,705.09</b>
<b>ENGINEERING / TECHNICAL CONSULTING</b>	HISPANIC	\$9,043,144.93
	ASIAN	\$4,556,888.93
	AFRICAN AMERICAN	\$2,143,503.09
	VETERAN	\$279,671.08
	WOMAN	\$131,171.54
<b>ENGINEERING / TECHNICAL CONSULTING Total</b>		<b>\$16,154,379.57</b>
<b>T&amp;S MATERIALS</b>	ASIAN	\$6,025,942.72
	NATIVE AMERICAN	\$5,431,518.48
	WOMAN	\$2,834,122.89
	AFRICAN AMERICAN	\$1,225,442.63
	VETERAN	\$334,745.98

<b>T&amp;S MATERIALS Total</b>		<b>\$16,018,691.40</b>
<b>T&amp;S CONSTRUCTION</b>	WOMAN	\$7,650,839.21
	AFRICAN AMERICAN	\$2,923,056.50
	VETERAN	\$934,107.35
	HISPANIC	\$608,856.88
	ASIAN	\$121,846.52
<b>T&amp;S CONSTRUCTION Total</b>		<b>\$12,238,706.46</b>
<b>ADVERTISING AND MARKETING</b>	HISPANIC	\$6,109,103.85
	WOMAN	\$3,469,428.07
	AFRICAN AMERICAN	\$845,797.94
<b>ADVERTISING AND MARKETING Total</b>		<b>\$10,424,329.86</b>
<b>GENCO CONSTRUCTION</b>	WOMAN	\$5,594,954.78
	HISPANIC	\$3,149,372.26
	AFRICAN AMERICAN	\$1,513,936.35
	ASIAN	\$10,125.49
<b>GENCO CONSTRUCTION Total</b>		<b>\$10,268,388.88</b>
<b>ENERGY EFFICIENCY</b>	WOMAN	\$4,330,979.87
	ASIAN	\$2,139,117.28
	HISPANIC	\$369,733.44
	AFRICAN AMERICAN	\$273,517.94
<b>ENERGY EFFICIENCY Total</b>		<b>\$7,113,348.53</b>
<b>SUPPLEMENTAL LABOR</b>	WOMAN	\$4,070,086.54
	HISPANIC	\$138,350.00
	AFRICAN AMERICAN	\$26,225.00
	VETERAN	\$4,903.99
<b>SUPPLEMENTAL LABOR Total</b>		<b>\$4,239,565.53</b>
<b>SCRAP METAL</b>	WOMAN	\$3,658,321.23
<b>SCRAP METAL Total</b>		<b>\$3,658,321.23</b>
<b>METERS</b>	HISPANIC	\$2,762,173.01
	AFRICAN AMERICAN	\$222,266.00
	WOMAN	\$160,157.00
	NATIVE AMERICAN	\$116,184.28
	VETERAN	\$26,404.00
<b>METERS Total</b>		<b>\$3,287,184.29</b>
<b>ENVIRONMENTAL SERVICES</b>	HISPANIC	\$1,774,380.00
	AFRICAN AMERICAN	\$674,183.72
	WOMAN	\$438,388.89
	ASIAN	\$17,057.50
<b>ENVIRONMENTAL SERVICES Total</b>		<b>\$2,904,010.11</b>
<b>IT HARDWARE</b>	ASIAN	\$2,816,872.06
	NATIVE AMERICAN	\$20,723.90
	AFRICAN AMERICAN	\$4,622.61

<b>IT HARDWARE Total</b>		<b>\$2,842,218.57</b>
<b>CLOTHING</b>	WOMAN	\$2,569,601.83
	NATIVE AMERICAN	\$159,444.74
<b>CLOTHING Total</b>		<b>\$2,729,046.57</b>
<b>OFFICE SERVICES</b>	WOMAN	\$1,105,992.18
	AFRICAN AMERICAN	\$1,064,429.87
	VETERAN	\$70,080.65
	NATIVE AMERICAN	\$17,345.76
	ASIAN	\$15,436.54
<b>OFFICE SERVICES Total</b>		<b>\$2,273,285.00</b>
<b>VEGETATION MANAGEMENT</b>	HISPANIC	\$1,876,540.54
<b>VEGETATION MANAGEMENT Total</b>		<b>\$1,876,540.54</b>
<b>EQUIPMENT RENTAL</b>	HISPANIC	\$884,211.50
	AFRICAN AMERICAN	\$495,677.75
	VETERAN	\$369,881.00
	WOMAN	\$97,843.61
<b>EQUIPMENT RENTAL Total</b>		<b>\$1,847,613.86</b>
<b>HR SERVICES</b>		
	NATIVE AMERICAN	\$1,359,641.72
	WOMAN	\$241,140.47
<b>HR SERVICES Total</b>		<b>\$1,600,782.19</b>
<b>TRAVEL / LODGING</b>	WOMAN	\$1,035,366.95
<b>TRAVEL / LODGING Total</b>		<b>\$1,035,366.95</b>
<b>IT TELECOM</b>	ASIAN	\$835,685.80
	WOMAN	\$21,329.00
	VETERAN	\$2,645.00
<b>IT TELECOM Total</b>		<b>\$859,659.80</b>
<b>CHEMICALS/FUELS/GASES/LUBRICANTS</b>	NATIVE AMERICAN	\$735,158.27
	AFRICAN AMERICAN	\$5,063.25
	VETERAN	\$370.00
<b>CHEMICALS/FUELS/GASES/LUBRICANTS Total</b>		<b>\$740,591.52</b>
<b>UNCATEGORIZED</b>	HISPANIC	\$654,000.00
	WOMAN	\$59,547.09
<b>UNCATEGORIZED Total</b>		<b>\$713,547.09</b>
<b>IT PROFESSIONAL SERVICES</b>	VETERAN	\$323,805.28
	AFRICAN AMERICAN	\$225,555.47
<b>IT PROFESSIONAL SERVICES Total</b>		<b>\$549,360.75</b>
<b>IT SOFTWARE</b>	ASIAN	\$372,645.20
	VETERAN	\$64,666.66
	WOMAN	\$48,563.38
<b>IT SOFTWARE Total</b>		<b>\$485,875.24</b>
<b>OFF-SITE TESTING SERVICES</b>		
	VETERAN	\$410,207.50
	HISPANIC	\$52,987.50

<b>OFF-SITE TESTING SERVICES Total</b>		<b>\$463,195.00</b>
<b>FREIGHT</b>	ASIAN	\$162,198.19
	NATIVE AMERICAN	\$78,654.54
	AFRICAN AMERICAN	\$40,935.16
	VETERAN	\$39,736.44
	WOMAN	\$28,240.68
	HISPANIC	\$7,961.00
<b>FREIGHT Total</b>		<b>\$357,726.01</b>
<b>HEAVY HAULING AND LIFTING SERVICES</b>	WOMAN	\$322,163.17
<b>HEAVY HAULING AND LIFTING SERVICES Total</b>		<b>\$322,163.17</b>
<b>CUSTOMER SERVICE</b>	HISPANIC	\$277,377.68
	WOMAN	\$2,071.13
<b>CUSTOMER SERVICE Total</b>		<b>\$279,448.81</b>
<b>DISTRIBUTION TRANSFORMERS</b>	ASIAN	\$269,603.00
<b>DISTRIBUTION TRANSFORMERS Total</b>		<b>\$269,603.00</b>
<b>TRAINING</b>	AFRICAN AMERICAN	\$205,742.50
	WOMAN	\$17,814.53
	NATIVE AMERICAN	\$17,219.54
<b>TRAINING Total</b>		<b>\$240,776.57</b>
<b>TURBINE / GENERATOR</b>	AFRICAN AMERICAN	\$203,600.00
	WOMAN	\$2,525.00
<b>TURBINE / GENERATOR Total</b>		<b>\$206,125.00</b>
<b>BOLTING/FASTENERS</b>	NATIVE AMERICAN	\$152,108.05
<b>BOLTING/FASTENERS Total</b>		<b>\$152,108.05</b>
<b>MAINTENANCE SERVICES</b>	WOMAN	\$98,627.79
<b>MAINTENANCE SERVICES Total</b>		<b>\$98,627.79</b>
<b>BUSINESS CONSULTING</b>	WOMAN	\$37,691.83
	NATIVE AMERICAN	\$18,000.00
	ASIAN	\$4,299.81
<b>BUSINESS CONSULTING Total</b>		<b>\$59,991.64</b>
<b>WIRE AND CABLE</b>	NATIVE AMERICAN	\$32,222.16
<b>WIRE AND CABLE Total</b>		<b>\$32,222.16</b>
<b>IT OUTSOURCING</b>	HISPANIC	\$23,850.00
<b>IT OUTSOURCING Total</b>		<b>\$23,850.00</b>
<b>OVERHEAD CRANES</b>	WOMAN	\$11,859.00
<b>OVERHEAD CRANES Total</b>		<b>\$11,859.00</b>
<b>MECHANICAL/HVAC MATERIAL</b>	NATIVE AMERICAN	\$11,743.46
<b>MECHANICAL/HVAC MATERIAL Total</b>		<b>\$11,743.46</b>
<b>SWITCHYARD</b>	HISPANIC	\$10,628.00
<b>SWITCHYARD Total</b>		<b>\$10,628.00</b>
<b>PROMOTIONAL / GIFTS / AWARDS</b>		
	WOMAN	\$7,540.10
<b>PROMOTIONAL / GIFTS / AWARDS Total</b>		<b>\$7,540.10</b>

GAS DISTRIBUTION EQUIPMENT	NATIVE AMERICAN	\$7,298.00
	VETERAN	\$95.85
<b>GAS DISTRIBUTION EQUIPMENT Total</b>		<b>\$7,393.85</b>
MATL HANDLING EQUIP SERVICES	VETERAN	\$1,050.00
<b>MATL HANDLING EQUIP SERVICES Total</b>		<b>\$1,050.00</b>
		<b>Grand Total \$339,118,429.51</b>

<b>T2</b>		
CATEGORY	MWBE	Sum of 2014 T2
DISTRIBUTION CONSTRUCTION	WBE	\$7,777,194.00
	MBE	\$6,951,506.00
	VBE	\$178,706.00
<b>DISTRIBUTION CONSTRUCTION Total</b>		<b>\$14,907,406.00</b>
SUPPLEMENTAL LABOR	WBE	\$7,313,138.00
	VBE	\$2,574,711.00
	MBE	\$1,306,773.00
<b>SUPPLEMENTAL LABOR Total</b>		<b>\$11,194,622.00</b>
T&S CONSTRUCTION	WBE	\$7,083,740.00
	MBE	\$3,109,289.00
<b>T&amp;S CONSTRUCTION Total</b>		<b>\$10,193,029.00</b>
WIRE AND CABLE	WBE	\$9,516,502.00
	MBE	\$72,217.00
<b>WIRE AND CABLE Total</b>		<b>\$9,588,719.00</b>
UNCATEGORIZED	MBE	\$3,975,391.51
	WBE	\$2,178,511.35
	VBE	\$170,820.38
<b>UNCATEGORIZED Total</b>		<b>\$6,324,723.23</b>
IT OUTSOURCING	MBE	\$3,363,941.00
	WBE	\$2,023,020.00
<b>IT OUTSOURCING Total</b>		<b>\$5,386,961.00</b>
ENVIRONMENTAL SERVICES	MBE	\$3,140,225.00
	WBE	\$1,628,269.00
<b>ENVIRONMENTAL SERVICES Total</b>		<b>\$4,768,494.00</b>
VEGETATION MANAGEMENT	MBE	\$4,187,052.00
	WBE	\$501,175.00
	VBE	\$23,200.00
<b>VEGETATION MANAGEMENT Total</b>		<b>\$4,711,427.00</b>
FACILITIES	MBE	\$3,235,429.00
	WBE	\$353,523.00
<b>FACILITIES Total</b>		<b>\$3,588,952.00</b>
ENERGY EFFICIENCY	MBE	\$1,143,675.00
	WBE	\$157,409.00
<b>ENERGY EFFICIENCY Total</b>		<b>\$1,301,084.00</b>
UNDERGROUND	WBE	\$1,124,694.00

<b>UNDERGROUND Total</b>		<b>\$1,124,694.00</b>
<b>ENGINEERING / TECHNICAL CONSULTING</b>	MBE	\$595,733.00
	WBE	\$262,757.00
	VBE	\$10,270.00
<b>ENGINEERING / TECHNICAL CONSULTING Total</b>		<b>\$868,760.00</b>
<b>ADVERTISING AND MARKETING</b>	MBE	\$749,041.00
	WBE	\$86,695.00
<b>ADVERTISING AND MARKETING Total</b>		<b>\$835,736.00</b>
<b>GENCO CONSTRUCTION</b>	MBE	\$563,514.00
	WBE	\$184,693.00
<b>GENCO CONSTRUCTION Total</b>		<b>\$748,207.00</b>
<b>IT PROFESSIONAL SERVICES</b>	WBE	\$325,606.00
<b>IT PROFESSIONAL SERVICES Total</b>		<b>\$325,606.00</b>
<b>DISTRIBUTION TRANSFORMERS</b>	WBE	\$190,860.00
	MBE	\$100,242.00
<b>DISTRIBUTION TRANSFORMERS Total</b>		<b>\$291,102.00</b>
<b>CUSTOMER SERVICE</b>	MBE	\$44,512.00
<b>CUSTOMER SERVICE Total</b>		<b>\$44,512.00</b>
<b>HEAVY HAULING AND LIFTING SERVICES</b>	WBE	\$26,819.00
<b>HEAVY HAULING AND LIFTING SERVICES Total</b>		<b>\$26,819.00</b>
<b>Grand Total</b>		<b>\$76,230,853.23</b>