

ComEd Equity Hiring & Workforce Development Update

Agenda

- >> Overview
- >> Energy Efficiency Supplier Diversity
- >> Diverse Energy Efficiency Service Provider Incubator Program
- >> Channel (CBO) Diversity & Development: Outreach Strategy



Overview

- >> Equity hiring and workforce development is a priority for ComEd and our EE Team it is not only what was promised with FEJA and the right thing to do, but will make our portfolio stronger
- >> We believe that equity hiring can look different to different people, but today we'll share how we've been thinking about it, and look forward to hearing how stakeholders and our fellow utilities are doing the same
- >> Equity
 - Minorities, women, local, specific communities all are critical, but these can sometimes present competing priorities
- >> Hiring
 - Vendor Diversity & Development: program implementation and portfolio-level (e.g., evaluation, R&D) contracting
 - Service Provider Diversity & Development: huge network of contractors that do the on-the-ground work
 - Community-Based Organizations (CBO's) Diversity & Development: engaging and leveraging the huge network of CBOs in our region
 - Workforce Diversity & Development: jobs with ComEd, vendors, service providers, and community organizations
- >> Portfolio-wide: while IE offerings and communities are a priority, these are portfolio-wide issues and opportunities
- >> We recognize that we're only at the beginning of our work in this space, but intend to do better and more moving forward



EE Supplier Diversity

EE Supplier Diversity – What Does it Mean?

- Definition: Supplier Diversity is 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
- >> ComEd defines diverse suppliers per the guidelines of the National Minority Supplier Development Council, Women's Business Enterprise National Council, and the U.S. Small Business Administration⁽¹⁾

>> ComEd's Goal's:

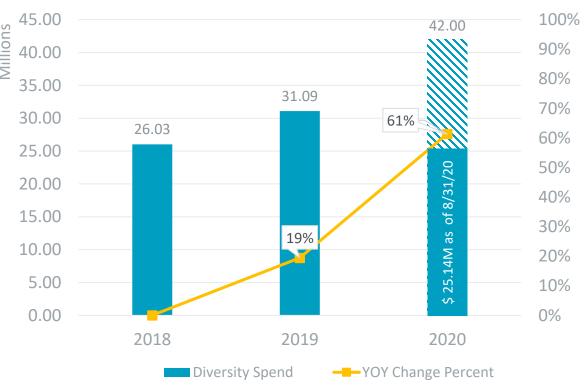
- In 2019 ComEd's Diversity-Certified Supplier spend represented 41% of the total supply chain from a goal of 39%
- In 2020, ComEd has set a goal to achieve 40% diversity-certified supplier spend
- >> <u>Tracking and Reporting</u>: ComEd's tracks supplier diversity spend by:
 - Tier 1: Prime contract spend with a diverse supplier
 - Tier 2: Subcontracted spend by a non-diverse prime contractor with diverse supplier



EE Supplier Diversity Tracking & Reporting

- In 2019, ComEd Energy Efficiency established a goal to spend \$28.6 million in annual expenditures with diversity-certified suppliers which is a 10% increase from 2018.
- In 2020, ComEd Energy Efficiency is continuing to focus on growing diversity-certified suppliers as well as continuing to prioritize workforce development to grow jobs and provide a conduit for local communication and services within our communities.
- ComEd's EE portfolio is on track to increase the volume of contracting completed with diverse businesses by more than 50% in the last two years, and we look to continue this trend.

Supplier Diversity Trends



* Note: 2018 - 2022 on average, \$200M is spent in pass through cost which is excluded



EE Supplier Diversity – Efforts to Grow

- ✓ Hosted diverse vendor lunch and learns
- ✓ Developed vendor guidelines for reporting diversity spend
- ✓ Identified and contracted with two new Tier 1 Diverse vendors for three contracts in 2020
- ✓ Developed a monthly supplier diversity forecasting tool for Implementation Contractors
- ✓ Active member for Exelon's Diverse Business Empowerment working group and support their 2020 initiatives
- ✓ Planning and strategy discussions with each Implementation contractor for growing supplier diversity for their program portfolio
- ✓ Develop a database of potential diverse vendors and their capabilities



Diverse Energy Efficiency Service Provider (EESP) Incubator Program

Program Overview

- >> Energy Efficiency Service Provider (EESP): contractors, distributors and engineering or design firms who have been trained on the processes and procedures of the ComEd Energy Efficiency Program. They help ComEd customers implement energy efficiency improvements and offer program incentives, discounts and rebates.
- Soal: Provide training and support services to enable diverse contractors to join the EESP Network, represent the portfolio to customers and complete energy efficiency projects by leveraging existing workforce development frameworks, community-based agency partnerships and support from EE portfolio Implementation Contractors (IC's)

>> Program Design Elements:

- Educate and train diverse companies on ComEd's Energy Efficiency Portfolio offerings
- Provide back-office training and support to cohort members
- · Assist in certification and project financing applications
- · Identify, address and resolve barriers to building a successful business in the energy efficiency industry

>> **Duration:** Total program duration is 12 months

- 8 week in-class training program held over 3 months
- Graduation Ceremony
- Post-graduation <u>back office support for 3 months</u> where each cohort member will set up at least one 1X1 visit with our IC to assist with specific cohort member needs and address any barriers (i.e. business growth plan, project financing, diverse certification, applying to network, ICC certification etc.)
- Check in call with each cohort member 6 months after cohort member has joined ComEd's EESP Network.







Training & Graduation

Workshop Topics:

- Introduction to ComEd Energy Efficiency Portfolio
- >> Implementation Contractor "Meet 'n' Greet"
- Business Growth Plan Development
- >> Project Financing
- Diverse Business Certification
- > ICC Certification
- Marketing and Lead Development Best Practices
- Energy Efficiency Project Application and Best Practices
- Networking with the ComEd EE Team and IC's



2019 & 2020 Results

37 Cohort Members Graduated

17 Counties Represented

Electrical 13
HVAC 6
Lighting 4
General Contractor 4
Engineering 2
Other 8

24 accepted into EESP Network to date

20 DBE Certified

11 EE Projects
Completed



Collaboration Effort

- ComEd CONSTRUCT Workforce Development Program: training program sponsored by a coalition of Construction and related industry companies committed to providing equal employment opportunities for construction and related project management and customer service jobs in Illinois and operated by well-respected not-for-profit organizations committed to increasing the pool of qualified minority candidates for jobs in Illinois.
- Collaboration with ComEd's CONSTRUCT Workforce Development Program: The Diverse EESP Incubator Program is coordinating with the CONSTRUCT team to recruit both individuals and small businesses for workforce development training. Collaboration opportunities include:
 - Enhanced recruitment through CONSTRUCT's relationships with Community Base Organizations and local workforce development agencies
 - Dovetail expansion efforts into other parts of ComEd's service territory
 - Joining two programs offers networking & employment opportunities for cohort members
 - Elevation of both programs to energy industry stakeholders
 - Additional funding and training resources provided by EE ICs for CONSTRUCT
 - Provide trainers for CONSTRUCT's Energy Efficiency training days



Channel (CBO) Diversity & Development: Income Eligible Outreach Strategy

Challenge Statement

ComEd messaging has not been inclusive to all communities and their cultures. Communication has not been clear, consistent or carefully considered across all platforms. Research shows that customers believe ComEd is their light bill company and not their advocate.

Advocacy begins with thoughtful listening, action and acknowledgment.









2020/2021 Income Eligible EE Outreach Overview

The L3 Agency, MWBE

Role as Umbrella Organization

CBO Recruitment
Event & Educational Material Development
Content & Program Training
Incentive Distribution to CBOs
Day-to-Day Oversight

CBO - Roles

- Co-host ComEd events for clients & members
- Provide educational information on energy mgmt. (EE tips, programs & financial asst)
- 3. Drive EE (& financial asst) program participation
- 4. Future opportunity to become a program delivery channel

CBO – Value Received

- Expand services & value to clients & members
- 2. Virtual event host training
- 3. ComEd program training
- 4. Flexible engagement model
- Develop potential additional revenue opportunities (performance-based)
- 6. Education and information to empower Clients/ Members to take control of and reduce their energy usage/ bills

CBO – Value Offered

- 1. Trusted connection to IE customers
- 2. Improve visibility to ComEd Energy Efficiency offerings
- 3. Teach the teacher model of EE Education
- 4. Scalability & flexibility within and across CBOs based on interest, skills and portfolio targets



IE EE Outreach 2020/2021 Umbrella CBO Engagement Model

Timeline / Next Steps

- Q3 2020
 - Initial engagement with The L3 Agency
 - 2020/2021 Outreach Plan development, including selection of *initial* targeted communities
- Q4 2020
 - Final Selection of initial partner Community Based Organizations with:
 - Strong presence in targeted communities
 - Identified micro-influencer members within targeted communities
 - A large base of income eligible constituents served.
 - Reputation as trusted destination within the community(ies) they serve
 - Focus on utility/energy issues, environmental/sustainability issues, housing security, youth support, senior support, workforce development and/or other related missions
 - Meeting with selected CBOs to finalize Outreach Materials and 2020/2021 Outreach Schedule
 - Kick-off events with multiple CBOs within the <u>initial</u> targeted regions
- · 2021
 - Start-up of individual CBO-based pop-up events
 - Review of initial events, lesson learned, and selection of next focus areas

