

Since your arrival to Baltimore and BGE, how has the company changed?

I came to Baltimore when I was Exelon's senior vice president of corporate affairs during the merger between Constellation (BGE's parent company at that time) and Exelon. After the merger was approved, I joined BGE's leadership team and was honored to be named CEO in 2014. BGE also became part of a much larger company that also owned two other high-performing utilities, ComEd in Chicago and PECO in Philadelphia. This new relationship really strengthened what BGE was able to accomplish. By learning from each other, working on common problems together, sharing resources during severe weather, and having a united goal of premier performance, we've been able to drive each other to even better results.

One has noticed that supplier diversity is now one of BGE's pillars to measure success. Why is this so important?

At BGE, we are driven to be a strong neighbor that lifts our community higher. One way to channel this is through our commitment to diversity and inclusion and an important component of that is our diverse spend. Through supplier diversity, we are able to both have a positive impact on businesses that have traditionally been overlooked by larger corporations, and also improve our performance.

When examining BGE's executive leadership team, one has noticed more minorities and women leading strategic areas. Why is that so important to you and has it affected corporate culture?

We emphasize finding the best person for every job opening at BGE, including positions on our leadership team. This means we do not start interviewing until we are able to have a diverse slate of candidates. We also make sure that the panel doing the interviewing is diverse. Having a diverse leadership team ensures that we are able to look at opportunities and concerns from many different angles, which almost always leads to a better outcome. By making diversity and inclusion a guiding principle, in your workforce, your suppliers, or your leadership team, you not only reflect the communities in which you serve, but you get better.

In speaking with several BGE employees, many have mentioned the emergence of employee resource groups such as, Asian, women, LGBT, veterans, and young professionals. Why so many individual groups now and does it create isolation amongst the employees?

We have nine official ERGs which bring our employees together. We have so many because there are so many ways for our employees to identify and express themselves. These groups are open to all employees, not just those who specifically identify with the organizing affinity. They also host events that are open to all to attend, experience and learn from each other. If anything, they actually increase empathy and understanding among employees and lead to a more inclusive workforce.

Knowing that customer satisfaction and service reliability are key to a utility's success, why place so much emphasis on supplier diversity spending, when it is assumed that in doing so, the product will cost more and deliver inferiorly?

First, any supplier we work with is held to the same high standards when it comes to cost efficiency, safety, workmanship and meeting deadlines. This is true whether the supplier is a certified diverse business or not. That is one reason why we have our Focus Forward program, so these certified businesses, which are often smaller or newer, can learn what is expected of them if they want to work

with a company like BGE. Interestingly, we've seen that bringing more diverse perspectives into the fold has led to more innovative ideas, which is always a positive.

We have also shown that as our commitment to all facets of diversity and inclusion has increased, our operations have only improved. This proves that you can have a robust emphasis on diversity and inclusion and also record setting performance.

Once you became CEO, you established a supplier diversity program known as Focus-25 and renamed it recently to Focus Forward. Why did you establish the program and what caused the name change?

In 2009, BGE signed a MOU with the Maryland Public Service Commission that established a voluntary goal of awarding 25 percent of BGE's spend to diverse suppliers. After I became CEO, I knew it would take more than a voluntary pledge to achieve that goal. So, we partnered with your group, the Maryland Washington Minority Companies Association, to launch what would become the "best in industry" Focus 25 supplier development academy.

Focus 25 existed solely to grow diverse businesses by helping them learn to successfully compete for contracts in the private and public sectors. The name came from our desire to keep everyone involved zeroed in on achieving that 25 percent goal.

And it worked for both BGE and the Focus 25 graduates. In 2016, we exceeded the goal and reached 26 percent by spending close to \$260 million with diverse suppliers. And in 2017, we again set a record, purchasing \$283 million or 29 percent from diversity-certified businesses. This is an extraordinary achievement, when you consider that in 2012 BGE's diverse spend was \$116 million, representing just 14 percent.

This also meant that it was time to rebrand the program, because 25 percent was in the rear-view mirror. This is how Focus Forward came to be – it is a constant reminder of our continuing commitment to diversity and inclusion.

How has corporate giving succeeded under your leadership? Has it grown or declined?

Overall, corporate giving, which includes charitable dollars, employee volunteers and nonprofit board service, has increased each year. BGE annually provides approximately \$5 million in charitable giving. We've given at this level since the merger with Exelon in 2011 and will continue to do so.

Our giving goes to four focus areas – arts and culture, education, environment, and economic and community development – and is distributed across central Maryland based on demonstrated need. Where we've grown is in our direct outreach through our grants programs that focus on smaller non-profits. We provide grants to emergency responders, environmentally-focused groups, and teachers.

Another innovative program is our annual Cause Initiative, which started in 2014. Each year we select a health and human services organization to partner with throughout the year. Employees nominate groups and our executives vote to choose the group. Throughout the year, we provide ways for our employees to raise funds and learn about the cause. To date, we've supported the American Heart Association, March of Dimes, United Way of Central Maryland, and American Diabetes Association.

This year we are partnered with Susan G. Komen, which has funded breast cancer research since 1982. It culminates in our “sea of green,” where hundreds of employees and their family and friends take part in a 5K walk wearing our signature green volunteer T-shirts!

We are also very proud of our employee engagement. BGE volunteers support the community with more than 22,000 hours of service each year. In addition, 140 employees serve on (can we say the approximate number of nonprofits?) nonprofit boards and those numbers are expected to increase each year as we match our employee talent with boards that are meaningful and fall within our areas of focus.

As a greater Baltimorean, it makes me proud to see BGE’s involvement in community social improvement projects like Light City Baltimore, the Mobile Jobs Center, and Eddie Murray Field at BGE Park alongside the Cal Ripken Sr. Foundation. Why those projects and can we expect to see more?

We’ve been in Baltimore since 1816. I cannot emphasize enough, the importance of our relationship with the City of Baltimore. It’s also a point of pride. We see these community-based partnerships as a way to leave a lasting impact and imprint on the city, its residents and future generations.

Light City came to Baltimore in 2016 and BGE committed as the lead founding sponsor as part of our 200th anniversary. We wanted to make a legacy impact as the first gas utility in the country and Light City was part of that legacy gift. Since Light City began, it continues to grow and has expanded arts and culture exhibits into 14 city neighborhoods. So, in addition to the large exhibits in the Inner Harbor area, smaller art installations are exposing local communities to the positive world of arts and culture.

The Eddie Murray Field at BGE Park was another legacy gift to the community that supports BGE’s focus on education, youth and community development. The field, located on Mosher Street, provides an opportunity where youth can play, connect and build trust in a safe environment. It’s also home to the longest continuously operating African-American little league in the United States!

One has observed that BGE is involved in workforce development at some of our high schools, Historically Black Colleges and Universities and a great non-profit, Touchpoint Baltimore. Why is it so important now to get engaged in these areas?

Another way that BGE can be a good neighbor is to ensure that our workforce reflects our community. This means all of the communities we serve must have to have access to careers with BGE. In 2016, we created the Smart Energy Workforce Development Program to emphasize the recruitment of qualified and diverse talent into our entry-level positions. By partnering with local workforce development agencies and four Baltimore City Career Technology Educations schools, we are creating this talent pipeline. It will provide jobs for our neighbors and better meet our customers’ needs.

In late 2017 we hired our first three employees from this program into our transmission and substation team. These high school graduates put in the time and took advantage of the opportunity that they earned. They have a salary, benefits, access to a 401k and more, all of which is life changing. And, if they want it, they have a career for life. These efforts also enhance our ability to serve our customers and strengthen our community.

BGE is one of many greater Baltimore corporate giants that have embraced Johns Hopkins' BLocal empowerment program. Why did get BGE involved?

When president Ron Daniels from Johns Hopkins University, president Ron Peterson from Johns Hopkins Hospital and Health System and I came together as co-chairs and committed to the idea of BLocal, we knew we were embarking on a first-of-its-kind endeavor.

By collaborating with Baltimore-area businesses in a purposeful effort to bring positive energy to the City of Baltimore, we sought to amplify the work that many of our companies had already begun. What we did not know was how quickly the business community would respond and how immediate the impact would be.

Since your elevation to CEO and introducing various new initiatives like supplier diversity, workforce development, expanded employee resource groups, and social community projects how has BGE's performance on service and reliability been? Has the stock value increased?

Our reliability numbers are the best ever, literally. In 2017 BGE customers experienced the fewest number of electric outages and the fastest restoration of outages that did occur in our company's history. On top of this, our customer satisfaction scores have increased year-over-year. It makes us so proud that our electric business customers ranked us highest in J.D. Power's 2017 customer satisfaction survey. We've placed an emphasis on both peak performance and diversity and inclusion throughout the company and have shown that you can do both well.

What goals have you accomplished since becoming CEO?

When I came into office, my goals were to be ranked number one in all the measurable categories and maintain a safe and clean environment. In four years, we have recorded the highest customer satisfaction, service reliability and financial record performance. But, this could not have been accomplished without a strong team inside of BGE working together to achieve it. I give all the credit to our team, every employee and vendor of BGE who practices safe and smart deliveries every day.

What has been your proudest moments at BGE?

When I arrived in 2012, BGE was ranked in the 3rd and 4th quartiles in performance measurables, now we are ranked in the 1st quartiles. Internally, the senior leadership team has been reshaped to reflect our diverse market place, which currently includes three African-Americans, three Latinos, and four women; and I might add that BGE's senior leadership team is the most diverse of all the Exelon companies. We have also funded nine full scholarships for local high school students; established mobile job centers in partnership with Enoch Pratt Free Library; moved our supplier diversity spend from 14% to in excess of 30% at year end and working with leaders from The Whiting-Turner Contracting Company and Johns Hopkins University & Health System to build a better Greater Baltimore.

Md. Washington Minority Companies Association (MWMCA) would like to thank Calvin Butler and BGE for taking time to provide such remarkable comments.