

Desiree Rogers Remarks
Professional Women's Club of Chicago Luncheon

First of all, thank you so much for inviting me here today. It is marvelous to see so many successful women together in one place.

I believe that it is so important for each of us to work together.

Often as we focus on making it to the top we forget to look to the side and help each other.

We forget that on the journey we can be an inspiration.

Each of you is an inspiration to someone.

A son or daughter, an acquaintance or even a colleague at work.

As I look out at the faces here today, I am overwhelmed at the talent that is gathered.

Each set of eyes I look into tells a story. I know that each of you have faced unique challenges to get where you are.

Like me, some of you are single parents.

Some of you have faced challenges as minorities, and even more so as women.

Some of you came from privilege. Others had nothing but a dream.

Well, let me begin by telling you a little bit about this journey that I have been so privileged to live.

I come from the city of boundless energy.

New Orleans.

That is until one day in August last year when Miss Katrina decided that she had a different plan.

All my life, New Orleanians were told about a storm like Katrina.

The big one!

Prepare, don't prepare.

Most New Orleanians have been back and forth with this for over 40 years.

So it is easy for me to understand why so many did not leave.

So many were not prepared.

My family left but with little preparation for spending the next year away from home.

My mother left clothes in the dryer as if she would be back in her house after a long weekend.

She has still not been able to return home.

I tell this story so that we realize every day is a new day with new challenges and opportunities.

We must always be prepared. We must always be ready.

Being ready gives you the freedom to chart your destiny.

Some might say to even be the president of a 150 year old utility that had never had a woman leader.

I don't fit any of the stereotypes of a utility executive.

I also want each of us to understand that no matter what you are going through-- we are all lucky to be sitting here today.

Remember that.

People often ask me if I have faced unique challenges as a female business leader. They are curious, too, as to whether being a female – some say a high-profile female – is a help or a hindrance to my success.

Honestly, some days it helps and other days it hurts. But that is the way life goes.

- Prior to becoming president of Peoples Gas and North Shore Gas, I was the senior vice president of customer service. I started in the company as the vice president of communications in 1997. My daughter was 7.
- Immediately before my job at Peoples, I was the director of the Illinois Lottery, which for the first time thrust me into the public eye. I met a number of influential people – politicians, business leaders, reporters. At the same time, I was married to a very high profile business leader, some of you may have heard of John Rogers.
- Let me tell you a little about what I've faced during my years with Peoples Energy. But first let's take a quick moment to review the company for those who may not know who we are.
 - Peoples Gas, serves the City of Chicago.
 - North Shore Gas serves 54 communities in northeast Illinois
 - Combined, we have approximately 1 million business and residential customers.
 - Approximately 10 percent of our customers are considered low income.
 - Our service territory is diverse, just as one would expect a major urban city to be – 36% African American, 26% Hispanic, 5% Asian. In fact, 22% are foreign born. While 12% are 65 years or older.

- The company delivers natural gas but does not produce gas.
 - We have two labor unions and employ about 2600 people.
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- I joined the company nine years ago. At that time, it was extremely unusual for vice presidents to be hired "off the street". Top management at utilities had most often been engineers and lawyers. I am neither.
 - To many, it was hard to believe that I would go from running the lottery and giving away millions to a natural gas utility. What? Why? To many people, working at Peoples didn't seem like an obvious fit for someone like me, at least on the surface.
 - In 1997, utilities were the snails of the corporate world, slow-moving entities that rarely were in the news.
 - Peoples Energy had been a stable entity in Chicago for over 150 years. And for the most part, having hot water and heat were taken for granted.
 - Prior to 2001, each month customers would open up their gas bill, read it, and pay it. Fast forward to today, and we all know that those days are over with gas prices continuing to be as volatile as ever.
 - It has turned out that my understanding of the relationship between marketing and operations along with my government and media savvy have become desired traits for a utility executive these days.
 - A lot has changed during the past five years; the energy industry has become front page news for several reasons.
 - In the winter of 2001, natural gas prices skyrocketed. Imagine if today it costs \$35 to fill your car's gas tank, and within just a few months it costs \$170. This was the situation back then with natural gas.

- Now here's the hard part. We don't control the price of the gas. You see the gas charge is the major part of your bill, but our income is from the gas distribution charge – about 20% of your bill. We buy the gas and then pass it along to your homes for the same price we pay for it. But a lot of our customers didn't understand this and they really didn't care. Customers were looking for answers.
- You all probably experienced a bit of shock the winter of 2001 when you opened your bills. Who could blame you?
- We were blasted by elected officials for not warning our customers. We had warned them but this was new information and they did not understand what we were talking about until their bills arrived.
- To put it in perspective, we had about 40,000 customers before the price hike who received some form of energy assistance. Today it's closer to 111,000. People needed help.
- Headlines like "Inflated gas bills show company in total disarray" and "Gas Shut-Off Crews Targeted" were in the papers.
- The Reverend Jesse Jackson even held protests – one in which he physically blocked our service trucks from leaving our shops in order to prevent them from shutting off customers' gas. People were angry, to say the least. So you can imagine the nightmare that we faced.
- We pushed on and continued to try to help customers cope and understand what was really happening. It was not easy work.
- That same year, we had a mercury crisis where we needed to investigate many thousands of homes to ensure our equipment did not contain this chemical. And finally, there was a union strike.

- Let me pause for a minute and try to tell you a quick story.
- Story about the night of the union strike.
- Through all of this, it was important for me to maintain my confidence and focus on leading the areas that I managed. I believe that the reason I am President today is because of how my team and I handled these issues.
- As President of the utilities, I face major challenges almost every day. Certainly every week.
- The Illinois Commerce Commission recently held an investigation and hearings. They determined that we should have bought gas at lower prices in 2001, and we had to pay out a \$100 million settlement to our customers.
- I guess you could say that 2001 was not our year.
- As long as you work, there will be difficult issues that you will confront. I have found that what really matters is your ability to develop solutions that work under the most difficult circumstances. I now know that whether I am handling public relations or managing the business there will always be tests. It never ends.
- Energy has become a national political platform. Every day we can now read about the national energy bill, natural gas volatility, and the impact of global warming on the environment.
- Suddenly, pipelines, infrastructure, emissions, and renewable fuel sources have become familiar topics in today's papers. Studies are being commissioned by top experts.
- There is no way that I could have predicted this nine years ago when I joined the firm.
- Today, I am involved in an industry that is evolving at lightning speed and can have a major impact on public policy.

- How we take care of those who can not afford energy? How we decide to manage the resources we have and what impact they will have on the environment?
- I am thrilled to be a part in some small way of the solutions to these issues here in Chicago. I have worked very hard to figure out what more can be done to help low income customers. From working with children at Marconi Elementary School to teach them about natural gas and its safety in their homes to figuring out new approaches for low income customer funding sources.
- It is hard work but I feel like we are making progress and at the very least we are increasing awareness. Each year, we turn off the gas service of over 60,000 customers. I would be thrilled if these efforts could be cut in half some day.
- Finally, another area that I am focused on working the integration of two companies---Peoples Energy and Wisconsin Public Resources. The merger of the two companies should be complete sometime early next year.
- I've had a lot of issues to solve during my time at Peoples Energy. I have had to learn a lot quickly. Over time, I have found myself evolving. The fact is, in order to be an effective leader, I've had to change.
- People, not just women, are promoted because they know how to make things happen and how to get other people to make things happen. Everyone has to find their own style and comfort level that will work for them. Many times you have no control over the circumstances and that is okay.
- So how does a person like me who got to where she by doing things her way deal with issues that she can't control, like gas prices and an industry going through a transition at warp speed? With engineers who sometimes seem to speak a different language – one of science and hard facts? With customers who can't pay their bills and who need to heat their homes? With increased national involvement in energy issues? With

employees who are worried about their future? All happening at once, it seems.

- The answer is, much like the industry in which I find myself, I had to change; to evolve; to grow into a different type of leader, and do this quickly. I had to learn to step back and listen and really hear people.
- I had to trust that my colleagues and employees are talented enough to make good decisions, which is really trusting in myself to hire the right people.
- I had to let them do things their way, even if it wasn't my way, and I had to let them make mistakes. I had to not just say that I was empowering people, I had to mean it.
- So I've learned from experience to really listen to what my employees are saying, and to give them the freedom and space to do their jobs. And also have empathy to help them see as many aspects of their decisions as possible while providing a little coaching from the side lines.
- But beyond changing my style or overcoming the challenges inherent in management, most importantly, I know that I must always see the big picture and remember who I am at the very core and what my ideals are.
- I have to understand that when these problems have passed, new ones will come along. When balance sheets are read and the tasks of my day are complete and the minutia of life is dealt with ... And when I go home and listen to my daughter tell me about her day before we say goodnight, I must realize that when all is said and done, *I am my integrity*, nothing less and nothing more, and that's what really matters - as a mother, as a business leader, and as a woman. Thank you.