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| Commercial Energy of Montana Inc. | 20 |
| Supplier Diversity Annual Report | |

Annual Report

Description of Covered Entity

Descriptions of Supplier Diversity Program, Diverse Subcontracting Program, and S

Supplier Diversity Program Website Address and Contact Information

Supplier Diversity Results of Goods and Services (Exclude Fuel and Power Purcha

Supplier Diversity Results in Power (Energy) Procurement

Supplier Diversity Results in Fuel Procurement

Description of Established Supplier Diversity Goals for the Previous Calendar Year

Supplier Diversity Results Compared to Set Goals

Description of Barriers to Supplier Diversity

NOTE:

*Covered Entity - electrical corporations, gas corporations, water corporations, te
wireless telecommunications service providers with gross annual California reve
and \$25,000,000.

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| ises) | 4 |
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| | 6 |
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| | 9 |

Telephone corporations, and
revenues between \$15,000,000

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| Commercial Energy of Montana Inc. | 2022 |
| Commercial Energy of Montana Inc. (CEM) supplies natural gas and electricity (fuel and power) through regulated utilities, while also assisting its clients to procure and deploy onsite renewable generation and storage. | |

Narrative describing the reporting entity: type of entity, general business operations, location etc.

NOTE:

*Covered entities, for the purpose of this reporting template, are electrical corporations, gas corporations, water corporations, telephone corporations, and wireless telecommunications service providers with gross annual California revenues between \$15,000,000 and \$25,000,000 (Public Utilities Code §8283(f)).

| Commercial Energy of Montana Inc. | 2022 |
|--|------|
| <p>CEM supports a diverse supplier mix as well as a diverse workforce from our Oakland corporate office. The co-founders relocated to California from Montana 12 years ago and are evaluating a complete Employee Stock Ownership Plan for implementation in 2023. Our corporate culture must be client-first to help each accomplish their corporate renewable and diversity goals. To that extent, we are constrained in our efforts and our markets because each of CEM's clients have the power to choose another supplier that may value price above diversity. Because over 95% of our revenues come from fuel and power procurement with national and multinational corporations and the CAISO, our purchases are not included in your SD results. The balance (less than 5%) of our revenues are generated by our 30 employees in Oakland.</p> | |

Narrative describing the covered entity's commitment to supplier diversity and supplier diversity program.

Narrative describing the covered entity's supplier diversity related internal and external activities.

Narrative describing the covered entity's subcontracting program and the related activities performed.

Commitment to Supplier Diversity

Description of the covered entity's corporate policy regarding supplier diversity, leadership commitment, employee engagement, corporate culture, etc.

Internal program activities include but are not limited to:

- Establishing and implementing a supplier diversity program with adequate resources.
- Developing a program with articulated and defined mission, goals, and directions.
- Training employees on the program.
- Defining employees responsibilities and expectations.
- Assisting prime contractors with their supplier diversity programs.
- Implementing recognition and/or award programs.
- Preparing and submitting annual supplier diversity plans and progress reports.

External program activities include but are not limited to:

- Conducting outreach to promote the supplier diversity program and provide education.
- Supporting organizations that promote the interest of and advocate for diverse suppliers and diverse communities.
- Developing and providing technical assistance and capacity building opportunities for diverse and small businesses.
- Etc.

Subcontracting program and related activities include but are not limited to:

- Description of efforts and initiatives to encourage prime contractors to increase the utilization of diverse subcontractors.
- Description of a covered entity's efforts to connect prime contractors with diverse suppliers.
- Description of how prime contractors report their diverse spend.
- Description and examples of prime contractors utilization of diverse subcontractors.
- Description of award/recognition programs.
- Etc.

| | |
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| Commercial Energy of Montana Inc. | 2022 |
| www.commercialenergy.net | |
| Ron Perry - CEO, 510-567-2700 | |

Provide covered entity's supplier diversity website address and contact information (name, telephone number, and email).

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| Commercial Energy of Montana Inc. |
| Supplier Diversity Results |

| | | |
|----|--|------------------------------|
| 1 | Minority Male | African American |
| 2 | | Asian Pacific American |
| 3 | | Hispanic American |
| 4 | | Native American |
| 5 | | Total Minority Male |
| 6 | Minority Female | African American |
| 7 | | Asian Pacific American |
| 8 | | Hispanic American |
| 9 | | Native American |
| 10 | | Total Minority Female |
| 11 | Total Minority Business Enterprise (MBE) | |
| 12 | Women Business Enterprise (WBE) | |
| 13 | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | |
| 14 | Disabled Veteran Business Enterprise (DVBE) | |
| 15 | Persons with Disabilities Business Enterprise (DBE) | |
| 16 | 8(a)* | |
| 17 | Total Supplier Diversity Spend | |
| 18 | Net Procurement** | |
| 19 | Net Product Procurement | |
| 20 | Net Service Procurement | |
| 21 | Total Number of Diverse Suppliers that Received Direct Spend | |

NOTE:

* 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended, and the Small Business Administration, pursuant to Section 5 of Executive Order 11625 (GO 11625).

** Net Procurement includes purchase orders, non-purchase orders, and direct and subcontractor procurement.

¹ Direct - Means Direct Procurement: when a covered entity directly purchases goods or services from a diverse supplier.

² Sub - Means Subcontractor Procurement: when a prime contractor, subcontractor, or other business entity purchases goods or services from a diverse supplier.

to fulfil its contractual obligation(s).
% - Percentage of Net Procurement.

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| |
| |

| Total \$ | % |
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| 0 | |
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BUSINESSES WITH MULTIPLE CERTIFICATIONS CAN ONLY DIVERSE CATEGORY

If a covered entity has spend with a supplier before the supplier is certified, the covered entity may count the spend for the entire calendar year in which the supplier becomes certified.

If a covered entity has spend with a supplier whose certification has expired, the covered entity may count spend for the expired period if the supplier recertifies during the same calendar year.

Indirect spends are **NOT** included in covered entities' annual reports.

An example of indirect spend would be if a prime contractor, for example, has a contract to provide engineering services, hires a minority business to provide janitorial services, empty wastebaskets and provide general services. This indirect spend would not be reported in the annual report since the janitorial services is not part of the contract between the prime contractor and the engineering firm.

If a covered entity chooses to report diverse supplier procurement beyond the Tier 3 level (Tier 3 and below), it must ensure it will be able to verify such expenditures upon the Commission's request. All subcontracting spend, at any level, must be verified as specifically related to the project for which the prime contractor was hired.

Report the value of early payment discounts utilized. For example, if \$100,000 of spend with a 2% early payment discount and the covered entity pays only \$98,000, then report the paid amount (\$98K), and not the full contract amount (\$100K).

Percentage amounts should be carried out to two decimal places (for example, 12.34%).

Direct: refers to **Direct Spend** to capture the expenditure a covered entity has for goods and services directly from diverse suppliers in the previous calendar year.

Sub: refers to **Subcontracting Spend** to capture the expenditure a covered entity has spent procuring goods and services from diverse subcontractors in the previous calendar year. Subcontracting spend must be part of the contract a prime contractor has with a diverse supplier.

Net Procurement = total goods and services procurement spend from diverse and diverse suppliers) for the previous calendar year. It does not include indirect procurements.

% = Spend Percentage of Net Procurement for the row category.

Net Procurement = Total Product Procurement + Total Service Procurement

Total Product Procurement = total products procurement spend from a (and diverse and diverse suppliers) for the previous calendar year.

Total Service Procurement = total services procurement spend from a (and diverse suppliers) for the previous calendar year.

BE COUNTED IN ONE

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nes certified.

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cannot be included in the
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enditures upon the
well documented and
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previous calendar year. The
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ot include Fuel and Power

[Redacted]

urement

all suppliers (both non-

all suppliers (both non-diverse

Supplier Diversity Annual Report

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| Commercial Energy of Montana Inc. |
| Description of Established Supplier Diversity Goals for |

Narrative describing the covered entity's supplier diversity set goals, progress and any circumstances that may have caused falling short of these goals.

CEM's diversity goals are directed by our clients' goals which we are not privy to. We do not use a diverse and/or union workforce to execute, and put community interests above our competitors offer lower cost solutions without such requirements.

Therefore we cannot set and impose specific diversity goals on our clients without putting our clients' interests which we are not willing to sacrifice. Instead, we pursue diversity in our hiring and promotional diversity, despite being in a highly competitive employment market in California and despite

| | |
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| | 2022 |
| the Previous Calendar Year | |

... in meeting or exceeding the set goals,

**While we encourage each to procure locally,
... costs, we cannot make them pay more when**

**... at risk losing employees based in our California offices,
... on practices and believe our team demonstrates that
... pandemic issues.**

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| Commercial Energy of Montana Inc. |
| Supplier Diversity |

| | | Direct Power Purchases \$ Renewable and Non- Renewable Power Products | |
|----|---|--|------------|
| 1 | Minority Male | African American | \$0 |
| 2 | | Asian Pacific American | \$0 |
| 3 | | Hispanic American | \$0 |
| 4 | | Native American | \$0 |
| 5 | | Total Minority Male | \$0 |
| 6 | Minority Female | African American | \$0 |
| 7 | | Asian Pacific American | \$0 |
| 8 | | Hispanic American | \$0 |
| 9 | | Native American | \$0 |
| 10 | | Total Minority Female | \$0 |
| 11 | Total Minority Business Enterprise (MBE) | | \$0 |
| 12 | Women Business Enterprise (WBE) | | \$0 |
| 13 | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | | \$0 |
| 14 | Disabled Veteran Business Enterprise (DVBE) | | \$0 |
| 15 | Persons with Disabilities Business Enterprises (DBE) | | \$0 |
| 16 | 8(a) ⁶ | | \$0 |
| 17 | Total Supplier Diversity | | \$0 |
| 18 | Net Power Procurement | | \$0 |
| 19 | Net Direct Power Purchases | | \$0 |
| 20 | Net Direct Fuels for Generation | | \$0 |
| 21 | Total Number of Diverse Suppliers | | 0 |

NOTES:

¹ Excludes purchases from the California Independent System Operator (C/

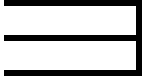
² % - Percentage of Net Procurement.

³ Includes Direct Power Purchases and Direct Fuels for Generation. Direct -
a supplier.

⁴ Sub - Means Subcontractor Procurement: when a prime contractor, in con
contractual obligation(s).

⁵ "Total" does not include pre-commercial development (COD) subcontracti

⁶ 8(a) - Businesses owned and controlled by persons found to be disadvant
Administration pursuant to Section 8(a) of the Small Business Act, as amen
of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Se



BUSINESSES WITH MULTIPLE CERTIFICATIONS CAN ONLY BE COUNTED IN ONE DIVERSE CATEGORY

Percentage amounts should be carried out to two decimal places (for example, 25.43%).

Dollar amounts should be shown as whole dollars only.

If a covered entity has spend with a supplier before the supplier is certified, the covered entity may count the spend for the entire calendar year in which the supplier becomes certified.

If a covered entity has spend with a supplier whose certification has expired and is later renewed, the covered entity may count spend for the expired period if the supplier renews their certification within the same

Supplier Diver

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| Commercial Energy of Montana Inc. |
| Supplier Diversity R |

| | | | Natural Gas \$ | |
|----|--|------------------------|----------------|------------|
| | | | SHORT TERM | LONG TERM |
| 1 | Minority Male | African American | \$0 | \$0 |
| 2 | | Asian Pacific American | \$0 | \$0 |
| 3 | | Hispanic American | \$0 | \$0 |
| 4 | | Native American | \$0 | \$0 |
| 5 | | Total Minority Male | \$0 | \$0 |
| 6 | Minority Female | African American | \$0 | \$0 |
| 7 | | Asian Pacific American | \$0 | \$0 |
| 8 | | Hispanic American | \$0 | \$0 |
| 9 | | Native American | \$0 | \$0 |
| 10 | | Total Minority Female | \$0 | \$0 |
| 11 | Total Minority Business Enterprise (MBE) | | \$0 | \$0 |
| 12 | Women Business Enterprise (WBE) | | \$0 | \$0 |
| 13 | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | | \$0 | \$0 |
| 14 | Disabled Veteran Business Enterprise (DVBE) | | \$0 | \$0 |
| 15 | Disabled Business Enterprise | | \$0 | \$0 |
| 16 | Other 8(a) ⁴ | | \$0 | \$0 |
| 17 | TOTAL WMDVLGBTBE | | \$0 | \$0 |
| 18 | Net Fuel Procurement | | \$0 | |
| 19 | Net Natural Gas Procurement | | \$0 | |
| 20 | Net LPG Procurement | | \$0 | |

NOTES:

Short Term: The term of the deal is no longer than one calendar month.

Long Term: The term of the deal is greater than one calendar month but less th

¹ LPG - Liquefied Petroleum Gas

² Excludes purchases from the CAISO, utilities, federal entities, state entities, n

³ % - Percentage of Net Fuel Procurement

⁴ 8(a) - Businesses owned and controlled by persons found to be disadvantage
Administration pursuant to Section 8(a) of the Small Business Act, as amended
of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Sectio

**ENTITIES WITH MULTIPLE CERTIFICATIONS CAN ONLY BE
COUNTED IN ONE DIVERSE CATEGORY**

Large amounts should be carried out to two decimal places (for example, \$1,234,567.89). Small amounts should be shown as whole dollars only.

If a covered entity has spend with a supplier before the supplier is certified, the covered entity may count the spend for the entire calendar year in which the supplier becomes certified.

If a covered entity has spend with a supplier whose certification has expired and is renewed, the covered entity may count spend for the expired period if the supplier renews their certification within the same calendar year.

Supplier Diversity A

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| Commercial Energy of Montana Inc. |
| Supplier Diversity Results C |

| Category |
|--|
| Minority Business Enterprise (MBE) |
| Women Business Enterprise (WBE) |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) |
| Disabled Veteran Business Enterprise (DVBE) |
| Persons with Disabilities Business Enterprise (DBE) |
| Total |

NOTE:

% - Percentage of Net Procurement.

| | |
|------------------------------|-------------|
| | 2022 |
| Compared to Set Goals | |

| [Year] Result % | [Year] Goal % |
|-----------------|---------------|
| 0 | 0 |
| 0 | 0 |
| 0 | 0 |
| 0 | 0 |
| 0 | 0 |
| 100 | |

Compares reporting year supplier diversity performance results with the goals a covered entity had established for that reporting year.

(Year) Results: supplier diversity results of a covered entity for the reporting year (previous calendar year).

(Year) Goals: the goals a covered entity had in place for the reporting year.

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| Commercial Energy of Montana Inc. | 2022 |
| Description of Barriers to Supplier Diversity | |

Narrative describing the challenges to recruit and include diverse supplies in the covered entity's purchases and contracts.

Narrative describing strategies to overcome or mitigate the barriers to the utilization of diverse suppliers.

CEM's diversity goals are directed by our clients' goals which we are not privy to. While we encourage each to procure locally, use a diverse and/or union workforce to execute, and put community interests above costs, we cannot make them pay more when competitors offer lower cost solutions without such requirements.

Therefore we cannot set and impose specific diversity goals on our clients without putting at risk losing employees based in our California offices, which we are not willing to sacrifice. Instead, we pursue diversity in our hiring and promotion practices and believe our team demonstrates that diversity, despite being in a highly competitive employment market in California and despite pandemic issues.

| Name |
|--|
| Woman Business Enterprises |
| Minority Business Enterprises |
| Lesbian, Gay, Bisexual, Transgender (LGBT) Business Enterprise |
| Persons with Disabilities Business Enterprise |
| Disabled Veteran Business Enterprises |
| Disabled Veteran |
| African American |
| Asian Pacific American |
| Hispanic American |

| |
|--------------------------------|
| Native American |
| Other Groups (8(a)) |
| Subcontract |
| Supplier Clearinghouse |
| Commission |
| Short-Term Goal |
| Mid-Term Goal |
| Long-Term Goal |
| Product and Service Categories |
| Supplier Diversity |
| Diverse Business/Supplier |

GO 156 Section 1.3 Definitions*

| Definition | Acronym |
|--|---------|
| A business enterprise at least 51% owned by a woman or women, or if a publicly owned business, at least 51% of the stock owned by one or more women; and whose management and daily business operations are controlled by one or more of those individuals (GO 156 Section 1.3.3). | WBE |
| A business enterprise at least 51% owned by a minority individual or group(s), or if a publicly owned business, at least 51 % of the stock owned by one or more minority groups; and whose management and daily business operations are controlled by one or more of those individuals. Minority includes, but is not limited to, African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other groups as defined in the GO (GO 156 Section 1.3.4). | MBE |
| A business enterprise at least 51% owned by a lesbian, gay, bisexual, or transgender person or persons, or if a publicly owned business, at least 51% of the stock owned by one or more lesbian, gay, bisexual, or transgender persons; and whose management and daily business operations are controlled by one or more of those individuals (GO Section 156 1.3.5). | LGBTBE |
| A business enterprise at least 51% owned by a person or persons with a disability, or if a publicly owned business, at least 51 % of the stock owned by one or more persons with a disability; and whose management and daily business operations are controlled by one or more of those individuals (GO 156 Section 1.3.6) | DBE |
| 1) It is a sole proprietorship at least 51% owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51% of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation, but only if at least 51% of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51% of the joint venture's management and control and earnings are held by one or more disabled veterans. (2) The management and control of the daily business operations are by one or more disabled veterans. (3) It is a sole proprietorship, corporation, or partnership with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business | DVBE |
| Refers to a veteran of the military, naval or air service of the United States with a service-connected disability and who is a resident of the State of California (GO 156 Section 1.3.7). | |
| Refers to a person having origins in any black racial groups of Africa (GO 156 Section 1.3.9) | BA |
| Refers to a person having origin in Asia or the Indian subcontinent, including, but not limited to, persons from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, India, Pakistan, and Bangladesh (GO 156 Section 1.3.12). | APA |
| Refers to a person of Mexican, Puerto Rican, Cuban, South or Central American, Caribbean, and other Spanish culture or origin (GO 156 Section 1.3.10). | HA |

| | |
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| Refers to a person having origin in any of the original peoples of North America or the Hawaiian Islands, in particular, American Indians, Eskimos, Aleuts, and Native Hawaiians (GO 156 Section 1.3.11). | NA |
| Persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section | 8(a) |
| person (in which the parties do not stand in the relationship of an employer and an employee): for the furnishing of supplies or services for the use of real or personal property, including lease arrangements, which, in whole or in part, is necessary to the performance of any one or more contracts; or under which any portion of the contractor's obligation under any one or more contracts is performed, undertaken or assumed (GO 156 Section 1.3.23). | Sub |
| A Commission-supervised program or entity that shall conduct certifications/verifications and maintain a database of eligible suppliers for the use of utilities and other covered entities under the Commission's Supplier Diversity Program (GO 156 Section 1.3.22). | |
| Refers to the California Public Utilities Commission, as provided for in Article XII of the California Constitution (GO 156 Section 1.3.1). | CPUC |
| A goal applicable to a period of one (1) year (GO 156 Section 1.3.18). | |
| A goal applicable to a period of three (3) years (GO 156 Section | |
| A goal applicable to a period of five (5) years (GO 156 Section 1.3.20). | |
| As defined by the Standard Industrial Classification (SIC) system maintained by the United States Department of Labor, Occupational Safety and Health Administration, as they currently read or as amended or as defined by any other updated classification system that supersedes the SIC system (GO 156 Section 1.3.24). | |
| Refers to the inclusion of women, minority, disabled veteran, LGBT, and persons with disabilities business enterprises in supply chains and procurement activities | |
| Refers to women, minority, disabled veteran, LGBT, and persons with disabilities business enterprises | |

NOTE:

* These definitions are not proposed amendments to Section 1.3 of GO 156 or the other Sections. The purpose of these definitions is to provide convenient reference in preparing GO 156 reports.

Certification

Supplier Clearinghouse

Supplier Clearinghouse

Supplier Clearinghouse

Supplier Clearinghouse

Department of General
Services (DGS)

