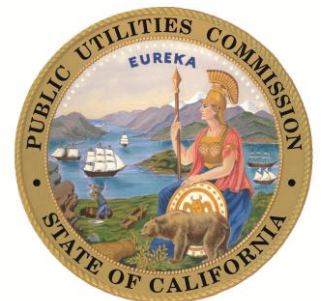




2011 Utility Procurement of Goods, Services, and Fuel from Women-, Minority-, and Disabled Veteran-owned Business Enterprises

GO 156 Report

October 2012



This document can be found online at:
www.cpuc.ca.gov/PUC/supplierdiversity/

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I. EXECUTIVE SUMMARY

This is the California Public Utilities Commission's (CPUC) 26th annual Report to the Legislature, pursuant to Public Utilities (PU) Code Section 8283, on progress reported by utilities in procuring goods, services, and fuel from women-, minority-, and disabled veteran-owned business enterprises (WMDVBEs)¹.

Utility spending on WMDVBE procurement increased from \$5.17 billion in 2010 to \$7.20 billion in 2011, an increase of 39.26%. It should be noted the increase from 2009 to 2010 was 21.07%. When these two percentages are combined, it shows the utilities increased procurement from WMDVBE firms *by more the 60% in a two year period.* For 2011, there was also an increase in the percentage of total utility procurement from WMDVBE firms; it climbed from 22.95% in 2010 to 29.94% in 2011.

- The large energy utilities (Sempra, PG&E, and Edison) along with the wire-line side of AT&T and Verizon continue to exceed the goal of 21.5%; however, the wireless side of AT&T was slightly under the goal, and Verizon continues to considerably underperform.
- AT&T Mobility procured 21.39% of their goods & services from diverse suppliers while Verizon Wireless was noticeably lower at less than 15%.
- Sprint is the only wireless company that has exceeded the goal of 21.5%. In 2011, Sprint procured over \$686 million or 27.76% from diverse suppliers. We applaud Sprint for this achievement as the wireless industry has historically been reluctant to incorporate supplier diversity in their supply chain.
- We also received very limited information from Cox Communications and nothing from TimeWarner. Cox states all procurement activities are performed by its parent corporation and has no procurement to report for California. They also state their procurement data is on a nation-wide basis, rather than California related. Further, they use a much broader definition for diverse suppliers than is allowed under General Order 156 (GO 156). Therefore, we don't include them in this report, because they don't comply with the stated rules of GO 156.

¹ PU Code Section 8283 requires CPUC-regulated gas, electric, telephone, and water utilities, and their regulated subsidiaries and affiliates, with gross annual revenues exceeding \$25 million, to submit annual verifiable plans for increasing procurement from WMDVBEs. The CPUC is responsible for verifying the status of WMDVBE applicants, reporting results of the program, and making recommendations to achieve maximum results in implementing legislative policy.

PU Code Section 8283 mandates that the CPUC submit its report on September 1 of each year. General Order (GO) 156 requires each utility to establish goals for utility purchases of services, goods, and fuel as a percentage of total procurement from WMDVBEs. The goals are 15 percent, 5 percent, and 1.5 percent for minority-owned, women-owned, and disabled veteran-owned businesses, respectively.

- Water Utilities - The six largest CPUC-regulated water utilities are required by PU Code section 8283 to participate in the GO 156 program. All six utilities filed reports with the CPUC, as well as Park Water Company. California-American Water showed the highest level of overall achievement at 28.79 percent, while Park Water reached 25.30 percent, and Suburban Water Systems attained 20.54 percent. Almost all of the water utilities increased their total percentage over that of 2010. The CPUC applauds the gains shown by the water utilities, but calls upon them to make continuing efforts to achieve greater levels of diversity. The CPUC stands ready to assist the water utilities in this endeavor.

Major program accomplishments and significant developments for the CPUC's Utility Supplier Diversity Program include:

- In May of 2011, the Commission adopted D.11-05-019. In this decision, the Commission strongly reaffirmed its support of the policy goals of GO 156, particularly the economic benefits to ratepayers and communities. In an effort to enhance the transparency and accountability of existing utility supplier diversity programs, the decision made several amendments to GO 156. These amendments require: (1) electronic filing of the GO 156 annual reports, (2) posting of the reports on the Commission's website, (3) separate reporting of electric procurement spending, (4) reporting of the total number of women-minority-, and disabled veteran-owned businesses enterprises (WMDVBEs) that received direct spend in a reporting period, (5) reporting of amounts spent by utilities on technical assistance, and (6) periodic random audits of the GO 156 reports.
- The CPUC's diverse supplier database continues to serve as a valuable resource for the utilities and the public. Since the revisions to the certification process took effect three years ago, the database has increased and now has more than 6,500 diverse suppliers.
- The CPUC held its ninth Full Panel Hearing in October 2011, and will hold its tenth hearing on October 4, 2012, regarding the supplier diversity program and diversity issues. High-level executives and representatives from industry, government, and other interested parties (CEOs, Commissioners, etc.) are expected to attend.
- The Commission continues to expand its efforts in the areas of legal services and financial services, areas of spending that are traditionally underrepresented in WMDVBE procurement. The utilities increased their spending on WMDVBE legal services in 2011, but decreased their WMDVBE spend on financial services. Specifically, legal spending on WMDVBE firms by the traditional six utilities increased from \$21.7 million in 2010 to \$28.0 million in 2011, while financial services spending decreased from \$6.3 million in 2010 to \$4.6 million in 2011. Procurement from diverse legal and financial firms continues to be an obstacle. The lack of diversity in these two sectors concern and disappoint the Commission. We should be able to embrace diversity in all areas of procurement and focusing on blue collar jobs for diverse spend is shortsighted.
- The Commission continues its initiative to better understand the unique characteristics of the traditionally underrepresented Disabled Veteran Business Enterprise (DVBE) community. Through a series of outreach meetings with veteran organizations, the

utilities and the Commission have held quarterly meetings with the goal of enhancing procurement opportunities for DVBEs. To underscore this effort, the Joint Utilities Workshop on DVBE Utilization continues outreach to over one thousand DVBEs for the purpose of updating their profiles for accuracy and completeness in order to procure contracting opportunities with the investor-owned utilities.

- The Commission hosted three Small Business Expos throughout the state in 2011 and participated in many others. The Expos matched small businesses and diverse vendors to utility procurement personnel. A representative of the Commission's WMDVBE certification clearinghouse operator attended many of these expositions.
- The Commission continues to work with the California Utilities Diversity Council, community-based organizations, and business organizations such as chambers of commerce, to promote the goal of WMDVBE development in California.

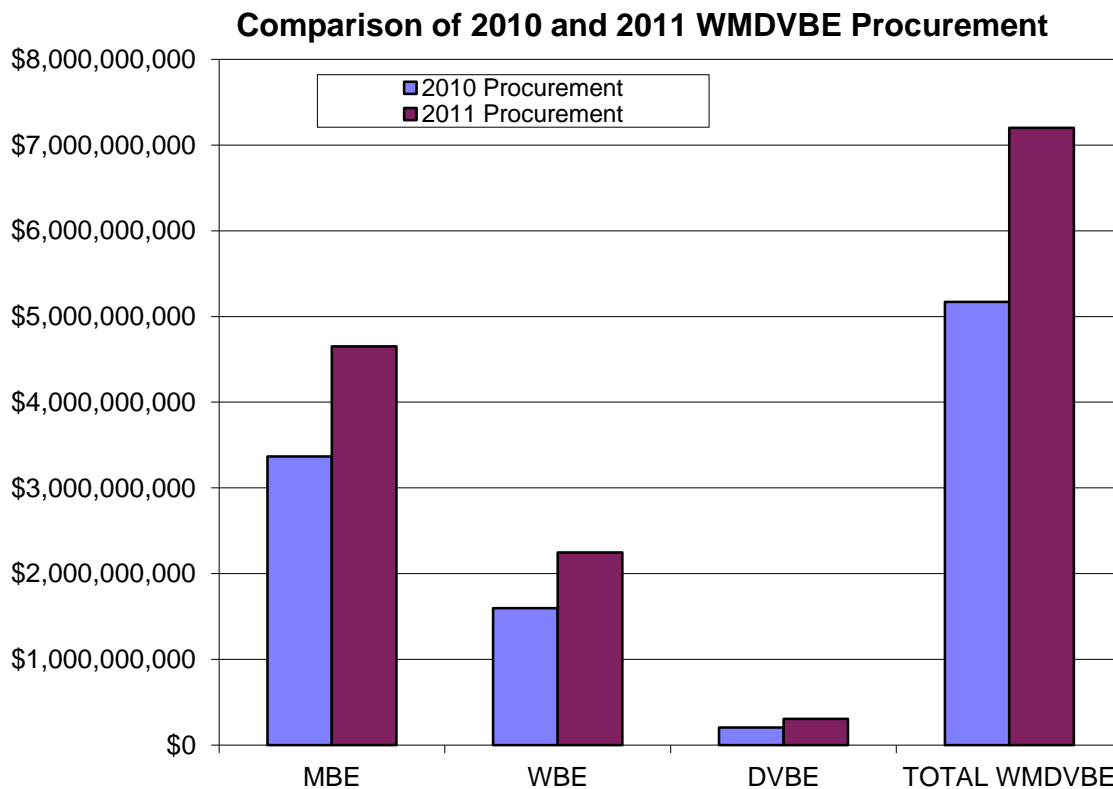
II. OVERVIEW OF 2011 SUPPLIER DIVERSITY PROCUREMENT

Total utility WMDVBE procurement for 2011 was \$7.20 billion – a 39.26 percent increase from the \$5.17 billion reported in 2010. Of the \$7.20 billion for 2011, the results show:

Category	Procurement Amount	Percentage Achieved	Goal
MBE	\$4.65 billion	19.33%	15.0%
WBE	\$2.25 billion	9.35%	5.0%
DVBE	\$0.305 billion	1.27%	1.5%

Both the large and small utilities experienced increasing percentages in each of the three WMDVBE categories, as well as attaining increased dollar amounts in all three categories. The results show the utilities are meeting the 5 percent goal for women-owned businesses, are now achieving the 15 percent goal for minority-owned business enterprises, but are not yet meeting the 1.5 percent goal for disabled veteran-owned business enterprises.

In 2010, the CPUC reported the results of 31 utilities; for 2011, the CPUC has gathered information on the results of 34 utilities.



III. 2011 UTILITY WMDVBE PROCUREMENT PROGRAM RESULTS

This report summarizes utility procurement information into two categories: 1) large utilities (those with total procurement of approximately \$150 million or more); and 2) small utilities (those with procurement under \$150 million). Attachment A to this report details the utilities' 2011 and 2010 WMDVBE procurement program results. The large utilities represent a disproportionately large share of total utility procurement (98 percent). Of all utilities required to report, the following exceptions are noted: Cox Communications of California uses a broader definition of minorities than is allowed under GO 156. Metro PCS states its' report is based on information from some of their vendors who self-identify themselves as women and/or minorities. Cricket Communications states its' procurement decisions are not made on a state-by-state basis and has difficulty in separating its reporting by a state-specific segment. U.S. Cellular states it provides service in California and 25 other states and provided their report on a company-wide basis, with California information only if available. For these reasons, their information has not been included in this report. The Commission reminds the utilities of their obligation to report their results using only CPUC Clearinghouse certified/approved vendors and to report results of their procurement activities that are in support of their California operations.

A. Program Results of Large Utilities

Twelve large utilities reported activity in their WMDVBE programs:

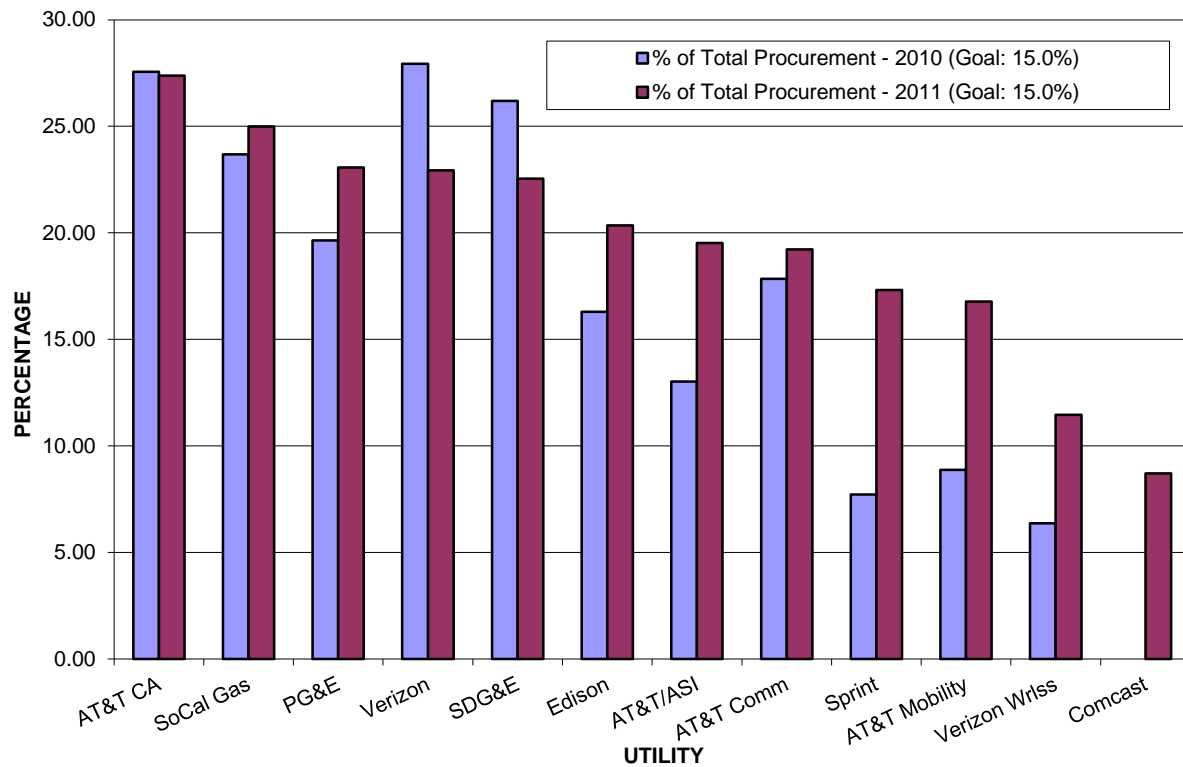
- AT&T Mobility
- Southern California Edison
- Pacific Gas and Electric Company (PG&E)
- AT&T California
- AT&T Communications of California
- AT&T/ASI
- Comcast
- San Diego Gas & Electric Company (SDG&E)
- Southern California Gas Company (SoCalGas)
- Sprint
- Verizon of California
- Verizon Wireless

The 2011 results for the large utilities show an overall WMDVBE procurement increase of \$1.9 billion and an increase of 7.18 percent of their total procurement; from \$5.07 billion (23.46 percent) in 2010 to \$7.06 billion (30.64 percent) in 2011 [See Tables 1A & 1B in Attachment A].

1. Large Utilities' Procurement: Minority-owned Business Enterprises (MBEs)

Of the large utilities, ten met the MBE procurement goal of 15 percent, and two did not. Large utilities' procurement dollars on MBEs increased from \$3.29 billion in 2010 to \$4.56 billion in 2011 and increased as a percentage of total utility procurement from 15.26 percent in 2010 to 19.80 percent in 2011. AT&T Communications, AT&T/ASI, AT&T Mobility, Edison, PG&E, SoCalGas, Sprint, and Verizon Wireless all reported increases in both dollars and percentages of total corporate procurement from minority-owned businesses [See Tables 1A and 1B in Attachment A].

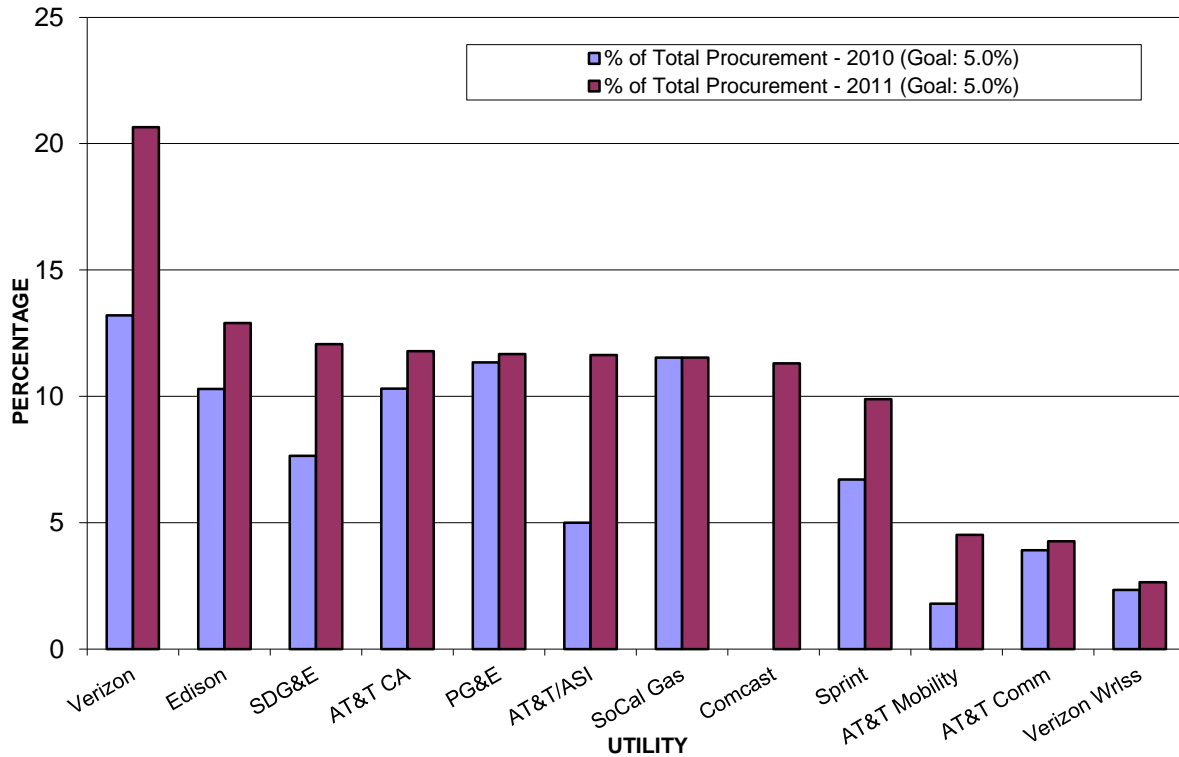
Minority Business Enterprises - Comparison of 2010 and 2011 Procurement



2. Large Utilities' Procurement: Women-owned Businesses Enterprises (WBEs)

Of the twelve large utilities, nine met the procurement goal of 5 percent with WBEs and three did not. Overall, the utilities spent more procurement dollars on WBEs - from \$1.57 billion (7.25 percent) in 2010 to \$2.20 billion (9.52 percent) in 2011. AT&T California, AT&T Mobility, AT&T/ASI, AT&T Communications, Edison, PG&E, SDG&E, SoCalGas, Sprint, and Verizon all reported increases in both dollars and percentages of total corporate procurement from women-owned businesses [See Tables 1A, 1B, 6A, and 6B in Attachment A].

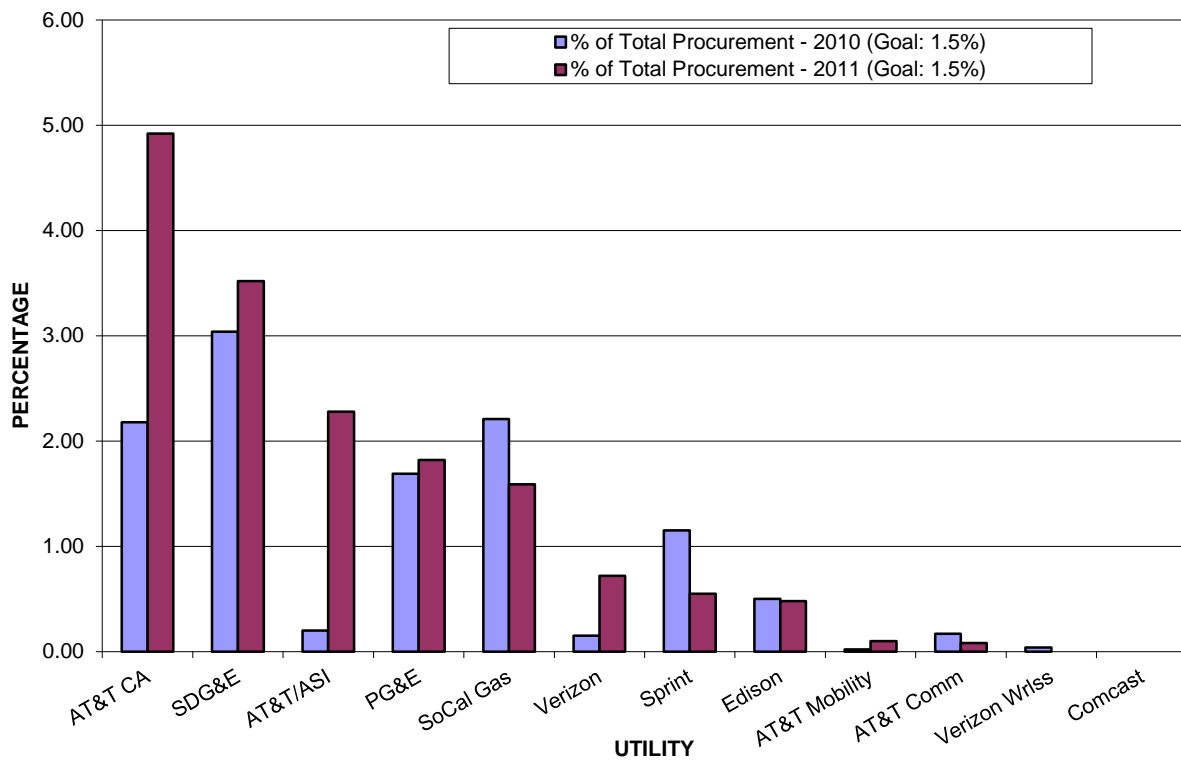
Women Business Enterprises - Comparison of 2010 and 2011 Procurement



3. Large Utilities' Procurement: Disabled Veteran-owned Businesses (DVBs)

The large utilities' procurement from DVBs increased from \$205.3 million (0.95 percent) in 2010 to \$303.5 million (1.32 percent) in 2011. Of the large utilities, five reported achieving the 1.5 percent procurement goal in General Order 156, specifically AT&T California, AT&T/ASI, PG&E, SoCalGas and SDG&E. AT&T California, AT&T Mobility, AT&T/ASI, PG&E, SDG&E, and Verizon all reported increases in both dollars and as a percentage of total procurement from disabled veteran-owned businesses [See Tables 1A, 1B, 7A and 7B in Attachment A].

Disabled Veteran Business Enterprises - Comparison of 2010 and 2011 Procurement



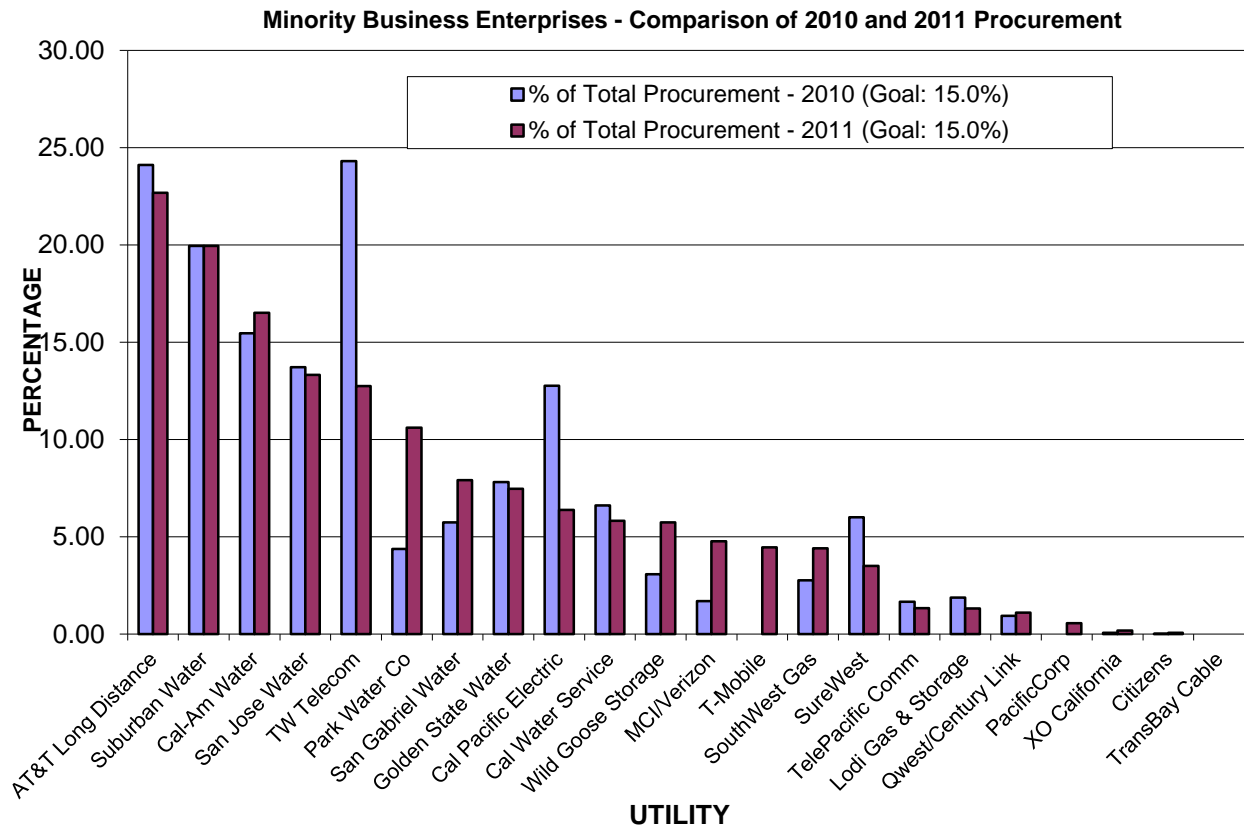
B. Program Results of Small Utilities

For the small utilities, overall combined WMDVBE procurement increased in dollars, and as a percentage of total procurement, from \$104.6 million (11.26 percent) in 2010 to \$143.2 million (13.75 percent) in 2011 [See Tables 2A and 2B in Attachment A]. Small utilities account for approximately 2 percent of total utility procurement. The 22 small utilities reporting in the WMDVBE program are:

- AT&T Long Distance
- California Pacific Electric
- Citizens Telecommunications (Citizens)
- Lodi Gas & Storage
- MCI/Verizon
- PacificCorp
- Qwest
- SouthWest Gas
- SureWest
- TelePacific Communications
- T-Mobile
- TransBay Cable
- TW Telecom
- Wild Goose Storage
- XO California
- California-American Water Company
- California Water Service Company
- Golden State Water Company
- Park Water Company
- San Gabriel Valley Water Company
- San Jose Water Company
- Suburban Water Systems

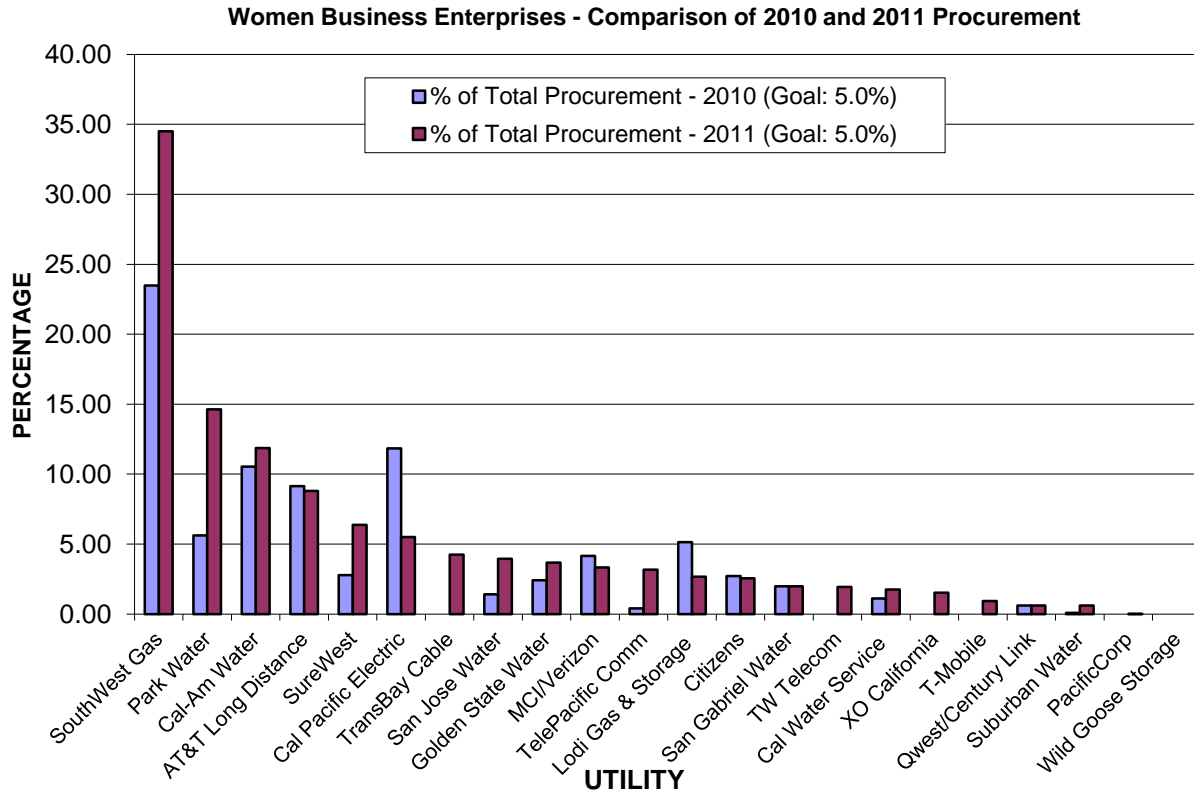
1. Small Utilities' Procurement: Minority-owned Businesses (MBEs)

Overall small utility procurement from MBEs increased in dollar volume and as a percentage of total procurement, from \$73.1 million (7.87 percent) in 2010 to \$89.1 million (8.56 percent) in 2011. AT&T Long Distance, California American Water, and Suburban Water achieved the 15 percent MBE goal. California-American Water, Park Water, San Gabriel Water, Wild Goose Storage, MCI/Verizon, SouthWest Gas, Century Link, PacificCorp, XO California, and Citizens all reported increases in MBE procurement, both in dollar volume and as a percentage of total corporate procurement [See Tables 2A and 2B in Attachment A].



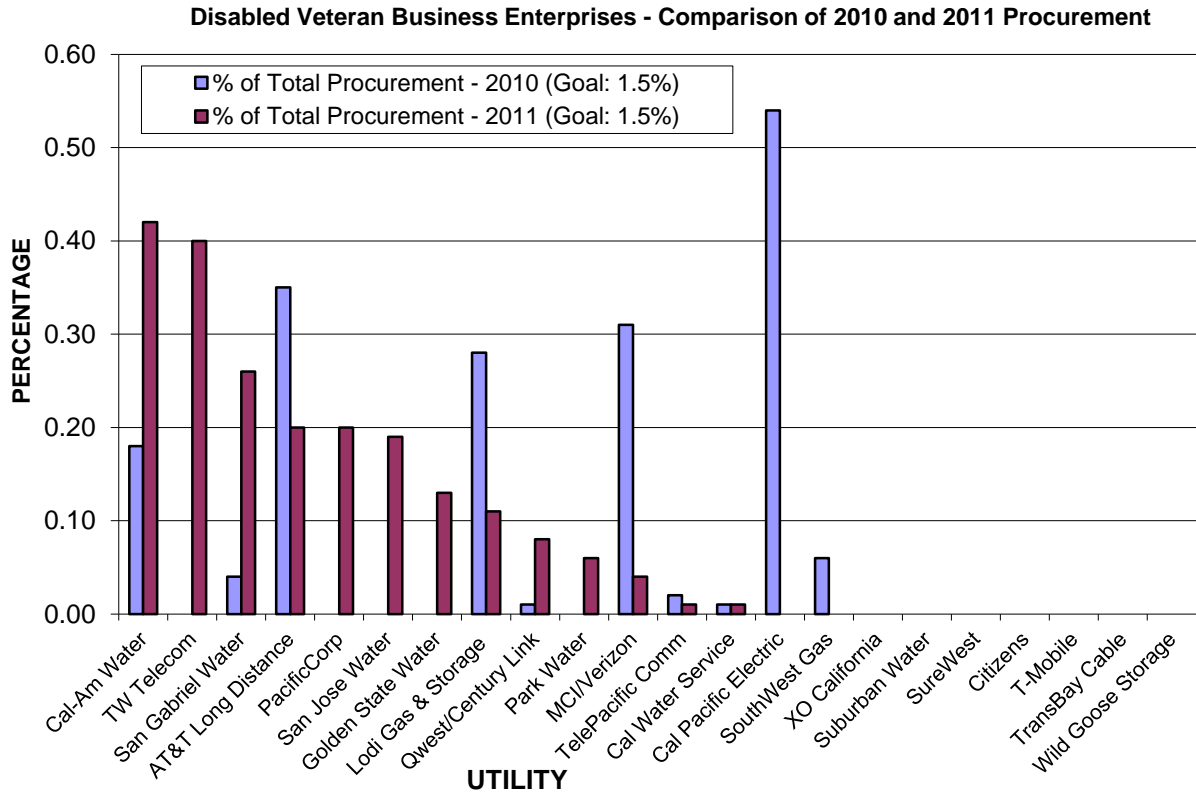
2. Small Utilities' Procurement: Woman-owned Businesses (WBEs)

Small utility procurement from WBEs increased in dollar volume and as a percentage of total procurement, moving from \$30.8 million (3.32 percent) in 2010 to \$52.9 million (5.08 percent) in 2011. SouthWest Gas, California Pacific Electric, AT&T Long Distance, California American Water, Park Water and SureWest all met the 5 percent WBE goal. SouthWest Gas's high achievement level was primarily due to the utilization of a WBE owned pipeline contractor. SureWest, SouthWest Gas, California-American Water, California Water Service, Park Water, San Jose Water, Golden State Water, Telepacific Communications, TW Telecommunications, XO Communications, Suburban Water, and PacificCorp all reported increases in their percentages and dollar volumes of WBE procurement [See Tables 2A and 2B in Attachment A].



3. Small Utilities' Procurement: Disabled Veteran-owned Businesses (DVBEs)

Small utility DVBE procurement increased in dollars and as a percentage of total procurement from \$659,920 (0.07 percent) in 2010 to \$1.2 million (0.12 percent) in 2011. No utility achieved the 1.5 percent DVBE goal. California-American Water, TW Telecommunications, San Gabriel Water, PacificCorp, San Jose Water, Golden State Water, Century Link, and Park Water all reported increases in both dollar volume and as a percentage of total procurement from DVBEs [See Tables 2A and 2B in Attachment A].



C. Fuel Procurement/Electric Procurement

General Order 156, Section 9.1.10 allows the utilities to report fuel procurement separately, and does not require fuel purchases to be included in the procurement base on which achievement of the 5-percent, 15-percent, and 1.5-percent goals is based. Five energy utility companies (PG&E, Edison, SoCalGas, SDG&E, and Southwest Gas) reported fuel purchases separately.

In May of 2011 the Commission adopted Decision 11-05-019, which requires separate reporting of electric procurement spending. Due to this, the utilities are reporting their fuel procurement in a revised format. The revised format includes fuels, primarily natural gas, used for non-generation purposes. New for this year, the utilities are reporting their electric procurement in a separate format; both fuel used as a generation source as well as electricity procured from other parties. The utilities have adopted a unified format to report these expenditures, and each utility has a table displaying its results. It is believed that by opening the door to include WMDVBE reporting in electric procurement, new opportunities will be afforded to diverse vendors who are able to provide these commodities to the utilities.

IV. PROGRAM EXPANSION AND IMPROVEMENTS

A. Targeted Procurement Categories

Section 8.11 of GO 156 states, “Each utility shall make special efforts to increase utilization and encourage entry into the marketplace of WMDVBES in product or service categories where there has been low utilization of WMDVBES, such as legal and financial services, fuel procurement, and areas that are considered technical in nature.” The CPUC is currently reviewing the utilities’ efforts in the areas of legal services and financial services.

1. Legal Services

A review of the utilities’ 2011 reports shows that progress continues to be made by some of the major utilities, while others need to make more concerted efforts. For 2011, the overall WMDVBE dollars increased from \$21.7 million to \$28.0 million, while the percentages dipped from 13.44% to 13.14%. SoCal Gas showed the highest level of overall achievement at 31.38 percent. *This is the 5th consecutive year SoCal Gas has attained the highest percentage of diverse legal spend.* It is followed by Edison at 16.17 percent and AT&T at 16.06 percent. PG&E attained the highest dollar amount of diverse legal procurement at \$8.7 million. The percentages from SoCal Gas show a decrease over last year’s results, while the results for Edison and AT&T represent an increase from those of the previous year.

2. Financial Services

The results show the percentage of total procurement directed to diverse financial service firms continues to lag behind traditional procurement areas. The procurement of financial services from diverse vendors decreased in terms of dollars from 2010 to 2011; the percentage amount decreased as well. SDG&E attained the highest level of overall achievement at 16.25 percent, followed by SoCal Gas at 11.41 percent, and Edison at 2.95 percent. The utility with the largest amount of diverse financial spend was SDG&E at \$2.2 million.

3. Efforts to Expand Legal and Financial Services

The CPUC and utilities continue their efforts in the areas of legal services and financial services procurement from WMDVBE firms. Utilities are regularly hosting outreach events to expand the pool of legal and financial WMDVBES, and to increase the utilization of these firms.

B. New Connections

In 2007, under the leadership of Commissioner Timothy Alan Simon, New Connections was established as a collaborative between the CPUC, women, minorities, and service disabled veterans' business enterprises and investor-owned utilities with a focus to increase procurement with the utilities and a focus on legal and financial services, including areas covering clean technology. New Connections has held symposiums covering topics including diverse and emerging financial services, certified public accountant services, clean technology, and legal services.

In 2009, New Connections was elevated to national prominence in partnership with the National Association of Regulatory Utility Commissioners' ("NARUC") Ad Hoc Committee on Utility Market Access Partnership ("UMAP"). Through the leadership of President Michael R. Peevey, Commissioner Simon, and Commissioner Harold D. Williams of Maryland, UMAP was granted subcommittee standing within NARUC. To which, UMAP's name was changed to Utility Marketplace Access ("UMA").

In 2011, New Connections/UMA activities were as follows:

- *New Connections/UMA Saint Louis* - Sponsored a panel to discuss barriers to procurement opportunities for diverse and emerging law firms within the investor-owned utilities; and how to recognize diverse opportunities for women/minorities attorneys (partners) within majority law firms. The utility general counsel will discuss transparency and opportunities for diverse and emerging law firms.
- *New Connections/Joint Information Hearing Los Angeles* - Commissioner Simon and the Senate Select Committee on Procurement held a joint informational hearing to "Examine Barriers to Procurement Opportunities for Diverse and Emerging Investment Management within California's Public Utility Companies and Public Pension Funds."
- *New Connections/UMA Los Angeles* - Sponsored a panel discussion on access to capital (i.e., equity, credit lines, surety, completion bonds, risk management tools, letters of credit) and other financial opportunities and barriers to capital to foster procurement for diverse and emerging businesses.
- *New Connections/Town Hall Meeting with Senate & Assembly on CalPERS, CalSTRS & IOUs*: To examine barriers to procurement opportunities for diverse and emerging investment managers within California's public utility companies and public pension funds.
- *Maryland PSC MOU Hearing* – An annual public hearing to examine the diversity programs of the state's regulated utilities.
- *UMA - Regional GO 156 Development Discussions* - Provided guidance for utility regulatory commissioners interested in establishing economic development programs that emphasize the use of Women, Minority, and Disabled Veteran business enterprises. Resulting from these discussions:

- State of Missouri PSC opened a Rulemaking on Supplier Diversity
- Washington DC PSC revised its MOU with three utilities

New Connections also held a reception in Los Angeles to honor several key utility employees, among others, who were instrumental in their efforts to advance the goals of General Order 156.

C. Disabled Veterans

In 2011, the utilities hosted and/or supported major outreach events dedicated to procurement opportunities with disabled veterans. The events were held in Northern and Southern California. These events assisted a number of disabled veterans with contract opportunities. In addition to those events, the CPUC staff and/or Commissioners participated in other veteran-related events such as “Keeping the Promise”, The Elite SDVOB National Convention, and it’s State Convention in San Diego.

The utilities have also developed individualized mentor-protégé programs designed for disabled veterans to educate the DVBEs’ management teams on entrepreneurial management skills. In addition, for example:

- AT&T’s national program is called “Operation Hand Salute.” This program is designed to take DVBE small business owners through several courses that would help them improve skills needed to contract with large corporations.
- Verizon’s DVBE program is in partnership with Adecco to support payroll and IT specialists within their company nationally. DVBEs are vetted by Verizon before going to Adecco.
- SDG&E’s DVBE programs are in connection with San Diego State University, UCLA, and USC.
- PG&E’s DVBE program is vested in a full portfolio review of all DVBEs. PG&E then matches the DVBE to potential projects. Additionally, PG&E looks across the lines of business for opportunities to leverage new possibilities.
- San Jose Water’s DVBE program is called the Elite 5. The Elite 5 goal is to generate 5 new contracts with DVBEs annually. Qualified DVBE contractors are placed in a web portal for contracting opportunities and meetings with San Jose Water’s contract decision makers.

D. Uniform Reporting Categories

The CPUC continues to require the utilities to report their procurement using the Standard Industry Classification (SIC) codes. Use of a common reporting format facilitates a more realistic and meaningful comparison amongst the utilities. This helps to ascertain which procurement categories are in need of greater effort and attention.

E. Full Panel Hearing

On October 4th, 2012, the CPUC holds its tenth public En Banc hearing regarding utility diversity programs. High level representatives of industry, government, and other interested parties, including utility CEOs, ethnic chambers of commerce, community-based organizations, and CPUC Commissioners, are expected to attend.

F. Small Business Expos

The CPUC continued to hold small business expos throughout the state for small businesses to learn how to avail themselves of contracting opportunities with utility companies. As part of the invitation process, the CPUC's WMDVBE database has been used to send out e-mail notifications to thousands of diverse suppliers advising them of the events. Additionally, a representative from the CPUC's WMDVBE certification clearinghouse operator was present at the events to explain the certification process.

In 2011, the CPUC hosted or co-hosted several expos at various locations throughout the state. These expos are administered by the Small Business Program of the CPUC's Business and Community Outreach Section. This program fosters a natural synergy with the WMDVBE program, as many small businesses in California are diverse. These programs are continuing the process of developing metrics to understand and promote contracting opportunities between small and diverse businesses and the utilities.

G. WMDVBE Verification

PU Code Section 8284(a) states that the CPUC shall adopt criteria for verifying and determining the eligibility of WMDVBEs utilized in utility procurement contracting. In order to comply with this regulation, the CPUC established a WMDVBE clearinghouse. The clearinghouse verifies that firms seeking to compete for procurement opportunities with the utilities meet the eligibility criteria for women-owned and minority-owned businesses. The Department of General Services verifies the status of disabled veteran-owned businesses. The clearinghouse operator also performs re-verifications on all minority business and women business vendors whose three-year status has expired.

The clearinghouse maintains a database of all verified vendors, including DVBEs. Currently, there are 6,527 verified vendors in the database, of which 1,934 are minority-owned businesses, 2,239 are women-owned businesses, 1,090 are minority women-owned or woman and minority male-owned businesses, and 1,264 are disabled veteran enterprise businesses. Operating costs of the Clearinghouse are paid directly by the participating utilities.

The Clearinghouse has participated in several training sessions at the request of community based organizations to learn about the Clearinghouse certification process. Topics included the benefits of becoming certified and the certification process, frequently asked questions, the online application, and ensuring the application is complete when submitted. The Clearinghouse website was also updated to include a calendar of events showing various activities conducted by the utilities to increase participation of WMDVBEs in their procurement.

H. Utility Supplier Diversity Webpage

The CPUC's primary source of information to the diversity community is the webpage located at www.cpuc.ca.gov/PUC/supplierdiversity/. This includes application forms as downloads, roles and responsibilities for the program, links to certification and utility information, and the CPUC's database of certified vendors.

V. CONCLUSIONS

Utility spending on WMDVBE procurement increased from \$5.17 billion in 2010 to \$7.20 billion in 2011, *an increase of 39.26%*. This increase is in addition to the 21.07% increase the utilities experienced in 2010. Together, these two figures amount to *an increase of more than 60% in two years*. In addition, there was also an increase as a percentage of total utility procurement: amounts from WMDVBE firms increased from 22.95% in 2010 to 29.91% in 2011. Moreover, the increase in this percentage was not driven by results in one category overshadowing another. The WMDVBE procurement increase was a broad-based one and occurred in all three categories: MBE, WBE, and DVBE.

The participating companies achieved an increase in dollar volume, as well as an increase in their WMDVBE percentages, for the 2nd consecutive year. WMDVBE procurement experiences increases and decreases, in percentages and dollars, in year to year activity. Some years will show increases in dollars, but not in percentages. Some years may see an opposite result. In 2011 the utilities overall attained significant increases in both WMDVBE dollars and percentages. This demonstrates the core objectives of supplier diversity programs can be achieved when commitment to the values of economic success espoused in them are embraced by the utilities.

There are areas where improvements can be made, specifically underutilized industries that are technical in nature, or groups with historically low penetration levels, i.e., DVBEs. The spirit of GO156 is to create opportunities for diverse businesses to enter markets that have been historically closed to them. We need to keep the spirit of GO156 in mind and work to ensure that opportunities for diverse suppliers are not limited to blue collar work; that consulting, financial services, legal services, and engineering work are also part of the participating companies' efforts to reach diverse suppliers. The need to improve in the financial services arena is made clear by the 2011 results, which are down from those of 2010. Financial services has historically attained marginal results, but there have been steady and continuing improvements made year over year. This was not the case in 2011 for the utilities. Lastly, we hope that next year more cable companies will seize the opportunity and join the 34 other companies in filing and participating in the GO156 program. We challenge Cox and Time-Warner to join AT&T, Verizon, Sprint, Edison, PG&E, Sempra Energy, Comcast, and many more who have benefited from procuring from diverse suppliers.

VI. Attachment A – Data Tables

TABLE 1A	2011 WMDVBE Procurement Results for Large Utilities
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TABLE 9	2011 WMDVBE Fuel Procurement by utility (PG&E, Edison, So Cal Gas, SW Gas;
A1 – A4	in Dollars and as a Percentage of Total Fuel Procurement)
TABLE 10	2011 WMDVBE Electric Power Procurement by utility (PG&E, Edison, SDG&E;
A1 – A3	in Dollars and as Percentage of Total Power Procurement)