



# ADVANCING SUPPLIER EXCELLENCE CULTIVATING A DIVERSE ECONOMY

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# ADVANCING SUPPLIER EXCELLENCE CULTIVATING A DIVERSE ECONOMY

Over the years, SoCalGas® has made significant progress in increasing our contracting with diverse suppliers.

Today, 44.7 percent of our total purchases are with women, minority, service-disabled veteran, lesbian, gay, bisexual and/or transgender business enterprises (WMDVLGBTBEs).

A diverse supplier base has been critical to our mission of delivering clean, safe and reliable natural gas to our customers and is an integral part of our corporate strategy. We know that the inclusion of diverse firms does not just help our business, but also our suppliers and local communities.

A diverse supplier base has been critical to our mission of delivering clean, safe and reliable natural gas to our customers and an integral part of our corporate strategy.

We have seen first-hand how advancing supplier diversity can cultivate a diverse economy, leading to suppliers' long-term growth, more new jobs and a boost to the overall economy.

That's why we remain committed to investing in comprehensive supplier diversity initiatives, providing technical assistance programs to help foster the long-term success of diverse suppliers and forming community relationships to extend our reach to these firms.

We go beyond simply awarding contracts and strive to assist diverse businesses obtain the skills and tools they need to thrive and grow. By strengthening our supplier network and advancing supplier excellence, we are cultivating a more diverse economy.

# PRESIDENT AND CEO'S MESSAGE

**At SoCalGas, supplier diversity isn't just a program or a department. It is an integral part of our business strategy and a core company value. It is part of who we are and what we do.**

Actions speak louder than words. In 2015, nearly 45 percent of our total procurement spend, or approximately \$665 million, was accomplished through our diverse supplier relationships. This was the fourth straight year SoCalGas exceeded the 40 percent mark. It's also the 23rd year in a row we surpassed the California Public Utilities Commission's (CPUC) 21.5 percent goal.

We continue to challenge ourselves and focus on refining our Supplier Diversity Program. SoCalGas offers technical assistance courses that provide the skills and tools diverse firms need to succeed. We are committed to removing barriers that prevent diverse suppliers from doing business with us. In addition, we're always looking at ways to increase the pool of qualified suppliers.

Last year, we implemented six initiatives to support these objectives. One initiative included collaborating with financial institutions to hold an Access to Capital workshop to help business owners navigate through the complex process of acquiring capital to support the growth of their businesses. The event attracted about 90 attendees, with several suppliers expressing an interest in applying for a loan.

Another initiative was focused on addressing the challenge of cash flow for suppliers. We heard loud and clear that our smaller suppliers need



*'We have long known that our supplier diversity activities bring economic benefits to not only our suppliers, but also to the regional economies where they do business. Supplier diversity is good for our customers, our partners, the communities we serve and our shareholders.'*

expedited invoice processing. With that in mind, we created our new Supplier Quick Pay Program with modified payment terms.

With safety being the cornerstone of our business, we organized a Safety Congress where we shared best practices with our pipeline construction contractors to further extend our safety culture. We also organized a forum and reviewed supplier diversity best practices with other utilities to help enhance their programs and grow the overall market available to diverse suppliers.

We have long known that our supplier diversity activities bring economic benefits to not only our suppliers, but also to the regional economies where they do business. Supplier diversity is good for our customers, our partners, the communities we serve and our shareholders.

A handwritten signature in black ink, appearing to read 'D. Arriola', written in a cursive style.

**Dennis Arriola**  
President and CEO

# HIGHLIGHTS

## Major Successes with Diverse Firms



**\$208M**

NATURAL GAS PROCUREMENT



**\$154M**

PIPELINE CONSTRUCTION



**35%**

ENGINEERING SERVICES



**48%**

ENVIRONMENTAL SERVICES

## Supplier Diversity Results



**\$665.9M**

SPEND WITH DIVERSE FIRMS



**44.7%**

TOTAL PURCHASES WITH DIVERSE SUPPLIERS



**677**

DIVERSE FIRMS WORKING WITH SOCALGAS



**23**

YEARS CPUC GOAL SURPASSED



**415**

DIVERSE PRIME SUPPLIERS



**12**

AMONG TOP 25 SOCALGAS SUPPLIERS



**265**

RECEIVED TECHNICAL ASSISTANCE



**\$16.8M**

IN SCORE SPEND

- **Surpassed** 15 percent minority business enterprise (MBE) goal for the 16th consecutive year, totaling \$414 million.
- **Exceeded** target with women business enterprises (WBEs) for the 27th straight year, reaching \$217 million.
- **Added** 170 new diverse contractors, totaling more than \$18 million in such areas as consulting, construction, engineering and environmental services.
- **Improved** our service-disabled veteran business enterprise (SDVBE) spend result for the fifth year in a row, achieving \$35 million, or 2.4 percent.

# 2015 ANNUAL REPORT

## 9.1.1 Program Activities

### SoCalGas Procurement Results

	YEAR 2015		YEAR 2014	
Total	\$1,490,919,874		\$1,180,140,852	
Minority (MBE)	\$413,879,001	27.76%	\$390,355,202	33.08%
Women (WBE)	\$216,584,466	14.53%	\$153,664,138	13.02%
Service-Disabled Veteran (SDVBE)	\$35,441,746	2.38%	\$27,408,450	2.32%
<b>Total WMDVBE</b>	<b>\$665,905,213</b>	<b>44.67%</b>	<b>\$571,427,790</b>	<b>48.42%</b>

### Internal Activities

#### CORPORATE COMMITMENT

We have long known that a diverse supplier base makes good business sense. It contributes to reduced operating costs, provides us with quality goods and services and enhances our ability to do business while sustaining the local economy. This awareness has allowed us to attain success in meeting our supplier diversity goals year after year.

Supplier diversity is more than a commitment. It is a key business strategy and a core company value in which our employees consider diverse suppliers in all procurement opportunities as a normal course of business. In 2015, we placed greater emphasis on including diverse suppliers during the initial phase of buying goods and services.

#### SUPPLIER DIVERSITY INITIATIVES

We successfully implemented six initiatives aimed at strengthening SoCalGas' Supplier Diversity Program. The initiatives were:

- **Supported the CPUC's efforts to share best practices among utilities.** Our CEO hosted the first Supplier Diversity Officer Roundtable with other utilities to share successes, challenges and lessons learned in developing robust supplier diversity programs. We had six utility executives join us for this event.
- **Identified ways to make it easier for diverse firms to work with us.** We developed a Key Performance Indicator (KPI) of 48-hour response time to inquiries that come through our Supplier Diversity vendor portal.
- **Shared SoCalGas' safety practices through a Safety Congress.** We launched our inaugural Contractor Safety Congress to provide a forum to candidly discuss safety best practices and

injury and accident prevention programs. We also discussed challenges and opportunities to enhance awareness and safety among our contractors. The event attracted more than 300 attendees from construction and other related firms and featured a variety of speakers including: CPUC Director of Safety and Enforcement Elizaveta Malashenko and Director of the National Safety Council Jonathan Thomas, as well as SoCalGas President and CEO Dennis Arriola.

- **Implemented an expedited supplier payment program.** To support diverse suppliers' cash flow, we accelerated payment to suppliers (with \$5 million or less in annual revenue) enrolled in our new Supplier Quick Pay Program. Payment terms were modified to net 15 days, zero discounts. Forty-nine firms were enrolled in the program and took advantage of receiving faster electronic payments.

## Far West Corrosion Control Company

# A relationship spanning 56 years

**M**arnie Rankin, majority owner of Far West Corrosion Control Company, admits she occasionally name drops when pitching new business to prospective clients.



***Marnie Rankin continued the SoCalGas relationship after taking over the reins of Far West Corrosion Control from her father-in-law, Gordon Rankin.***

“We love to tell people that we’ve worked with SoCalGas for 56 years,” says Rankin, who took over the cathodic protection and corrosion control business from her father-in-law in 2011.

Over the years, Far West Corrosion Control has helped SoCalGas prevent the corrosion of its pipelines and other equipment. More recently, the Downey-based company was awarded a contract to provide customized fittings to support SoCalGas’ PSEP and store inventory for the Advanced Meter and other projects.

Today, Far West Corrosion Control has nine locations throughout the U.S.

***‘We appreciate that SoCalGas is helping us as a diverse business and we, in turn, are doing business with other diverse firms.’***

About one-third of its employees are dedicated to the utility. They include corrosion technicians, construction and production personnel.

“We appreciate that SoCalGas is helping us as a diverse business and we, in turn, are doing business with other diverse firms,” she says, noting it annually spends about \$750,000 with diverse subcontractors.

“We work with a lot of different companies in oil and gas and SoCalGas is superior when it comes to making sure that pipelines are in the safest and best condition that they can be,” adds Rankin. “They always want to make sure they’re covering their bases and doing it right. We really pride ourselves on our relationship with them.”

- **Improved diverse suppliers’ access to capital.** We collaborated with representatives from four major banks, Small Business Administration (SBA) and local Small Business Development Centers and hosted the first of three Access to Capital workshops. The workshops are designed to inform diverse suppliers about banking products and other finance-related services. The event had more than 90 attendees and several businesses showed interest in applying for loans and lines of credit.
- **Provided information about our invoicing automation process.** We addressed payment delays by streamlining the process for invoice submissions. To help suppliers with our automated payment process, we also provided clear instructions, examples and templates for suppliers to follow.

### SUPPLIER DEVELOPMENT/TECHNICAL ASSISTANCE

Beyond awarding contracts, we provided technical assistance and development programs to help promote the long-term success of diverse suppliers. Last year, 265 diverse firms participated in our programs.

### Supplier Relationship Management

SoCalGas’ Supplier Relationship Management (SRM) program takes an organized approach to managing our interactions with prime suppliers. SRM’s goal is to support and validate effective processes between SoCalGas and our suppliers through open two-way communications.

Through SRM, we worked with two of our largest prime suppliers to launch a mentor/protégé



**SoCalGas Director of Supply Management and Supplier Diversity Rick Hobbs speaks to attendees at a Mastering Business Growth workshop.**

program aimed at helping diverse subcontractors increase their competitiveness.

Our prime suppliers worked collaboratively with diverse firms to help them streamline processes, reduce costs and improve customer service. Prime suppliers also provided project opportunities, funding support, technical assistance, mentoring and coaching. These efforts provided subcontractors with the experience needed to compete and win major bids.

**SCORE**

Our Smaller Contractor Opportunity Realization Effort (SCORE) is focused on identifying

opportunities at SoCalGas and matching these with qualified smaller diverse suppliers. We look for potential internal projects to source directly with these smaller firms. Once that fit is identified, we initiate a competitive bid opportunity in which SCORE suppliers compete with like-sized companies. After a contract is awarded, SCORE contractors receive on-the-job mentoring and development. They also receive candid feedback to help their progress. In addition, we offer small businesses boot camps for diverse suppliers.

In 2015, SCORE continued to work toward advancing the growth of diverse suppliers. Our activities included:

- Hosting a meeting at SoCalGas headquarters for program participants to learn about SCORE opportunities, gain insights into company projects and network with each other. Participants gave the meeting high marks and plans for a 2016 meeting are underway.
- Coordinating two business boot camps, which attracted more than 50 diverse suppliers and covering such topics as preparing for business expansion and talent management. Coaching suppliers on operational processes for success with SCORE contracts, we held meetings with them, project and contract managers to discuss work projects.

Our efforts led to spending \$16.8 million with SCORE contractors in 2015. Contracts were awarded throughout the company in areas such as engineering design and transportation, inspection services, as well as our Gas Infrastructure Protection Program (GIPP).

**Mentoring and Capacity Building**

SoCalGas mentored two smaller diverse businesses through SCORE. These suppliers received individual coaching and introductions to internal clients for potential business opportunities. Regular monthly meetings were also held to discuss their progress and explore ideas on ways to generate more business.

**Mastering Business Growth**

Our Mastering Business Growth (MBG) program is designed to develop diverse firms that have been in business less than three years and have under \$1 million in revenue. With a completion rate of 80 percent, this 10-week program covers business plan development, technology and marketing, human resources, finance and accounting, risk management and more. Led by a minority-owned consulting firm, participants represented a wide range of industries, from professional services and construction to transportation and information technology.



**From left: Supply Management Category Manager Lynn Greenwade, Project Manager Michelle Chieks, and Supply Management Portfolio Manager Frank Chechitelli served as panelists at the Disabled Veteran Business Alliance's Turning Contacts into Contracts.**



During the year, 81 diverse firms received coaching, peer networking, targeted matchmaking with SoCalGas representatives and tips on how to do business with us. Participants gave the program high ratings with many stating it helped them re-evaluate and strengthen their business plans. They also said they were better prepared for bid proposals.

### Supplier Diversity Business Showcase

Each year, we provide business showcases to allow prime and diverse suppliers to meet and form potential relationships for future opportunities. In 2015, our GIPP identified a need for plumbers and, as a result, we held a showcase and identified four viable suppliers for future opportunities in this area.

### Pipeline Safety Enhancement Plan

Our Pipeline Safety Enhancement Plan (PSEP) is a testing and replacement plan for natural gas pipelines throughout our transmission system.



**SoCalGas' Vice President and General Counsel Sharon Tomkins, Vice President of Customer Services Gillian Wright, Supplier Diversity Manager Kathlina Lai at the Contractor Safety Congress event held at the Energy Resource Center.**

Upon completion, about 157 miles of transmission pipelines and more than 500 valves will be retrofitted for automatic or remote control.

We again exceeded our 35 percent diverse spend goal for PSEP. During the year, we retrofitted 61 valves and remediated about 69 miles of pipe with more than 200 diverse suppliers playing a key role in providing services on time and on budget.

Diverse suppliers were utilized in areas including inspection, mapping, surveying, engineering design and construction services. We also worked with a small pool of suppliers, or Value Added Resellers (VARs), to ensure we had the materials to complete our work. These resellers successfully helped to track the status of orders, expedite as needed and manage inventory of stock valves. Having a group that is familiar with our process has been an asset to PSEP.

### ETHNIC/COMMUNITY MEDIA

To effectively reach our multicultural customers, we continued to enhance our ethnic media strategy, which is designed to be more inclusive of our diverse community. During the year, 26.5 percent of our media budget was focused on our multicultural customers. Ethnic-owned media was also included as part of our advertising budget as it aligns with our communications strategy.

We engaged with local community media organizations to communicate customer assistance, energy efficiency, safety and other topics. We again developed customized materials to target Hispanic, African American and Asian American customers about important natural gas safety tips. In addition, our natural gas and



**Supply Management Category Manager Vaughn Williams speaks at the Latino Coalition's Small Business Summit.**

customer assistance campaigns included more than 21 different print publications aimed at Hispanic, Chinese, Vietnamese, Korean, Filipino and African American customers to highlight messages in a culturally relevant way.

### COMMUNICATIONS AND AWARENESS

To promote supplier diversity with our employees, we continued to utilize a number of vehicles to communicate our supplier diversity goals, objectives and progress. Stories highlighting suppliers' successes were featured on our intranet and our Supplier Diversity team regularly met with various departments to discuss procurement opportunities and provide updates on our development efforts and results.

Our Employee Diversity Council, made up of seven Local Diversity Councils, also complemented these efforts. The council is aimed at increasing employee awareness and sensitivity, celebrating cultural diversity and promoting inclusion.

**DIVERSITY CHAMPIONS**

We, along with our sister utility, San Diego Gas & Electric (SDG&E®), annually recognize employees who help us achieve our supplier diversity goals. In 2015, we acknowledged the efforts of more than 360 employees and diverse suppliers at our Championing Diversity Awards luncheon in Long Beach.

Among those taking part in the celebration were CPUC Commissioner Liane Randolph, SoCalGas



**SoCalGas President and CEO Dennis Arriola with Virginia Gomez, CEO of Southern California Minority Supplier Development Council, at the company's supplier diversity celebration.**

President and CEO Dennis Arriola, SoCalGas Chief Operating Officer Bret Lane, former SDG&E and SoCalGas Chairman Jesse Knight, Sempra Energy Senior Vice President Joyce Rowland and Mayor of Long Beach Robert Garcia. SoCalGas leadership also hosted a separate employee celebration at our Los Angeles headquarters.

**MONITORING/AUDITING TOOLS**

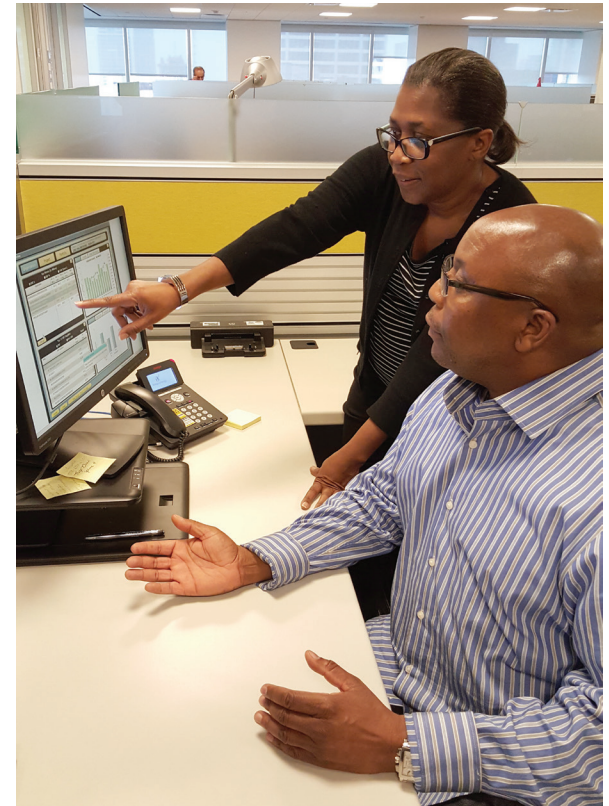
Tracking our overall progress allows us to observe our results on a timely basis. This is key to identifying areas where we may be falling short of our goals and gives us the chance to quickly address any challenges.

In 2015, we employed the following tools:

- **Dashboard** – Diverse direct procurement and subcontracting results are available on a monthly or year-to-date basis through this internal electronic information tool.
- **Subcontracting Portal** – Our portal, which provides real-time tracking, is used by prime suppliers to enter their monthly subcontracting results.
- **Subcontracting Audit** – In the last four years, we have utilized an independent, diverse firm to conduct an unbiased evaluation of what is spent on diverse subcontracting to validate and maintain the highest integrity in our reporting to the CPUC.

**SUPPLIER DIVERSITY STUDY**

In 2015, we initiated an in-depth supplier diversity study with California State University, Long Beach graduate students. The scope of the study provided a review of supplier diversity-related activities and a detailed analysis of



**Supplier Diversity staff members Michelle Chieks Project Manager and Rodney Potts Program Manager review the company's diverse spend progress.**

our procurement trends with diverse suppliers throughout our service area.

The study compared several utility supplier diversity programs and confirmed that our program incorporates: 1) best practices through top-down support; 2) internal and external education; 3) clearly outlined opportunities; and 4) a holistic approach to procuring goods and services and outreach. Overall, the study found that our Supplier Diversity Program is effective and comprehensive.

## A.M. Ortega Construction

### A break opens door to long relationship

The study supported the findings of our 2014 Economic Impact Report, which measured the financial breadth, contribution and direct dollar impact of diverse businesses within our supply chain and across our service territory. The report showed our supplier diversity activities have a significant effect well beyond our operations and the diverse suppliers with whom we work.

Both of these efforts confirmed what we have long known – that advancing supplier excellence cultivates a diverse economy.

#### SUPPLIER DIVERSITY TEAM

Our supplier diversity initiatives are led by SoCalGas' Supplier Diversity team. Working closely with company procurement staff and other departments and divisions, during the year, they:

- Developed annual diverse supplier procurement business plans for vice presidents and their management teams
- Participated in strategic sourcing initiatives for SoCalGas' major capital projects
- Conducted presentations for business units and monitored department/division goals and performance
- Provided timely responses to suppliers via our vendor portal
- Streamlined our Accounts Payable process to expedite payments
- Identified and developed qualified diverse suppliers and evaluated their contract readiness. Also, worked with them to obtain certifications and arranged meetings with procurement and internal clients

In 1998, Maurice Ortega, founder of A.M. Ortega Construction, Inc., declined an opportunity to work with SoCalGas because he was

concerned his firm didn't have the capacity to effectively serve the utility. Eighteen months later, a break as a development contractor came up, and Ortega jumped at the chance.

"We were able to get a good understanding of SoCalGas' processes," Ortega says. "Having the time to learn about the company was a huge help."

The Hispanic-owned, underground utility contractor has been installing natural gas pipeline and performing concrete and asphalt paving and related services ever since. In 2013, the relationship was expanded to include transmission work, and, to date, the San Diego-based company has installed more than 130,000 feet of high-pressure

**'Others will talk about safety, but SoCalGas lives safety, quality and productivity. They truly mean it.'**

steel natural gas pipe in support of SoCalGas' PSEP and pipeline integrity program.

As a result of this expansion, A.M. Ortega has increased its workforce, which now numbers 300 employees, with 40 percent dedicated to the utility. In addition to the initial developmental opportunity, SoCalGas sponsored the firm in the UCLA Management Development for Entrepreneurs program.

"I liked the program so much that I sent two of my employees the following year, and one of them left to start his own company," he says with a laugh.

Working with SoCalGas has also enhanced safety at A.M. Ortega, according to Ortega, who attended SoCalGas' inaugural Contractor Safety Congress. "Others will talk about safety, but SoCalGas lives safety, quality and productivity. They truly mean it."



**A.M. Ortega has been installing natural gas pipeline and performing concrete and asphalt paving and related services for SoCalGas. In more recent years, the underground utility contractor has installed high pressure steel natural gas pipe in support of PSEP.**

- Held a Contractor Safety Congress for pipeline construction contractors and related services
- Organized supplier showcase forums to highlight potential diverse contractors
- Resolved problems with contract requirements, performance and quality-of-service issues
- Promoted activities and opportunities at supplier diversity conferences, seminars and events
- Met with prime contractors and verified and monitored subcontractor plans

## External Activities

### SUPPLIER DEVELOPMENT/TECHNICAL ASSISTANCE

In addition to our own programs, we supported various organizations' efforts to help diverse suppliers develop the necessary skills to increase

their business success. In 2015, we contributed \$189,000 to universities, business and community programs.

Through our relationship with the UCLA Management Development for Entrepreneurs, business owners enhanced their management skills, developed a business improvement plan and gained access to the greater UCLA Anderson School of Management alumni network. In 2015, SoCalGas awarded scholarships to 10 suppliers.

We also engaged with community-based organizations to extend our outreach to diverse suppliers and contribute to their development and enhancement of their business acumen. Our sponsorships included: National Latina Business Association's Emerging Latinas Program, Platinum Program by Women's Business Enterprise Council - West and Recycling Black Dollars' business development workshops.



**From left: SoCalGas Vice President of Human Resources, Diversity and Inclusion Hal Snyder; Dick Gray, Proforma DVE Global Marketing and SoCalGas Supply Management Category Manager Vaughn Williams at a Disabled Veteran Business Alliance Conference.**

### SERVICE-DISABLED VETERAN BUSINESS ENTERPRISES

We joined forces with Elite Service-Disabled Veteran-Owned Business (SDVOB) Network to host "Turning Contacts into Contracts," a day-long conference focused on increasing purchases with service-disabled veteran business enterprises (SDVBEs). The event took place at our Energy Resource Center in Downey, attracted 175-plus attendees and featured workshops and matchmaking sessions with Supplier Diversity and Procurement representatives from SoCalGas, other utilities and corporations. This was the fourth year that we helped organize the event, with the overall goal to turn contacts into new contract opportunities.

### LESBIAN, GAY, BISEXUAL AND/OR TRANSGENDER BUSINESS ENTERPRISES

With the inclusion of lesbian, gay, bisexual and/or transgender business enterprises (LGBTBEs) under General Order 156, we reached out to these firms by participating in networking events and one-on-one meetings. We were a major sponsor



**Participants take part in stretching exercise before SoCalGas' first Contractor Safety Congress.**

of the National Gay and Lesbian Chamber of Commerce's (NGLCC) 2015 International Business and Leadership Conference, which was attended by more than 800 people. We also participated on the conference's Procurement and Corporate Partner Councils.

Locally, we co-hosted an LGBTBE event with SDG&E, NGLCC and SBA to share information on the certification process and how to do business with SoCalGas. We also joined forces with SDG&E, Southern California Edison and Golden State Water on a joint LGBTBE outreach effort in Palm Springs. In addition, we created a new database, worked with Supply Management to identify sourcing opportunities and established a strong presence at local LGBT chambers.

### SUPPLIER RECOGNITION

In 2015, we nominated seven firms for Southern California Minority Supplier Development Council's (SCMSDC) Supplier of the Year awards. Nominated for their outstanding work with us, we were pleased that one of our nominees won the top award in her class category and two received special recognition.

Rick Hobbs, SoCalGas director of Supply Management and Supplier Diversity, continued to serve as board chair of SCMSDC, which advocates on behalf of minority business enterprises.

### EXTERNAL OUTREACH

We strategically collaborated with nearly 30 organizations and attended 60-plus events to meet and identify diverse suppliers for potential business opportunities. We also participated in local, regional and national trade fairs and conferences and served on corporate advisory boards and committees.

## Jim Cox Photography

### New opportunities as an LGBTBE-certified firm

Jim Cox of Jim Cox Photography learned about the historic legislation in 2014 that expanded the CPUC's supplier diversity program to include LGBTBEs from a SoCalGas Supplier Diversity team member.



**SoCalGas' Supplier Diversity team helped Tom Aubrey (left) and Jim Cox of Jim Cox Photography get certified as an LGBTBE.**

Soon after, Cox, who runs his Coachella Valley-based business with his husband, Tom Aubrey, received assistance from the Supplier Diversity group on the diverse business certification process. "They also helped us get connected to other departments at SoCalGas," says Cox. "We're excited about the opportunity to do more work with them."

He began working with the utility six years before becoming LGBTBE-certified, shooting executive portraits and taking photos of employees and company facilities.

***'Even though SoCalGas was a client we were already working with, we're glad that we are in a more recognized state. It's pretty outstanding.'***

"We are well known for making people look terrific," says Cox, who previously worked as a fashion photographer, model, stylist and hair and makeup artist. "We are also friendly and put people at ease. I know from experience that if a person is not at ease, we won't get the best photo."

Of the firm's new minority-owned status, he adds, "We think it's amazing. We love that California has this law to include LGBTs. Gay people are a minority and have been discriminated against...it hasn't been easy. Today, it's a brand new world. Even though SoCalGas was a client we were already working with, we're glad that we are in a more recognized state. It's pretty outstanding."

# ORGANIZATIONS SUPPORTED BY SOCALGAS

- American Indian Chamber of Commerce of California
- Asian Business Association – Los Angeles\*
- Asian Business Association – Orange County\*
- Asian/Pacific Islander Chamber of Commerce & Entrepreneurship
- Black Business Association – Los Angeles
- California Asian Chamber of Commerce
- California Black Chamber of Commerce
- California Disabled Veteran Business Alliance
- California Hispanic Chamber of Commerce
- California Utilities Diversity Council
- Chinese American Construction Professionals
- Community Lawyers, Inc.
- Desert Business Association
- Disabled Veteran Business Alliance – California
- Elite Service-Disabled Veteran-Owned Business Network – Los Angeles\*
- Elite Service-Disabled Veteran-Owned Business Network – National
- Golden Gate Business Association
- Greater Los Angeles African American Chamber of Commerce\*
- Latin Business Association\*



**Rick Hobbs, director of Supply Management and Supplier Diversity, serves as board chair of Southern California Minority Supplier Development Council.**

- Latino Coalition
- Long Beach Gay & Lesbian Chamber of Commerce
- Los Angeles Gay & Lesbian Chamber of Commerce
- Los Angeles Latino Chamber of Commerce\*
- National Asian American Coalition
- National Association of Women Business Owners – Los Angeles\*
- National Council of Minorities in Energy\*
- National Gay & Lesbian Chamber of Commerce
- National Association of Minority Contractors – Southern California\*
- National Latina Business Women Association – Los Angeles\*
- National Minority Supplier Development Council
- National Utilities Diversity Council\*
- Recycling Black Dollars
- Southern California Minority Supplier Development Council\*
- U.S. Pan Asian Chamber of Commerce
- Women’s Business Enterprise Council – West\*

*\*Board position held by Supplier Diversity team representative*

# 2015 OUTREACH EVENTS



**SoCalGas Supplier Diversity Program Manager Yolanda Padilla meets with Bob Milton Jr., R.E.M. Engineering Company, at a Disabled Veteran Business Alliance event.**

- American Indian Chamber of Commerce of California Native American Heritage Month Luncheon with Warrior Awards
- American Indian Chamber of Commerce of California EXPO
- American Indian Chamber of Commerce of California Annual June Recognition Luncheon
- Asian American Pacific Islander Design & Construction Expo
- Asian Business Association – Los Angeles Fall Supplier Diversity Event
- Asian Business Association – Los Angeles Annual Awards Banquet
- Asian Business Association – Los Angeles Business Symposium
- Asian Business Association – Orange County Awards Gala
- Asian Business Association – Orange County Procurement Conference
- Black Business Association Annual Awards
- Black Business Association Salute to Black Women Event
- Black Business Association Procurement Exchange Summit
- CalAsian Chamber of Commerce – California Asian Business Summit
- California Black Chamber of Commerce Annual Ron Brown Summit
- Chinese American Construction Professionals Installation Dinner
- California Utilities Diversity Council Diverse Advertising and Media Outreach Forum
- CPUC Audit Workshop
- CPUC En Banc Hearing
- CPUC Small Business Expo – San Diego
- CPUC Small Business Expo – San Francisco Department of Labor
- Disabled Veteran Business Alliance – Turning Contacts into Contracts Conference
- Elite Service-Disabled Veteran-Owned Business National Conference
- Greater Los Angeles African American Chamber of Commerce Annual Awards
- Greenlining Institute Academy Graduation and Reception
- Greenlining Institute Expanding Supplier Diversity: An Economic Engine for Growth
- Joint Utilities LGBT Outreach – Palm Springs
- Joint Utilities LGBT Outreach – San Diego
- Latin Business Association Annual Awards
- Latin Business Association Multicultural Event
- Latin Business Association Women’s Conference
- Los Angeles Gay & Lesbian Chamber of Commerce LGBT Business Enterprise Roundtable with NGLCC Corporate Partners
- Los Angeles Gay & Lesbian Chamber of Commerce LGBT Business Enterprise Certification Roundtable
- National Asian Chamber of Commerce Conference
- National Asian American Coalition Annual Economic Development and Empowerment Conference
- National Association of Minority Contractors’ Southern California Region Annual Awards Dinner
- National Association of Women Business Owners Awards Luncheon
- National Association of Women Business Owners Phenomenal Women’s Workshop
- National Gay & Lesbian Chamber of Commerce International Business and Leadership Conference
- National Latina Women Business Awards

## 2015 OUTREACH EVENTS

(CONTINUED)

- National Minority Supplier Development Council Annual Conference
- National Minority Supplier Development Council Minority Business Leadership Awards
- Recycling Black Dollars Positive Side Awards
- Sempra Energy Diverse Business Enterprises Annual Diversity Champions Awards Luncheon
- SoCalGas Contractor Safety Congress
- SoCalGas Local Diversity & Inclusion Tradeshow
- Southern California Minority Supplier Development Council Leadership Excellence Awards
- Southern California Minority Supplier Development Council MBE 2 MBE Open House
- Southern California Minority Supplier Development Council Minority Business Opportunity Day
- Southern California Minority Supplier Development Council Supplier of the Year Awards Luncheon
- U.S. Chamber/Latino Coalition Small Business Summit
- Utility Marketplace Access Partnership/National Utilities Diversity Council Conferences
- Women's Business Enterprise Council – West Annual Conference
- Women's Business Enterprise Council – West Corporate Connection Dine Around
- Women's Business Enterprise National Council Convention

## 2015 AWARDS



**SoCalGas received Southern California Minority Supplier Development Council's Corporate Capacity Builder Award. Members of the Supplier Diversity team, from left: Joe Chow, Michelle Chieks, Yolanda Padilla, SCMSDC President Virginia Gomez, Kathlina Lai and Rick Hobbs.**

We received recognition for our supplier diversity leadership in 2015. These included:

- American Indian Chamber of Commerce of California – Eagle Sponsorship Recognition
- Asian Business Association – Orange County – Supplier Diversity Person of the Year Award
- Asian Business Association – Orange County – Corporate Advocate of the Year Award
- California Black Chamber of Commerce – President's Corporation Appreciation Award
- Disabled Veteran Business Alliance – Advocate Award
- Greater Los Angeles African American Chamber of Commerce – Corporation of the Year Award
- Latin Business Association – Advocate of the Year Award
- Southern California Minority Supplier Development Council – Corporate Capacity Builder Award
- Southern California Minority Supplier Development Council – Supplier Diversity Beacon Award
- Women Lawyers Association of Los Angeles – Advocate of the Year



### 9.1.2 SUMMARY OF PURCHASES/CONTRACTS

In 2015, SoCalGas had a total number of 677 diverse suppliers with 415 serving as prime suppliers. Please refer to Chart Addendums A1-A7 starting on page 32.

### 9.1.3 PROGRAM EXPENSES

SoCalGas’ supplier diversity expenses for 2015 included CPUC Supplier Clearinghouse program costs, technical assistance, capacity building events, office support services and other expenses.

Expense Category	2015 Expenses In thousands
Wages	\$504
Other Employee Expenses	–
Program Expenses <sup>1</sup>	\$270
Reporting Expenses <sup>2</sup>	–
Training Expenses	–
Consultants <sup>3</sup>	–
Other	–
<b>Total</b>	<b>\$774</b>

<sup>1</sup>Includes reporting and other employee expenses

<sup>2</sup>Included in Program Expenses

<sup>3</sup>Includes IT costs

### 9.1.4 GOAL PROGRESS

Last year, our procurement with diverse suppliers reached more than \$665 million, representing the eighth year in a row we exceeded our internal target.

- For the 16th consecutive year, we surpassed the CPUC’s 15 percent minority business enterprise (MBE) goal, with spend totaling \$414 million, up from \$390 million in 2014.
- We exceeded our target with women business enterprises (WBEs) for the 27th straight year, with purchases reaching \$217 million, rising from \$154 million in 2014. Spend with WBEs represented 14.5 percent of all procurement and services purchased by SoCalGas.
- We added 170 new diverse contractors, totaling more than \$18 million in new spend, in such areas as consulting, construction, engineering and environmental services.
- We outperformed the CPUC’s service-disabled veteran business enterprise (SDVBE) spend goal of 1.5 percent for the sixth year in a row, achieving \$35 million, or 2.4 percent. We have made growing purchases with this group a priority with targeted outreach and increased awareness among department and procurement staff, and our efforts are paying off.

The table below illustrates CPUC goals and our corresponding results.

Category	SoCalGas 2015 Results	CPUC 2015 Goals
Minority Business Enterprise (MBE)	27.76%	15.0%
Women Business Enterprise (WBE)	14.53%	5.0%
Service-Disabled Veteran Business Enterprise (SDVBE)	2.38%	1.5%
<b>Total WMDVBE</b>	<b>44.67%</b>	<b>21.5%</b>

## 9.1.5 SUBCONTRACTORS

2015 SoCalGas	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women, Minority Business Enterprise (WMBE)	Service- Disabled Veteran Business Enterprise (SDVBE)	Total (WMDVBE)
Direct \$	\$160,526,208	\$153,401,280	\$313,927,488	\$150,403,171	\$464,330,659	\$7,204,311	\$471,534,970
Subcontracting \$	\$84,097,353	\$15,854,161	\$99,951,514	\$66,181,295	\$166,132,809	\$28,237,434	\$194,370,243
<b>Total \$</b>	<b>\$244,623,561</b>	<b>\$169,255,441</b>	<b>\$413,879,002</b>	<b>\$216,584,466</b>	<b>\$630,463,468</b>	<b>\$35,441,745</b>	<b>\$665,905,213</b>

Direct %	10.77%	10.29%	21.06%	10.09%	31.14%	0.48%	31.63%
Subcontracting %	5.64%	1.06%	6.70%	4.44%	11.14%	1.89%	13.04%
<b>Total %</b>	<b>16.41%</b>	<b>11.35%</b>	<b>27.76%</b>	<b>14.53%</b>	<b>42.29%</b>	<b>2.38%</b>	<b>44.67%</b>

Percentages may not equal total due to rounding

<b>Total Procurement</b>	<b>\$1,490,919,874</b>
--------------------------	------------------------

We have long been committed to growing the number of diverse subcontractors. We work with prime suppliers to increase procurement opportunities with diverse subcontractors. In fact, including diverse firms for subcontracting opportunities is part of our criteria for awarding contracts in the Request for Proposal (RFP) process.

In 2015, we held quarterly strategy meetings with our largest prime suppliers. We monitored their subcontracting commitments to determine if they were meeting their goals and assisted them in developing relationships with diverse firms.

We're pleased that our prime suppliers share our commitment to supplier diversity. Four suppliers working on multimillion dollar projects have reported notable achievements, subcontracting more than 40 percent with diverse businesses, for a total of more than \$96 million.

### SUPPLIER RELATIONSHIP MANAGEMENT

As noted earlier, under SRM, two of our prime suppliers developed and assisted their subcontractors by providing project opportunities, funding support, technical assistance, mentoring and coaching. These efforts provided subcontractors with the visibility and experience needed to compete and win major bids against other large majority contractors.

## Radiant Logistics Partners

### Other subcontracting efforts included:

- Identifying subcontracting opportunities through meetings with Supply Management
- Providing listings of diverse firms for prime suppliers' consideration for subcontracting activities and attending pre-bid meetings
- Coordinating quarterly meetings with prime contractors and internal clients to discuss subcontracting results, provide feedback and encourage the use of additional diverse suppliers
- Meeting with prime suppliers to provide training and access to our Subcontracting portal. Also, reviewing and following up to ensure subcontracting results are entered in the Portal
- Sharing monthly subcontracting results with Procurement and SoCalGas key stakeholders
- Working with non-verified diverse subcontractors to become CPUC Clearinghouse-certified

### 9.1.6 COMPLAINTS

There were no formal complaints or lawsuits filed against SoCalGas in 2015 related to our Supplier Diversity Program.

### 9.1.7 EXCLUSIONS

General Order 156 ended exclusions, resulting in specific categories no longer being deducted from the base procurement.

## Subcontractor's work is a 'significant opportunity'

SoCalGas is in the business of safely delivering natural gas to customers, not transporting pipe, valves and flanges. So when the utility needed help moving these

items across the country to support its PSEP, it turned to Radiant Logistics Partners LLC.

The global logistics services provider has transported 200,000 linear feet of pipe as well as supplies by truck and rail since it became a subcontractor to Jacobs Engineering – a key supplier for PSEP – in 2014.

"This was our first significant opportunity with a utility," says company Founder and Managing Member Bohn Crain. He added that it was also the first time the Native American-owned firm engaged in large rail shipments.

"We made sure all supplies were loaded, safely transported and unloaded, stored and then reloaded

**'Through our work with SoCalGas, our relationship has blossomed and grown larger over the past few years.'**

for transport to PSEP contractors," adds Radiant Sales Manager Craig Sloss. "We've been a big promoter of shipping via rail instead of trucks whenever possible to save SoCalGas money and reduce emissions."

Based in Bellevue, Wash., Radiant received a contract after meeting a SoCalGas Supplier Diversity manager at an American Indian Chamber of Commerce of California event. The firm has since hired additional employees to manage the SoCalGas project.

"Through our work with SoCalGas, our relationship has blossomed and grown larger over the past few years," adds Sloss.



**Radiant Logistics Partners has been a SoCalGas subcontractor since 2015.**

**Pictured above: Sales Manager Craig Sloss.**



**Radiant Logistics' Founder and Managing Member Bohn Crain.**

### 9.1.8 EFFORTS TO RECRUIT DIVERSE SUPPLIERS IN UNDERUTILIZED AREAS

Over the years, SoCalGas has made progress in expanding opportunities in low-utilization categories, including legal and finance. Our efforts remain a long-term process as diverse suppliers in these areas need to have a larger workforce, highly specialized skills and substantial financial strength to succeed.

In 2015, we participated in trade shows, industry conferences, workshops and other venues to enhance WMDVLGBTBE spending.

#### LEGAL

We continued to focus efforts on growing this underutilized area. In 2015, SoCalGas spent \$3.5 million with diverse law firms, or 42 percent of total procurement. We experienced a decrease in overall spend due to fluctuation of cases and legal matters.

SoCalGas' Law Department utilized diverse firms to provide legal services in the following areas: employment and labor law, general and business litigation, personal injury, real estate, workers' compensation and recovery claims.

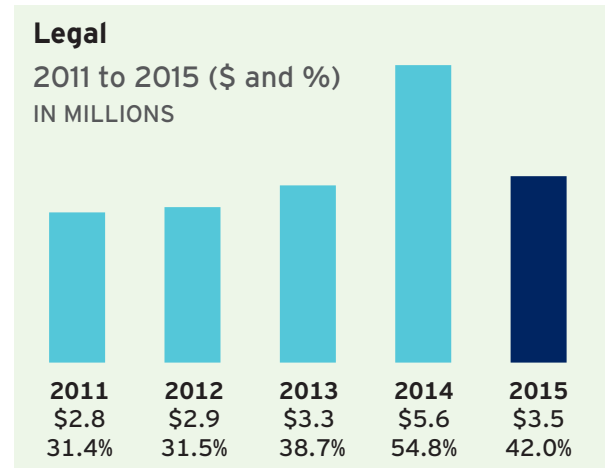
During the year, our general counsel and in-house attorneys met with emerging diverse law firms for potential opportunities. In addition, we introduced a new diverse law firm into the legal portfolio and helped a minority-owned firm obtain CPUC certification.

In addition, SoCalGas sponsored the California Minority Counsel Program's (CMCP) Annual Business Conference, where law department representatives participated in workshops and met with diverse law firms. We also participated

in the National Association of Minority and Women Owned Law Firms' (NAMWOLF) 2015 Law Firm Expo, which gave in-house counsel the opportunity to meet diverse law firms.

A number of our attorneys continued to hold active memberships with diverse bar associations and served on boards such as the Asian Americans Advancing Justice and CMCP. They also served as speakers at national bar association conferences, including NAMWOLF's Annual Meeting and the Minority Corporate Counsel Association's Continuing Legal Education Expo.

The following charts illustrate the use of diverse lawyers and paralegals at majority firms retained by SoCalGas' law department.



Diverse Attorney Work Within Majority Law Firms		Total (\$)
Minority Men	Asian Pacific American	\$834,195
	African American	
	Hispanic American	\$69,720
	Native American	
	Multi-Ethnic	\$182,374
	<b>Total Minority Men</b>	<b>\$1,086,289</b>
Minority Women	Asian Pacific American	\$255,180
	African American	\$68,762
	Hispanic American	\$84,537
	Native American	
	Multi-Ethnic	\$15,835
	<b>Total Minority Women</b>	<b>\$424,314</b>
<b>Total Minority</b>		<b>\$1,510,603</b>
<b>Non Minority Women: Attorneys</b>		<b>\$962,816</b>
<b>Non Minority Men: Attorneys</b>		<b>\$2,453,738</b>
<b>Service-Disabled Veteran</b>		<b>\$0</b>
<b>Grand Total, All Minority/Non-Minority</b>		<b>\$4,927,157</b>

Note: Figures are estimated

Diverse Paralegal Work Within Majority Law Firms		Total (\$)
Minority Men	Asian Pacific American	\$518
	African American	\$17,108
	Hispanic American	
	Native American	
	Multi-Ethnic	
	<b>Total Minority Men</b>	<b>\$17,626</b>
Minority Women	Asian Pacific American	\$940
	African American	
	Hispanic American	\$10,605
	Native American	
	Multi-Ethnic	\$890
	<b>Total Minority Women</b>	<b>\$12,435</b>
<b>Total Minority</b>		<b>\$30,061</b>
<b>Non Minority Women: Paralegals</b>		<b>\$77,124</b>
<b>Non Minority Men: Paralegals</b>		<b>\$1,412</b>
<b>Service-Disabled Veteran</b>		<b>\$0</b>
<b>Grand Total, All Minority/Non-Minority</b>		<b>\$108,597</b>

Note: Figures are estimate

## FINANCIAL SERVICES

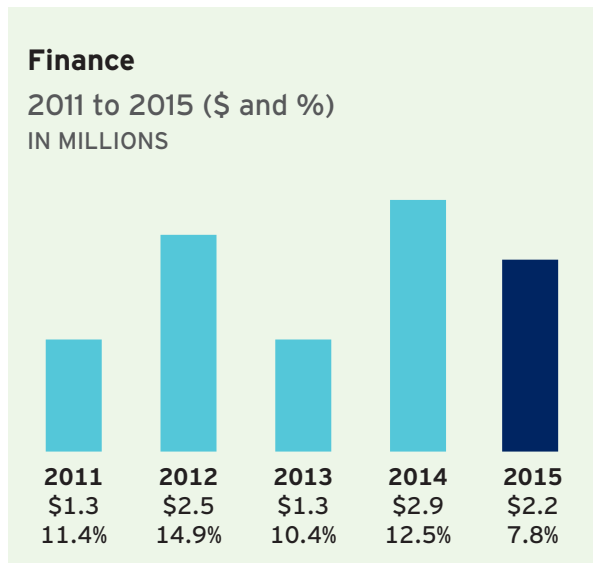
Our financial diverse spend results for 2015 were \$2.2 million, or 7.8 percent. Due to reduced spending with all vendors and lack of activity in the debt market, our results have declined compared to 2014. Despite this, we continued to identify opportunities across a wide variety of key financial services. Our activities involved seeking diverse suppliers in financial services, including pension and trust investments, investment banking, insurance and bonding services, cash management and audit services.

### Pension and Trust Investments

In 2015, we used five investment firms to execute trading activity for our pension fund. Our pension staff also identified diverse investment managers and conducted research on their characteristics, trading resources and investment acumen for potential opportunities.



**Edward Reyes, director, Finance; Sandra Hrna, assistant controller; and Michael Calabrese, director, accounting operations, review financial diverse spend results.**



### Investment Banking

In June 2015, SoCalGas issued \$600 million of first mortgage bonds and selected an African American-owned investment bank as one of the joint bookrunners. In the same transaction, we selected a Hispanic American-owned securities firm and an SDVBE to co-manage the offering.

### Insurance and Bonding Services

During the year, SoCalGas employed a woman-owned insurance brokerage firm to assist us with insurance and bond procurement.

### Audit Services

We worked with two diverse firms that provided audit review for Sarbanes-Oxley reporting. We

also used an Asian American woman-owned supplier to perform audit service for our Federal Energy Regulatory Commission Energy Trade Reporting.

### Outreach

In 2015, we participated in meetings, outreach events and other forums to identify diverse firms for potential relationships in the financial area. SoCalGas executives, finance directors and managers frequently met with diverse financial firms to discuss business opportunities. Also in attendance were high-capacity suppliers who shared their capabilities in investment banking, auditing, insurance, bonding and other areas.

# 2015 ANNUAL PLAN

## 10.1.1 GOALS

SoCalGas' supplier diversity corporate goal is to meet the requirements of the CPUC's General Order 156. Our focus has been to maintain our 38 percent spend target with diverse firms, while concentrating on strengthening our relationships, targeting our outreach and expanding our diverse supplier base.

In addition, SoCalGas will strive to exceed the following short-, mid-, and long-term goals:

### PRODUCTS

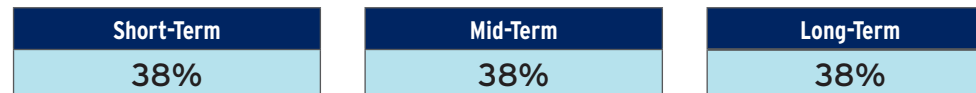
Short-Term (2016)					Mid-Term (2018)					Long-Term (2020)				
Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service-Disabled Veteran Business Enterprise (SDVBE)
Men	Women				Men	Women				Men	Women			
13.00	2.00	15.00	5.00	1.50	13.00	2.00	15.00	5.00	1.50	13.00	2.00	15.00	5.00	1.50

### SERVICES

Short-Term (2016)					Mid-Term (2018)					Long-Term (2020)				
Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service-Disabled Veteran Business Enterprise (SDVBE)
Men	Women				Men	Women				Men	Women			
13.00	2.00	15.00	5.00	1.50	13.00	2.00	15.00	5.00	1.50	13.00	2.00	15.00	5.00	1.50

### PRODUCTS AND SERVICES TOTAL

Short-Term (2016)					Mid-Term (2018)					Long-Term (2020)				
13.00	2.00	15.00	5.00	1.50	13.00	2.00	15.00	5.00	1.50	13.00	2.00	15.00	5.00	1.50
<b>21.5</b>					<b>21.5</b>					<b>21.5</b>				



Note: the 38 percent goal listed above is not the ceiling, as we always strive to do better.

## 10.1.2 PLANNED ACTIVITIES

We have a number of capital infrastructure projects that will benefit from the skills and talents of diverse suppliers. These projects include:

### ADVANCED METER PROJECT

We exceeded our diverse spending target with our Advanced Meter project, which involves installing approximately six million advanced meters, or natural gas meters with wireless communication modules. The project, which extends through 2017, improves operational efficiencies, customer service, safety and energy conservation.

Diverse suppliers provided printing, kitting, fulfillment, warehousing, consulting, staffing and information technology support services. For 2016, we anticipate that diverse suppliers will continue to contribute to the success of the project in the following areas: technology, hardware, warehousing and logistics, inventory management and distribution, community outreach, data management and security, construction and more.

### PIPELINE SAFETY ENHANCEMENT PLAN

SoCalGas intends to build on PSEP's successes by continuing to work with business and community groups to identify potential opportunities for qualified diverse suppliers. We will again engage with diverse companies in construction, engineering and design, environmental services, materials, surveying and mapping, inspection and other support services.

We also plan to seek opportunities with diverse suppliers in pipeline construction, pipeline auxiliary, material procurement, engineering,

## Peoples Choice Staffing

# Budding relationship turns into an opportunity

**D**enise Peoples often attends networking events that bring together diverse suppliers and corporate representatives. At one of

these venues, she had an opportunity to meet members of SoCalGas' Supplier Diversity team.

While there were no immediate contract opportunities for her staffing services company, Peoples Choice Staffing, she stayed in touch and established relationships with the SoCalGas team. "I like to build relationships that don't start with business, but rather relationships that turn into business," she says.

In 2013, Peoples received an opportunity to provide staffing for the utility's new natural gas division and was personally involved in

**'SoCalGas is one of the best partners to have. They value our expertise...and care about their partners.'**

vetting, interviewing and presenting candidates for consulting positions.

"I knew this new division was important to SoCalGas and I made a commitment that I would be part of the process," she says. "I worked on securing an account with them for so many years that I wanted them to see the value that we brought."

The African American, woman-owned firm, which has been in business since 2003, specializes in temporary, temporary to hire and executive search solutions. The Corona, Calif.-based company places hundreds of people in clerical/administrative, accounting, customer service and technical services positions.

"SoCalGas is one of the best partners to have," she says. "They value our expertise...and care about their partners."



**Peoples Choice Staffing Founder Denise Peoples stayed in touch with SoCalGas' Supplier Diversity team and eventually secured an account with the utility.**

project management and environmental services. We will again participate in outreach events and actively promote and monitor our website portal for businesses interested in potential PSEP business opportunities.

SoCalGas recognizes that some diverse firms may find it challenging to meet the demands of a large-scale project like PSEP, including meeting bonding, insurance and financial requirements to work on the project. We remain committed to achieving a 35 percent spending target with diverse businesses over the life of this project and providing suppliers with mentoring and technical assistance.

### ALISO CANYON TURBINE REPLACEMENT PROJECT

Diverse suppliers continued to provide construction materials, equipment rental, fuel



procurement and other services related to the project, which involves replacing three natural gas turbine-driven compressors with new electric motor-driven models. In 2015, the prime supplier supporting the Aliso Canyon project subcontracted 38 percent of its project spend with diverse suppliers, totaling \$16 million.

In 2016, we anticipate additional subcontracting opportunities in the areas of fencing, landscaping, paving and other miscellaneous services.

### MOBILEHOME PARK UTILITY UPGRADE PROGRAM

Our three-year pilot MobileHome Park Utility Upgrade Program launched in 2015 and involves the conversion of electric and natural gas master-metered service at mobile home parks and manufactured housing communities to direct service by electric and/or natural gas corporations.

Last year, five diverse prime suppliers were awarded contracts and non-diverse prime suppliers reported they spent more than 40 percent with diverse subcontractors. In 2016, we anticipate opportunities for diverse suppliers in the areas of paving, plumbing, electrical, concrete cutting, trenching, trucking, traffic control and material supplies.

### Other activities

- Continue to include LGBTBEs in our corporate diversity and inclusion strategy, expand and strengthen relationships with our internal organizations and promote and increase supplier diversity participation in our strategic planning efforts.



**SoCalGas Supplier Diversity Program Manager Yolanda Padilla speaks at a National Association of Women Business Owners – Los Angeles event.**

- Monitor and evaluate our Supplier Quick Pay program for further expansion. This follows Phase 1 with SCORE suppliers' enrollment and Phase 2 when smaller contractors outside the SCORE program were added.
- Roll out a new application to enhance our reporting capabilities and improve our dashboard for better monitoring. This will also include a self-service portal to give suppliers and stakeholders access to this information.
- Expand purchases with current SCORE contractors, provide opportunities for new smaller contractors and continue our mentoring efforts with diverse firms.
- Launch a program for each of our prime pipeline contractors to mentor a diverse subcontractor working on SoCalGas projects. Prime suppliers will provide updates on a quarterly basis to the SRM team on their mentoring activities and progress.



## Internal Activities

In 2016, we will continue to build on our past successes. We will remain focused on our supplier diversity investments, development programs and relationships while continuing to refine our activities to advance supplier diversity. Our activities will include:

- Ensuring that diverse suppliers are included in the initial steps of sourcing opportunities
- Strengthening relationships with our internal business units to provide qualified diverse firms where needed
- Creating opportunities to bring diverse firms and SoCalGas decision-makers together at networking events
- Participating in procurement's strategic sourcing initiatives and working with the group and internal clients to address any subcontracting issues with prime contractors



**SoCalGas Director of Supply Management and Supplier Diversity Rick Hobbs speaks at the Mastering Business Growth graduation ceremony.**

- Providing training for those with procurement responsibility on diverse supplier reporting and database capabilities
- Employing internal communication vehicles to educate and inform employees on supplier diversity strategy and activities
- Providing monthly supplier diversity results to procurement staff and internal business unit leaders
- Recognizing employees who contribute to the success of SoCalGas' supplier diversity results
- Incorporating SRM principles into supplier diversity processes
- Expanding our database of prospective LGBTBEs that can work with SoCalGas
- Providing supplier diversity training opportunities for SoCalGas employees
- Partnering with SDG&E to enhance supplier diversity processes and best practices
- Planning workshops and events, such as the Contractor Safety Congress, Meet the Primes and Access to Capital
- Increasing diverse supplier participation on major projects
- Providing opportunities through targeted Supplier Diversity Business Showcase events

## External Activities

SoCalGas will continue to work with diverse suppliers, CPUC, peer utilities, community organizations and others to expand our supplier diversity scope and promote the use of diverse



**Kathlina Lai, SoCalGas Supplier Diversity manager, and Victor Parker, SBA district director, at the Asian Business Association-Los Angeles annual awards.**

suppliers through our industry affiliations and other relationships.

We will expand our reach to diverse firms with business and community organizations in the following ways:

- Identify SCORE opportunities for small diverse suppliers
- Attend and support diverse supplier events and build relationships that will result in identifying firms that can provide products and services to SoCalGas
- Explore other potential relationships in which high-capacity diverse firms can be recruited and developed in new and emerging areas

- Invest in supplier development programs with universities and other entities
- Invite high-potential diverse suppliers to conferences to increase their awareness of opportunities
- Identify and develop diverse suppliers in areas of low utilization, such as legal and financial services
- Exhibit a strong presence at local and national LGBT chambers
- Inform suppliers of the inclusion of LGBTBEs in General Order 156 and SoCalGas' efforts to recruit certified LGBTBEs into our supply chain through networking events and individual meetings
- Reach out to certified and non-certified LGBTBEs and introduce them to our supply chain and Supply Management

### 10.1.3 RECRUITMENT PLANS FOR LOW WMDVLGBTBE UTILIZATION

To increase opportunities in areas with low utilization, we plan to:

- Contact diverse suppliers who are not currently certified and encourage them to seek verification
- Target high-potential diverse firms for opportunities
- Foster strategic relationships with diverse firms positioned to secure contracts in areas such as legal and financial services
- Invite company procurement agents and key decision makers to attend networking

events and workshops with potential diverse contractors and subcontractors

- Participate in planning and pre-bid meetings to promote diverse supplier participation
- Attend industry-related conferences to meet potential suppliers in underutilized areas

#### LEGAL

We will continue to identify and expand new opportunities for diverse legal firms. We plan to participate in outreach activities and engage bar associations and legal organizations that promote diversity. Please refer to the legal section under 9.1.8 Efforts to Recruit Diverse Suppliers in Underutilized Areas.

#### FINANCE

Increasing opportunities for diverse suppliers in the finance area will remain a high priority at SoCalGas. We will continue to have executives, finance directors and managers actively involved in outreach activities, including CPUC/Utility Chief Financial Officer forums and internal meetings with high-capacity diverse firms.

Our plans for 2016 include:

- Investing in minority area-focused community finance development institutions
- Identifying and utilizing high-potential diverse firms to manage pension and specialty funds
- Identifying and engaging qualified diverse auditing firms for employee benefit and other specialty audits
- Searching for specific subcontracting opportunities for inclusion with majority-owned banking and financing institutions



**SoCalGas Contract Agent Lanae Hernandez meets with suppliers.**

### 10.1.4 EXCLUSIONS

General Order 156 ended exclusions, resulting in specific categories no longer being deducted from the base procurement.

### 10.1.5 SUBCONTRACTING PLANS

We plan to increase diverse subcontracting opportunities by:

- Developing, implementing and monitoring diverse business sourcing plans for major capital projects
- Conducting meetings with top prime suppliers to increase their subcontracting performance

## E2 Consulting Engineers

# Subcontracting work leads to direct contract

**E**ntree into SoCalGas for E2 Consulting Engineers, Inc. came through a small subcontracting opportunity to support the PSEP

project. A year later, the firm was awarded two prime contracts of its own.

E2's elevation from subcontractor to prime supplier in 2014 resulted in 50 new employee hires and the opening of a new Los Angeles office. The firm, which has a total of about 350 employees, has provided SoCalGas civil and mechanical

engineering, valve automation design, project and construction management and inspection services, and more.

One of the innovations the Emeryville, California-based company brought to SoCalGas was a software program that allows inspectors to use iPads in the field and share information in real-time. "The level of automation

**'We hire and mentor small and diversified businesses, which allows us to share our experiences.'**

that we're doing for PSEP is well beyond what others in the industry are doing – it's very much cutting edge," says E2's Program Manager and Vice President of Environmental Engineering John Lucero.

Founder and CEO Hersh Saluja adds that SoCalGas has provided opportunities to greatly expand E2's corporate resume. "We've benefited through expansion of our skills and processes because PSEP has such a broad range of requirements, from initial planning and permitting, through engineering design, construction and project closeout."

"This is a tremendous amount of growth for a small business and speaks volumes about SoCalGas' commitment to supplier diversity," he adds. "We share SoCalGas' commitment. We hire and mentor small and diversified businesses, which allows us to share our experiences."



**E2 Consulting Engineers hired 50 employees and opened a Los Angeles office as a result of work with SoCalGas. Pictured above: E2 team with Founder and CEO Hersh Saluja (standing).**

- Creating targeted showcases that introduce prime firms to diverse suppliers for future business opportunities
- Utilizing an internal reporting tool to identify subcontracting opportunities and challenges
- Collaborating with procurement to create a contractor's checklist and manage diverse vendor subcontracting plans
- Contacting diverse subcontractors who are not currently verified and encouraging them to seek certification
- Ensuring that RFPs and final contracts contain diverse vendor subcontracting plans
- Inviting prime contractors to attend networking workshops with potential diverse subcontractors as well as company procurement agents and key decision makers
- Monitoring subcontracting efforts and performance
- Participating in planning and pre-bid meetings to promote diverse supplier participation
- Providing monthly subcontracting results to Procurement staff and division leaders
- Introducing potential subcontractors to larger prime suppliers for strategic sourcing initiatives

### 10.1.6 PROGRAM COMPLIANCE

SoCalGas will continue efforts to meet or exceed all requirements established by General Order 156.

This includes working internally to help ensure that spend with LGBTBEs is captured.

# 2015 ANNUAL REPORT AND 2016 ANNUAL PLAN - FUEL PROCUREMENT FOR NON-GENERATION

SECURE ALL STRAPS TO

WINCHES AFTER UNLOADING

# 2015 ANNUAL REPORT - FUEL PROCUREMENT FOR NON-GENERATION

## HIGHLIGHTS

SoCalGas spent \$208 million in natural gas purchases with diverse suppliers, representing 19 percent of total purchases.

We purchase natural gas supplies from Canada, the U.S. Rockies, and the Southwestern U.S. through short- and long-term contracts for SoCalGas and SDG&E core customers. We also procure some California natural gas production and additional supplies. Natural gas purchases are primarily based on published monthly bid-week indices.

Last year, we experienced record warm temperatures in Southern California, which led to lower natural gas purchases and consumption for home heating. Despite the warmer weather and lower overall natural gas purchases, we remained committed to expanding our diverse supplier base.

Our Gas Acquisition team continued to mentor a diverse natural gas firm on our procurement process, which resulted in more purchases with this woman-owned supplier.



**\$208M = 19%**

NATURAL GAS  
PROCUREMENT WITH  
DIVERSE FIRMS

OF TOTAL NATURAL  
GAS PURCHASES



## 9.1.1 PROGRAM ACTIVITIES

### INTERNAL ACTIVITIES

#### EXECUTIVE BRIEFINGS

We continued to keep supplier diversity top-of-mind through monthly status meetings with SoCalGas executives and managers. Through these meetings, we encouraged Gas Acquisition managers to identify and engage qualified diverse firms in their purchasing activities.

#### INTERNAL PARTNERSHIPS

Our Supplier Diversity and Gas Acquisition teams continued to arrange introductory meetings with new firms and build relationships between energy buyers and diverse suppliers.

### EXTERNAL ACTIVITIES

SoCalGas has long been a leader in advancing supplier diversity in energy markets. From the late 1980s through the mid-1990s, we led the nation’s first diverse natural gas workshop, worked with the U.S. Department of Energy (DOE) to form a business roundtable to promote diverse firms in energy markets and worked with the DOE and a minority supplier to develop a national financing tool for diverse suppliers, which led to more than \$2 billion in transactions with diverse suppliers across the country.

We have also worked with the CPUC and other utilities to develop and promote a national utility diverse supplier program supported by the National Association of Regulatory Utility Commissioners (NARUC).

## 9.1.2 SUMMARY OF PURCHASES/CONTRACTS

### Fuels for Non-Generation Purchases • January 2015 – December 2015

	Dollars	Volume (Billion BTUs)
Canadian Source Natural Gas	\$37,261,906	16,487,748
Domestic On-Shore Natural Gas Purchases from Non-Diverse Suppliers	\$848,521,260	325,674,140
Domestic On-Shore Natural Gas Purchases from Diverse Suppliers	\$207,914,628	79,446,135
Natural Gas Purchases/Payments - Other Utilities	\$0	0
<b>Total Natural Gas Purchased</b>	<b>\$1,093,697,794</b>	<b>421,608,023</b>

### 9.1.3 PROGRAM EXPENSES

Program expenses are included in Section 9.1.3 Program Expenses in the 2015 Product and Services Procurement Results.

### 9.1.4 GOAL PROGRESS

In 2015, SoCalGas purchased 19 percent from diverse natural gas suppliers, totaling \$208 million. Below is a breakdown of our natural gas purchases:

Federally recognized tribes (sovereign nations) and Native American-owned	\$31,846,479	2.9%
African American-owned	\$86,885,929	7.9%
Hispanic American-owned	\$13,689,916	1.3%
Asian Pacific American-owned	\$30,475,150	2.8%
Women-owned	\$18,125,384	1.7%
SDVBE-owned	\$26,891,769	2.5%

As noted earlier, the diverse supplier segment remained resilient despite difficult market conditions and challenging credit prospects. Still, SoCalGas experienced a decline in purchases with federally recognized tribes (sovereign nations) and Native American-owned natural gas suppliers due to a tribe’s declining natural gas production.

### 9.1.5 SUBCONTRACTORS

There were no subcontractor opportunities available.

### 9.1.6 COMPLAINTS

There were no formal diverse supplier complaints or lawsuits filed in 2015 against SoCalGas.

### 9.1.7 EXCLUSIONS

General Order 156 ended exclusions, resulting in specific categories no longer being deducted from the base procurement.

### 9.1.8 EFFORTS TO RECRUIT DIVERSE SUPPLIERS IN UNDERUTILIZED AREAS

Increasing the participation of diverse natural gas suppliers continues to be challenging due to credit conditions that are affecting diverse firms in the wholesale energy and natural gas markets. In addition, major suppliers continue to be sporadic in their supply to the West Coast markets. Other major energy companies have tightened credit and supply for diverse firms.

Notwithstanding these challenges, we encouraged diverse suppliers to develop relationships with domestic onshore producers as well as those from Canada. We also continued our outreach and supplier development efforts to support diverse suppliers in the natural gas market.

### 9.1.9 RETENTION OF ALL DOCUMENTS/DATA

SoCalGas will continue to comply with all required document retention regulations.



*Senior Gas Trader Reginald Gentry and Gas Acquisition Manager Steve Baird.*

### 9.1.10A PARTICIPATION RESULTS BY FUEL CATEGORY

Please refer to Chart Addendum A8 on page 41 for participation results by fuel category.

### 9.1.10B MARKET CONDITIONS AND OUTREACH

New and existing diverse firms again faced challenges to remain competitive in the natural gas market. Factors that affected their viability included: weak volatility and low natural gas prices due to additional sources of shale natural gas; increased risk exposure, which limits their ability to grow; and stringent credit policies, all of which have restricted the participation of diverse suppliers.

In 2015, we continued to encourage major energy producers and marketers to work with diverse suppliers utilizing a Free Trade Area of the Americas (FTAA) to assist with credit issues. A future challenge will be finding more wholesale oil and natural gas producers to do business with diverse natural gas suppliers. However, we remain hopeful that our efforts and encouragement by the federal government and regulatory bodies, such as NARUC, will help sustain diverse supplier prospects.

# 2016 ANNUAL PLAN - FUEL PROCUREMENT FOR NON-GENERATION

## 10.1.1 GOALS

SoCalGas will continue to work toward meeting short-, mid- and long-term goals of 21.5 percent, which also support the CPUC goal.

## 10.1.2 PLANNED ACTIVITIES

Category	2016 GOALS	2018 GOALS	2020 GOALS
Minority-Owned	15.0%	15.0%	15.0%
Women-Owned	5.0%	5.0%	5.0%
Service-Disabled Veteran-Owned	1.5%	1.5%	1.5%
<b>Total</b>	<b>21.5%</b>	<b>21.5%</b>	<b>21.5%</b>

### Internal Activities

We will continue to work diligently to increase our diverse natural gas supplier base, including providing mentoring and other assistance to high-potential emerging suppliers. We will also continue to have interaction with buyers and diverse firms and monitor goals and progress with Gas Acquisition staff, managers and senior management.

### External Activities

We plan to engage in the following activities to increase the participation of diverse natural gas suppliers:

- Reach out to emerging diverse natural gas suppliers through industry and business associations
- Work with key organizations to identify and develop diverse suppliers and participate in energy industry fairs to promote diverse supplier opportunities

- Offer mentoring, development and educational opportunities
- Provide diverse firms support to access financing and credit institutions
- Encourage major energy companies' participation in trading with diverse businesses
- Serve in a leadership role in the NARUC Utility Marketplace Access Partnership and National Utilities Diversity Council



### 10.1.3 RECRUITMENT PLANS FOR LOW WMDVLGBTBE UTILIZATION

We will continue to consider competitive offers from natural gas companies originating in all markets, including Canadian and offshore markets. SoCalGas plans to participate in trade fairs to recruit and engage diverse suppliers in all markets and encourage potential diverse suppliers to participate in natural gas procurement programs. We expect these efforts to show progress in 2016.

### 10.1.4 EXCLUSIONS

General Order 156 ended exclusions, resulting in specific categories no longer being deducted from the base procurement.

### 10.1.5 SUBCONTRACTING PLANS

There are no subcontractor opportunities currently available.

### 10.1.6 PROGRAM COMPLIANCE

SoCalGas will continue outreach activities to diverse firms and strive to either meet or exceed all requirements established in General Order 156. This includes working internally to help make sure that spend with LGBTBEs is captured.

## Pacific Industrial Electric

### Contract allows firm to do what it does best

**T**here's a hub of activity on San Nicolas Island – the most remote of the Channel Islands along the Santa Barbara Channel – as

it moves from a diesel-only power grid to one supplemented by renewable energy.

At the center of this activity is Pacific Industrial Electric. The general building and electrical contractor was hired by SoCalGas in 2010 to provide design and construction services for the installation of a wind turbine generation power system on the

island, which is used by the U.S. Navy as a weapons testing and training facility.

The service-disabled veteran business enterprise has been involved in designing and constructing all aspects of the project, including seven 100-kilowatt wind turbines, a synchronous condenser and three

**'...working with SoCalGas to manage the government contract has allowed us to do what we do best, which is design, build and construct.'**

miles of infrastructure tied into the island's existing power grid.

"The goal of the project is to reduce carbon emissions from the island," says Fred Pradels, who has owned the Brea, Calif.-based firm since 1992.

Working on a remote island where employees must commute by plane has had its challenges. "But working with SoCalGas to manage the government contract has allowed us to do what we do best, which is design, build and construct," he says.

Of the firm's approximately 70 employees, eight are assigned to the project. The team is in constant contact with SoCalGas project managers. "They are onsite whenever we're there and involved in every phase," he adds. "Having them involved has greatly enhanced our ability to get the job done."



**Hired by SoCalGas, the Pacific Industrial Electric team worked on a project to reduce carbon emissions from San Nicolas Island.**

# CHART ADDENDUMS

## A1 9.1.2 SoCalGas WMDVBE Annual Results by Ethnicity - 2015

		Direct \$	Sub \$	Total \$	%
Minority Men	African American	11,460,596	23,280,326	34,740,922	2.33%
	Asian Pacific American	41,028,458	11,478,140	52,506,597	3.52%
	Hispanic American	95,935,063	44,265,128	140,200,191	9.40%
	Native American	12,102,091	5,073,759	17,175,850	1.15%
	Other	-	-	-	0.00%
	<b>Total Minority Men</b>	<b>160,526,208</b>	<b>84,097,353</b>	<b>244,623,560</b>	<b>16.41%</b>
Minority Women	African American	10,744,274	2,717,035	13,461,308	0.90%
	Asian Pacific American	12,182,075	1,208,324	13,390,399	0.90%
	Hispanic American	130,164,530	11,704,072	141,868,602	9.52%
	Native American	310,401	224,730	535,131	0.04%
	Other	-	-	-	0.00%
	<b>Total Minority Women</b>	<b>153,401,280</b>	<b>15,854,161</b>	<b>169,255,441</b>	<b>11.35%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>313,927,488</b>	<b>99,951,514</b>	<b>413,879,001</b>	<b>27.76%</b>
<b>Women Business Enterprise (WBE)</b>		<b>150,403,171</b>	<b>66,181,295</b>	<b>216,584,466</b>	<b>14.53%</b>
<b>Subtotal Women, Minority Business Enterprise (WMBE)</b>		<b>464,330,659</b>	<b>166,132,808</b>	<b>630,463,467</b>	<b>42.29%</b>
<b>Service-Disabled Veteran Business Enterprise (SDVBE)</b>		<b>7,204,311</b>	<b>28,237,434</b>	<b>35,441,746</b>	<b>2.38%</b>
<b>TOTAL WMDVBE</b>		<b>471,534,970</b>	<b>194,370,243</b>	<b>665,905,213</b>	<b>44.67%</b>
<b>Total Procurement \$</b>		<b>1,490,919,874</b>			

**A2 9.1.2 SoCalGas WMDVBE Procurement by Product and Service Categories - Direct - 2015**

			Products \$	%	Services \$	%	Total \$	%
<b>Minority Men</b>	African American	Direct	3,543,692	0.97%	7,916,904	0.70%	11,460,596	0.77%
	Asian Pacific American	Direct	19,305,177	5.26%	21,723,281	1.93%	41,028,458	2.75%
	Hispanic American	Direct	3,503,889	0.96%	92,431,174	8.22%	95,935,063	6.43%
	Native American	Direct	34,975	0.01%	12,067,116	1.07%	12,102,091	0.81%
	Other	Direct	-	0.00%	-	0.00%	-	0.00%
	<b>Total Minority Men</b>	Direct	<b>26,387,733</b>	<b>7.19%</b>	<b>134,138,475</b>	<b>11.93%</b>	<b>160,526,208</b>	<b>10.77%</b>
<b>Minority Women</b>	African American	Direct	1,260,792	0.34%	9,483,481	0.84%	10,744,274	0.72%
	Asian Pacific American	Direct	9,046,659	2.47%	3,135,416	0.28%	12,182,075	0.82%
	Hispanic American	Direct	116,425,976	31.74%	13,738,554	1.22%	130,164,530	8.73%
	Native American	Direct	155,574	0.04%	154,827	0.01%	310,401	0.02%
	Other	Direct	-	0.00%	-	0.00%	-	0.00%
	<b>Total Minority Women</b>	Direct	<b>126,889,001</b>	<b>34.59%</b>	<b>26,512,279</b>	<b>2.36%</b>	<b>153,401,280</b>	<b>10.29%</b>
<b>Total Minority Business Enterprise (MBE)</b>		Direct	<b>153,276,734</b>	<b>41.79%</b>	<b>160,650,754</b>	<b>14.29%</b>	<b>313,927,488</b>	<b>21.06%</b>
<b>Women Business Enterprise (WBE)</b>		Direct	<b>38,232,118</b>	<b>10.42%</b>	<b>112,171,053</b>	<b>9.98%</b>	<b>150,403,171</b>	<b>10.09%</b>
<b>Subtotal Women, Minority Business Enterprise (WMBE)</b>		Direct	<b>191,508,852</b>	<b>52.21%</b>	<b>272,821,807</b>	<b>24.27%</b>	<b>464,330,659</b>	<b>31.14%</b>
<b>Service-Disabled Veteran Business Enterprise (SDVBE)</b>		Direct	<b>1,590,758</b>	<b>0.43%</b>	<b>5,613,553</b>	<b>0.50%</b>	<b>7,204,311</b>	<b>0.48%</b>
<b>TOTAL WMDVBE</b>		Direct	<b>193,099,610</b>	<b>52.64%</b>	<b>278,435,360</b>	<b>24.77%</b>	<b>471,534,970</b>	<b>31.63%</b>
<b>Total Products Procurement \$</b>			<b>366,803,383</b>					
<b>Total Services Procurement \$</b>			<b>1,124,116,491</b>					
<b>Total Procurement \$</b>			<b>1,490,919,874</b>					

**A3 9.1.2 SoCalGas WMDVBE Procurement by Product and Service Categories - Subcontracting - 2015**

			Products \$	%	Services \$	%	Total \$	%
<b>Minority Men</b>	African American	Sub	4,268,042	1.16%	19,012,285	1.69%	23,280,326	1.56%
	Asian Pacific American	Sub	2,235,689	0.61%	9,242,451	0.82%	11,478,140	0.77%
	Hispanic American	Sub	3,367,658	0.92%	40,897,470	3.64%	44,265,128	2.97%
	Native American	Sub	674,985	0.18%	4,398,774	0.39%	5,073,759	0.34%
	Other	Sub	-	0.00%	-	0.00%	-	0.00%
	<b>Total Minority Men</b>	Sub	<b>10,546,373</b>	<b>2.88%</b>	<b>73,550,980</b>	<b>6.54%</b>	<b>84,097,353</b>	<b>5.64%</b>
<b>Minority Women</b>	African American	Sub	-	0.00%	2,717,035	0.24%	2,717,035	0.18%
	Asian Pacific American	Sub	83,813	0.02%	1,124,511	0.10%	1,208,324	0.08%
	Hispanic American	Sub	2,477,071	0.68%	9,227,001	0.82%	11,704,072	0.79%
	Native American	Sub	224,730	0.06%	-	0.00%	224,730	0.02%
	Other	Sub	-	0.00%	-	0.00%	-	0.00%
	<b>Total Minority Women</b>	Sub	<b>2,785,614</b>	<b>0.76%</b>	<b>13,068,547</b>	<b>1.16%</b>	<b>15,854,161</b>	<b>1.06%</b>
<b>Total Minority Business Enterprise (MBE)</b>		Sub	<b>13,331,987</b>	<b>3.63%</b>	<b>86,619,527</b>	<b>7.71%</b>	<b>99,951,514</b>	<b>6.70%</b>
<b>Women Business Enterprise (WBE)</b>		Sub	<b>5,211,401</b>	<b>1.42%</b>	<b>60,969,894</b>	<b>5.42%</b>	<b>66,181,295</b>	<b>4.44%</b>
<b>Subtotal Women, Minority Business Enterprise (WMBE)</b>		Sub	<b>18,543,387</b>	<b>5.06%</b>	<b>147,589,421</b>	<b>13.13%</b>	<b>166,132,808</b>	<b>11.14%</b>
<b>Service-Disabled Veteran Business Enterprise (SDVBE)</b>		Sub	<b>16,224,042</b>	<b>4.42%</b>	<b>12,013,392</b>	<b>1.07%</b>	<b>28,237,434</b>	<b>1.89%</b>
<b>TOTAL WMDVBE</b>		Sub	<b>34,767,430</b>	<b>9.48%</b>	<b>159,602,813</b>	<b>14.20%</b>	<b>194,370,243</b>	<b>13.04%</b>
<b>Total Products Procurement \$</b>			<b>366,803,383</b>					
<b>Total Services Procurement \$</b>			<b>1,124,116,491</b>					
<b>Total Procurement \$</b>			<b>1,490,919,874</b>					

## A4 9.1.2 SoCalGas Procurement by Product Category Summary - 2015

Products	Total Expenditures
14 – Mining & Quarrying Of Nonmetallic Minerals	\$ 30,895
23 – Apparel & Other Finished Products	\$ 588,633
24 – Lumber & Wood Products, Except Furniture	\$ 318,482
25 – Furniture & Fixtures	\$ 595,439
26 – Paper & Allied Products	\$ 331,738
28 – Chemicals & Allied Products	\$ 1,941,818
29 – Petroleum Refining & Related Industries	\$ 2,282,218
30 – Rubber & Miscellaneous Plastics Products	\$ 4,446,340
32 – Stone, Clay, Glass & Concrete Products	\$ 552,894
33 – Primary Metal Industries	\$ 24,163,127
34 – Fabricated Metal Products, Except Machinery	\$ 18,849,704
35 – Industrial & Commercial Machinery	\$ 20,948,741
36 – Electronic & Other Electric Equipment & Components	\$ 4,955,461
37 – Transportation Equipment	\$ 3,262,812
38 – Measuring, Analyzing & Controlling Instruments	\$ 49,596,133
39 – Miscellaneous Manufacturing Industries	\$ 1,380,353
50 – Wholesale Trade; Durable Goods	\$ 184,764,871
51 – Wholesale Trade; Nondurable Goods	\$ 38,795,796
52 – Building Materials, Hardware, Garden Supply	\$ 1,621,312
55 – Automotive Dealers & Gasoline Service Stations	\$ 2,302,418
57 – Home Furniture, Furnishings & Equipment	\$ 855,376
58 – Eating & Drinking Places	\$ 1,831,063
59 – Miscellaneous Retail	\$ 2,387,758
<b>Total Products Procurement</b>	<b>\$ 366,803,383</b>

**A5 9.1.2 SoCalGas Procurement by Product Category Detail - 2015**

Products	African American		Asian Pacific American		Hispanic American		Native American		Other		Total Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Business Enterprise (WMBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Total WMDVBE	Total
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women						
14 - Mining & Quarrying Of Nonmetallic Minerals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23 - Apparel & Other Finished Products	-	-	340,400	-	-	-	-	-	-	-	340,400	-	340,400	55,584	395,985	-	395,985	-
	0.00%	0.00%	57.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	57.83%	0.00%	57.83%	9.44%	67.27%	0.00%	67.27%	0.00%
24 - Lumber & Wood Products, Except Furniture	-	-	-	-	22,638	-	-	-	-	-	22,638	-	22,638	-	22,638	34,436	57,074	-
	0.00%	0.00%	0.00%	0.00%	7.11%	0.00%	0.00%	0.00%	0.00%	0.00%	7.11%	0.00%	7.11%	0.00%	7.11%	10.81%	17.92%	0.00%
25 - Furniture & Fixtures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
26 - Paper & Allied Products	-	-	-	-	-	-	-	-	-	-	-	-	-	210,799	210,799	5,619	216,418	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	63.54%	63.54%	1.69%	65.24%	0.00%
28 - Chemicals & Allied Products	-	-	-	-	19,329	-	-	-	-	-	19,329	-	19,329	126	19,455	-	19,455	-
	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.00%	0.00%	1.00%	0.01%	1.00%	0.00%	1.00%	0.00%
29 - Petroleum Refining & Related Industries	-	-	-	-	-	-	-	-	-	-	-	-	-	655,066	655,066	271,609	926,674	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	28.70%	28.70%	11.90%	40.60%	0.00%
30 - Rubber & Miscellaneous Plastics Products	-	-	29,144	-	-	-	-	-	-	-	29,144	-	29,144	-	29,144	11,623	40,767	-
	0.00%	0.00%	0.66%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.66%	0.00%	0.66%	0.00%	0.66%	0.26%	0.92%	0.00%
32 - Stone, Clay, Glass & Concrete Products	-	-	-	-	17	-	-	-	-	-	17	-	17	43,398	43,415	-	43,415	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.85%	7.85%	0.00%	7.85%	0.00%
33 - Primary Metal Industries	-	-	17,825,407	-	756,822	4,615	-	-	-	-	18,582,229	4,615	18,586,844	-	18,586,844	-	18,586,844	-
	0.00%	0.00%	73.77%	0.00%	3.13%	0.02%	0.00%	0.00%	0.00%	0.00%	76.90%	0.02%	76.92%	0.00%	76.92%	0.00%	76.92%	0.00%
34 - Fabricated Metal Products, Except Machinery	-	-	-	3,990	2,054,545	3,942	1,801	-	-	-	2,056,346	7,932	2,064,278	570,014	2,634,292	-	2,634,292	-
	0.00%	0.00%	0.00%	0.02%	10.90%	0.02%	0.01%	0.00%	0.00%	0.00%	10.91%	0.04%	10.95%	3.02%	13.98%	0.00%	13.98%	0.00%
35 - Industrial & Commercial Machinery	2,155,810	1,260,792	-	-	-	-	34,975	-	-	-	2,190,785	1,260,792	3,451,577	504,379	3,955,956	-	3,955,956	-
	10.29%	6.02%	0.00%	0.00%	0.00%	0.00%	0.17%	0.00%	0.00%	0.00%	10.46%	6.02%	16.48%	2.41%	18.88%	0.00%	18.88%	0.00%

Continues on page 37

**A5 9.1.2 SoCalGas Procurement by Product Category Detail - 2015 (CONTINUED)**

Products	African American		Asian Pacific American		Hispanic American		Native American		Other		Total Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Business Enterprise (WMBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Total WMDVBE	Total
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women						
36 - Electronic & Other Electric Equipment & Components	-	-	-	-	845,487	-	-	-	-	-	845,487	-	845,487	9,832	855,319	-	855,319	4,955,461
	0.00%	0.00%	0.00%	0.00%	17.06%	0.00%	0.00%	0.00%	0.00%	0.00%	17.06%	0.00%	17.06%	0.20%	17.26%	0.00%	17.26%	
37 - Transportation Equipment	-	-	-	-	215,765	-	-	-	-	-	215,765	-	215,765	1,246	217,011	-	217,011	3,262,812
	0.00%	0.00%	0.00%	0.00%	6.61%	0.00%	0.00%	0.00%	0.00%	0.00%	6.61%	0.00%	6.61%	0.04%	6.65%	0.00%	6.65%	
38 - Measuring, Analyzing & Controlling Instruments	-	-	1,271,544	8,567	4,339	-	-	-	-	-	1,275,883	8,567	1,284,450	5,632,535	6,916,985	-	6,916,985	49,596,133
	0.00%	0.00%	2.56%	0.02%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	2.57%	0.02%	2.59%	11.36%	13.95%	0.00%	13.95%	
39 - Miscellaneous Manufacturing Industries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,380,353
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
50 - Wholesale Trade; Durable Goods	5,520,673	-	2,074,371	9,103,555	1,701,923	118,274,628	672,933	224,730	-	-	9,969,900	127,602,913	137,572,813	3,792,526	141,365,339	15,618,555	156,983,894	184,764,871
	2.99%	0.00%	1.12%	4.93%	0.92%	64.01%	0.36%	0.12%	0.00%	0.00%	5.40%	69.06%	74.46%	2.05%	76.51%	8.45%	84.96%	
51 - Wholesale Trade; Nondurable Goods	35,435	-	-	14,359	787,403	-	-	-	-	-	822,838	14,359	837,197	29,908,767	30,745,964	1,859,236	32,605,200	38,795,796
	0.09%	0.00%	0.00%	0.04%	2.03%	0.00%	0.00%	0.00%	0.00%	0.00%	2.12%	0.04%	2.16%	77.09%	79.25%	4.79%	84.04%	
52 - Building Materials, Hardware, Garden Supply	138	-	-	-	-	-	-	-	-	-	138	-	138	45,382	45,520	-	45,520	1,621,312
	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	2.80%	2.81%	0.00%	2.81%	
55 - Automotive Dealers & Gasoline Service Stations	79,044	-	-	-	25,393	-	251	-	-	-	104,688	-	104,688	8,813	113,501	-	113,501	2,302,418
	3.43%	0.00%	0.00%	0.00%	1.10%	0.00%	0.01%	0.00%	0.00%	0.00%	4.55%	0.00%	4.55%	0.38%	4.93%	0.00%	4.93%	
57 - Home Furniture, Furnishings & Equipment	-	-	-	-	-	-	-	155,574	-	-	-	155,574	155,574	503,877	659,451	-	659,451	855,376
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.19%	0.00%	0.00%	0.00%	18.19%	18.19%	58.91%	77.09%	0.00%	77.09%	
58 - Eating & Drinking Places	20,633	-	-	-	-	4,200	-	-	-	-	20,633	4,200	24,833	610,731	635,565	-	635,565	1,831,063
	1.13%	0.00%	0.00%	0.00%	0.00%	0.23%	0.00%	0.00%	0.00%	0.00%	1.13%	0.23%	1.36%	33.35%	34.71%	0.00%	34.71%	
59 - Miscellaneous Retail	-	-	-	-	437,886	615,662	-	-	-	-	437,886	615,662	1,053,548	890,444	1,943,992	13,722	1,957,714	2,387,758
	0.00%	0.00%	0.00%	0.00%	18.34%	25.78%	0.00%	0.00%	0.00%	0.00%	18.34%	25.78%	44.12%	37.29%	81.41%	0.57%	81.99%	
Total Products Procurement	<b>7,811,733</b>	<b>1,260,792</b>	<b>21,540,866</b>	<b>9,130,472</b>	<b>6,871,547</b>	<b>118,903,047</b>	<b>709,960</b>	<b>380,304</b>	<b>-</b>	<b>-</b>	<b>36,934,106</b>	<b>129,674,615</b>	<b>166,608,721</b>	<b>43,443,519</b>	<b>210,052,240</b>	<b>17,814,800</b>	<b>227,867,040</b>	<b>366,803,383</b>
	<b>2.13%</b>	<b>0.34%</b>	<b>5.87%</b>	<b>2.49%</b>	<b>1.87%</b>	<b>32.42%</b>	<b>0.19%</b>	<b>0.10%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>10.07%</b>	<b>35.35%</b>	<b>45.42%</b>	<b>11.84%</b>	<b>57.27%</b>	<b>4.86%</b>	<b>62.12%</b>	

## A6 9.1.2 SoCalGas Procurement by Service Category Summary - 2015

Services	Total Expenditures
07 – Agricultural Services	\$ 4,445,061
13 – Oil & Gas Extraction	\$ 40,632,195
15 – Building Construction–General Contractors & Operatives	\$ 56,392,787
16 – Heavy Construction Other Than Building Construction–Contractors	\$ 299,991,714
17 – Construction–Special Trade Contractors	\$ 143,788,876
27 – Printing, Publishing & Allied Industries	\$ 4,829,044
42 – Motor Freight Transportation & Warehousing	\$ 22,133,015
45 – Transportation By Air	\$ 51,651
46 – Pipelines, Except Natural Gas	\$ 12,999,896
47 – Transportation Services	\$ 4,148,318
48 – Communications	\$ 6,692,758
49 – Electric, Gas & Sanitary Services	\$ 7,961,434
60 – Depository Institutions	\$ 1,102,204
61 – Nondepository Credit Institutions	\$ 1,338
62 – Security & Commodity Brokers, Dealers	\$ 15,216,961
63 – Insurance Carriers	\$ 10,326
64 – Insurance Agents, Brokers & Service	\$ 608,705
65 – Real Estate	\$ 2,487,699
72 – Personal Services	\$ 2,454,897
73 – Business Services	\$ 191,221,807
75 – Automotive Repair, Services & Parking	\$ 1,437,179
76 – Miscellaneous Repair Services	\$ 11,035,859
78 – Motion Pictures	\$ 212,174
80 – Health Services	\$ 1,686,937
81 – Legal Services	\$ 8,262,089
82 – Educational Services	\$ 533,530
83 – Social Services	\$ 3,099,722
86 – Membership Organizations	\$ 2,500
87 – Engineering, Accounting, Research, Management	\$ 256,013,922
89 – Services, Not Elsewhere Classified	\$ 22,659,570
95 – Administration Of Environmental Quality & Housing Programs	\$ 6,270
99 – Nonclassifiable Establishments	\$ 1,996,053
<b>Total Services Procurement</b>	<b>\$ 1,124,116,491</b>



**A7 9.1.2 SoCalGas Procurement by Service Category Detail - 2015**

Products	African American		Asian Pacific American		Hispanic American		Native American		Other		Total Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Business Enterprise (WMBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Total WMDVBE	Total
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women						
07 - Agricultural Services	-	-	-	-	728,611	-	-	-	-	-	728,611	-	728,611	449,128	1,177,739	-	1,177,739	4,445,061
	0.00%	0.00%	0.00%	0.00%	16.39%	0.00%	0.00%	0.00%	0.00%	0.00%	16.39%	0.00%	16.39%	10.10%	26.50%	0.00%	26.50%	
13 - Oil & Gas Extraction	-	-	-	426,332	27,690	-	1,964,975	-	-	-	1,992,665	426,332	2,418,997	685,930	3,104,927	-	3,104,927	40,632,195
	0.00%	0.00%	0.00%	1.05%	0.07%	0.00%	4.84%	0.00%	0.00%	0.00%	4.90%	1.05%	5.95%	1.69%	7.64%	0.00%	7.64%	
15 - Building Construction-General Contractors & Operatives	919,161	-	-	-	17,696,725	102,436	16,512	-	-	-	18,632,398	102,436	18,734,834	27,322,234	46,057,069	8,825,341	54,882,410	56,392,787
	1.63%	0.00%	0.00%	0.00%	31.38%	0.18%	0.03%	0.00%	0.00%	0.00%	33.04%	0.18%	33.22%	48.45%	81.67%	15.65%	97.32%	
16 - Heavy Construction Other Than Building Construction Contractors	525,286	-	-	-	44,298,607	63,268	1,443	-	-	-	44,825,336	63,268	44,888,604	9,631,069	54,519,673	-	54,519,673	299,991,714
	0.18%	0.00%	0.00%	0.00%	14.77%	0.02%	0.00%	0.00%	0.00%	0.00%	14.94%	0.02%	14.96%	3.21%	18.17%	0.00%	18.17%	
17 - Construction-Special Trade Contractors	7,662,995	53,462	4,161,463	20,163	20,084,710	6,543,088	2,594,004	-	-	-	34,503,172	6,616,713	41,119,885	37,106,240	78,226,125	4,050,644	82,276,769	143,788,876
	5.33%	0.04%	2.89%	0.01%	13.97%	4.55%	1.80%	0.00%	0.00%	0.00%	24.00%	4.60%	28.60%	25.81%	54.40%	2.82%	57.22%	
27 - Printing, Publishing & Allied Industries	-	10,000	1,131,097	-	49,792	17,173	-	-	-	-	1,180,889	27,173	1,208,062	837,087	2,045,149	42,102	2,087,251	4,829,044
	0.00%	0.21%	23.42%	0.00%	1.03%	0.36%	0.00%	0.00%	0.00%	0.00%	24.45%	0.56%	25.02%	17.33%	42.35%	0.87%	43.22%	
42 - Motor Freight Transportation & Warehousing	4,779,557	288,289	900	19,105	7,431,347	1,818,531	-	-	-	-	12,211,803	2,125,925	14,337,728	5,468,546	19,806,274	-	19,806,274	22,133,015
	21.59%	1.30%	0.00%	0.09%	33.58%	8.22%	0.00%	0.00%	0.00%	0.00%	55.17%	9.61%	64.78%	24.71%	89.49%	0.00%	89.49%	
45 - Transportation By Air	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51,651
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
46 - Pipelines, Except Natural Gas	-	-	-	-	-	-	-	-	-	-	-	-	-	12,999,896	12,999,896	-	12,999,896	12,999,896
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%	0.00%	100.00%	
47 - Transportation Services	323,691	-	-	-	10,201	-	1,974,612	-	-	-	2,308,504	-	2,308,504	281,238	2,589,742	-	2,589,742	4,148,318
	7.80%	0.00%	0.00%	0.00%	0.25%	0.00%	47.60%	0.00%	0.00%	0.00%	55.65%	0.00%	55.65%	6.78%	62.43%	0.00%	62.43%	
48 - Communications	-	-	-	-	-	5,182,032	-	-	-	-	-	5,182,032	5,182,032	-	5,182,032	-	5,182,032	6,692,758
	0.00%	0.00%	0.00%	0.00%	0.00%	77.43%	0.00%	0.00%	0.00%	0.00%	0.00%	77.43%	77.43%	0.00%	77.43%	0.00%	77.43%	
49 - Electric, Gas & Sanitary Services	-	-	-	-	6,645	87,403	-	-	-	-	6,645	87,403	94,048	27	94,075	74,083	168,158	7,961,434
	0.00%	0.00%	0.00%	0.00%	0.08%	1.10%	0.00%	0.00%	0.00%	0.00%	0.08%	1.10%	1.18%	0.00%	1.18%	0.93%	2.11%	
60 - Depository Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,102,204
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
61 - Nondepository Credit Institutions	1,338	-	-	-	-	-	-	-	-	-	1,338	-	1,338	-	1,338	-	1,338	1,338
	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	100.00%	0.00%	100.00%	0.00%	100.00%	
62 - Security & Commodity Brokers, Dealers	393,750	-	-	-	323,112	-	-	-	-	-	716,862	-	716,862	-	716,862	71,461	788,323	15,216,961
	2.59%	0.00%	0.00%	0.00%	2.12%	0.00%	0.00%	0.00%	0.00%	0.00%	4.71%	0.00%	4.71%	0.00%	4.71%	0.47%	5.18%	
63 - Insurance Carriers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,326
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

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**A7 9.1.2 SoCalGas Procurement by Service Category Detail - 2015 (CONTINUED)**

Products	African American		Asian Pacific American		Hispanic American		Native American		Other		Total Minority		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Business Enterprise (WMBE)	Service-Disabled Veteran Business Enterprise (SDVBE)	Total WMDVBE	Total
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women						
64 - Insurance Agents, Brokers & Service	-	-	-	-	-	-	-	-	-	-	-	-	-	61,942	61,942	-	61,942	608,705
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.18%	10.18%	0.00%	10.18%	
65 - Real Estate	529,553	50,404	-	-	-	-	-	-	-	-	529,553	50,404	579,957	677,558	1,257,515	-	1,257,515	2,487,699
	21.29%	2.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	21.29%	2.03%	23.31%	27.24%	50.55%	0.00%	50.55%	
72 - Personal Services	-	-	-	-	-	-	-	-	-	-	-	-	-	60,459	60,459	-	60,459	2,454,897
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.46%	2.46%	0.00%	2.46%	
73 - Business Services	5,103,742	8,614,693	3,282,506	1,937,820	10,839,814	3,640,829	207,051	61,201	-	-	19,433,112	14,254,542	33,687,654	25,959,685	59,647,339	2,654,664	62,302,003	191,221,807
	2.67%	4.51%	1.72%	1.01%	5.67%	1.90%	0.11%	0.03%	0.00%	0.00%	10.16%	7.45%	17.62%	13.58%	31.19%	1.39%	32.58%	
75 - Automotive Repair, Services & Parking	-	-	-	-	80,891	8,523	-	-	-	-	80,891	8,523	89,414	18,771	108,185	-	108,185	1,437,179
	0.00%	0.00%	0.00%	0.00%	5.63%	0.59%	0.00%	0.00%	0.00%	0.00%	5.63%	0.59%	6.22%	1.31%	7.53%	0.00%	7.53%	
76 - Miscellaneous Repair Services	-	-	-	-	-	-	-	-	-	-	-	-	-	77,299	77,299	-	77,299	11,035,859
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.70%	0.70%	0.00%	0.70%	
78 - Motion Pictures	-	188,069	-	-	-	-	-	-	-	-	-	188,069	188,069	22,855	210,924	-	210,924	212,174
	0.00%	88.64%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	88.64%	88.64%	10.77%	99.41%	0.00%	99.41%	
80 - Health Services	-	-	-	979,858	-	-	-	-	-	-	-	979,858	979,858	-	979,858	-	979,858	1,686,937
	0.00%	0.00%	0.00%	58.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	58.09%	58.09%	0.00%	58.09%	0.00%	58.09%	
81 - Legal Services	42,932	118,013	1,459,745	-	99,618	20,865	-	-	-	-	1,602,295	138,878	1,741,173	1,725,913	3,467,087	-	3,467,087	8,262,089
	0.52%	1.43%	17.67%	0.00%	1.21%	0.25%	0.00%	0.00%	0.00%	0.00%	19.39%	1.68%	21.07%	20.89%	41.96%	0.00%	41.96%	
82 - Educational Services	-	-	-	-	-	503,198	-	-	-	-	-	503,198	503,198	492	503,690	-	503,690	533,530
	0.00%	0.00%	0.00%	0.00%	0.00%	94.31%	0.00%	0.00%	0.00%	0.00%	0.00%	94.31%	94.31%	0.09%	94.41%	0.00%	94.41%	
83 - Social Services	318,990	-	-	-	1,407,569	-	-	-	-	-	1,726,559	-	1,726,559	-	1,726,559	-	1,726,559	3,099,722
	10.29%	0.00%	0.00%	0.00%	45.41%	0.00%	0.00%	0.00%	0.00%	0.00%	55.70%	0.00%	55.70%	0.00%	55.70%	0.00%	55.70%	
86 - Membership Organizations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
87 - Engineering, Accounting, Research, Management	6,328,194	2,782,157	20,050,695	747,514	30,076,033	2,536,210	9,707,293	93,626	-	-	66,162,216	6,159,508	72,321,723	38,316,355	110,638,078	1,165,916	111,803,994	256,013,922
	2.47%	1.09%	7.83%	0.29%	11.75%	0.99%	3.79%	0.04%	0.00%	0.00%	25.84%	2.41%	28.25%	14.97%	43.22%	0.46%	43.67%	
89 - Services, Not Elsewhere Classified	-	95,430	879,327	129,135	167,277	2,442,000	-	-	-	-	1,046,604	2,666,565	3,713,170	11,243,371	14,956,540	741,595	15,698,135	22,659,570
	0.00%	0.42%	3.88%	0.57%	0.74%	10.78%	0.00%	0.00%	0.00%	0.00%	4.62%	11.77%	16.39%	49.62%	66.01%	3.27%	69.28%	
95 - Administration Of Environmental Quality & Housing Programs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,270
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
99 - Nonclassifiable Establishments	-	-	-	-	-	-	-	-	-	-	-	-	-	194,853	194,853	1,139	195,992	1,996,053
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.76%	9.76%	0.06%	9.82%	
Total Services Procurement	26,929,189	12,200,516	30,965,732	4,259,928	133,328,644	22,965,556	16,465,890	154,827	-	-	207,689,454	39,580,826	247,270,281	173,140,947	420,411,228	17,626,946	438,038,173	1,124,116,491
	2.40%	1.09%	2.75%	0.38%	11.86%	2.04%	1.46%	0.01%	0.00%	0.00%	18.48%	3.52%	22.00%	15.40%	37.40%	1.57%	38.97%	

**A8 9.1.10A Annual Energy Product Results by Ethnicity and WMDVLGBTBE Certification - 2015**

Product 1	Unit	Results by Ethnicity and Gender															Results by WMDVBE Certification					
		Asian Pacific American			African American			Hispanic American			Native American			Other Minority2			Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Service Disabled Veteran Business Enterprise (SDVBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Total WMDVBE Procurement Spend	Total Procurement Spend
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total						
SHORT TERM	\$	\$0	\$17,502,027	\$17,502,027	\$11,751,385	\$12,055,530	\$23,806,915	\$10,447,869	\$0	\$10,447,869	\$22,892,472	\$0	\$22,892,472	\$0	\$0	\$0	\$74,649,282	\$14,883,337	\$4,344,749	\$0	\$93,877,368	\$513,207,377
	%	0.0%	3.4%	3.4%	2.3%	2.3%	4.6%	2.0%	0.0%	2.0%	4.5%	0.0%	4.5%	0.0%	0.0%	0.0%	14.5%	2.9%	0.8%	0.0%	18.3%	46.9%
	Dth	0	6,595,742	6,595,742	4,419,443	4,416,024	8,835,467	3,969,328	0	3,969,328	8,902,739	0	8,902,739	0	0	0	28,303,276	5,630,372	1,728,943	0	35,662,591	196,594,527
	%	0.0%	3.4%	3.4%	2.2%	2.2%	4.5%	2.0%	0.0%	2.0%	4.5%	0.0%	4.5%	0.0%	0.0%	0.0%	14.4%	2.9%	0.9%	0.0%	18.1%	46.6%
LONG TERM	\$	\$0	\$12,973,123	\$12,973,123	\$5,713,351	\$5,947,663	\$63,079,014	\$3,242,047	\$0	\$3,242,047	\$8,954,007	\$0	\$8,954,007	\$0	\$0	\$0	\$88,248,192	\$3,242,047	\$22,547,021	\$0	\$114,037,260	\$580,490,417
	%	0.0%	2.2%	2.2%	9.8%	1.0%	10.9%	0.6%	0.0%	0.6%	1.5%	0.0%	1.5%	0.0%	0.0%	0.0%	15.2%	0.6%	3.9%	0.0%	19.6%	53.1%
	Dth	0	4,690,418	4,690,418	21,645,742	2,376,934	24,022,676	1,480,238	0	1,480,238	3,512,306	0	3,512,306	0	0	0	33,705,638	1,480,238	8,597,668	0	43,783,544	225,013,496
	%	0.0%	2.1%	2.1%	9.6%	1.1%	10.7%	0.7%	0.0%	0.7%	1.6%	0.0%	1.6%	0.0%	0.0%	0.0%	15.0%	0.7%	3.8%	0.0%	19.5%	53.4%
TOTAL	\$	\$0	\$30,475,150	\$30,475,150	\$68,882,736	\$18,003,193	\$86,885,929	\$13,689,916	\$0	\$13,689,916	\$31,846,479	\$0	\$31,846,479	\$0	\$0	\$0	\$162,897,474	\$18,125,384	\$26,891,769	\$0	\$207,914,628	\$1,093,697,794
	%	0.0%	2.8%	2.8%	6.3%	1.6%	7.9%	1.3%	0.0%	1.3%	2.9%	0.0%	2.9%	0.0%	0.0%	0.0%	14.9%	1.7%	2.5%	0.0%	19.0%	100.0%
	Dth	0	11,286,160	11,286,160	26,065,185	6,792,958	32,858,143	5,449,566	0	5,449,566	12,415,045	0	12,415,045	0	0	0	62,008,914	7,110,610	10,326,611	0	79,446,135	421,608,023
	%	0.0%	2.7%	2.7%	6.2%	1.6%	7.8%	1.3%	0.0%	1.3%	2.9%	0.0%	2.9%	0.0%	0.0%	0.0%	14.7%	1.7%	2.4%	0.0%	18.8%	100.0%

**NOTE:**

**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 than one calendar year

1 Excludes purchases from the CAISO, other IOUs, utilities, Federal entities, State entities, Municipalities and cooperatives

2 Includes Non-WMDVLGBT firms classified as 8(a) of Small Business Administration



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