



# **GO 156 Report**

## **Year 2015 Utility Procurement of Goods, Services and Fuel from Women-, Minority-, Disabled Veteran-, and LGBT-owned Business Enterprises**



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# GO 156 Report to the Legislature

## CPUC's 30<sup>th</sup> Annual Supplier Diversity Procurement Report

- Details progress by utilities in procuring goods, services, and fuel from women-, minority-, disabled veteran-, and LGBT-owned business enterprises (WMDVLGBTBEs).
- 21.5% procurement from diverse suppliers.
  - The goals are 15 percent, 5 percent, and 1.5 percent for minority-owned, women-owned, and disabled veteran-owned businesses, respectively.
  - No goal for LGBT-owned business enterprises.

## 34 Utilities & Carriers Filed Annual Reports

1. Large utilities (14)- with annual total procurement of over \$150 million.
  2. Small utilities (18) – with less than \$150 million in annual total procurement.
- Cox Communications and Verizon Business Services reported nationwide diverse spend.





## GO 156 Report – Overview of Procurement

- ❑ Utilities spending with diverse suppliers increased from \$8.67 billion in 2014 to \$8.82 billion in 2015.
- ❑ For 2015, there was a decrease in the percentage of total utilities procurement from diverse suppliers; from 32.86% in 2014 to 32.36% in 2015.

Category	<u>2014</u> Diversity Procurement Amount	Percentage Achieved	<u>2015</u> Diversity Procurement Amount	Percentage Achieved	Goal
MBE	\$5.82 billion	22.07%	\$5.58 billion	20.50%	15%
WBE	\$2.47 billion	9.36%	\$2.76 billion	10.13%	5%
DVBE	\$0.38 billion	1.43%	\$0.46 billion	1.70%	1.5%
LGBTBE	--	--	\$0.01 billion	0.02%	--
<b>Total</b>	<b>\$8.67 billion</b>	<b>32.86%</b>	<b>\$8.82 billion</b>	<b>32.36%</b>	<b>21.5%</b>





## 2015 Top Performers

Company	<u>2015</u> Diversity Procurement	Percentage Achieved	<u>2014</u> Diversity Procurement	Percentage Achieved
Southwest Gas	\$ 20.1 million	75.53%	\$14.12 million	72.02%
AT&T Long Dist.	\$19.42 million	51.50%	\$25.82 million	34.21%
Verizon California	\$82.68 million	51.23%	\$111.22 million	49.11%
AT&T California	\$1.01 billion	48.56%	\$1.11 billion	41.74%
SoCalGas	\$665.9 million	44.66%	\$571.43 million	48.42%
Sprint	\$585.2 million	44.48%	\$684.11 million	50.03%
PG&E	\$2.47 billion	44.01%	\$2.11 billion	40.92%
SCE	\$1.83 billion	42.90%	\$1.7 billion	44.97%
SDG&E	\$497.46 million	42.74%	\$491.82 million	44.44%
Liberty Utilities- Park Water	\$12.54 million	39.94%	\$9.74 million	39.07%





## Who Met All Three Goals?

*GO156 goal = 21.5% of total procurement from diverse suppliers*

	<b>15% Minority</b>	<b>5% Women</b>	<b>1.5% DVBE</b>
AT&T California	27.64%	16.78%	4.12%
AT&T Long Dist.	29.98%	17.26%	4.22%
PG&E	28.36%	12.89%	2.76%
SDG&E	26.33%	14.04%	2.37%
SCE	24.59%	16.15%	2.17%
SoCalGas	27.76%	14.53%	2.38%
Sprint	32.08%	9.92%	2.48%
Verizon California	26.72%	14.65%	9.86%





## GO 156 Report – Overview of Power Report

Total utilities diverse Power Procurement for 2015 was \$511 million, representing a 6.24% increase from 2014.

Utility	<u>2015</u> Diversity Procurement	<u>2015</u> Total Procurement	Percentage Achieved	Goal
PG&E	\$119 million	\$3.89 billion	3.05%	21.5%
SDG&E	\$105 million	\$1.15 billion	9.12 %	21.5%
SCE	\$287 million	\$3.32 billion	8.7%	21.5%





# GO 156 Report – Overview of Fuel Report

Total utilities diverse Fuel Procurement for 2015 was \$325.4 million, representing a 38.7% percent decrease from 2014.

Utility	<u>2015</u> Diversity Procurement	<u>2015</u> Total Procurement	Percentage Achieved	Goal
PG&E	115 million	798 million	14.41%	21.5%
SCE	\$0.62 million	\$0.62 million	100%	21.5%
SoCalGas	\$208 million	\$1.1 billion	19.01%	21.5%
Southwest Gas	\$1.86 million	\$34 million	5.45%	21.5%





## 2015 General Order 156 Program Highlights

- Launched LGBTBE certification
- Worked with diverse organizations to promote the GO 156 program and to recruited suppliers in areas that are underutilized, unavailable and highly technical in nature
- Met with participating utilities to review their 2015 GO 156 performance
- Increased the number of certified diverse suppliers in the Supplier Clearinghouse database (6%)
- Initiated efforts to encourage representatives of diverse groups to work together to facilitate the enhanced inclusion of qualified diverse suppliers in the GO 156 program
- Transitioned the Supplier Clearinghouse to a new vendor successfully







## 2015 Supplier Clearinghouse Major Accomplishments

- Introduced new Clearinghouse service provider as of July 1, 2015
- Launched new website and technology platform
- Successfully implemented LGBTBE certification
- Maintained database of 8665 certified WMDVLGBTBE firms
- Standardized Clearinghouse definitions and interpretations of key terms
- Revised, standardized and streamlined applications & processes
- Increased Clearinghouse staff
- Provided training to utility staff and applicant firms





# 2015 Supplier Clearinghouse Program Outreach

***Supplier Clearinghouse supported 19 outreach and training events throughout California***

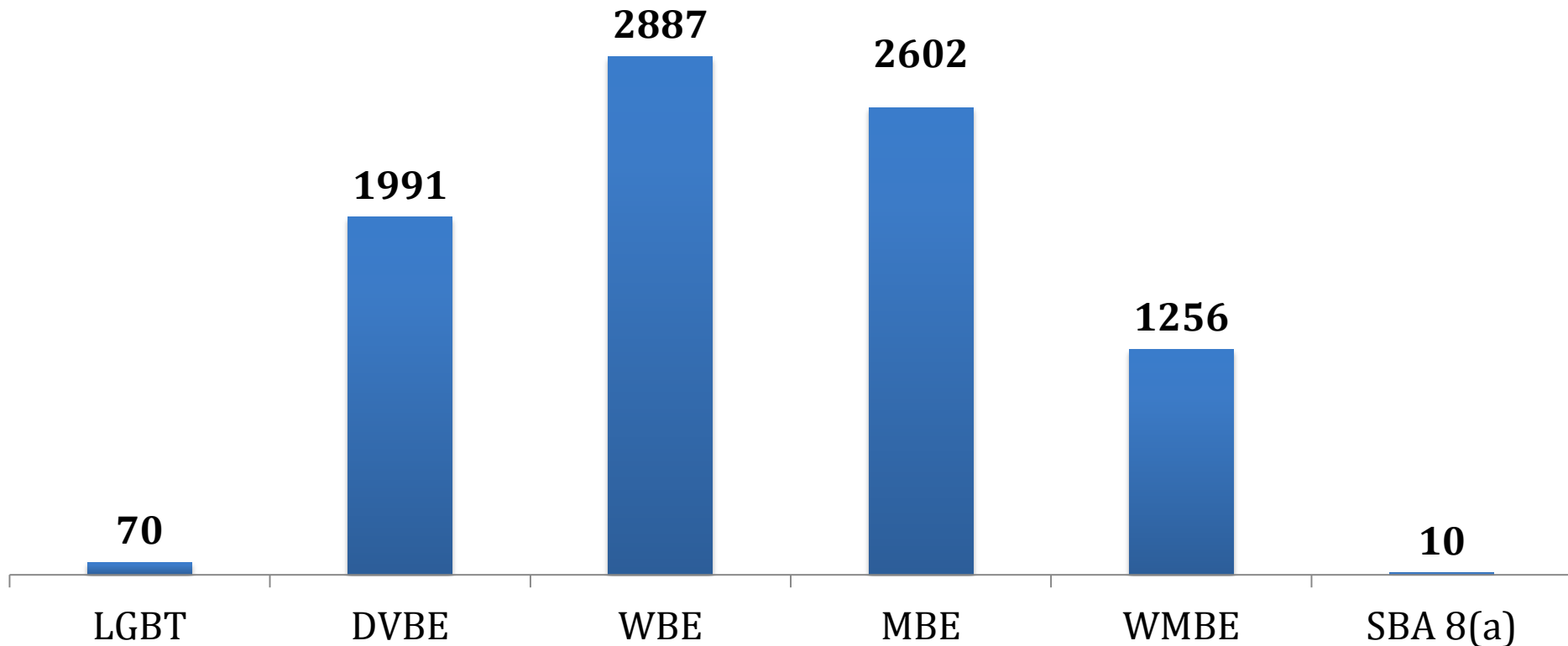
- Asian Business Association - Minority Certification Seminar
- Black Business Association - Procurement Exchange Summit
- California Regional Transportation Summit - Fresno/Bakersfield/Palmdale
- California Water Association - Business Opportunity Fair (2)
- CPUC - Small Business Expo (2)
- CPUC - En Banc
- Fresno Metro Black Chamber of Commerce - Central Valley Business Diversity Expo
- Joint Utilities Meeting (4)
- Port of Long Beach – Regional Hispanic Chamber of Commerce – Business Success Workshop
- Southwest Gas - How to do Business with Southwest Gas and Prime Contractors
- San Diego Gas & Electric - Mastering Business Growth
- SoCalGas - Mastering Business Growth
- Latino Chamber of Commerce
- 5th Annual California Cable Conference





# Supplier Clearinghouse

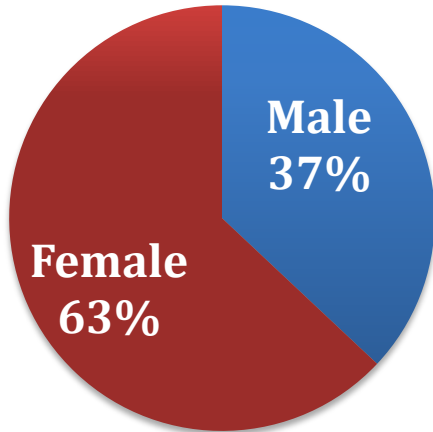
## Certification Types



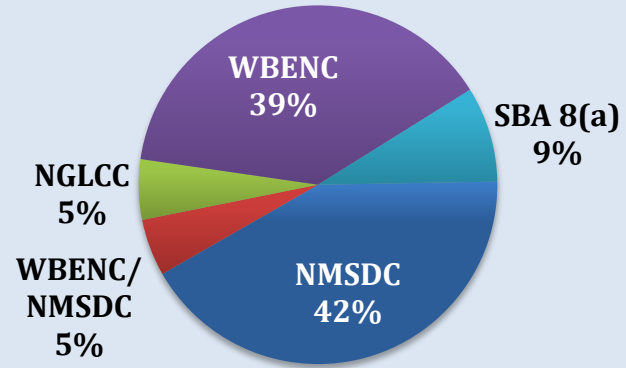


# Supplier Clearinghouse

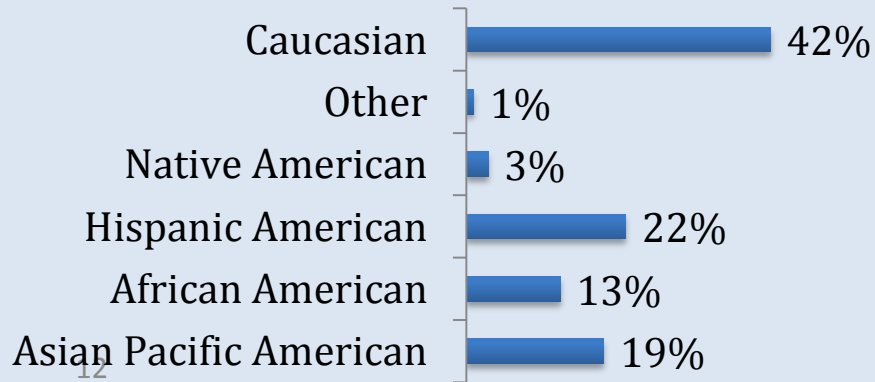
## Gender



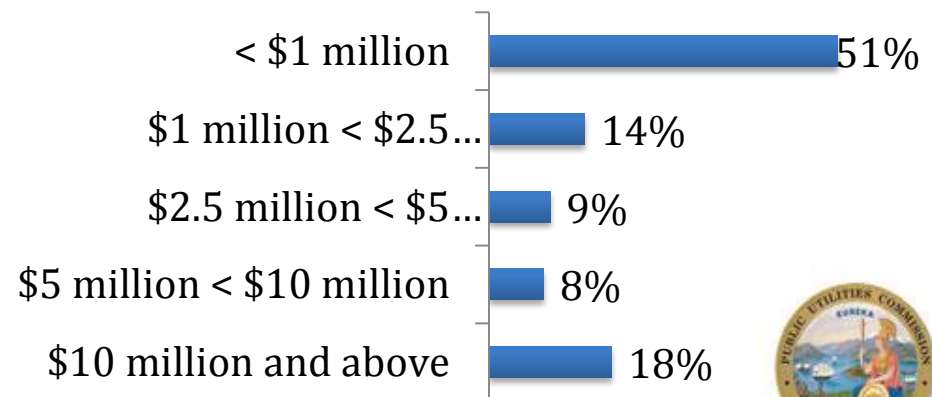
## Reciprocal



## Ethnicity



## Business Size





# Supplier Clearinghouse

## Certified Firms by Standard Industrial Code (SIC)





## GO 156 – What's Next?

- CPUC will continue to elevate the overall effectiveness and success of the GO 156 program by:
  - Encouraging the inclusion of LGBTBEs
  - Increasing the number of qualified certified WMDVLGBTBEs in the Supplier Clearinghouse database
  - Building partnerships with CBOs and WMDVLGBTBE communities
  - Strengthening the utilities' supplier diversity subcontracting programs
  - Working with small utilities to further their GO 156 program engagement to improve and sustain their performance
  - Forming groups capable of identifying and addressing issues and challenges of procurement with each diverse category (MBE, WBE, DVBE and LGBTBE)
  - Improving and implementing best practices to advance supplier diversity performance
  - Educating WMDVLGBTBEs on the values of developing safety programs as part of their service quality
  - Quantifying the benefits of the GO 156 program to the utilities, ratepayers and California economy
  - Removing barriers and understanding adverse market conditions that could impact the GO 156 program's success
  - Collaborating with Charter and Frontier on their program development and performance





Full 2016 CPUC's GO 156 Report  
<http://www.cpuc.ca.gov/supplierdiversity/>

**Thank You**

