

Supplier Diversity 2020 Annual Report

Report to the
California Public
Utilities Commission

Desert Community Energy
March 1, 2021



**DESERT
COMMUNITY
ENERGY**

The **POWER** of choice

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2020 Annual Report

Desert Community Energy (DCE) is a local government, not-for-profit Joint Powers Authority for the cities of Palm Springs, Cathedral City, and Palm Desert, serving more than 40,000+ residential, commercial, industrial, and agricultural accounts located in Riverside County. DCE's Community Choice Aggregation (CCA) program was established in December 2017 and began serving load in the City of Palm Springs in April 2020. DCE's primary goal is to have local control over its electricity future by: 1) providing electric generation at competitive, stable rates; 2) developing programs to reduce energy consumption; and 3) stimulating and sustaining the local economy by developing local jobs in renewable energy.

DCE began serving customers for the first time in April 2020 in one of our member cities, Palm Springs. The preparation of this report has helped us to better understand the GO156 requirements and the efforts that will contribute to diversifying our procurement. DCE is committed to furthering equal access to economic opportunity for business enterprises owned by women, minorities, disabled veterans, lesbian, gay, bisexual, transgender (WMDVLGBT) and other underserved or marginalized groups. DCE also continues efforts to include local and small businesses in our procurement. As noted, one of the goals of DCE is to keep profits in our local communities to benefit businesses and residents, including those who have suffered from economic marginalization.

The California Public Utilities Commission (CPUC) General Order 156 (GO 156) emphasizes preferential purchasing for Women Minority Disabled Veteran Lesbian Gay Bisexual Transgender Business Enterprises (WMDVLGBTBE). In compliance with Proposition 209, CCAs as local government entities do not explicitly give preferential treatment to bidders based on race, sex, color, ethnicity, or national origin. To comply with Proposition 209, CCAs may collect this information only after contracts are signed, and responses are kept separate from procurement decision makers, so that this information does not influence any current or future solicitation or selection process. Proposition 209 limits CCAs as public agencies from engaging in several of the activities associated with supplier diversity under GO 156, but DCE believes in equal opportunity and equal treatment to all and will continue to improve its standards.

9.1.1 Diverse Program Activities

In 2020, DCE engaged in the following activities oriented toward increasing supplier diversity:

1. Crafting this Annual Supplier Diversity Report and Plan.
2. Familiarizing our staff with the history, requirements, and intent of Senate Bill 255 and General Order 156.
3. Working with other CCAs as members of CalCCA to share best practices in how to maximize supplier diversity in our communities, given the constraints of Proposition 209.
4. Reviewing information provided by CPUC staff regarding compliance with GO 156 and the opportunities available to CCAs to diversify procurement.
5. Identifying the need to develop an action plan to diversify our business enterprise (BE) opportunities.
6. Plan to increase our efforts in 2021 to expand on diversity and inclusion goals, including procurement, community relations, board representation, and hiring/contracting practices.

In 2021, DCE will dedicate resources to working with our existing and future suppliers on opportunities to expand institutional diversity and inclusion for WMDVLGBTBEs.

9.1.2 Summary of Purchases

WMDVLGBTBE Annual Results by Ethnicity

Desert Community Energy		2020 Report		G.O. #156 Sec. 9.1.2		
WMDVLGBTBE Annual Results by Ethnicity						
		2020				
		Direct	Sub	Total \$	%	
1	Minority Male	Asian Pacific American	\$0	\$0	\$0	0.00%
2		African American	\$0	\$0	\$0	0.00%
3		Hispanic American	\$0	\$0	\$0	0.00%
4		Native American	\$0	\$0	\$0	0.00%
5		Total Minority Male	\$0	\$0	\$0	0.00%
6	Minority Female	Asian Pacific American	\$0	\$0	\$0	0.00%
7		African American	\$0	\$0	\$0	0.00%
8		Hispanic American	\$0	\$0	\$0	0.00%
9		Native American	\$0	\$0	\$0	0.00%
10		Total Minority Female	\$0	\$0	\$0	0.00%
11	Total Minority Business Enterprise (MBE)		\$0	\$0	\$0	0.00%
12	Women Business Enterprise (WBE)		\$0	\$0	\$0	0.00%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$97,816	\$0	\$97,816	0.39%
14	Disabled Veteran Business Enterprise (DVBE)		\$0	\$0	\$0	0.00%
15	Other 8(a)*		\$0	\$0	\$0	0.00%
16	TOTAL WMDVLGBTBE		\$97,816	\$0	\$97,816	0.39%
17	Net Procurement**		\$25,153,272			
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE						
** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS						
Direct - DIRECT PROCUREMENT						
Sub - SUBCONTRACTOR PROCUREMENT						
% - PERCENTAGE OF NET PROCUREMENT						

WMDVLGBTBE Direct Procurement by Product and Service Categories

DCE does not have sufficient procurement information broken down by product and service categories for our certified vendors.

Desert Community Energy		2020 Report				G.O. #156 Sec. 9.1.2			
WMDVLGBTBE Direct Procurement by Product and Service Categories									
				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
2		African American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
3		Hispanic American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
4		Native American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
5		Total Minority Male	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
6	Minority Female	Asian Pacific American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
7		African American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
8		Hispanic American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
9		Native American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
10		Total Minority Female	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
11	Total Minority Business Enterprise (MBE)		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
12	Women Business Enterprise (WBE)		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$0	0.00%	\$97,816	4.81%	\$97,816	0.39%
14	Disabled Veteran Business Enterprise (DVBE)		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
15	Other 8(a)*		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
16	TOTAL WMDVLGBTBE		Direct	\$0	0.00%	\$97,816	4.81%	\$97,816	0.39%
17	Total Product Procurement				\$23,118,669				
18	Total Service Procurement				\$2,034,603				
19	Net Procurement**				\$25,153,272				
20	Total Number of WMDVLGBTBEs that Received Direct Spend								1
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS Direct - DIRECT PROCUREMENT Sub - SUBCONTRACTOR PROCUREMENT %- PERCENTAGE OF NET PROCUREMENT									

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WMDVLGBTBE Subcontractor Procurement by Product and Service Categories

DCE does not have sufficient procurement information broken down by product and service categories for our certified vendors.

Desert Community Energy		2020 Report			G.O. #156 Sec. 9.1.2				
WMDVLGBTBE Subcontractor Procurement by Product and Service Categories									
				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
2		African American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
3		Hispanic American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
4		Native American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
5		Total Minority Male	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
6	Minority Female	Asian Pacific American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
7		African American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
8		Hispanic American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
9		Native American	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
10		Total Minority Female	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
11	Total Minority Business Enterprise (MBE)		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
12	Women Business Enterprise (WBE)		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
15	Other 8(a)*		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
16	TOTAL WMDVLGBTBE		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
17	Total Product Procurement								
18	Total Service Procurement								
19	Net Procurement**								
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS Direct - DIRECT PROCUREMENT Sub - SUBCONTRACTOR PROCUREMENT % - PERCENTAGE OF NET PROCUREMENT									

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WMDVLGBTBE Procurement by Standard Industrial Categories

DCE does not have sufficient procurement information broken down by product and service categories for our certified vendors.

Desert Community Energy		2020 Report										G. O. #156 Sec 9.1.2			
WMDVLGBTBE Procurement by Standard Industrial Categories															
SIC Category	Asian Pacific American		African American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
	Male	Female	Male	Female	Male	Female	Male	Female							
8743 Public Relations Services	\$										\$97,816			\$97,816	\$97,816
	%										0.39%			0.39%	0.39%
Category 2	\$														
	%														
Category 3	\$														
	%														
Category 4	\$														
	%														
Category 5	\$														
	%														
Category 6	\$														
	%														
Category 7	\$														
	%														
Category 8	\$														
	%														
Category 9	\$														
	%														
Category 10	\$														
	%														
TOTAL	\$														
	%														

Total Product Procurement	\$23,118,689
Total Service Procurement	\$2,034,603
Net Procurement***	\$25,153,272

NOTE: FIRMS WITH MULT MINORITY OWNERSHIP STATUS
 **FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ***NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 TOTAL DOLLARS - TOTAL PROCUREMENT DOLLAR AMOUNT IN THE SPECIFIC SIC CATEGORY
 % - PERCENTAGE OF TOTAL DOLLARS

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Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse

DCE populated the “Utility-Specific 2020 Summary” portion of this table with our vendor revenue; we did not have sufficient information to report “Revenue Reported to CHS” this year. We will strive to engage our vendors earlier in program year 2021 to obtain this information.

Desert Community Energy				2020 Report				G. O. #156 Sec 9.1.2 (D.11-05-019 & D.06-11-028)				
Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse												
Data on Number of Suppliers												
Revenue Reported to CHS						Utility-Specific [2020] Summary						
# WMDVLGBTBEs	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1 million									1			1
Under \$5 million												
Under \$10 million												
Above \$10 million												
TOTAL									1			1
Revenue and Payment Data												
Revenue Reported to CHS						Utility-Specific [2020] Summary						
WMDVLGBTBE \$M	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1 million									\$ 97,816			\$ 97,816
Under \$5 million												
Under \$10 million												
Above \$10 million												
TOTAL									\$ 97,816			\$ 97,816
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE												
CHS: CLEARINGHOUSE SUPPLIER												

Number of WMDVLGBTBEs with majority of workforce working in California

DCE does not have sufficient information to determine the number of certified diverse employees working in California; however, our certified vendors are based in California.

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9.1.3 Diverse Supplier Program Expenses

DCE does not have details for this section for 2020.

Desert Community Energy	2020 Report	G.O. #156 Sec. 9.1.3		
WMDVLGBTBE Program Expenses				

Expense Category	Year (Actual)
Wages	\$0
Other Employee Expenses	\$0
Program Expenses	\$0
Reporting Expenses	\$0
Training	\$0
Consultants	\$0
Other	\$0
TOTAL	\$0

9.1.4 Description of Progress in Meeting or Exceeding Set Goals

This section is not applicable to CCAs.

9.1.5 Summary of Prime Contractors Utilization of Diverse Supplier Subcontractors

DCE’s prime contractors may have utilized diverse supplier subcontractors; however, DCE does not have these records for 2020.

9.1.6 List of WMDVLGBTBE Complaints Received

DCE did not receive any formal complaints this reporting cycle.

9.1.7 Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Areas

This section is not applicable to CCAs.

9.1.8 Retention of All Documents/Data

This section is not applicable to CCAs.

9.1.11 WMDVLGBTBE Fuel Procurement

DCE did not procure electricity from a CPUC Supplier Diversity Program certified entity during reporting year 2020, nor did DCE have any owned power plants or power purchase agreements which would require us to provide fuel for generators (Table 9.1.11 on next page.)

Annual Power Product Results by Ethnicity and WMDV/LGBTBE Certification

(All dollar figures in \$MM)

Product ¹	Unit	Results by Ethnicity & Gender												Results by WMDV/LGBTBE Certification								
		Asian Pacific American			African American			Hispanic American			Native American			Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVB/E)	Other 8(a) ⁵	Subcontracting Total	Total WMDV/LGBTBE Procurement Spend ⁶	Total Procurement Spend	
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Total	Total	Total	Total					
Renewable Power Products Direct	\$																					
	%																					
Non-Renewable Power Products Direct	\$																					
	%																					
Fuels for Generation	\$																					
	%																					
Power Purchased	\$																					
	%																					
SubTotal of Columns ²		\$																				
SubTotal % of Total Procurement Spend		%																				
SubTotal of Columns ³		\$																				
SubTotal % of Total Procurement Spend		%																				
SubTotal % of Total Procurement Spend		%																				

NOTES:

- ¹Excludes purchases from the CAISO, other IOUs, utilities, Federal entities, State entities, Municipalities and cooperatives
- ²Includes only long term power procurement commitments after June 6, 2011 or as a result of RFOs after June 6, 2011
- ³Total WMDV/LGBTBE spend does not include pre-COD subcontracting values
- ⁴Includes all power procurement commitments
- ⁵Firms with multi-minority ownership status
- ⁶Firms classified as 8(a) by the Small Business Administration includes non-WMDV/LGBTBE
- % - percentages calculated by the Row Category Total Procurement Spend

2021 Annual Plan

10.1.1 WMDVLGBTBE Annual Short-, Mid- and Long-Term Goals by Product and Service Category

This section is not applicable to CCAs.

10.1.2 Description of WMDVLGBTBE Internal and External Activities for 2020

PLANNED EXTERNAL PROGRAM ACTIVITIES FOR 2021	
Proposed Activity	Description
Host our own version of Certify and Amplify	Using MCE's Certify and Amplify workshop as a model, develop an online Supplier Clearinghouse certification training, which can be recorded and saved to the DCE website for later viewing. The purpose of the workshop is to explain the process and benefits of certification for diverse BE's, as encouraged by CPUC General Order 156. The goal is to focus on Coachella Valley and Riverside County businesses. We intend to collaborate and leverage existing relationships with local Chambers of Commerce, business networks, and SCE to maximize the benefit of this event to our community.
Provide technical assistance to diverse BE's: Encourage local firms and existing vendors to pursue certification	Assist local diverse BEs that are interested in gaining certification to be listed on the state's Supplier Clearinghouse database. Be available to answer technical questions on certification requirements and assist with the required submission of required materials.
Participate in diverse organizations and chambers of commerce	Identify local diverse organizations and chambers of commerce that would be interested in hearing about GO 156 and the State's Supplier Clearinghouse; this may involve being a speaker at a regular meeting or providing information on the benefits of certification.
Participate in local, state, national supplier diversity events	Similar to the activity above, identify events (preferably local, but also regional and statewide) where DCE can engage with diverse supplier groups, such as the National Business Inclusion Consortium, the Western Regional Minority Supplier Development Council, and the Women's Business Enterprise Council.

PLANNED INTERNAL PROGRAM ACTIVITIES FOR 2020	
Proposed Activity	Description
Develop DCE team that sets supplier diversity goals for each department and works toward achieving established goals.	DCE is a small agency with limited staff. In 2021 we will work with our team to become familiar with supplier diversity requirements, setting goals (qualitative and quantitative), further developing the activities contained in these tables, and crafting strategies to achieve goals.
Track spend and regularly report results to DCE Board of Directors.	DCE will improve our ability to track spending with diverse BEs. Staff will prepare a report summarizing the annual GO156 submission and deliver this report for review by the DCE Board of Directors.
Share upcoming contracting opportunities with Supplier Clearinghouse database with a priority on local suppliers; respond to diverse BE prospective supplier inquiries	DCE team will become familiar with supplier database spreadsheet; when a purchasing or contract opportunity arises, they will reach out to local businesses with GO156 certification first, then consider other GO156 suppliers for the given purchase/contract. DCE will have form on website whereby contractors can enter their e-mail address to be included in upcoming contract and procurement opportunities.
Have supplier diversity training at DCE all-staff meeting	Staff will deliver a high-level presentation during an all-staff meeting to educate staff on GO156 background, CPUC requirements, DCE efforts, and the importance of supplier diversity.
Work with prime suppliers to optimize diverse participation and accurately report. Train prime suppliers in certification requirements so they can educate their subcontractors to certify.	Staff with direct relationships with prime contractors will provide information to said primes to encourage them to certify, and also educate their subcontractors to certify.

10.1.3 Plans for Recruiting WMDVLGBTBE Suppliers in Low Utilization Areas

This section is not applicable to CCAs.

10.1.4 Plans for Recruiting WMDVLGBTBE Suppliers Where Unavailable

This section is not applicable to CCAs.

10.1.5 Plans for Encouraging Prime Contractors to Subcontract WMDVLGBTBE Suppliers

This section is not applicable to CCAs.

10.1.6 Plans for Complying with WMDVLGBTBE Program Guidelines

This section is not applicable to CCAs.