**Supplier Diversity** 2022 Annual Report and 2023 Annual Plan



Report to the California Public Utilities Commission

March 1, 2023

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Note: Section numbers utilized in this report correspond to the section numbers in General Order 156 of the California Public Utilities Commission.

Appendix A: CPA Board of Directors Self-Identification

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## Message from the Chief Executive Officer





Everyone in Southern California deserves equitable access to the clean energy future. This is a fundamental tenet of Clean Power Alliance's mission and continues to shape our actions in supporting people and businesses in the diverse communities we serve. We are proud to have continued to make a number of important advances in 2022, as detailed in this report.

Overall, CPA's commitment to strengthening diversity and inclusion is reflected in our in our investments throughout the region and in our internal team. In 2022, we hired a new Director of People and Culture to bolster our internal diversity, equity and inclusion efforts and our team is engaged in external efforts to guide ethical business practices and supplier diversity.

CPA invests in growing the future workforce necessary for the green economy. In 2022, we funded a solar microgrid maintenance fellowship program through the Los Angeles Cleantech Incubator that provided skills training to 35 students to maintain microgrid systems. The program is designed to provide job pathways to underserved communities and the initial cohort was 37% women and 91% of participants identified as Black, Indigenous and People of Color.

Our opportunities to provide affordable, renewable energy to underserved populations grew in 2022. Nearly two-thirds of our partner communities have selected 100% Green Power as their preferred energy option. Low-income customers who live in these communities receive this 100% renewable energy at no added cost.

Our Power Share program, which provides 100% renewable energy to low-income customers at a 20% discount throughout our service area became fully enrolled in 2022 with 6,200 customers. This year, our new rooftop community solar project in the city of Pico Rivera will provide an additional 340 Power Share customers with local solar energy in the Basset and Avocado Heights communities. Working in partnership with The Energy Coalition, the project is designed to help disadvantaged communities participate in the clean energy future instead of potentially being left behind.

We look forward to working with our energy and non-energy suppliers in 2023 on initiatives to expand awareness and strengthen participation by diverse, small, and local subcontractors.

We welcome input and feedback from our customers and community stakeholders on our efforts as we work to live up to our equity values.

#### Ted Bardacke CEO, Clean Power Alliance

## Introduction

Founded in 2017, Clean Power Alliance of Southern California (CPA) provides clean energy at competitive rates to more than one million residential and commercial customers representing three million people across Los Angeles and Ventura counties. We are the largest Community Choice Aggregator (CCA) and fourth-largest load-serving entity in California. We supply 100% renewable energy to nearly 600,000 customers, more than any other provider in the country. We have secured 1,903 megawatts (MW) of renewable energy resources and 1,027 MW of new battery storage to date, making CPA a top-three purchaser of storage in California and a significant contributor to the development of a clean and reliable grid.

Our 32 member jurisdictions are both geographically and demographically diverse, ranging from the City of Ojai (population 7,470) to unincorporated Los Angeles County (population 1,095,952). Approximately 22% of our customers receive financial assistance on their electricity bills through the statewide California Alternate Rates for Energy (CARE), Family Energy Rates Assistance (FERA), and Medical Baseline programs.

As of February 2023, 20 of our member communities representing nearly two-thirds of our customers have chosen 100% renewable energy as the default energy product for residents and businesses in their jurisdictions. Through CPA Board direction, low-income customers who live in these communities receive this green energy at no added cost.

As a public, not for profit Joint Powers Authority (JPA), CPA is governed by elected officials appointed by each of its 32 member jurisdictions. CPA's Board of Directors sets rates and procurement policies in accordance with state laws and the core values and goals expressed in its Joint Powers Agreement. These values include promoting supplier and workforce diversity, prioritizing the fair and equitable treatment of employees, equitable economic development, and healthy communities – all of which are integral to our mission of building a clean, equitable, and sustainable energy system.

CPA submits this report annually in accordance with Section 366.2(m) of the California Public

Utilities Code, which requires (1) a report on CCA procurement from women, minority, disabled veteran, and LGBT business enterprises (WMDVLGBTBE) and (2) a plan for procuring from small, local, and diverse business enterprises. For ease of reference, the section numbers utilized in this report correspond to the section numbers in General Order 156 (GO 156) of the California Public Utilities Commission (CPUC), through which investor-owned utilities report their supplier diversity metrics and activities.



## 2022 Annual Report

### 9.1.1 Program Activities in 2022

In 2022 CPA pursued multiple initiatives to 1) attract and support diverse businesses to engage in our contracting opportunities; 2) grow the pipeline both of high-road green jobs and of diverse workers equipped to fill those jobs and to become the owners and drivers of tomorrow's green economy; and 3) build a diverse staff and an inclusive and equitable organizational culture that manifests our core values and supports our overall mission.





#### **Internal Activities**

#### Supplier Diversity – Non-Energy Procurement

CPA's WMDVLGBTBE spend in 2022 increased by 140% to \$789,231, representing purchasing from five GO 156-certified suppliers. Our 2022 supplier survey (Appendix B) and a search of publicly available information identified an additional 11 suppliers as "qualified" WMDVLGBTBE businesses which are not currently certified via the GO 156 clearinghouse, representing an additional \$660,937 in purchasing in 2022.

We reached out to 11 qualified but uncertified diverse suppliers to provide them with information and to encourage them to apply for certification through the California Public Utilities Commission (CPUC) Supplier Clearinghouse. CPA was able to work with one of those suppliers to complete their certification with the Supplier Clearinghouse. Another one of the 11 gualified but uncertified diverse suppliers had previously been certified through the Supplier Clearinghouse but indicated that the requirements of that process made renewal difficult to complete in 2022. Among the reasons cited by the remaining business owners for not pursuing certification are lack of awareness of the certification program and uncertainty about the benefits of certification.

The majority (82%) of CPA's non-energy spend comes from suppliers located in California, with 72% of that spend concentrated in Southern California. Seven suppliers are certified as small businesses by the State of California Department of General Services, and at least 9 more qualify as small businesses although they are not currently certified.

| Diverse Business Enterprise Spend                                   |                  |                       |             |  |  |  |
|---|------------------|-----------------------|-------------|--|--|--|
| Category  | GO 156 Certified | Not GO 156 Certified* | Total       |  |  |  |
| Minority Male (Asian Pacific American)                              | \$48,077         | \$0                   | \$48,077    |  |  |  |
| Minority Male (Hispanic American)                                   | \$0              | \$193,286             | \$193,286   |  |  |  |
| Minority Female (Hispanic American)                                 | \$0              | \$625                 | \$625       |  |  |  |
| Women Business Enterprise   | \$712,217        | \$462,651             | \$1,174,868 |  |  |  |
| Lesbian, Gay, Bisexual, Transgender<br>Business Enterprise (LGBTBE) | \$28,938         | \$0                   | \$28,938    |  |  |  |
| Disbled Veteran Business Enterprise<br>(DVBE)                       | \$0              | \$5,000               | \$5,000     |  |  |  |
| Total Supplier Diversity Spend                                      | \$789,232        | \$661,562             | \$1,450,794 |  |  |  |
| % of Non-Energy Procurement   | 4.60%            | 3.85%                 | 8.45%       |  |  |  |

\*Suppliers self-identified as qualified for GO 156 certification but not currently certified.

| Small Business Spend         |             |                                |                     |  |  |  |
|------------------------------|-------------|--------------------------------|---------------------|--|--|--|
| Category                     | Direct      | % of Non-Energy<br>Procurement | Number of Suppliers |  |  |  |
| DGS Certified*               | \$767,276   | 4.47%                          | 8                   |  |  |  |
| Qualified but not certified* | \$801,717   | 4.67%                          | 11                  |  |  |  |
| Total                        | \$1,568,993 | 9.14%                          | 19                  |  |  |  |

\*Certified as a Small Business by the State of California Department of General Services (DGS).

\*\*Not certified but meets DGS Small Business certification requirements based on publicly available information.

| Local Spend*                     |              |                                |                     |
|----------------------------------|--------------|--------------------------------|---------------------|
| Category                         | Direct       | % of Non-Energy<br>Procurement | Number of Suppliers |
| Los Angeles and Ventura Counties | \$1,383,454  | 8.06%                          | 73                  |
| Southern California**            | \$12,300,952 | 71.64%                         | 81                  |
| California                       | \$14,008,593 | 81.58%                         | 106                 |

\*Businesses whose principal offices and workforces are located in the indicated areas. \*\*Los Angeles, Ventura, Orange, San Bernardino, Riverside, and San Diego Counties.

# Additional activities aimed at encouraging diverse supplier participation in CPA contracting opportunities included:

- In partnership with CPA's new Director of People and Culture, we created supplier diversity content for CPA's new diversity, equity, and inclusion (DEI) Strategic Plan, which includes supplier diversity as a pillar.
- Tracking of outreach activities, with information on audience size and specific supplier diversity content.
- Continued direct outreach to increase the number of Pre-Qualified Providers who respond to CPA's RFQ and are eligible for Task Order solicitations.
- Posting new solicitations on the Supplier Clearinghouse website.
- Continued to incorporate questions about supplier diversity, use of diverse subcontractors, and workforce development policies and practices in solicitation materials (for information only, not as selection criteria).
- Maintained policy of working with suppliers to negotiate contract provisions that reduce barriers for small businesses, such as waiving or reducing insurance requirements or implementing quick pay.
- Developing an updated Supplier Diversity Fact Sheet to share with suppliers at outreach events and updating CPA's Supplier Diversity webpage with information about CPA's contracting process, how to become certified by the CPUC Supplier Clearinghouse, and the benefits of certification.

Additional efforts are described below under External Activities.



#### **Contracting with Clean Power Alliance**

#### Who We Are

Founded in 2017, Clean Power Alliance (CPA) is the locally operated electricity provider for 32 member jurisdictions across Southern California, including 30 cities and the unincorporated areas of Los Angeles and Ventura counties. CPA is the largest Community Choice Aggregator (CCA) in California and the fifth largest electricity provider in the state. We serve approximately 3 million residents and business and supply 100% renewable energy to more customers than any other power provider in the nation.

CPA operates as a public Joint Powers Authority, governed by a Board of Directors comprised of elected leaders from each of our member agencies.

#### Commitment to Diversity, Equity and Sustainability

Utilizing our purchasing power, community connections, and industry leadership to advance equity and inclusion is core to CPA's purpose. As a public agency we cannot give preferential treatment based on race, ethnicity, gender or other classes as proscribed by Proposition 209. We are nevertheless committed to do everything in our power to promote supplier and workforce diversity and equitable economic development, and we view these goals as integral to our pursuit of clean energy and urgent climate action.

We encourage diverse suppliers to explore contracting opportunities at CPA, and to reach out to us with questions and suggestions for how we can support you through the contracting process.

cleanpoweralliance.org

**Procurement at Clean Power Alliance** 

Clean Power Alliance spends approximately \$750 million annually on power purchases and about \$20 million per year on non-energy purchasing. Since 2018, we have entered into 20 long-term power purchase agreements with energy developers, driving over \$1 billion in capital investments in renewable energy facilities, most of which are located in Southern California.

Energy procurement. CPA conducts Requests for Offers (RFO) for long-term renewable energy power purchase agreements on an annual or semiannual basis. Energy projects are evaluated on criteria that include workforce development and community benefits as well as economic value, risk, environmental stewardship, and location. We strongly encourage energy developers to utilize and support small and diverse subcontractors. See next page for more information about our RFO process and selection criteria.

Non-energy procurement. CPA's small staff collaborates with a wide range of vendors to support all aspects of our operations. Non-energy procurement of goods and services includes office equipment and supplies; event planning; information technology support; cybersecurity services; customer outreach; digital marketing; forecasting and rate design; engineering services; financial services; legal and regulatory compliance services; and staffing and human resources consulting. Individual contracts typically range from \$50,000 up to \$1,000,000.

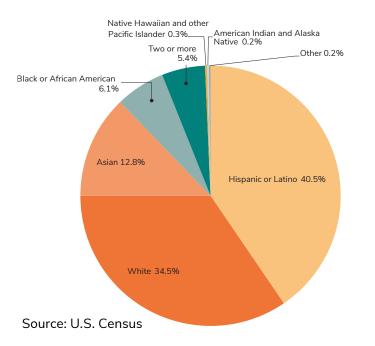
Fact sheet for small and diverse suppliers

#### Internal Diversity, Equity, and Inclusion

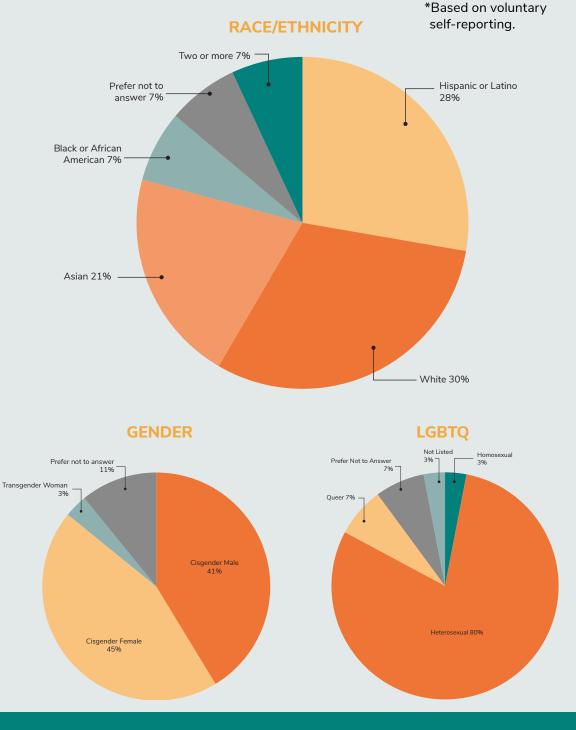
CPA continued on a path of growth during 2022 and our team's diversity positively reflects that. During the course of the year, we hired a Director of People and Culture to spearhead our DEI efforts. Additionally, we worked closely with a DEI consulting group to conduct an internal and external DEI assessment, facilitate a staff-wide inclusive leadership development program, and support the development of CPA's DEI strategic plan with goals focused on our three DEI pillars of belonging (internal DEI), community, and ethical business practices (including supplier diversity).

CPA's Board of Directors includes 32 elected officials who are appointed by each member city or county's governing body, along with 55 alternate directors who include elected officials, agency staff and public members. CPA collected voluntary self-identification data from the Board which is summarized in Appendix A.

#### **RACE/ETHNICITY IN CPA SERVICE TERRITORY**



### **CPA Staff Diversity\***



#### **External Activities**

CPA has continued to expand its engagement with small, local, and diverse businesses, to raise awareness of CPA and CPA contracting opportunities, to invest in workforce development, and to build customer programs that support residents and small businesses, particularly in disadvantaged and low- income communities.

### **Diverse Supplier Outreach**

External activities in 2022 included:

- CPUC Workshop: Doing Business with CCAs CPA presented on a panel hosted by the CPUC that introduced supplier diversity representatives from CCAs to small and diverse suppliers to share information about supplier diversity programs. The workshop gave small and diverse suppliers the chance to hear directly from CCA supplier diversity representatives, learn how to leverage these programs to access contract opportunities, and ask questions.
- Conducting direct outreach to diverse suppliers identified as qualified but not yet certified to encourage and support certification.
- Supplier Diversity En Banc CPA was a panelist in the CPUC's Supplier Diversity En Banc in 2022 and shared CPA's experience in establishing its supplier diversity program and its internal diversity, equity, and inclusion efforts.
- Proactive Outreach CPA currently partners with 180+ Community-based Organizations (CBOs) in Los Angeles and Ventura counties. CPA conducted outreach to diverse chambers and business associations to publicize contracting opportunities, support supplier readiness, and encourage applications from small, local, and diverse suppliers.

CPA has continued to conduct ongoing outreach in 2022 to hard-to- reach and underserved diverse small businesses and residential customers, leveraging our relationships with ethnic chambers, business associations, and community-based organizations across our service territory. CPA memberships and sponsorships of organizations that support small and diverse businesses include:

- Asian Business Association
- Association of Women in Water, Energy & Environment
- Beverly Hills Chamber of Commerce
- Carson Chamber of Commerce
- California Chicano News Media Association (CCNMA)
  Latino Journalists of California
- Climate Reality Project Los Angeles
- Climate Reality Project Ventura
- Filipino American Chamber of Commerce
- Greater Conejo Valley Chamber of Commerce
- Greater Conejo Valley Chamber of Commerce Legislative Roundtable
- Greater Los Angeles African American Chamber of Commerce
- Los Angeles Cleantech Incubator (LACI)
- Los Angeles Area Chamber of Commerce
- Los Angeles Business Federation (BIZ FED)
- Los Angeles Business Council

- Los Angeles Cleantech Incubator
- Los Angeles Latino Chamber of Commerce
- Oxnard Chamber of Commerce
- Santa Monica Chamber of Commerce
- Simi Valley Chamber of Commerce
- Temple City Chamber of Commerce
- United States Green Building Council (USGBC) LA
  Chapter
- Ventura Chamber of Commerce
- Ventura County Regional Energy Alliance
- Ventura County Workforce Development Board Clean Green Committee
- West Ventura County Business Association
- West Ventura County Business Association Business Advocacy Committee
- West Ventura County Business Association Latino Business Leaders
- Whittier Chamber of Commerce



#### Workforce Development

In 2021, CPA mapped out a plan for a four-year, \$1 million strategic investment in workforce development, funded in partnership with NextEra Energy Resources, that will equip workers to pursue family-supporting career-track "high road" jobs in the rapidly growing transportation and building electrification sectors. In 2021, three programs were chosen for the first two years of funding for \$398,500. The first two programs are cybersecurity apprenticeship trainings for smart buildings and smart cities, in partnership with the International Brotherhood of Electrical Workers in Los Angeles and Oxnard. The third program is a microgrid maintenance training program for low-income and unemployed or underemployed youth, in partnership with the Los Angeles Cleantech Incubator (LACI). We also continued our community college scholarship program in partnership with Terra-Gen, developer of our 2018 Voyager Wind project. This year the program distributed scholarships to four students pursuing energy career pathways at community colleges in Los Angeles and Ventura counties. To date, a total of \$52,000 in scholarship funding has been distributed to 48 students, with two additional rounds of funding to come.

### Customer Programs and Community Investments

In 2022 CPA launched, expanded or continued existing offerings in three programmatic areas: 1) resiliency and grid management; 2) electrification; and 3) local energy procurement. Each program includes targeted economic opportunities and benefits for small, local, and diverse businesses, especially ones located in disadvantaged and hardto-reach communities, thereby increasing the reach and impact of our programs on small, local, and diverse businesses. CPA launched a third solicitation in December of 2022 for the remaining 5.97 MW of new, smallscale community renewable energy projects to be developed in disadvantaged communities in Southern California through its Disadvantaged Communities-Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs. CPA reached program capacity and has enrolled over 6,000 low-income residential customers in its DAC-GT program, known as Power Share, providing participants with 100% renewable electricity from local small-scale solar power with a 20% bill discount.

As with all of our energy procurement, diverse suppliers are encouraged to submit proposals, suppliers are encouraged to consider diverse subcontractors and promote workforce diversity, and bidder evaluation criteria include local workforce development, community benefits, and local job creation.

CPA partnered with the California Energy Commission for the launch of Level 2 electric vehicle (EV) charging rebates in Los Angeles County and continued to distribute rebate funding in Ventura County through CALeVIP. This program will provide funding for approximately 720 Level 2 connectors and 25 DC fast chargers in Ventura County and 3,300 Level 2 connectors in Los Angeles County. At least 50% of these funds will go to EV chargers in low-income and disadvantaged communities.

Following a 1-year pilot, CPA launched its Power Response Program in 2022. CPA's Power Response Program is a demand response program where participants receive financial incentives for managing their electricity use. The program encourages customers to reduce energy usage when electricity consumption is anticipated to be high and the grid may come under stress. The program is currently available to residents with eligible smart devices. Working with our program implementer, AutoGrid, and in collaboration with the equipment manufacturers, we are able to manage the enrolled devices during events in order to reduce load. In 2022, over 1,000 households were enrolled into the Power Response Program, with nearly 200 of the households being incomequalified customers under CARE or FERA rates.

CPA will be launching additional Power Response opportunities in upcoming months, which will allow for more ways customers can participate in demand response.

In 2022, CPA signed agreements to move 12 sites forward into the Power Ready Program. The Power Ready Program is a community benefit offered to CPA's member agencies to make a public building that serves a critical community purpose energyresilient by installing a solar and storage system so that there is a backup source of energy during an outage. CPA is providing this benefit at no cost to member agencies and making participation easy by contracting with a developer/financier to build, own, and operate the systems for 20 years. CPA is now seeking competitive proposals to build. finance, own, operate, and maintain behind-themeter battery energy storage and solar photovoltaic systems at 12 public facilities across Los Angeles County and Ventura County. As with all of our procurement, diverse suppliers are encouraged to submit proposals, companies are encouraged to consider diverse subcontractors and promote workforce diversity, and bidder evaluation criteria include local workforce development, community benefits, and job creation.

To expand its programmatic offerings, CPA issued an RFP for services to implement a Building and EV Reach Code Program. CPA received 3 proposals and entered into contract negotiations with a vendor to launch the program in Q1 2023. The program will provide technical support and stakeholder engagement for the development of new construction and existing building reach codes, and a research program designed to inform future program opportunities.

# Supplier Diversity Program Website Address And Contact Information

cleanpoweralliance.org/supplier-diversity

#### Scott Gropp

Strategic Sourcing Manager contracting@cleanpoweralliance.org (213) 880-9986

### 9.1.2 Supplier Diversity Results Of Goods And Services (Non-Power Purchases)

|  |  | Direct Spend <sup>1</sup><br>\$ | Sub Spend <sup>2</sup><br>\$                                     | Total \$  | %   | Product<br>Spend \$                                | Service<br>Spend \$  | Total \$                | %     |
|--|--|---------------------------------|--|---|---|--|--|-------------------------|-------|
| Minority   | African American   | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
| Male   | Asian Pacific American                                       | \$48,077                        | \$0  | \$48,077  | 0.28%   | \$   | \$48,077   | \$48,077                | 0.28% |
|  | Hispanic American  | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
|  | Native American  | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
|  | Total Minority Male  | \$48,077                        | \$0  | \$48,077  | 0.28%   | \$   | \$48,077   | \$48,077                | 0.28% |
| Minority   | African American   | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
| Female   | Asian Pacific American                                       | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
|  | Hispanic American  | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
|  | Native American  | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
|  | Total Minority Female  | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
| Total Minority Business Enterprise (MBE)    \$48,077    \$ |  | \$0                             | \$48,077   | 0.28%   | Ş   | \$48,077   | \$48,077   | 0.28%                   |       |
| Women Bu   | usiness Enterprise (WBE)                                     | \$712,217                       | \$0  | \$712,217   | 4.15%   | \$   | \$712,217  | \$712,217               | 4.15% |
|  | ay, Bisexual, Transgender<br>Interprise (LGBTBE)             | \$28,938                        | \$0  | \$28,938  | 0.17%   | \$   | \$28,938   | \$28,938                | 0.17% |
| Disabled Veteran Business Enterprise<br>(DVBE)             |  | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
| Persons w<br>Enterprise                                    | ith Disabilities Business<br>(DBE)                           | \$0                             | \$0  | \$0   | 0.00%   | \$   | \$0  | \$0                     | 0.00% |
| Other 8(a)   | )*   | \$0                             | 0.00%  | \$0   | 0.00%   | \$   | 0.00%  |                         |       |
| Total Supp   | lier Diversity Spend   | \$789,232                       | \$0  | \$789,232   | 4.60%   | \$   | \$789,232  | \$789,232               | 4.60% |
| Net Procu  | rement**   |                                 |  | \$17,170,652  | * 8(a) - Businesses owned and<br>controlled by persons found to<br>be disadvantaged by the U.S. |  | ** Net Procurement incudes purchase <sup>2</sup> Sub - Means Subcontractor<br>orders, non-purchase orders, and<br>credit card dollars. <sup>2</sup> Sub - Means Subcontractor<br>Procurement: when a prime<br>contractor, in contract with a |                         |       |
| Net Product Procurement                                    |  | \$567,427                       | Small Business Administration<br>pursuant to Section 8(a) of the |   | Direct - Means Direct Proc  | from a subcontractor to contractual obligation(s). |  |                         |       |
| Net Servic   | Net Service Procurement                                      |                                 | \$16,603,225   | Small Business Act, as amended (15<br>U.S.C. 637 (a)) or the U.S. Secretary |   | when a CCA directly procu<br>a supplier.           | ires from  | tage of Net Procurement |       |
| Total Num  | Total Number of Diverse Suppliers that Received Direct Spend |                                 | 5  | of Commerce, pursu<br>of Executive Order :<br>Section 1.3.13).              |   |  |  |                         |       |

### **9.1.2 Description of Diverse Suppliers** with Majority Workforce in California

All but one of CPA's GO 156 certified suppliers are based in California. In power procurement, CPA prioritizes projects located in California and in CPA's service territory. The counterparties for seven of the eight long-term contracts CPA entered into in 2022, including 6.6 MW of new renewable generation, are located in California.

### **9.1.3 Supplier Diversity Program Expense**

| Expense Category           | Total \$ |
|----------------------------|----------|
| Wages                      | \$26,895 |
| Other Employee<br>Expenses | \$8,070  |
| Program Expenses           | \$25,338 |
| Reporting Expenses         | \$500    |
| Training Expenses          | \$0      |
| Consultant Expenses        | \$28,273 |
| Other Expenses             | \$0      |
| Total                      | \$89,076 |

### **9.1.5 Description of Prime Contractors Utilization of Diverse Subcontractors**

To date, no suppliers have reported utilizing GO 156 certified suppliers as subcontractors. For non-power purchases, this is due in part to the relatively small scope of work procured from CPA's typical non-power suppliers. Many of CPA's nonpower suppliers do not typically use subcontractors because the scope of work may be completed by just the single supplier. For power purchases, of the suppliers participating in or selected through the CPA RFO process, the majority of bidders had plans to utilize GO 156 subcontractors, and nearly all had initiatives in place to promote workforce diversity.

#### 9.1.6 Complaints

CPA has received no WMDVLGBTBE complaints.



#### **9.1.9 Description of Supplier** Diversity Activities and Progress in Power (Energy) Procurement

CPA spent spent \$633,471,401 on electricity purchases in 2022, representing 97% of CPA's total direct spend.

In its most recent Clean Energy Request for Offers (RFO) in 2022, CPA found that 64% of bidders had plans to utilize GO 156 subcontractors, and 90% had initiatives in place to promote workforce diversity. To date, however, none of the suppliers participating in or selected through the CPA RFO process are GO 156 certified and none have reported utilizing GO 156 certified suppliers.

In 2022, CPA continued to communicate to energy suppliers that while, pursuant to Proposition 209, we do not give preferential treatment based on race, sex, color, ethnicity, or national origin, CPA encourages minority-owned, women-owned, veteran-owned, and local businesses to respond to all solicitations. CPA also encourages energy suppliers to expand their own outreach and consideration of diverse subcontractors.

CPA continues to leverage its purchasing power to help create high-quality jobs and careers through a rigorous power procurement selection process. CPA prioritizes projects that utilize project labor agreements, targeted-hire, union labor, or multitrade labor agreements, including requirements for state-apprenticeship graduates, and requires projects to commit to these hiring practices in its power purchase agreements. All of CPA's new-build contracts since November 2019 have included project labor agreements. CPA also prioritizes projects that would create jobs or spur other economic benefits in disadvantaged communities and prioritizes projects located in California. CPA's long-term contracts have generated approximately 2,500 construction jobs to date, helping to lay a foundation of skills and experience that can help seed a new generation of diverse entrepreneurs and small business owners.



The 100 MW / 400 MWh Luna battery storage facility came online in August 2022 and provides enough energy to power roughly 75,000 Southern California homes for four hours every day.

### 9.1.9 Supplier Diversity Results in Power (Energy) Procurement

|   |                           | Direct Power Purchases \$                      | Direct Fuels for Generation \$   |         |                   | Totals \$1   |   |              | <mark>%</mark> 2 |
|---|---------------------------|--|--|---------|-------------------|--|---|--------------|------------------|
|   |                           | Renewable and Non-<br>Renewable Power Products | Diesel   | Nuclear | Natural<br>Gas    | Direct <sup>3</sup>  | Sub⁴  | Total \$⁵    |                  |
| Minority  | African American          | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Male  | Asian Pacific American    | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
|   | Hispanic American         | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
|   | Native American           | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
|   | Total Minority Male       | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Minority  | African American          | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Female  | Asian Pacific American    | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
|   | Hispanic American         | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
|   | Native American           | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
|   | Total Minority Female     | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Total Minority Business Enterprise (MBE)                            |                           | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Women B   | Business Enterprise (WBE) | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Lesbian, Gay, Bisexual, Transgender Business<br>Enterprise (LGBTBE) |                           | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Disabled Veteran Business Enterprise (DVBE)                         |                           | \$0  | \$0  | \$0     | 0.00%             | \$0  | \$0   | \$0          | 0.00%            |
| Persons with Disabilities Business Enterprise (DBE)                 |                           | \$0  | \$0  | \$0     | 0.00%             | \$0  | \$0   | \$0          | 0.00%            |
| Other 8(a)*   |                           | \$0  | 0.00%  | \$0     | 0.00%             | \$0  | 0.00%   |              |                  |
| Total Supplier Diversity Spend                                      |                           | \$0  | \$0  | \$0     | \$0               | \$0  | \$0   | \$0          | 0.00%            |
| Net Procurement**   |                           | \$633,471,401                                  | California Independent System Direct Fuels for<br>Operator (CAISO), utilities, federal Means Direct f<br>entities, state entities, municipalities CCA directly p<br>and cooperatives |         | n Direo           | Includes Direct Power Purchases and <sup>5</sup> "Total" does no<br>Direct Fuels for Generation. Direct - commercial de<br>Means Direct Procurement: when a subcontracting |   |              | evelopment (COD) |
| Net Direct Power Purchases  |                           | \$633,471,401                                  |  |         | directly procures | v procures from a supplier. 68(a) - Businesse  |   | es owned and |                  |
| Net Direct Fuels for Generation                                     |                           | \$0  | <sup>a</sup> Sub - Means Subcontractor<br>Procurement: when a prime<br>contractor, in contract with a CC.  |         |                   | orime  | controlled by persons found<br>disadvantaged by the U.S. S<br>Business Administration pur |              |                  |
| Total Number of Diverse Suppliers                                   |                           | 0  |  |         |                   | ocures from a subcontractor to fulfil Section 8(a) o   |   |              | the Small Busine |

### 2023 Annual Plan

### Planned Internal and External Activities

CPA's Diversity, Equity, and Inclusion (DEI) plan has three pillars: 1) Supplier Diversity, 2) Customer Programs and Community Investments, and 3) Internal Diversity, Equity, and Inclusion. Our planned 2023 Supplier Diversity activities are described below, along with related and supporting activities from the other two pillar areas.

#### CPA DIVERSITY, EQUITY, AND INCLUSION PILLARS



#### **10.1.2 Description of Supplier** Diversity Program Activities Planned

# Internal Diversity, Equity and Inclusion

Diversity, equity, and inclusion efforts are fundamental to the work we do at CPA. We will continue to pursue our DEI strategic plans, from recruiting and staff development to the ongoing cultivation of an inclusive and equitable organizational culture that informs our work and supports the building of a just and sustainable clean energy future.

# Internal DEI activities in 2023 will include:

- Implementation of People & Culture initiatives: creation of bias training for managers and decision makers, documentation of standardized hiring processes, and implementation of performance and engagement platform to include transparent feedback avenues.
- Implementation of annual DEI training for all staff including bias training and inclusive leadership training.
- Continued work by an established internal DEI team with representation from CPA's leadership, energy procurement, and non-energy procurement teams.



# Supplier Diversity and Workforce Development

Supplier diversity outreach activities will be continued and expanded upon in 2023. CPA will expand its efforts to raise awareness of CPA contracting opportunities with small, local, and diverse businesses; to identify and remove barriers for small and diverse business participation in CPA solicitations and contracting; and to promote local, small, and diverse business and workforce development in the clean energy sector. New and ongoing activities in 2023 include:

#### **Procurement Processes**

- Identifying new forums for posting solicitations in order to widen the supplier audience.
- Continuing to review contracting terms that reduce barriers for small businesses, such as waiving or reducing insurance requirements or quick pay.
- Use solicitation materials and bidder webinars to raise awareness among suppliers about the GO 156 certification process and benefits.



CPA funded the first cohort of students in the Los Angeles Cleantech Incubator's microgrid maintenance program to provide skills training to operate, deploy and maintain microgrid components and software.

- Expand communication of contracting opportunities through local and diverse business networks.
- Collect data annually on supplier diversity through solicitation materials and supplier surveys.

#### **Diverse Supplier Outreach**

- Continue and expand memberships and event sponsorships with local and ethnic chambers, business associations, and professional associations.
- With support from CPA's Community Advisory Committee, identify and pursue opportunities for deeper engagement with local and ethnic chambers and business associations through participation in economic development and business advocacy committees, and collaboration on outreach and training events aimed at local, small, and diverse businesses that are potential CPA suppliers.
- Collaborate with member agencies on diverse supplier outreach and training events and promotional materials.
- Participate in the CPUC/Joint Utilities Business Expo and support similar regional events in collaboration with member agencies, chambers, CCAs, energy partners, and other entities.
- Continue outreach, advocacy, and support for diverse supplier certification through the CPUC Supplier Clearinghouse.

#### Workforce Development

- Continue workforce development initiatives to grow the pipeline of diverse workers on green career pathways that support families and create opportunities for business ownership and wealth accumulation.
- Continue prioritization of labor agreements and workforce development in the selection of renewable energy supply and storage projects, to continue raising the bar for creation of "high road" jobs that support diverse workforces.

## Customer Programs and Community Investments

Every CPA program tracks spending and benefits to small, local, and diverse businesses, particularly those that support the local economy and jobs in disadvantaged communities. Metrics include the number of small and diverse businesses reached and enrolled in customer programs and total program spend (e.g., rebates, incentives, bill discounts) going to small and diverse business and residential customers in disadvantaged and lowincome communities.

CPA customer programs that will have significant and ongoing impacts on disadvantaged and low-income communities and small and diverse businesses and residential customers within our service territory in 2023 include:

- Power Share, CPA's DAC-GT program. CPA will continue to enroll eligible customers to receive 100% renewable energy along with a 20% bill discount, in addition to continuing efforts to procure new DAC-GT renewable generation resources that provide job creation, workforce development, and other community benefits to disadvantaged communities.
- Community Solar. CPA's Community Solar Green Tariff (CSGT) program is working with member agencies and local communitybased organizations to raise awareness of the opportunity to develop and sponsor small-scale community solar projects in disadvantaged communities and enroll low-income residents to receive 100% renewable energy from these projects at a 20% bill discount.
- CALeVIP (California Electric Vehicle Incentive Program). CPA will continue its partnership

with the California Energy Commission to fund incentives for publicly accessible electric vehicle charging infrastructure in Ventura County and will co-launch a new CALeVIP incentive project in Los Angeles County. Customer outreach will focus on businesses and multifamily housing in lowincome and disadvantaged communities, which are also eligible for higher incentive levels.

- Power Ready Critical Facilities Clean Backup Program. CPA's Power Ready program will support community resilience by installing solar and clean energy storage systems in jurisdictions served by CPA to power critical community facilities during grid outages.
- Power Response, CPA's demand response program, provides residents and businesses with incentives to reduce electricity use during peak hours when grid stress, energy prices, and greenhouse gas emissions are highest. The program provides added incentives for business and residential participants in disadvantaged lowincome communities.
- Family Electric Rate Assistance (FERA), California Alternate Rates for Energy (CARE), and medical baseline qualifying customers are eligible to receive a subsidy offering 100% Green Power at the Clean Power rate.

#### Other Customer Programs and Community Investment activities planned for 2023 that support our supplier diversity priorities include:

• Expanded membership, sponsorships and engagement with local organizations that help raise awareness of CPA and CPA contracting opportunities among small, local, and diverse businesses, such as the Ventura County Regional Energy Alliance and the Los Angeles Cleantech Incubator.

- Continuation of our CBO grant program in collaboration with our billing and data management partner, Calpine Energy Solutions. This grant provided over \$200,000 in funding to local CBOs in 2022, for programs and projects that will take place in 2023. Some of these grants support our supplier diversity priorities, including funding for Grid Alternatives to deploy no-cost solar installations on low-income households while connecting communities with hands on job training; funding for Nyeland Promises to develop and implement a multilingual initiative to provide linguistically and culturally appropriate messaging to help residents reduce their energy usage during periods of peak energy; and funding for the City of STEM as part of their efforts to open equitable access to STEM learning, especially to those members of the public from marginalized and BIPOC communities, and under-resourced neighborhoods.
- Active leadership and participation in important local, regional, and statewide forums on diversity, equity, and inclusion.
- Participation in local events with broad community and small business engagement. A sample of recent events includes regional sponsorship of the statewide Clean Air Day, regional sponsorship of National Drive Electric Week, and sponsorship and participation at 15-20 community Earth Day fairs and events in April.

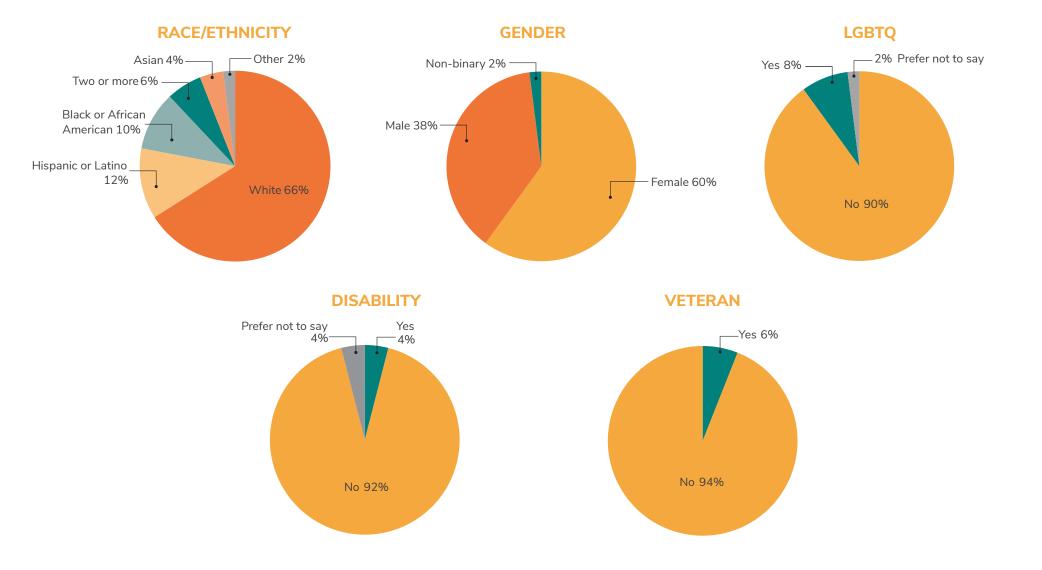
# **10.2** Plans to Encourage Prime Contractors to Subcontract Small, Local, And Diverse Businesses

CPA continues to encourage prime contractors to subcontract with small, local, and diverse businesses, emphasizing the importance of a robust and diverse supply chain and encouraging them to collect data on their subcontractors. We will continue to refine our data collection practices in order to learn more about the impact this spend has on our certified subcontractor base.



## **APPENDIX A: CPA Board of Directors Self-Identification**

### **CPA Board of Directors**



## **Appendix B – CPA Voluntary Supplier Diversity Survey**

### **CPA Supplier Diversity Survey**

Please note that not all questions may apply to your business. For the questions that do not apply, please skip them or answer "Not Applicable" or "Decline to State."

Pursuant to Proposition 209, CPA does not give preferential treatment based on race, sex, color, ethnicity, or national origin. Providing information in these categories is optional and will not impact your participation in any future CPA solicitation selection process. Responses are collected for informational and reporting purposes only pursuant to Senate Bill (SB) 255.

\*Required

1. Business Name\*

2. Email Address\*

3. Where is your business located/headquartered?

4. Is your business certified under General Order 156 (GO 156)? GO 156 is a California Public Utilities Commission ruling that requires utility entities to report annually on their contracts with majority women-owned, minorityowned, disabled veteran-owned and LGBT-owned business enterprises (WMDVLGBTEs) in all categories. Qualified businesses become GO 156 Certified through the CPUC and are then added to the GO 156 Clearinghouse database at www.thesupplierclearinghouse.com\*

O Yes

O No

O Qualified as a WMDVLGBTBE but not GO 156 certified

5. If you answered "yes" to Question 4, when does your certification expire?

6. If you answered "yes" or "qualified, but not certified" to Question 4, in which categories are you certified or qualified? Please choose all that apply.

O Minority Owned

- O Women Owned
- O LGBT Owned
- O Disabled Veteran Owned
- $\bigcirc$  Small Business Enterprise, as defined by 8(d) of the Small Business Act

7. If your business is a minority-owned business enterprise, what GO156 certification or qualification does your business fall under?

- O Black American
- O Hispanic American
- O Asian Pacific American
- O Native American

8. Please list the Standardized Industrial Code (SIC) of the products and services your business offers. Search for your SIC in the "Commodity Codes" search bar, here:

https://sch.thesupplierclearinghouse.com/FrontEnd/SearchCertifiedDirectory. asp.

9. If certified under GO 156, please list your annual business revenue as reported to the CPUC Supplier Clearinghouse. You may check your CPUC Supplier Clearinghouse status here: https://sch.thesupplierclearinghouse.com/ FrontEnd/SearchCertifiedDirectory.asp.

10. If your business is qualified, but not GO 156 certified, please identify the reasons for not completing the certification process?

11. If your business has used GO 156 certified subcontractors for your CPA contract, please include a list of your subcontractor business names, if the subcontract is for products or services, and the anticipated subcontract amount. Example: Electrical Design Technology, Inc.; products (batteries); \$100,000.

12. If applicable, please describe any hiring policies your business has for using small, local, and/or economically disadvantaged subcontractors or for using subcontractors that qualify for the GO 156 Supplier Clearinghouse.

13. Does your business have a history of using apprenticeship programs, local-hires, union labor, or multi-trade project labor agreements? Local hires can be defined as labor-sourced from within CPA's service area.

- O Yes, apprenticeship programs in this recent contract with CPA
- O Yes, local labor in this recent contract with CPA
- Yes, union labor in this recent contract with CPA
- O Yes, multi-trade PLA in this recent contract with CPA
- Yes, apprenticeship programs but not in this contract with CPA
- Yes, history of local hire but not in this contract with CPA
- Yes, history of union labor but not in this contract with CPA
- O Yes, history of multi-trade PLA but not in this contract with CPA
- O Uses California-based labor, but not local to CPA's service areas
- O None of the above
- O Not applicable

14. Are you a small business? Please refer to the Small Business Association' Size Standards tool for more information: https://www.sba.gov/size-standards.

O Yes

O No

15. If you answered "yes" to Question 14, please describe your history with labor agreements, union labor, multi-trade labor, apprenticeship labor, or how many local workers/businesses you employ for your contract with CPA.

16. Is there any additional feedback that you would like to provide to CPA at this time?

17. Does the bidder have formal initiatives to promote diversity, equity, and inclusion among its workforce?

18. If the answer to question 33 is "Yes", please explain and provide supporting documentation.

19. Has the bidder adopted formal Environmental, Social, and Governance (ESG) goals?

20. If the answer to question 36 is "Yes", please explain and provide supporting documentation.