



Valley Clean Energy Alliance

Supplier Diversity 2025 Annual Report and 2026 Annual Plan

March 2, 2026

Table of Contents

2025 Annual Report.....	1
9.1.1 Description of Supplier Diversity Program Activities in 2025	2
Internal Strategies and Activities.....	2
External Strategies and Activities	2
Diversity, Equity, and Inclusion Policies.....	6
Workforce Development and Data.....	10
Board Diversity	10
Community Advisory Committee Diversity	11
Supplier Diversity Contact Information	11
9.1.2 Supplier Diversity Results of Goods and Services (Non-Power Purchases)	12
Number of Eligible Suppliers with Majority of Workforce Working in California.....	12
Direct Suppliers and Subcontractors – California Residence.....	12
Direct Suppliers and Subcontractors – Total	13
9.1.3 Supplier Diversity Program Expense.....	13
9.1.4 Description of Progress in Meeting or Exceeding Set Goals	14
9.1.5 Description of Prime Contractors’ Utilization of Diverse Subcontractors	14
New Diverse Prime and Subcontractors During 2025	14
9.1.6 List of Supplier Diversity Complaints Received and Current Status.....	14
9.1.7 Description of Efforts to Recruit Eligible Suppliers in Low Utilization Areas	14
9.1.8 Retention of All Documents/Data	15
9.1.9 Description of Supplier Diversity Activities and Progress in Power Procurement.....	15
2026 Annual Plan.....	16
10.2 Description of Supplier Diversity Program Activities for 2026	16
2026 Internal Program Activities	16
2026 External Program Activities	16
Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses	17

2025 Annual Report

Launched in June 2018, Valley Clean Energy Alliance (VCE) is the official electricity provider for customers in the cities of Woodland, Winters, and Davis, and unincorporated Yolo County. VCE is a Joint Powers Authority providing a state-authorized Community Choice Aggregation (CCA) program, serving about 62,000 customers in Yolo County. VCE's priority is to enable member jurisdictions to determine the sources, modes of production, and cost of the electricity VCE procures for the residential, commercial, agricultural, and industrial customers in our service area.

The California Public Utilities Commission's (CPUC) General Order 156 (GO 156) implements California Public Utilities Code (Pub. Util. Code) § 366.2 and §§ 8281-8286 and establishes rules for the purpose of increasing procurement from business enterprises owned and controlled by women, minorities, disabled veterans, persons with disabilities, and LGBT individuals. In addition, Pub. Util. Code § 366.2(m)(1) requires CCAs with gross annual revenues exceeding \$15 million to submit a plan annually for increasing procurement from small, local, and diverse businesses in all purchase categories including, but not limited to, renewable energy, energy storage systems, and smart grid projects.

However, in compliance with Proposition 209, CCAs as local government entities cannot 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 there is still much CCAs can do to support small, local, and diverse businesses within their service areas.

As we work to support Senate Bill 255 (Bradford, Chapter 407, 2019), it's important to note that while VCE meets the threshold of a large CCA as designated by California Energy Commission (CEC), VCE is a small entity with limited contracting opportunities. Our CCA employs 7 full-time staff members and 2 part-time employees. In 2025, VCE neither listed any requests for proposals/offers nor contracted with any new vendors. Although VCE's limited procurement activities also limit opportunities for procurement from diverse suppliers in any given year, VCE remains committed to engaging and working with diverse suppliers located in our territory and elsewhere, and VCE continues to develop equitable and inclusive initiatives that support our local community and its businesses.

This report describes VCE's work in support of the Legislature's objectives in Senate Bill 255.

9.1.1 Description of Supplier Diversity Program Activities in 2025

Internal Strategies and Activities

Working With Other CCAs

The California Community Choice Association (CalCCA) represents the interests of California's community choice electricity providers in the legislature and at state regulatory agencies, and VCE is a member. VCE regularly participates in the monthly CalCCA Equity Committee Meetings, and a VCE staff member is now serving as a co-chair, starting in 2026. The Equity Committee Meetings provide a forum for CCAs to discuss their programs and initiatives on diversity, equity, and inclusion, as well as bring in presenters from external agencies. The Equity Committee is a valuable learning and sharing opportunity for VCE staff, as well as a place to voice ideas and receive feedback from peers.

VCE also stays informed on GO 156 by participating in quarterly Supplier Diversity Meetings with other CCAs across the state, as well as quarterly Supplier Diversity Meetings with staff from the California Public Utilities Commission.

External Strategies and Activities

Supplier Diversity Website

VCE provides supplier diversity information on its website.¹ This webpage contains an introduction to the Supplier Diversity Program, VCE's past Supplier Diversity Reports, and resources on supplier diversity certification. Visitors to the page will find links to the Supplier Clearinghouse and the Department of General Services. Resources include a checklist of documents required for Supplier Clearinghouse certification, a certification process overview, and a list of available certifications in California. To assist small businesses in applying for our opportunities, a link to California Capital Procurement Technical Assistance Center (California Capital PTAC) has also been provided. California Capital PTAC's mission is to help small businesses build their government contracting capacity. They provide free one-on-one counseling, custom bid matching, as well as host workshops and webinars.

Supplier Diversity Language

During 2022, VCE developed the following language for inclusion in future requests for proposals and solicitations:

Pursuant to California Senate Bill 255, Community Choice Aggregators (CCAs) are required to report to the California Public Utilities Commission (CPUC) on their diverse suppliers, as defined by CPUC General Order 156. Qualified businesses can become GO 156 Certified through the CPUC and are then added to the GO 156 Clearinghouse database. VCE encourages all eligible parties to get certified with the CPUC as a woman, minority, disabled veteran and/or LGBT owned business enterprise.

¹ <https://valleycleanenergy.org/supplier-diversity/>.

Respondents that execute an Agreement with VCE will be required to complete a Supplier Diversity questionnaire and Labor Practices questionnaire. VCE will not consider race, sex, color, ethnicity, or national origin in procurement decisions; providing such information in an Offer will not impact the selection process or good standing of executed agreements.

For overview information on the CPUC Supplier Diversity Program, please visit the program homepage (<https://www.cpuc.ca.gov/supplierdiversity/>).

For information on the certification process and requirements, please visit the Certifications page (<https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-information-office/business-and-community-outreach/supplier-diversity-program/certification>).

Collaboration with Community

In 2025, VCE strengthened our collaboration with community-based organizations (CBOs) and stakeholders including the County of Yolo, the Yocha Dehe Wintun Nation, Cool Davis, De Colores, and RISE.

The Yolo Energy Partnership (YEP) is a county-led program designed to help residents in unincorporated Yolo County reduce energy costs, improve home comfort, and access free energy efficiency resources. VCE was invited to join the Yolo Energy Partnership in 2025, joining Cool Davis and De Colores, among other organizations.

De Colores is dedicated to bridging equity gaps in the Latino community, and De Colores representatives act as trusted messengers and experts in the community on a range of issues, including health and utilities. De Colores is helping to make VCE programs more accessible within the community with authenticity and cultural humility. De Colores provides VCE staff with valuable feedback on how to best communicate and connect with our Latino community members.

One example of VCE integrating De Colores' feedback involved VCE's development of materials to demystify the electricity bill. In response to feedback from De Colores and other CBOs, VCE developed print and digital Bill Explainers. De Colores relayed feedback that some community members assume that they are being charged twice for electric generation, so VCE modified the print and web materials to clarify that VCE's charges are replacement charges, not duplicate charges.

VCE finalized a Memorandum of Understanding with Cool Davis in 2024 to share resources, co-sponsor events, and collaborate on outreach and education. Cool Davis is a non-profit that works to increase community resilience through equitable and inclusive strategies that lower greenhouse gas emissions and help our region adapt to a changing climate. VCE and Cool Davis often collaborate on workshops and public-facing events on home and transportation electrification.

In December 2025, VCE submitted an application for the PG&E-administered Microgrid Incentive Program, funded by the Public Purpose Program Charge (paid by all utility customers), and administered by PG&E. This effort involved engagement of Yolo County stakeholders including the Yocha Dehe Wintun Nation. The Yocha Dehe Tribal Council accepted a Letter of Intent (LOI) to formalize a partnership for the Microgrid Incentive Program. The submission is pending, and awardees should be announced sometime in 2026.

In 2025, Yolo County was formally invited to join the Northern Regional Energy Network (NREN) as a non-governing partner for the 2028-2031 business cycle, and in turn invited VCE to join as a partner in program implementation, should the budget be approved. The proposed programs and budget are still under review and will be confirmed sometime in mid-2027. Proposed programs could promote economic development for diverse businesses, as well as provide funding for workforce development in the region.

In 2025, VCE completed extensive website updates to ensure ADA compliance, and increased Spanish webpage translations by 25% or more. As detailed in the VCE 2025 Supplier Diversity plan, VCE added relevant updates and resources to our Supplier Diversity webpage and promoted the page to businesses and their networks.

VCE expanded outreach to educate the public and vendors about the Supplier Diversity program through VCE's website, social media, and community events. VCE has created new and/or revised outreach materials for customer education about VCE, as well as fliers designed to help customers read and understand their electric bills in English and Spanish.

Participating in Events

While opportunities for VCE to attend diverse supplier events in 2025 were limited, VCE did promote and participate in a joint-CCA supplier diversity workshop. The workshop was called "Certify and Amplify" and was hosted by MCE, Ava Community Energy, and Silicon Valley Clean Energy in September 2025. Local suppliers tuned in to learn about the Supplier Diversity Clearinghouse, supplier certification process, and the benefits of certification. The workshop allowed VCE to gather information about CCA supplier diversity initiatives to evaluate the possibility of hosting a similar workshop in our service area in the future.

VCE staff hosted an informational display at twelve public community events in geographically diverse locations throughout Yolo County in 2025. Events with VCE participation included the Winters Salmon Festival, the Woodland Honey Festival, and the Esparto Almond Festival. VCE also performed outreach activities at three Farmers Markets across our service territory in 2025. VCE shared educational information about renewable energy, fossil fuels, and Electric Vehicles (EVs). VCE also shared information about our procurement portfolio, programs to help customers increase home comfort while reducing utility bills, and general CCA information. VCE provided information where appropriate to raise awareness of diverse contracting opportunities.

VCE typically participates in the annual Winters Carnitas Festival. This event is an example of VCE's engagement in our diverse communities, and it provides opportunities for outreach and education targeted at diverse small businesses. However, out of an abundance of caution for the safety and security of the Latino community, the celebration was cancelled in 2025.

VCE participated in Winters Youth Day, which emphasized the importance of workforce development and promoted school-age access to information about careers, including public service. VCE also attended a Community Resource Event as part of the Yolo Energy Partnership with other Yolo County CBOs on October 18, 2025. This event reflects VCE's commitment to the following aspect of the 2025 Supplier Diversity Plan: VCE will provide Supplier Diversity information at future VCE contractor and vendor workshops. VCE attended Cool Davis's event EVs @ the Pavilion in September 2025. The event provided the community access to first-hand experience and information about EVs, which included the opportunity to drive an EV and talk to owners of different EVs on display. VCE volunteered a display car and driver for the event.

VCE also supported Cool Davis' Make-a-Plan Workshops with a presentation on VCE's Electric Advisor program. The program helps customers to make efficiency upgrades to make their home more comfortable and energy-efficient, and to develop a whole-home electrification plan if desired. VCE promoted the Electric Advisor program to member jurisdictions, and to members of the Yolo Energy Partnership De Colores and Cool Davis, who in turn publicized the program in their communities. Promotion involved sharing digital collateral, social media templates, and providing education for government and CBO staff about how the Electric Advisor Program benefits community members.

Please note relevant Yolo County demographics: 33.4% Hispanic or Latino, 17.3% Asian, 6.4% two or more races, 3.4% Black, 1.9% American Indian and Alaska Native, 0.6% Native Hawaiian or other Pacific Islander, and 41.6% White (alone, not Hispanic or Latino).² These workshops and other public events VCE participated in are designed to reach the diverse population VCE serves. Since Yolo County has such a high Spanish-speaking population, VCE takes care to provide Spanish-translated content and education whenever possible.

2025 Strategic Plan Update

VCE adopted a Strategic Plan in November 2020.³ [The Plan](#) was updated in 2025, and the next major update is scheduled for 2029, with minor updates to the plan every two years or as otherwise needed. As a customer- and community-focused organization, VCE's Strategic Plan seeks to bring customer value to all segments of the communities served, including those that have historically been underserved. To accomplish this goal, VCE's objectives include:

- Promoting diversity, equity, and inclusion in VCE's leadership, hiring, promotion, and contracting policies.

² U.S. Census Bureau. Quick Facts. Available at:

<https://www.census.gov/quickfacts/fact/table/yolocountycalifornia/PST045225>.

³ Valley Clean Energy Strategic Plan, p. 3 (October 8, 2020). Available at:

<https://valleycleanenergy.org/wp-content/uploads/item-13-Ratify-Strategic-Plan-11-12-20.pdf>.

- Developing engagement strategies to increase awareness of, and participation in, local control of VCE’s energy supply and programs with a particular focus on engaging disadvantaged and historically marginalized communities;
- Designing and implementing a strategy to engage local business and agricultural customers; and
- Integrating and addressing the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE’s services and programs.⁴

Diversity, Equity, and Inclusion Policies

Hiring Practices

VCE is an equal opportunity employer that strives for diversity in our hiring practices, consistent with the requirements of Proposition 209. VCE works to promote job vacancies within relevant professional minority organizations.

Environmental Justice Policy Statement and Legislative Platform

Recognizing that environmental justice issues are deeply ingrained in energy supply and policy, the VCE Board of Directors adopted an Environmental Justice Statement on November 12, 2020⁵. The statement includes actions that VCE can take to address inequities and environmental justice issues within the energy sector. Actions include addressing the priorities and concerns of disadvantaged communities in the design and implementation of VCE’s services and programs; targeting outreach campaigns to involve disadvantaged communities in VCE’s meetings of the Board of Directors and the CAC; and further integrating diversity, equity, and inclusion in our internal hiring, promotion, leadership and contracting policies.

VCE’s 2025 update to the organization’s [Strategic Plan](#) included an objective to update and revise VCE’s Environmental Justice Statement to better reflect VCE’s commitment to Environmental Justice as the agency matures. The update will also include more specificity on how environmental justice can be integrated into VCE’s program design methodology, including using at least one equity framework to design and evaluate all future programs.

VCE’s 2025 legislative platform included guidance for legislative activities on various topics, including environmental justice and local economic development and environmental objectives.

Local Economic Development & Environmental Objectives:

- a. Support policy and legislation that enhances opportunities for CCAs to promote local economic development through locally designed programs that meet the unique needs of its member agencies and customers.
- b. Support policy and legislation that enhances the development of local and regional sources of renewable energy.

⁴ *Id.*, Strategic Goals 3.1, 3.3, 3.7, and 6.5.

⁵ Valley Clean Energy’s Statement on Environmental Justice (November 12, 2020). Available at: <https://valleycleanenergy.org/wp-content/uploads/Item-14-Ratify-Environmental-Justice-Statement-11-12-20.pdf>.

- c. Support policy and legislation that enables CCAs to collaborate with their member jurisdictions on local energy resources and projects to advance environmental objectives.
- d. Support policy, legislation, and regulations to enable CCAs to plan, own and operate clean energy resources that serve local needs while contributing to the local economy.
- e. Support policy, legislation, and other programs that ensure that CCAs and their member agencies have access to existing and new state and federal energy-related grant and loan funds, including programs for residential, commercial, industrial, agricultural and government customers.

Energy Justice:

- a. Engage in policies and legislation that directly or indirectly impact the ability of underserved communities in the VCE service territory to have affordable, reliable and clean energy.
- b. Support policy, legislation, and regulations that strengthen the resilience of vulnerable communities to the impacts of climate change.
- c. Support policy and legislation that enables all California communities, especially marginalized communities, and individuals regardless of race, color, national origin, religion, sexual orientation, sex, gender identity, age, disability or socioeconomic status, to participate in the transition to a zero-carbon electrical grid in a cost-effective manner.
- d. Support policy and legislation that enables all California communities, especially historically marginalized communities and individuals, regardless of race, color, national origin, religion, sexual orientation, sex, gender identity, age, disability or socioeconomic status, to participate in the decarbonization of the state's building stock and the transportation sector.
- e. Support policy, funding legislation, and/or budget appropriations to alleviate residential and commercial energy insecurity or financial hardships that could disrupt electricity service to VCE customers or restrict VCE customers' access to clean energy opportunities. This could include assistance to avoid electric service disconnections or economic recovery funding for transportation electrification.

Supplier Communications

In 2025, VCE continued its existing practice of ensuring that communication with both prospective vendors and established suppliers includes information about GO 156 and supplier diversity certification. VCE accomplished this through a diversity questionnaire, automatic updates on Request for Offers and Proposals (RFO/RFP), promotion of the Certify and Amplify Workshop, and individual outreach.

While VCE has not seen growth among its vendors in certifications attributable to these supplier communications, potential contractors are becoming more aware of GO 156 and the benefits of becoming certified, as well as the resources that are available to help them through the process.

Sacramento Municipal Utility District

VCE continues to contract with Sacramento Municipal Utility District (SMUD) to deliver high-quality services and personnel support. The services SMUD provides include, among others, customer care, data management, and wholesale energy services. Working closely with SMUD

results in the incorporation of SMUD best practices for procurement, recruitment, and diversity, including SMUD's Sustainable Communities initiative and its supplier diversity initiative, the Supplier Education & Economic Development (SEED) program. SMUD utilizes apprenticeship, local, and union labor for its most recent contracts with VCE that were executed during 2025.

Community Development and Clean Energy Equity

VCE's community members are at the heart of everything we do, and our most effective approach to engaging with prospective diverse suppliers is to directly engage the members of our community. Our mission is to provide our community with clean energy, product choice, and greenhouse gas emissions reductions, all while prioritizing affordability. In support of this mission, VCE's Board approved a rate reduction of 5% for all customers, including our small and diverse businesses. The 5% discount is estimated to save our customers a total of \$5 million annually, with the commercial and industrial class seeing savings of \$2.7 million a year. On average, each commercial and industrial customer can expect to see annual savings of over \$550.

Our most vulnerable residential customers on the California Alternate Rates for Low-income Energy (CARE), Family Electric Rates Program (FERA), and Medical Baseline (a state discount for needing medical equipment that requires electricity) receive an even greater rate discount of 10%, which provides a total estimated savings of \$2.4 million per year. On average, residential CARE, FERA, and Medical Baseline customers can expect to see about \$9.50 savings on their energy bill each month.

In the pursuit of clean energy equity, in 2024, VCE launched ERRO, the Energy Efficiency Retrofit Rebate Outreach program in partnership with Yolo County. The program provides weatherization, energy efficiency, electrification, and rebate application assistance to Yolo County residents, with an emphasis on low-income customers and customers struggling to pay their electricity bills. This program and VCE's partnership with Yolo County have continued and grown over the course of 2025. Customers can call, chat or email to receive one-on-one help from our Electric Advisors, to assess high bills, make a home energy plan, choose a contractor, apply for home energy rebates, and more. Customers can also receive help with evaluating contractor quotes, which could potentially drive business to local small and/or diverse businesses.

English and Spanish Electric Advisor staff are available, with the option for translation services for other languages. Additionally, the highly trained Electric Advisors are also VCE's customer care team for billing questions, so customers receive a seamless experience, whether they are calling about home comfort upgrades or to better understand their bill.

During 2025, VCE conducted extensive research and community outreach to gather feedback on the program design for the second phase of VCE's EV Pilot Program, Charge Your Ride. The Charge Your Ride Program was approved by VCE's Board in November 2025. The pilot contains the following elements:

- Element 1: \$3500 pre-owned EV rebate to low-income qualifying applicants, stackable with PG&E's Used EV Rebate.
- Element 2: Rebates up to \$35,000 per project to multi-family properties of 5+ units for EV charging systems and charging readiness (including a charger maintenance rebate).
- Element 3: Technical Assistance for EV charging to be offered through an enhanced VCE Electric Advisor service.

This program design is a result of community outreach across Yolo County as well as a thorough review of UC Davis publications concerning transportation electrification and strategies for equitable EV adoption.

In addition to providing incentives for charging equipment and home electrification upgrades, VCE is in the process of designing an Economic Development Rate to better support businesses as they become established in VCE's service territory by offering reduced electric rates. This new business-focused rate would benefit our diverse community by growing and maintaining local employment opportunities.

Grants and External Funding

On August 15, 2024, VCE, in partnership with the County of Yolo, De Colores, Cool Davis, and the Yocha Dehe Wintun Nation, submitted a proposal for an EPA grant in the Environmental and Climate Justice Community Change Grants Program. The grant plan incorporated several projects, including two microgrids, an expansion of VCE/Yolo County's Electrification Retrofit Rebate Outreach (ERRO) program, community outreach performed by De Colores and Cool Davis, rebates for electrification, and other associated projects. All projects were designed to be responsive to community needs, equitably distributed, and inclusive of all voices, especially those of farmworkers, low-income families, and tribal communities.

Funding for Technical Assistance to Small and Diverse Businesses

Federal administration changes led to executive orders that terminated the EPA's Environmental and Climate Justice Community Change Grants Program on January 27, 2025. The funding is no longer available due to federal cuts, and grant application reviews were never finalized. VCE felt strongly enough about the community needs served by this project that we resubmitted the Gibson Solar and BESS project to the [Microgrid Incentive Program](#) administered by PG&E. VCE began the application process in June 2025 and submitted the final application in December 2025. The application process allowed for further collaboration with The Yocha Dehe Wintun Nation, which accepted a Letter of Intent from VCE detailing a project partnership centered on critical facility identification and project progress. The application status is still under review, with awardees expected to be finalized in 2026.

In the face of uncertain funding opportunities, VCE will continue to monitor, collaborate on, and pursue outside funding for the development of our local community, focusing on projects that support the people who need it most.

Workforce Development and Data

VCE is committed to ensuring its energy projects contribute to the local economy and local workforce, consistent with our strategic goals. To this end, VCE has included stipulations in our power contracts that require the project developers to contribute to Workforce Development and Sustainability Funds.

As a result of a contract signed in 2020 for the Tierra Buena project located in Sutter County, \$10,000 has been contributed to a clean energy and battery storage workforce training program. VCE helped to finalize this program in partnership with Redwood Coast Energy Authority (RCEA), and Ormat, an energy company. RCEA and VCE's contracts stipulated that the developer commit to contributing \$10,000 "to a clean energy or battery storage workforce training program, or science, technology, engineering, and math (STEM) educational program, located within twenty (20) miles of the Project." In 2024, the developer completed the curriculum and shared it with RCEA and the host community in Sutter County for use in their jurisdictions. The curriculum provides information on wind, geothermal, solar, and energy storage industries. The curriculum is designed for a variety of audiences from high school-aged teens to adults seeking a career transition. VCE and RCEA are seeking instructors who are interested in being trained to provide the curriculum for their students.

Board Diversity

VCE is governed by a Board of Directors with designated representatives from each of the communities it serves. The Board is comprised of two people from each member jurisdiction: Woodland, Winters, Davis, and unincorporated Yolo County. VCE Board members are appointed annually by the governing body of their respective jurisdictions.

In 2025, VCE's Board was chaired by an Indian-American male. In 2026, VCE's Board is chaired by a Mexican American/Native American female. The 2026 Board Vice Chair position is held by a Hispanic female. The available information from voluntary responses to VCE's questionnaire presented below suggests that VCE's Board members are reflective of the diverse community VCE serves.

Board Member	Diversity Response
1	I am a cisgender Mexican American female and have not served in the military.
2	Decline
3	I am an Indian-American cisgender heterosexual male. I have not served in the military
4	Decline
5	Decline
6	I am a white, female, aged 67. My pronouns are she/her. I am not a veteran.
7	I am a straight, hispanic female.
8	Decline

Community Advisory Committee Diversity

VCE’s Community Advisory Committee (CAC) has ten members, including one vacant position in 2025. The CAC is comprised of two members per jurisdiction and three at-Large Members.

CAC Member	Diversity Response
1	No response
2	I am white, male (he/him), age 77, heterosexual, not a veteran.
3	No response
4	No response
5	No response
6	No response
7	No response
8	No response
9	No response
10	No response
11	Vacant

Supplier Diversity Contact Information

Information on VCE’s Supplier Diversity Program, including past reports and helpful links, can be found at the following URL: <https://valleycleanenergy.org/supplier-diversity/>.

If vendors are interested in receiving periodic news on RFP/RFOs from VCE, they can sign up here: <https://valleycleanenergy.org/solicitations-rfps/>.

Any questions or feedback from prospective vendors can be emailed to VCE at Info@valleycleanenergy.org.

9.1.2 Supplier Diversity Results of Goods and Services (Non-Power Purchases)

This section summarizes VCE's procurement of goods and services (excluding power purchases) from eligible suppliers. Direct spending and subcontractor spending are broken down based on procurement from women-owned businesses, LGBT-owned businesses, disabled veteran-owned businesses, businesses owned by disabled individuals, and minority-owned businesses, with further subcategorization by minority ethnicity. A table detailing VCE's procurement expenditures by eligible supplier type is provided in Attachment A.

As previously noted, as a local government entity, VCE is legally prohibited under the California Constitution (Prop 209) from granting preferential treatment to diverse businesses in the contracting process. The CPUC's Supplier Clearinghouse has a targeted focus, and many of VCE's suppliers and other businesses with which VCE is engaged fall into categories outside that targeted focus area, such as public agencies, non-profit organizations, project-specific LLCs, and large publicly traded corporations. There were no new certifications added to the Clearinghouse for VCE's vendors in 2025.

Number of Eligible Suppliers with Majority of Workforce Working in California

Information on the number of VCE's diverse suppliers with the majority of their workforce in California is not readily available. In 2025, VCE contracted with no GO 156-certified direct suppliers, and only one subcontractor was certified as both a WBE and MBE. Information on the entity's workforce was not found in the Clearinghouse. Additionally, no suppliers were identified as eligible for certification in response to our Supplier Diversity Survey.

To summarize from previous Supplier Diversity reports, VCE sees an opportunity for Clearinghouse feasibility for VCE vendors and business classifications. VCE notes that many of the vendors it works with do not have traditional ownership structures expected by the Clearinghouse, but rather LLCs and other forms of ownership that do not dictate a single owner. This is true for many of our vendors, including procurement projects. VCE received feedback that some vendors may not pursue certification because of fear surrounding submitting sensitive demographic data to the Clearinghouse.

Direct Suppliers and Subcontractors – California Residence

Out of the 35 vendors that VCE worked with in 2025 for both power procurement and non-power purchases, 9 responded to our Supplier Diversity Survey. Out of the 6 respondents, 5 were for non-power purchases. 5 vendors stated that 100% of their workforce was in California, 1 answered that 89% of their workforce was in-state, 1 answered that 70% of their workforce was in-state, and 1 supplier stated that 38% of their workforce was in-state. For most non-power-purchase respondents, a majority of their workforce resides in California. One vendor stated that their single employee resides in California.

Regarding the other 26 vendors, VCE does not have the information available to know whether a majority of their workforce resides in the state.

Supplier	Average Percentage of Workforce
Polaris Energy Services Inc	70%
California Community Power	89%
Putah Creek Solar Farms	No workforce
Pacific Policy Group, LLC	100%
Richards, Watson & Gershon	100%
Keyes & Fox LLP	38%
SMUD	100%
Donald B. Dame Energy Consulting	100%
Desert Community Energy	100%
Sum of Average Percentage	6.97
Number of Suppliers	8

Direct Suppliers and Subcontractors – Total

VCE worked with 35 direct suppliers with an additional reported 3 subcontractors in 2025. From the results of our Supplier Diversity Survey, 33% of the respondents utilized subcontractors. Of the 9 vendors that responded to the survey, 3 vendors reported using one subcontractor each. Zero direct suppliers were GO 156 certified, but 1 subcontractor was identified as a Minority Business Enterprise (MBE) and a Woman-Owned Business Enterprise (WBE). VCE, in comparison with other CCAs, has a limited number of vendors necessary to operate.

9.1.3 Supplier Diversity Program Expense

VCE incurred the expenses listed in the table below in connection with its supplier diversity program in 2025.

Expense Category	Year (Actual)
Wages	\$ 3,796.85
Other Employee Expenses	\$ -
Program Expenses	\$ -
Reporting Expenses	\$ -
Training Expenses	\$ -
Consultant Expenses	\$ 872.00
Other Expenses	\$ -
Total	\$ 4,668.85

9.1.4 Description of Progress in Meeting or Exceeding Set Goals

This section is not applicable to CCAs.

9.1.5 Description of Prime Contractors' Utilization of Diverse Subcontractors

In response to our Supplier Diversity Survey, 33% of respondents answered that they used subcontractors for their VCE contracts. One prime contractor was identified as utilizing a subcontractor certified as both a WBE and MBE to fulfill their obligations to VCE. The prime contractor spent \$736,352.96 on the Minority Female Business Enterprise in calendar year 2025.⁶

It is possible that VCE's prime contractors subcontracted with WMDVLGBTBE suppliers but did not respond to VCE's data request or our Supplier Diversity Survey. While VCE did not contract with any new vendor in 2025, any supplier contracts from previous years would have included language on GO 156 and the Supplier Clearinghouse, as described above in Section 9.1.1.

Sacramento Municipal Utilities District (SMUD) responded to VCE's survey, and stated that its subcontractors employ apprenticeship, local labor, and union labor for SMUD's contract with VCE. SMUD also runs the Supplier Education and Economic Development (SEED) program to encourage supplier diversity in non-energy procurement. The subcontractor providing billing and data management to VCE (through SMUD) is a SEED vendor. To be designated a SEED vendor, the supplier must be certified with the DGS Office of Small Business and DVBE Services as a "Small Business" or "Micro Business."

New Diverse Prime and Subcontractors During 2025

VCE did not contract with any new vendors or receive information on any new subcontractors in 2025. According to our Supplier Diversity Survey, a previously existing subcontractor newly certified as a Minority Female Business Enterprise on April 30, 2025.

VCE sometimes extends contracts with existing vendors, rather than seeking out new vendors. This is in part due to the expense and staff time spent on issuing an RFP or RFO. If VCE does not have a business need to seek proposals, staff capacity and agency size may limit the issuance of new RFPs/RFOs. VCE's prudence and responsibility for funds in our care is notable, as we received a clear audit report in 2025 for the FY 2024.

9.1.6 List of Supplier Diversity Complaints Received and Current Status

VCE did not receive any written or verbal complaints from a diverse supplier in 2025.

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

This section is not applicable to CCAs.

⁶ The reported 2025 spending amount is significantly larger than the reported spending amount in previous years, but it does not represent new subcontractor spending. Instead, nearly all of the increase is due to a prime contractor reporting this information for the first time in response to VCE's annual supplier diversity survey. However, the subcontractor spending that has been reported in prior years more than doubled during 2025 with nearly \$10,000 additional spending.

9.1.8 Retention of All Documents/Data

VCE acknowledges the GO 156 requirement to retain all documents and data relied upon in the preparation of this report.

9.1.9 Description of Supplier Diversity Activities and Progress in Power Procurement

VCE is committed to purchasing from local and small businesses whenever possible. However, opportunities to develop wholesale energy contracts with diverse businesses are limited. Due to VCE's small service territory and limited number of customers, VCE hasn't contracted for new power procurement in the last two years. Additionally, because of the nature of the industry, the number of diverse power providers to contract with is low. As explained by utilities in previous reports, the wholesale electric marketplace is comprised of large, long-term assets primarily owned and operated by large corporations and financial institutions. The generating resources that provide electricity to California customers are capital-intensive to construct and operate, thus there are limited opportunities for small- to medium-sized businesses to enter the market as primary developers, owners, or operators. Therefore, most counterparties in this sector do not meet the GO 156 criteria. For example, in its 2024 Supplier Diversity Report, PG&E reported spending of 0.07% of its total power procurement with power providers meeting the GO 156 criteria.⁷

In addition, the GO 156 reporting template tracks CCAs' physical power procurement in the form of (1) renewable and non-renewable physical power, and (2) fuels procured for generation (diesel, nuclear, or natural gas). VCE's physical power needs that are not met through its long-term contracts for renewable generation are filled through short-term hedges to minimize exposure to price volatility. VCE does not directly contract with fossil fuel-powered generators for electricity. Because VCE does not procure diesel, nuclear, or natural gas to generate electricity, VCE does not engage in transactions with eligible suppliers for such fuels. A table detailing VCE's expenditures with diverse power procurement suppliers is provided in Attachment A.

As a local government entity, VCE is legally prohibited under the California Constitution (Proposition 209) from granting preferential treatment to diverse businesses in the contracting process. However, VCE remains committed to the goals of GO 156, and is planning to continue to expand our outreach and education around the program in 2026.

⁷ Pacific Gas & Electric Company, *2023 Supplier Diversity Annual Report and 2024 Annual Plan*, Appendix D (PDF 47), March 1, 2024. Available at: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/bco/go-156-procurement-plans/2023/pge-2023annual_2024plan-fin-cpuc.pdf.

2026 Annual Plan

10.2 Description of Supplier Diversity Program Activities for 2026

Although VCE does not have specific numeric targets for contracting with diverse suppliers due to the limitations imposed by Prop. 209, our plan is to continue improving and expanding on our existing outreach, information, and education strategies. The outreach is designed to further support and encourage supplier diversity by bringing awareness to GO 156, diverse supplier resources and opportunities, as well as supporting the needs of our local community. VCE will continue to focus on engagement of our existing prime contractors and subcontractors, as well as informing diverse suppliers in our local community about resources and opportunities to contract with VCE as they arise. VCE will continue to identify and encourage eligible vendors to complete the certification process as well as ensure our prime contractors are aware of the Supplier Clearinghouse when they source subcontractors.

2026 Internal Program Activities

- Diversity, Equity, and Inclusion (DEI).
 - In 2026, VCE will continue to integrate and update supplier diversity language in solicitations and continue the practice of posting solicitations directly to the Supplier Diversity Clearinghouse to share these opportunities with existing certified vendors. VCE will also train key staff, as needed, with instructions and procedures for distributing contract opportunities on the Supplier Clearinghouse platform.
- CCA Collaboration.
 - VCE will participate in DEI information-sharing activities among the CCAs to identify and assess best practices. VCE will continue to attend the monthly CalCCA Equity Committee Meetings, and a Valley Clean Energy staff member will co-chair the committee in 2026. This will further enable VCE to collaborate and support information- and resource-sharing, and is aligned with other CCA collaboration goals. VCE also participated in the CalCCA Equity Survey, with the goal of cataloging CCA practices and resources, as well as increasing high-level visibility of equity practices across CCAs.
 - VCE will take part in ongoing meetings with CPUC Supplier Diversity staff and CCAs to coordinate efforts to improve diverse spending.
 - VCE will also explore the potential to collaborate with other CCAs on DEI initiatives, consistent with VCE's Environmental Justice Policy and related Strategic Plan goals/objectives.

2026 External Program Activities

- Solicitations.
 - VCE will continue to include supplier diversity questionnaires, as well as information and language on the CPUC Supplier Diversity program, in our solicitations.

- VCE will send Requests for Proposals directly to the Supplier Diversity Clearinghouse to share these opportunities with existing certified vendors.
- Upon awarding a contract, VCE will assess vendor for Clearinghouse certification or, when not certified, eligibility for certification. For vendors who are qualified, VCE will provide guidance materials and a description of the benefits of certification.

VCE intends to have an RFP for Programs and Outreach vendors in 2026 and will follow the above guidelines in the solicitation process.

- Outreach and Education.
 - VCE will continue to expand outreach to educate the public and vendors about the Supplier Diversity program through VCE’s website and community events.
 - VCE will continue to provide Supplier Diversity information at future VCE contractor and vendor workshops.
 - VCE will continue to add relevant updates and resources to our Supplier Diversity webpage and promote it to businesses and their networks.
 - VCE will provide flyers or printed media on Supplier Diversity at community events.
 - When a need for future electricity, capacity, renewable energy, or resiliency procurement arises, VCE will reach out to potential suppliers to announce opportunities for a diverse set of suppliers to participate in all categories, including, but not limited to, renewable energy, energy storage systems, and smart grid projects.
 - VCE will increase awareness of, and facilitate participation in, the Supplier Diversity Clearinghouse by businesses in our service territory.
 - VCE participates in several Chambers of Commerce in our service territory, including Esparto, Davis, Woodland, Winters; and the Chambers promote the interests of, and advocate for, small, local, and diverse businesses. VCE participates by paying dues as well as staffing Chamber-led events such as the Capay Valley Almond Festival.

Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses

- Work with VCE contractors/vendors
 - VCE will continue to encourage eligible vendors to complete the certification process, as well as ensure our prime contractors are aware of the Supplier Clearinghouse as they go out to source subcontractors, where relevant.
 - VCE staff will continue to identify and attend events where VCE can engage with diverse supplier groups.
 - VCE will continue to attempt to collect information from prime contractors and will provide Supplier Diversity information at future VCE contractor and vendor workshops.
 - VCE will provide flyers or printed media on Supplier Diversity at community events.
 - When a need for future electricity, capacity, renewable energy, or resiliency procurement arises, VCE will reach out to potential suppliers to announce opportunities for a diverse set of suppliers to participate in all categories, including, but not limited to, renewable energy, energy storage systems, and smart grid projects.