

The Power of Supplier Diversity

Helping to grow your business

Diverse Business Enterprises
2016 Annual Report
2017 Annual Plan
March 1, 2017



A  Sempra Energy utility®



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2016 SDG&E DBE annual report

Letter from SDG&E President Scott Drury

At San Diego Gas & Electric® (SDG&E®), we have a long history of fostering a diverse workplace and partnering with diverse suppliers. Through collaboration and a pursuit of excellence, we have been able to innovate, advance new technologies and build a better business on behalf of our customers.

At SDG&E, we are committed to creating a culture that promotes different perspectives, backgrounds and experiences in an inclusive and respectful manner. We believe this culture not only produces better business decisions, it represents our customers, suppliers, and the communities we serve.

In 2016, SDG&E achieved the highest level of spend with diverse businesses in the history of our company. SDG&E purchased more than 43 percent, or nearly \$619 million, of goods and services from diverse suppliers. This is the fourth consecutive year that SDG&E's supplier diversity spend has been above 40 percent.

Our achievements in supplier diversity can largely be attributed to three things: our employees, our prime business partners, and our training programs.

Employee driven program

SDG&E has more than 120 employees who serve as diversity champions and ambassadors who, outside of their normal scope of work, help to incorporate diverse suppliers into our procurement supply chain.



Prime business partners

Our prime business partners and contractors are fully aligned with helping SDG&E expand the supplier base. This alignment has created opportunities for diverse suppliers to enter the energy industry through subcontracting. In 2016, we had more than 13.8 percent, or nearly \$200 million, of our spend with diverse suppliers who subcontracted with our prime business partners.

Training programs

The collective experiences and feedback from our suppliers allow SDG&E to lead in the area of technical assistance. Many of our diverse suppliers are small businesses looking for opportunities to work with the company and expand their organizations. Every year, we evaluate our technical assistance programs to adapt to changes within the energy industry and support the needs of our suppliers.

As an industry leader, local employer and service provider to more than 3.1 million customers, we have both an opportunity and obligation to promote diversity in our workplace and supply chain. I am proud of what our employees have accomplished and I am confident that our success today will continue well into the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Drury'. The signature is stylized and fluid, with a long horizontal stroke at the end.

Scott Drury
SDG&E President

Executive summary

San Diego Gas & Electric (SDG&E) maintained strong supplier diversity spending results in 2016 with **43 percent**, or over **\$619 million**, of all spending going to diverse business enterprises (DBE), once again exceeding the California Public Utilities Commission's (CPUC) General Order 156 goal of 21.5 percent.

Our 2016 results were driven by high DBE spend in core business areas, such as Electric Distribution Operations, Operations Support and Electric Transmission and System Engineering. It is important that we foster these relationships with DBE suppliers because the spend in these core areas is significant, as these areas contributed over 48 percent, or \$397.2 million, in 2016.



Strong DBE participation in two major projects in 2016 provided significant levels of diverse business spend. The Fire Risk Mitigation Project (FiRM) improves reliability and integrity of the electric system in fire-prone areas. FiRM posted \$56.9 million in DBE spend or 77.7 percent. SDG&E's San Luis Rey Synchronous Condenser Project adds two large synchronous condensers at San Luis Rey Substation to increase reliability and improve stability of the transmission grid. This infrastructure project posted exceptional results of 62.5 percent, or \$31 million in DBE spend.

The ongoing Pipeline Safety Enhancement Plan (PSEP) program, which pressure tests pipeline sections and upgrades, and replaces or retrofits pipe and valves as needed, continues to advance opportunities for diverse suppliers and achieved 39.7 percent, or \$43 million in DBE spend in 2016.

9.1.1 DESCRIPTION OF WMDVLGBTBE PROGRAM

2012-2016 DBE SPEND (\$ AND %)



Key spending and accomplishments contributing to 2016 supplier diversity success

Direct spend - increased more than \$76 million, from \$343.6 million to \$420.1 million, representing 29.1 percent in DBE spend.

\$420.1
Million

Subcontracting - totaled more than \$199.7 million for both core business and capital projects, representing nearly 13.9 percent in DBE spend.

\$199.7
Million

Category highlights

Minority Business Enterprise (MBE)

Spending was \$386.6 million or 26.8 percent.

\$386.6
Million

Women Business Enterprise (WBE)

Spending was \$193.4 million or 13.4 percent.

\$193.4
Million

Minority Women Business Enterprise (MWBE)

Spending was \$94.2 million or 6.5 percent.

\$94.2
Million

Service-Disabled Veteran Business Enterprise (DVBE)

Spending was \$38.7 million or 2.7 percent.

\$38.7
Million

INTERNAL ACTIVITIES

Executive support

Supplier diversity is a priority at SDG&E. Our executives, directors and managers are fully committed to supplier diversity and are diligent in their efforts to achieve the company's DBE goals. Executives support and routinely participate in diversity events such as the Diversity & Inclusion Summit and Awards ceremony, where we recognize employees who help SDG&E achieve our supplier diversity goals.

SDG&E internal DBE Champions and Ambassadors team

Since its formation in 2013, our DBE Champions and Ambassadors team has grown to over 120 members, representing a broad range of SDG&E departments. Our ambassadors help identify opportunities to include diverse suppliers and regularly participate in matchmaking and outreach events.

INTERNAL EVENTS

SDG&E held recognition events throughout the year, which brought employees together to raise awareness and celebrate the achievements of our supplier diversity program. 2016 events included:

- Diversity & Inclusion Summit and Awards;
- Optimizing DBE Spend Workshop;
- SDG&E Supplier Feedback Roundtable; and
- SCORE a Million Recognition Event.

Leadership Conversation: **Denita Willoughby**
SDG&E Vice President, Supply Management & Logistics

"Our suppliers must create value by helping us reduce costs, drive innovation, reduce risk, and improve safety."

Q: What attributes are required from our diverse suppliers to ensure a sustainable business model?

- A:**
- Pursuing excellence by delivering high quality products and services is essential.
 - Fostering collaboration is key to identifying best practices and finding solutions that help each party enhance their business.
 - Continued commitment to investing in new technologies will help keep pace with a changing utility industry.



SUPPLIER DEVELOPMENT AND TECHNICAL ASSISTANCE

SDG&E takes a lot of pride in the development and technical assistance we give diverse suppliers to help them improve their overall competitiveness and take their businesses to the next level so they can surmount challenges and succeed in the complex utility industry. SDG&E spent \$301 thousand for technical assistance and capacity building in 2016.

Mastering Business Growth (MBG)

In 2016, SDG&E and Infinity Business Solutions, a diverse supplier, offered 24 small business MBG participants a unique training opportunity to build new strategies and apply new metrics for growing their businesses. MBG provides small businesses with a toolkit of real-time applications and resources that address business challenges and/or opportunities.

SDG&E solicited local community based organizations (Elite SDVOB Network, DVBE Alliance, Council for Supplier Diversity, Asian Business Association, Central San Diego Black Chamber of Commerce, Women's Business Enterprise Council - West, National Association of Women Business Owners, Hispanic Chamber of Commerce, and American Indian Chamber of Commerce of California, among others) to identify qualified business owners who could benefit from our MBG classes.

The program culminated with SDG&E conducting a matchmaking event between participants, SDG&E procurement agents and business stakeholders. Classes covered a full range of business topics from business planning and writing proposals to finance and marketing.

Financial Capability Series (FCS)

FCS is a technical assistance series designed for existing and potential suppliers who want to strengthen their financial capacity and improve supplier's capital accessibility. Suppliers receive a self-generated guided action plan/financial roadmap to 1) identify capital needs; 2) strengthen banking relationships; and 3) understand the different types of financial products/services. In 2016, we provided this training to 20 businesses.

Supplier Quick Pay Program (SQPP)

SQPP pays small businesses within 15 days, rather than the standard 45 days, which boosts their access to working capital. When these small businesses get paid faster they are able to manage their finances more effectively. In 2016, there were over 40 suppliers enrolled in SQPP.

Wearable Imaging, **Robin Richter, CEO**
wearableimaging.com

"I love working with the SDG&E family and I have established a much deeper connection this past year. This partnership has given us the opportunity to shine and share our capabilities. SDG&E is a trusted partner that I admire, and I look forward to strengthening the relationship!"

Q: You recently participated in the SDG&E technical assistance program; can you share with us some tangible results that your business has achieved?

A: We have had considerable growth and so appreciate the relationships formed since the program. I have gained confidence and knowledge through this program for which I am truly grateful. As a result, our company achieved growth of 40% in the last quarter of 2016. Thank you, SDG&E.



SDG&E DBE Ambassador, **Brad Mantz**

"The key is to always be vigilant looking for opportunities to educate, internally and externally."

Q: You have been an SDG&E DBE Ambassador for the past 3 years, and served multiple departments such as power procurement and currently, customer service. How do you inspire new ambassadors as well as fellow colleagues about the importance of supplier diversity?

A: I like to share with other Ambassadors and SDG&E employees the importance of diversity and inclusion; not only in our workforce, but in our mix of suppliers as well. I have experienced value working directly with diverse businesses. A few simple tips that employees can adopt include: 1) share both success stories and stories on overcoming challenges, 2) provide constructive feedback, and 3) be proactive and meet frequently with your team to discuss upcoming opportunities.

2017 Calendar of events

January	SDG&E Diversity & Inclusion Summit
	Business Match-Making for Veterans
	DistribuTECH
February	SDG&E's Inaugural Combined CAP (Champions/Ambassadors/Primes) Event
	National Association of Regulatory Utility Commissioners (NARUC)
	Asian Business Association of San Diego, Annual Lunar New Year Celebration
March	SDG&E 2016 DBE Annual Report/2017 Annual Plan
	Women's Business Enterprise Council - West Executive Platinum Supplier Program
	Greater Los Angeles African American Chamber of Commerce Annual Economic Awards Dinner
	Women's Business Enterprise National Council Summit & Salute Conference
April	SDG&E Supplier Diversity Appreciation Event for Employees and Suppliers
	Joint Utility Western Systems Power Pool Event
	Disabled Veteran Alliance, Keeping the Promise
	Greenlining Economic Summit
May	Small Business Association/Small Business Development Center Awards Luncheon
	SDG&E Contract Delegate Training
	CPUC Small Business Expo
	Edison Electric Institute (EEI) Business Diversity Conference



2017 Calendar of events

June	Women's Business Enterprise National Council National Conference
July	SDG&E/SoCalGas Networking with Minority Certified Public Account Firms
	Native American Indian Chamber of Commerce Expo
August	The Elite Service-Disabled Veteran-Owned Business Network (SDVOB)
	CPUC Small Business Expo - Fresno
	California Black Chamber of Commerce Economic Summit
	National Gay & Lesbian Chamber of Commerce International Business & Leadership Conference
September	California Hispanic Chamber of Commerce Advisory Meeting
	The Elite Service-Disabled Veteran Business Enterprise Networking Event
	Disabled Veteran Business Alliance: Turning Contacts into Contracts
	Women's Business Enterprise Council-West Strategic Procurement Conference
	CPUC Annual GO 156 Supplier Diversity En Banc
October	Annual Asian Business Association of San Diego Awards and Scholarship Gala
	National Minority Supplier Development Council National Conference & Business Fair
November	SDG&E Supplier Feedback Roundtable
	Central San Diego Black Chamber of Commerce Dinner and Awards Gala
	Native American Heritage Luncheon and Awards
December	SDG&E SCORE (Small Contractor Opportunity Realization Effort) a Million Recognition Event



Supplier & Employee awards and recognition

SDG&E hosted SCORE a Million, an Awards & Recognition Event in December 2016 to celebrate the achievements of our suppliers, business partners, and company champions who helped us exceed our supplier diversity goals in 2016.

Awards

Humanitarian Award

SDG&E Ambassador Award

SDG&E Champion Award

Mentor Award

Pioneer Award

SCORE Award

Trailblazer Award

Best In Class Award

Partner of the Year Award

Winners

Osceola Consulting

Brad Mantz, Zachary Randal, Ann Ellis

Brian Telesmanic

Henkels & McCoy

Pride Resources Partners, LLC

NWB Environmental

ICON Building Supplies Inc.

AM Ortega

Capgemini



SDG&E Employees & Suppliers giving back to the community



"The Center for Community Solutions (CCS) provides shelter to women, children and families who are survivors of domestic violence and sexual assault. Your partnership is vital to the lives of the families we serve. Thank you for lifting their spirits and helping them rebuild their lives."

Edith A. Glassey, MA, CFRE Chief Development Officer



"I am new to the company and learning more of how the DBE Program supports and values diverse suppliers. I am overwhelmed with a sense of pride and fulfillment that I haven't felt since serving my country. I think the event and DBE team as a whole, goes above and beyond any other DBE program I have seen thus far in my career."

Tyler Brown, SDG&E Sr. Contracting Agent



"Hats off to SDG&E for recognizing the value of diversity and investment in our communities at their inaugural Score a Million event. It's an honor to be recognized with the terrific diversity leaders supporting supplier diversity and inclusion."

Natasha Dowling, Capgemini Client Partner for SDG&E



Cleveland National Forest

The Cleveland National Forest Project (CNF) will improve the reliability and integrity of SDG&E's electric system within and near the CNF. This project will replace several electric facilities and approximately 2,100 existing wood poles with fire-resistant weatherized steel poles. The project is estimated to cost upwards of \$500 Million and is a cornerstone of SDG&E's community fire safety efforts to protect the forest.

CRUX Subsurface Inc., **Steve Adams, President**
cruxsub.com

Q: CRUX Subsurface Inc. has recently been awarded the CNF project. How do you plan to strategically work with the supplier diversity team to identify new diverse suppliers for subcontracting opportunities?

A: CRUX Subsurface plans to host and participate at DBE matchmaking events and work with local supplier diversity outreach groups in order to continue to grow our DBE database. Through continued teamwork between SDG&E & CRUX Subsurface, we will continue to broaden our resources and expand our diversity achievements.



2016 awards & nominations

National Elite Disabled Veteran Business Enterprise Network

Leadership Award

Asian Business Association, San Diego

CEO's Choice Award

Women's Business Enterprise Council - West, California Forum

Corporate Appreciation Award

Council for Supplier Diversity, San Diego

Corporation of the Year Award

Council for Supplier Diversity, San Diego

Community Outreach Award

American Indian Chamber of Commerce of California

Thunderbird Award

National Association of Women Business Owners, San Diego

Special Recognition of the Loyal and Dedicated Support of NAWBO to Propel Women Entrepreneurs

Women's Business Enterprise Council - West, California Forum

Corporate Influence and Impact

California Hispanic Chamber of Commerce

Appreciation Award

Central San Diego Black Chamber of Commerce

Corporation of the Year

Leadership Conversation:

Denita Willoughby

"Diversity of people brings diversity of thought"

"SDG&E is proud of helping many companies and community organizations reach their full potential. SDG&E has been a supporter of the Central San Diego Black Chamber of Commerce (CSDBCC) from the start. We have given our time, financial support, and resources, to help this community organization achieve its goals. When small businesses succeed, we all succeed."

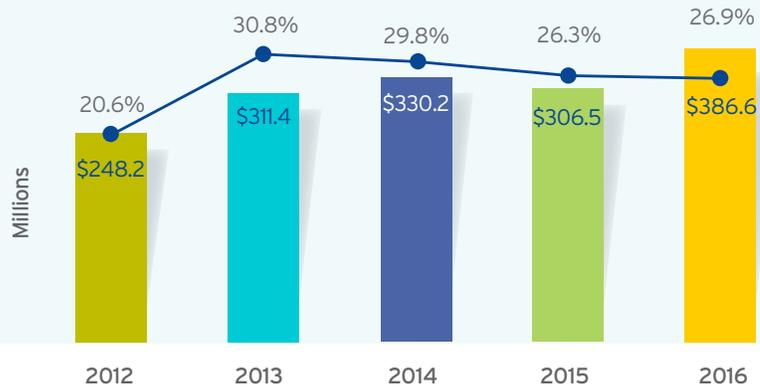


SDG&E's Vice President, Supply Management & Logistics, Denita Willoughby accepts CSDBCC's Corporation of the Year Award on behalf of SDG&E.

Minority Business Enterprise (MBE) procurement

MBEs remain the largest segment of DBE spending for SDG&E. In 2016, MBE spending exceeded \$386.6 million, or nearly 26.9 percent of overall DBE results. This represents an increase of 0.52 percent over 2015's MBE results of 26.3 percent. Of special note is the increase in spend with Hispanic American female-owned businesses, which is detailed in the Minority Women Business Enterprise (MWBE) Procurement on page 14. Our spend with Asian Pacific American-owned businesses also increased by over \$19.1 million dollars from 2015, representing an increase of 0.36 percent. This increase is in the areas of engineering services, design and construction, IT hardware and software and metal services.

MBE-SDG&E 2012 TO 2016 (\$ AND %)



Engineering Partners Incorporated, **Bobby Eugenio, Principal**
engineeringpartners.com

"We strive to provide excellent quality through a commitment to client satisfaction."

Q: What past experiences have helped you get to where you are now and how do you utilize those experiences to help your business and others?

A: It helps that we have developed a strong resume of qualified designers with experience in the private and government sectors. Through our persistence and patience we were able to build trust and to build long-term contracts with SDG&E to allow our organizations to be successful.



SDG&E DBE Ambassador, **John Dollman**

"Open communication and timely follow-up are essential in getting the job done safely, on time, and on budget."

Q: You bring a vast level of experience working in supply management, gas services and more recently, as a project manager for the construction services department at SDG&E. What lessons have you learned that you can apply to your current role to further support the supplier diversity program?

A: In my experience, working closely with internal clients to identify opportunities for diverse businesses is just the start. As Ambassadors, we have a directive to help and mentor all suppliers - primes, diverse, and small - as part of our inclusive approach. I help by meeting with the diverse suppliers regularly, answering questions, and facilitating introductions to SDG&E's internal clients.

Women Business Enterprise (WBE) procurement

In 2016, spending with WBEs increased to \$193.4 million, or 13.4 percent, of DBE spend. This is the sixth consecutive year our spending with WBEs has exceeded \$100 million, and the 11th consecutive year we have exceeded the CPUC goal of 5 percent.

WBE-SDG&E 2012 TO 2016 (\$ AND %)



Grahovac Construction Company, **Gina Grahovac Franklin, President**
grahovacconstruction.com

“Carefully selecting the right clients and developing strong partnerships like SDG&E has helped us continuously grow.”

Q: How did you leverage the supplier diversity program?

A: It’s been a long and exciting journey cultivating a relationship with SDG&E. The supplier diversity program provided access to various conferences; scholarships to participate in technical assistance programs; and introductions to internal clients. As a result of the program, the most significant benefit was to be awarded a direct contract for SDG&E.



SDG&E DBE Ambassador, **Zachary Randal**

“The Supplier Diversity program has helped identify new diverse suppliers for our general construction services department. These suppliers bring different perspectives and innovative solutions which have ultimately helped us improve our processes.”

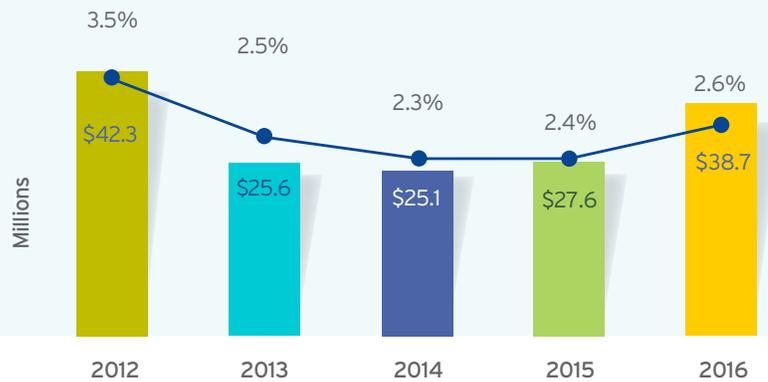
Q: How did the SDG&E supplier diversity Champion and Ambassador program change your perspective?

A: The program provided a venue for meeting several very quality DBE contractors that I would not have had exposure to otherwise. Further, the program goes beyond the outreach effort and actually facilitates a quality “meet and greet” in order to best utilize time.

Service-Disabled Veteran Business Enterprise (DVBE) procurement

SDG&E nearly doubled the CPUC DVBE spending goal of 1.5 percent, with over 2.6 percent, or \$38.7 million, in 2016 DVBE spend. 2016 marks the eighth consecutive year in which SDG&E has exceeded the 1.5 percent goal. SDG&E continues to focus efforts on incorporating DVBEs in our core business spend as well as emerging projects. DVBE spend increased primarily due to increased participation in SDG&E's capital projects. Project-related spend in the areas of surveying, warehousing and storage, and HVAC supplies contributed to an increase of \$11.2 million over 2015's capital project spend.

DVBE-SDG&E 2012 TO 2016 (\$ AND %)



GIS Surveyors, Inc. **Paul Loska, President**
gissurveyors.com

"It has been an honor to partner with SDG&E over the past few years. This partnership has allowed GIS Surveyors to realign our company's top priorities to mirror SDG&E's upcoming needs."

Q: As one of our growing diverse suppliers, what benefits and value have you experienced from participating in the various SDG&E supplier diversity programs?

A: Supplier diversity events can lead to relationships that have a profound effect on a small company's ability to succeed and grow. In my own experience, several doors were opened that allowed me an opportunity to share my capabilities. GIS Surveyors has been fortunate to attend technical assistance programs and events which have resulted in the ability to network and build new relationships.



SDG&E Supplier Diversity Ambassador, **Tyler Brown**

"I am proud to work for a company that excels in identifying, growing and nurturing diverse businesses. In my opinion, the SDG&E supplier diversity team is the best because they actually care and value our suppliers."

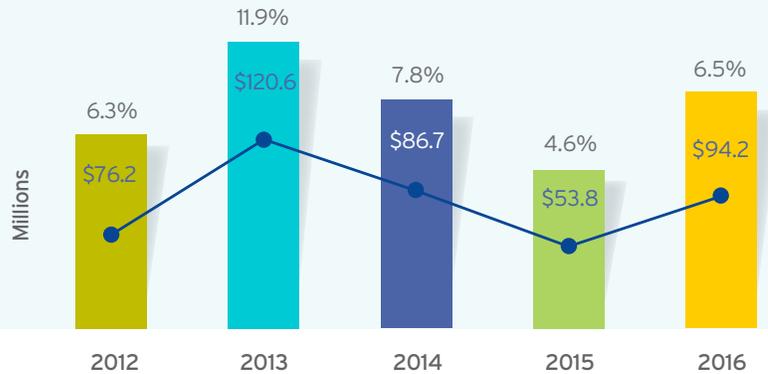
Q: Being relatively new to the organization and a new Supplier Diversity Ambassador, what observations or challenges have you experienced working with diverse suppliers?

A: In my current role, I support a very complex and capital-intensive portfolio generation. Many of our diverse suppliers lack the required resources to effectively compete in this commodity. For example, we have high insurance and bonding requirements. My advice to diverse business is to partner with larger prime suppliers and seek mentoring and subcontracting opportunities.

Minority Women Business Enterprise (MWBE) procurement

Spending with MWBEs was nearly \$94.2 million in 2016. At 6.5 percent, this represents a significant increase from our 2015 results of 4.6 percent. The increase in 2016 MWBE spend can primarily be attributed to \$14.2 million in materials and logistics spend with Hispanic American female-owned businesses on the San Luis Rey Synchronous Condenser project and \$8.0 million in surveying and trucking services for the PSEP project. This segment of diverse suppliers will continue to be an area of focus of SDG&E's development efforts. We will continue to make a concerted effort to help grow and nurture minority women-owned businesses through a variety of outreach activities.

MINORITY WOMEN-SDG&E 2012 TO 2016 (\$ AND %)



Luna's Trucking: **Mary Luna**

"As a result of solid partnerships and great mentors, Luna's Trucking has continued to increase our business acumen and develop strong business practices."

Q: What are some key factors in partnering with SE Pipe Line that has helped your diverse business continually grow?

- A:**
- The adoption of SE Pipe Line's safety practices/culture has helped Luna's Trucking maintain a 10-year accident-free safety record.
 - The development of streamlined ordering and invoicing processes has reduced internal operating costs which allowed us to maintain competitive business rates.
 - The frequency of periodic performance reviews with SE Pipe Line has allowed our company to provide outstanding customer service and jobsite adaptability.



SE Pipe Line: **Shannon Hearn, Vice President of SE Pipeline Construction**
sepipeline.com

"I am a forward thinker who believes that success is derived from a strong sense of integrity and I surround myself with a like-minded team. Growth is derived from providing consistent quality service and understanding that our customer's needs are paramount."

Q: Can you provide some insight on how you are able to identify, develop and retain diverse suppliers for subcontracting opportunities?

- A:** We look for companies that share SE Pipe Line's commitment to safety and quality of service. While we understand that smaller companies often lack the resources required to meet our demands, we help build our suppliers through mentorship and sustained growth. Luna's Trucking has been a long standing and trusted subcontractor for over 10 years and together we have grown to achieve significant milestones and success.

Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) procurement

SDG&E spent more than \$937 thousand or 0.07 percent with LGBTBE businesses in the first year of GO 156 reporting on LGBTBE spend. As part of outreach efforts, we participated in the NGLCC's conference and Southern California networking and matchmaking events. We reached out to LGBTBE suppliers in the Supplier Clearinghouse and met with 17 companies to identify potential new suppliers for procurement opportunities.



Pride Resource Partners LLC., **Joe Maak, CEO**
prideresourcepartners.com

"I have a passion to connect with the local community and this past year we established a scholarship in perpetuity with Mira Costa College, supported by the local Gay Men's Chorus of San Diego and the Trevor Project. We were also able to provide help to City of Hope, Bridging Hearts, and Habitat for Humanity."

Q: Pride Resource Partners has quickly excelled as one of SDG&E's premier project management consulting suppliers. How have you been able to grow your business at such a rapid rate?

A: Through the mentorship and coaching of Burns & McDonnell and SDG&E, I was quickly able to develop from a subcontractor into a prime supplier. I participated in the technical assistance program which provided me with guidance, training and contracting opportunities.



Burns & McDonnell, **David Harr, Project Manager**
burnsmcd.com

"Burns & McDonnell is proud to have partnered with SDG&E to identify and grow a number of diverse businesses that are instrumental to our successful execution of many projects."

Q: Can you provide some insight on how you are able to identify, develop and retain diverse suppliers for subcontracting opportunities?

A: Burns & McDonnell not only understands the value of diversity but is committed to maintaining a wide, diverse mix of suppliers who provide innovative ideas and a service-oriented attitude. Our goal is to help diverse suppliers grow their businesses and become strategic partners.

Description of WMDVLGBTBE with CA Majority Workforce

SDG&E is unable to provide this data as the Supplier Clearinghouse does not collect this information.

9.1.3 ITEMIZATION OF WMDVLGBTBE PROGRAM EXPENSES

Expenses for the 2016 supplier diversity program include items such as collateral development, networking events, technical assistance, capacity building, CPUC Supplier Clearinghouse payments, office support services and other program expenses.

Expenses Category	Cost (In thousands)
Wages	\$512
Program Expense	\$285
Consultants	\$52
Total	\$849

9.1.4 SDG&E EXCEEDS ALL WMDVLGBTBE CATEGORY GOALS SET BY THE CPUC

Through carefully managed programs and the full support of SDG&E management, SDG&E continues to exceed CPUC spend goals in every category.

Category	2016 Results	2016 Goals
Minority Men	20.31%	0.00%
Minority Women	6.54%	0.00%
Minority Business Enterprise (MBE)	26.85%	15.00%
Women Business Enterprise (WBE)	13.43%	5.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0.07%	0.00%
Service Disabled Veteran Business Enterprise (DVBE)	2.69%	1.50%
Total WMDVLGBTBE	43.03%	21.50%

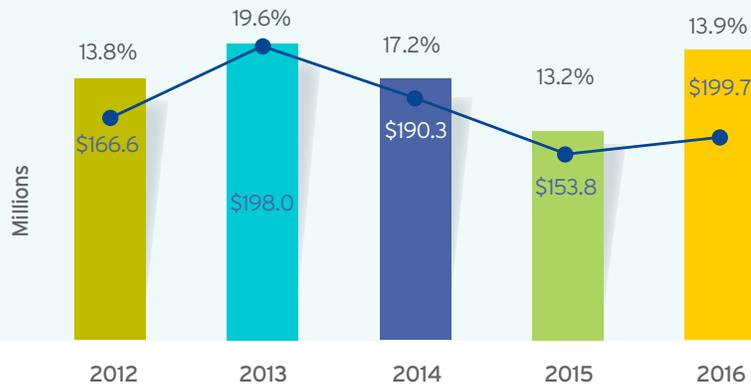
% - PERCENTAGE OF NET PROCUREMENT

9.1.5 SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS

DBE Subcontracting – SDG&E 2012 to 2016

Subcontracting by our prime contractors continues to provide opportunities for diverse businesses, as more than 13.9 percent of total spend, or \$199.7 million, was generated by DBE subcontractors in 2016.

SUBCONTRACTING-SDG&E 2012 TO 2016 (\$ AND %)



2016 SDG&E	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	Other 8 (a)*	Total (WMDVLGBTBE)
Direct \$	\$243,164,067	\$31,898,046	\$275,062,113	\$128,254,626	\$835,259	\$15,926,559	\$0	\$420,078,557
Subcontracting \$	\$49,337,312	\$62,281,658	\$111,618,970	\$65,184,267	\$102,249	\$22,816,777	\$0	\$199,722,263
Total \$	\$292,501,379	\$94,179,704	\$386,681,083	\$193,438,893	\$937,508	\$38,743,336	\$0	\$619,800,820
Direct %	16.88%	2.21%	19.10%	8.90%	0.06%	1.11%	0.00%	29.17%
Subcontracting %	3.43%	4.32%	7.75%	4.53%	0.01%	1.58%	0.00%	13.87%
Total %	20.31%	6.54%	26.85%	13.43%	0.07%	2.69%	0.00%	43.03%

Net Procurement	\$1,440,288,240
-----------------	-----------------

* FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT



Patriot General, **Steve Garcia**
 patriotgen.com

"San Diego Gas & Electric Company is not only the most valued client we have, but is also directly responsible for Patriot's growth and success."

Q: Over the past 9 years you have had continued success with SDG&E. What advice would you provide to other new diverse suppliers who are entering the competitive market in electric construction?

A: Patriot General has maintained a partnership with SDG&E that has spanned close to 9 years. 2016 was a year of growth which allowed us to provide services in substations. Opportunities in subcontracting have been most valuable to our success, especially partnering with primes such as Henkels and McCoy.



Henkels and Mc Coy, **Daniel Ashmore, Vice President West Region**
 henkels.com

"It's been a privilege to partner with diverse businesses and watch them grow organically. Some started very small and, with our guidance, are now viewed as leaders in the areas they serve."

Q: In 2016, Henkels & McCoy established an increased focus on supplier diversity with their key customers such as SDG&E. How has this benefited your company?

A: Henkels understands the value of incorporating new suppliers into the supply chain which has led to a transformational diversity task team. We now have a concentrated emphasis for expanding our diverse supplier database; which contributes to delivering outstanding performance to meet the demands of Henkels customers and serving the many diverse communities they represent.



SDG&E foresees an increase in capital project spend in the coming years. Some of these opportunities include: wood to steel, transmission/substation, battery storage, infrastructure relocation, and synchronized condenser.



DBE Ambassador, **Denis Sanford**

"We plan our projects and then work the plan."

Q. As a portfolio manager for major capital infrastructure projects, what would you say are some key factors your department identifies in selecting diverse suppliers to support these projects?

A. Part of our plan for success is a procurement and contracting strategy which includes diverse suppliers. We actively look for quality diverse suppliers who can perform and compete in a competitive bid environment. Some of the key factors we look for are knowledge and expertise on the product and/or services that the supplier is marketing. We then look at qualifying the supplier for a specific construction category and/or goods or services. In the qualification process we take into consideration the supplier's management team, safety statistics, quality, financial strength and the ability to execute if awarded the work. We want diverse suppliers to succeed so we look for bid opportunities that match their capabilities.

9.1.6 LIST OF WMDVLGBTBE COMPLAINTS

There were no formal complaints filed against SDG&E with the CPUC or lawsuits filed in 2016 in relation to SDG&E's supplier diversity program.

9.1.7 SUMMARY OF PURCHASES/CONTRACTS FOR PRODUCTS/SERVICES IN EXCLUDED CATEGORIES

The General Order 156 Ruling issued on November 14, 2003 ended exclusions, resulting in specific categories no longer being deducted from the fundamental procurement amount.

9.1.8 DESCRIPTION OF EFFORTS IN UNDERUTILIZED AREAS

SDG&E continues to focus on increasing the number of diverse suppliers as well as the spend in low utilization categories. In the financial services area, \$0.6 million was spent with diverse firms in 2016, or 3.1 percent DBE spend. In legal services area, \$1.4 million was spent with DBE law firms, or 7.8 percent.

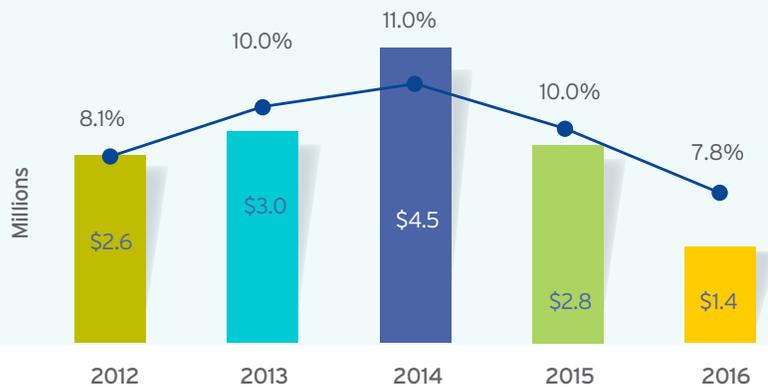
FINANCE - SDG&E 2012 TO 2016 (\$ AND %)



FINANCIAL SERVICES

The financial services community remains an important part of SDG&E's outreach efforts. Our executives and stakeholders are aware of the importance of penetrating this service sector and are assisting in actively seeking out qualified diverse suppliers for specific financial reviews and audits. Our executives, directors and managers continue to participate in numerous financial networking events designed to give exposure to diverse suppliers.

LEGAL - SDG&E 2012 TO 2016 (\$ AND %)



LEGAL SERVICES

SDG&E recognizes the importance of working with diverse legal firms to increase spending with DBEs. In 2016 legal DBE spending was \$1.4 million, representing 7.8 percent of all legal spending.

SDG&E's supplier diversity team works closely with the DBE Ambassador from legal services to identify qualified diverse firms in the areas of: general law, securities, real estate, intellectual property, workers' compensation, venture capital projects, employment law, and asset recovery.

SDG&E also sees the value in promoting utilization of diverse attorneys and paralegals at non-diverse firms. In 2016 SDG&E spent nearly \$6.9 million with minority and female attorneys and \$652.4 thousand with minority and female paralegals at majority-owned law firms, representing nearly 51 percent of total spend at those firms.

2016 SDG&E Legal Spend: Diverse Attorney Work Within Non-DBE Legal Firms Attorney Time Billed in 2016**		Total ¹
Minority Men	African American	\$130,606
	Asian Pacific American	\$22,323
	Hispanic American	\$58,288
	Native American	\$0
	Other	\$1,409,099
	Total Minority Men	\$1,620,316
Minority Women	African American	\$153,416
	Asian Pacific American	\$421,906
	Hispanic American	\$0
	Native American	\$0
	Other	\$152,191
	Total Minority Women	\$737,513
Total Minority Business Enterprise (MBE)		\$2,347,829
Women Business Enterprise (WBE)		\$4,559,501
Service Disabled Veteran Business Enterprise (DVBE)		\$0
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0
Non-DBE		\$6,598,376
Grand Total: All DBE/Non-DBE		\$13,505,706

2016 SDG&E Legal Spend: Diverse Paralegal Work Within Non-DBE Legal Firms Paralegal Time Billed in 2016**		Total ¹
Minority Men	African American	\$0
	Asian Pacific American	\$0
	Hispanic American	\$38,802
	Native American	\$0
	Other	\$61,346
	Total Minority Men	\$100,148
Minority Women	African American	\$38,039
	Asian Pacific American	\$30,852
	Hispanic American	\$90,438
	Native American	\$0
	Other	\$145,889
	Total Minority Women	\$305,218
Total Minority Business Enterprise (MBE)		\$405,366
Women Business Enterprise (WBE)		\$247,084
Service Disabled Veteran Business Enterprise (DVBE)		\$0
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0
Non-DBE		\$531,491
Grand Total: All DBE/Non-DBE		\$1,138,941

¹Note: Figures are estimated.

²Note: This spend is not included in our WMDVLGBTBE results.

9.1.9 RETENTION OF ALL DOCUMENTS/DATA

SDG&E preserves all documents and data related to its DBE annual report for (a) three years or (b) the timeframe that is in compliance with SDG&E's internal document retention policy, whichever comes later. SDG&E will provide these documents and data to the CPUC upon request.

9.1.10 SUMMARY OF PURCHASES IN PRODUCT AND SERVICE IN ADDITIONAL CATEGORIES

Per General Order 156, this section reports the summary of purchases in product and service categories that include renewable and non-renewable energy, wireless communications, broadband, smart grid and rail projects, in addition to current reporting categories. For our renewable energy-related projects, we have outlined some of our accomplishments below.

- SDG&E continues to outperform California's renewable standards requirements. In fact, in 2016, more than 40 percent of the energy delivered to our customers came from renewables.
- In the area of smart grid, SDG&E reported 35 percent DBE spend in 2016, once again surpassing our goal of 15 percent. We continue to utilize innovation to include diverse suppliers in major projects.

Electric Program Investment Charge (EPIC)

EPIC was previously established by the CPUC in D.11-12-035 to provide public interest investments in applied research and development, technology demonstration and deployment, market support, and market facilitation of clean energy technologies and approaches for the benefit of ratepayers of California investor-owned utilities (IOUs). D.12-05-037 established the purposes and governance structure for EPIC and D.13-11-025 clarified many of the program's regulatory requirements.

EPIC is designed to provide funding for electric utility research, development, and demonstration (RD&D). Specific funding allotments are made to four EPIC program administrators, including SDG&E. The EPIC program is intended to run until 2020 and is comprised of three triennial program cycles (i.e., EPIC-1, EPIC-2, EPIC-3).

In compliance with GO 156 requirements, we are incorporating by reference "SDG&E 2016 EPIC Annual Report", which was submitted to the CPUC February 28, 2017. This report provides detailed information about SDG&E's EPIC plans, projects and spend.

2017 DBE annual plan

10.1.1 GOALS

SDG&E is committed to a 40 percent targeted supplier diversity spend goal. In order to achieve this goal, we will focus on building a sustainable business model with our diverse suppliers.

- Achieve 40% in spending with DBEs.
- Develop a robust program including Champions, Ambassadors, and Primes (CAP) to help advance the supplier diversity programs.
- Continue efforts to expand access to financial resources for our small businesses and diverse suppliers.
- Continue to foster relationships with the LGBT community and help identify new LGBT certified suppliers.

Discover: "Discovering New Suppliers"

- ❖ Identify new suppliers that align with SDG&E business needs.
- ❖ Review capabilities and prequalify DBEs.
- ❖ Participate in Technical Assistance Tier 1.
- ❖ Connect with community based organizations (CBOs).



NWB Environmental, **Michael Taylor**
nwbenvironmental.com

Discover New Suppliers

"I firmly believe that success is discovered at an intersection where opportunity and readiness come together."

Develop: "Developing a Strong Foundation"

For small suppliers with revenues less than \$5 million

- ❖ Participate in financial capabilities technical assistance to determine financial readiness.
- ❖ Enroll in the SCORE program.
- ❖ Qualify for Supplier Quick Pay Program.
- ❖ Participate in networking opportunities with prime contractors.



Pangea Biological, **Amy Rowland, President**
pangeabiological.com

Develop a Strong Foundation

"Every company's foundation needs to be built upon growing trusting relationships, developing strategic partnerships and successfully completing projects on time and on budget."

Grow: "Growing your Business"

For medium-size suppliers that are building capacity for large-scale contracts

- ❖ Participate in SDG&E's Diverse Supplier Capital Initiative to access capital readiness.
- ❖ Participate in Technical Assistance Tier 2.
- ❖ Focus on expanding capacity and increasing revenue.



PRAVA Construction Services, Inc., **Glenn Torrez, President/CEO**
pravacsi.com

Grow Your Business

"During our 13+ years in business SDG&E has been very supportive. Their leadership, guidance and mentoring have played a significant role in our growth."

Sustain: "Sustaining for the Future"

For medium to large size suppliers focused on maintaining consistent growth and revenue

- ❖ Participate in SDG&E's Diverse Supplier Capital Initiative to access capital readiness.
- ❖ Participate in Technical Assistance Tier 3.
- ❖ Mentor and identify diverse suppliers for subcontracting opportunities.



A.M. Ortega Construction, **Maurice Ortega, President**
amortega.com

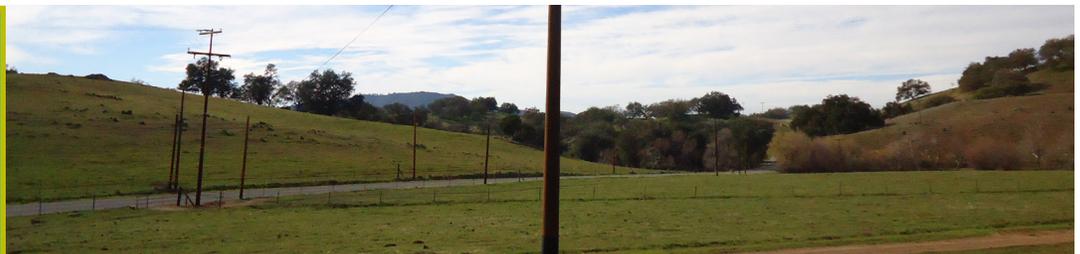
Sustain for the Future

"The measure of our company's sustainability can be defined by our hard working, dedicated employees; continuous focus on training to ensure high performance in safety; and the relentless commitment to quality control."

Diverse supplier annual short-, mid-, and long-term goals by product and service categories by percentage of spend

The SDG&E supplier diversity goal is to exceed the requirements of General Order 156, in our short-, mid-, and long-term goals. Since the makeup of our diverse suppliers is ever changing, we have not established specific goals within each sub-category.

San Diego Gas & Electric					2016					G.O. #156 Sec. 10.1.1					
WMDVLGBTBE Annual SHORT, MID, AND LONG-TERM Goals by Product and Service Category															
	Short-Term (2017)					Mid-Term (2019)					Long-Term (2020)				
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	TOTAL WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	TOTAL WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	TOTAL WMDVLGBTBE
PRODUCTS	15.00%	5.00%	TBD	1.50%	21.50%	15.00%	5.00%	TBD	1.50%	21.50%	15.00%	5.00%	TBD	1.50%	21.50%
SERVICES	15.00%	5.00%	TBD	1.50%	21.50%	15.00%	5.00%	TBD	1.50%	21.50%	15.00%	5.00%	TBD	1.50%	21.50%
TOTAL	15.00%	5.00%	TBD	1.50%	21.50%	15.00%	5.00%	TBD	1.50%	21.50%	15.00%	5.00%	TBD	1.50%	21.50%



The FIRM program is a portfolio of electric distribution overhead projects that strategically re-builds sections of existing circuits to reduce the wildfire risk in the Fire Threat Zone. Steel poles, fiberglass cross arms, aluminum and steel conductors and advanced SCADA devices are all utilized when scoping and engineering projects.

SDG&E DBE Ambassador, **Molly Amendt**

Q. How is your department strategically working with the supplier diversity team to identify opportunities for diverse suppliers?

A. FIRM utilizes suppliers for almost all aspects of the program, including program management, design and engineering, permitting, environmental monitoring, land acquisition, construction material and construction contracting. With FIRM being a multi-year capital investment program, there are significant opportunities to identify diverse suppliers in many spend categories, for both short and long term contracts, where strong relationships can be nurtured.



10.1.2 DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES

INTERNAL

SDG&E will review and augment the internal activities detailed in Section 9.1.1 of this report to build upon the success of our program, with continued focus on working capital accessibility. We are identifying strategies to increase DBE participation for each portfolio, major project and department.

EXTERNAL

SDG&E will continue to build upon the successful external strategies described in Section 9.1.1 of this report. The SCORE program continues to be successful at developing new DBEs and we will continue to offer additional opportunities to our SCORE suppliers. The success of SDG&E's technical assistance program will continue in 2017 through the efforts of our staff and community partners.

10.1.3 PLANS FOR RECRUITING WMDVLGBTBE WHERE WMDVLGBTBE UTILIZATION HAS BEEN LOW

In legal and financial services, we plan to continue our outreach and mentoring activities with the goal of engaging our legal and financial teams early in the process to promote inclusion.

10.1.4 PLANS FOR RECRUITING WMDVLGBTBE IN ANY EXCLUDED CATEGORY

SDG&E has eliminated all excludable items in compliance with General Order 156.

10.1.5 SUBCONTRACTING ACTIVITIES

Expanding on our past success of having prime contractors engage diverse subcontractors, we will continue to enhance activities outlined in Section 9.1.5 of this report. We will continue to improve upon processes for tracking and comparing subcontracting commitments to actual prime contractor subcontracting spend.

SDG&E assigns a supplier diversity professional to every major prime contractor with a subcontracting commitment. These efforts enable the Supplier Diversity team to better manage the prime contractors' performance and identify opportunities for continuous improvements.

10.1.6 PROGRAM COMPLIANCE

SDG&E will continue its efforts to meet or exceed all requirements established by General Order 156.



2016 DBE Power procurement annual report

Executive summary

In 2016, SDG&E continues to lead the procurement of electric and fuel resources with diverse suppliers, spending nearly \$68 million or 21.6 percent in electric and gas purchases. This meets the 21.5 percent goal set by the CPUC in General Order 156.

In addition, SDG&E was the first utility to achieve California's renewables goal of 33 percent five years ahead of target. In 2016, more than 40 percent of the energy delivered to our customers comes from renewables. We procured nearly \$64 million or 38.6 percent of our natural gas purchases with DBEs.



VP Electric & Fuel Procurement, **Emily Shults**

"Intrapreneurship, disrupting internal processes and cultural norms to stimulate diverse perspectives."

Q. As the utility industry continues to evolve, how do you foresee electric and fuel procurement supporting supplier diversity?

A. SDG&E will work to support supplier diversity by:

- Looking deeper into new market segments beyond the procurement of natural gas, such as those in distributed energy and energy storage.
- Examining opportunities to leverage customer programs, such as those focused on clean energy, energy efficiency, demand response, and clean transportation to create additional opportunities for DBE participation.
- Taking a proactive stance to collaborate with other utilities and the CPUC to create awareness, manage costs and reduce risk.

Technical assistance, mentoring and program development are cornerstones of our success. To help increase DBE participation in electric and fuel procurement, we will continue to utilize one-on-one mentoring, cultivate relationships between prime contractors and DBEs, and provide DBEs greater access to the Western Systems Power Pool (WSPP).



9.1.1 DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES



SDG&E Ambassador, **Steve Taylor**

"Regulations are causing our industry to readjust and adapt which leads to new innovation, new technology and new solutions."

Q: Power procurement is experiencing significant changes. How can diverse businesses navigate the changes in power procurement?

A: SDG&E will continue to educate, assess and partner with our diverse suppliers to identify new opportunities in Community Choice Aggregation (CCA), renewable battery storage, and other new technologies or mandates.

INTERNAL ACTIVITIES

Executive support and DBE commitment

Our supplier diversity team works closely with the Electric and Fuel Procurement team to achieve and surpass their DBE procurement goals. We collaborate to find new ways to enhance the DBE program and expand the DBE pool.

Under the leadership of Emily Shults, Vice President for Electric and Fuel Procurement, we meet monthly to analyze upcoming procurement needs and discuss inclusion opportunities for DBEs.

Champions and Ambassadors

SDG&E Champions and Ambassadors are a tremendous asset to our initiatives. They work closely with the supplier diversity team promoting creativity, developing strategic proposals and participating in matchmaking events. Our Champions and Ambassadors are decision-makers, advocates and agents for change.

EXTERNAL/OUTREACH ACTIVITIES

Commission briefings

Throughout the year, SDG&E, along with Pacific Gas & Electric (PG&E) and Southern California Edison (SCE), met with the CPUC to discuss challenges and advances within power procurement from a DBE perspective. The joint meetings were successful and included discussion on ways to incorporate strategies to help diverse businesses develop in this complex commodity.

2016 Pre-bidder's workshop

SDG&E hosted pre-bidder's workshops and conference calls throughout the year to clarify the requirements for participation in SDG&E Requests for Offers (RFOs). We continue to provide extensive background information and presentations on resource eligibility, project capacity, location/site control, interconnection, deliverability studies, PPA terms and evaluation criteria. The feedback we have received from DBEs has been very positive.

Mentoring

Our mentoring efforts continue to be very important in the power procurement commodity and we believe they are essential for the success of our DBEs. In 2017, the need for access to capital will continue to be a major challenge for DBEs. We plan to coordinate with financial institutions and to provide technical assistance programs to help DBEs strengthen their readiness and ability to achieve additional sources of capital.

9.1.2 SUMMARY OF WMDVLGBTBE PURCHASES AND/OR CONTRACTS

Natural gas

SDG&E remains committed to creating opportunities for diverse natural gas suppliers and we are proud to report that our purchases from DBE natural gas suppliers were nearly \$64 million.

SDG&E reported over \$85,000 on the 2016 Annual Energy Product of post-commercial subcontracting spend.

Goal progress

SDG&E achieved the goal set by the CPUC with a successful 21.6 percent DBE spend in energy products for 2016. In procuring natural gas for our electric generation plants, SDG&E purchased nearly \$64 million, or 38.6 percent, of all of its natural gas from DBEs in 2016.

Subcontractors

SDG&E encourages partnering and teaming arrangements between developers and DBEs. In 2016, nearly \$840,000 was spent with DBEs during pre-commercial development and construction phases. The pre-commercial development spend cannot be counted towards General Order 156 requirements. SDG&E will continue to identify significant opportunities for DBE participation for subcontracting spend in electric power plant construction.

**2016
Pre-COD DBE Spend
nearly \$840,000**

9.1.3 ITEMIZATION OF WMDVLGBTBE EXPENSES

Program expenses are included in Section 9.1.3 in the 2016 Diverse Business Enterprises Products and Services Section.

9.1.4 GOAL PROGRESS

SDG&E achieved the goal set by the CPUC with a successful 21.6 percent DBE spend in energy products for 2016. In procuring natural gas for our electric generation plants, SDG&E purchased nearly \$64 million, or 38.6 percent, of all of its natural gas from DBEs in 2016.

9.1.5 SUBCONTRACTORS

SDG&E encourages partnering and teaming arrangements between developers and DBEs. In 2016, nearly \$840,000 was spent with DBEs during pre-commercial development and construction phases. The pre-commercial development spend cannot be counted towards General Order 156 requirements. SDG&E will continue to identify significant opportunities for DBE participation for subcontracting spend in electric power plant construction.

9.1.6 COMPLAINTS

There were no formal complaints filed in 2016.

9.1.7 SUMMARY OF PURCHASES/CONTRACTS FOR PRODUCTS/SERVICES IN EXCLUDED CATEGORIES

Per the CPUC's decision to end excludable categories for gas procurement, SDG&E no longer reduces the procurement base with Canadian and offshore volumes.

For electric procurement, purchases excluded from reporting are: physical or financial purchase transactions with the California Independent System Operator (CAISO), other investor-owned utilities, utilities, federal entities, state entities, municipalities and cooperatives.

9.1.8 DIVERSE SUPPLIERS IN UNDERUTILIZED AREAS

The electric commodity market is an underutilized area for DBE participation, but through SDG&E's efforts (outlined in Section 9.1.1 to inform and educate DBEs about potential opportunities), the number of suppliers continues to rise.

9.1.9 RETENTION OF ALL DOCUMENTS/DATA

SDG&E will comply with all regulations.

9.1.10(A) PARTICIPATION RESULTS BY FUEL CATEGORY

Please see chart in Section 9.1.2 for the summary of results by fuel category.

9.1.10(B) MARKET CONDITIONS AND OUTREACH

SDG&E has an obligation to procure least cost, best-fit electricity from suppliers. Suppliers must also meet SDG&E's credit requirements to manage risk exposure. Some diverse suppliers have limited access to credit and have difficulties competing with large electric generators financed by investment firms or commercial banks. To address this challenge, SDG&E continues to work with individual DBEs on credit requirements in order to foster their participation in the electricity market.

SDG&E and other utility buyers utilize the Funds Transfer Agency Agreement, a specialized credit instrument to assist small suppliers in short term procurement opportunities. This tool allows for diverse suppliers to gain entry into a capital-intensive portion of our power procurement process, without having to utilize their available lines of credit.

2017 DBE power procurement annual plan

10.1.1 GOALS

Category	2017-2020 Goals
Minority Business Enterprise (MBE)	15.0%
Women Business Enterprise (WBE)	5.0%
Service-Disabled Veteran Business Enterprise (DVBE)	1.5%
Total	21.5%

10.1.2 DESCRIPTIONS OF WMDVLGBTBE PROGRAM ACTIVITIES

In 2017, SDG&E plans to continue its successful program for including diverse suppliers in gas procurement and the electric commodity market as outlined in Section 9.1.1.

AREAS OF FOCUS FOR 2017

Mentoring

Mentoring has been very successful for our diverse suppliers in power procurement. In 2017, we will continue our mentoring efforts to include online workshops. These workshops will share requirements needed for upcoming RFOs.

Training

SDG&E will incorporate DBEs within the power commodity to participate in our technical assistance programs that offer specific, related training to overcome the barriers identified such as access to capital and financial acumen. This training will help DBEs identify supplier readiness to successfully access capital.

Subcontracting

SDG&E strongly encourages our developers to incorporate DBEs for subcontracting opportunities. We will continue to track the progress and introduce new DBEs to our developers for pre-COD opportunities.

Collaborating

SDG&E will continue to participate in joint utility meetings to discuss strategies for DBEs to enter and sustain in the power commodity. We will exchange best practices and lessons learned to enable a broader base of DBEs.

10.1.3 RECRUITMENT PLANS FOR SUPPLIERS IN UNDERUTILIZED AREAS

Refer to Sections 9.1.10(B) and 10.1.2 of this report for analysis and corresponding planned activities to recruit diverse suppliers in all of the areas considered underutilized.

10.1.4 PLANS FOR RECRUITING WMDVLGBTBES IN ANY EXCLUDED CATEGORY

Due to the nature of the excluded categories mentioned in Section 9.1.7, SDG&E will not plan any specific activities for these excluded categories.

10.1.5 SUBCONTRACTING ACTIVITIES

SDG&E will work together with other market participants to help expand the interpretation of General Order 156 for electric procurement, such that all related costs will become opportunities for DBEs. SDG&E will work closely with the other utilities and the CPUC to incorporate DBEs prior to the COD of a project as this represents significant opportunities with fewer barriers to entry. SDG&E will work with developers and their engineering, procurement and construction (EPC) contractors to utilize DBEs in the development phase of a project.

10.1.6 PROGRAM COMPLIANCE

SDG&E will continue its efforts to meet or exceed all requirements established by General Order 156.

Organizations & events

American Association of Blacks in Energy

- National Conference

Asian Business Association

- Digital Marketing Tools Workshops

Asian Business Association Orange County (ABA-OC)

- Annual Recognition and Achievement

Asian Business Association San Diego (ABA-SD)

- Annual Lunar New Year Celebration
- Rice Club Luncheons

Asian Business Association San Diego (ABA-SD)

- Talk series

American Indian Chamber of Commerce, California (AICC)

- Annual Scholarship & Awards Luncheon
- Annual Native American Heritage Luncheon
- Annual Conference Business Expo

Black Business Association (BBA)

- Awards Dinner in Recognition of African American Heritage
- Awards Dinner Gala
- Salute to Black Women Business Conference & Awards Luncheon
- Procurement Exchange Summit

Cal Asian Chamber of Commerce

- California Asian Business Summit

California Black Chamber of Commerce (CBCC)

- Legislative “Welcome” Reception and Capital Policy Luncheon
- Foundation Youth Scholarship
- Ron Brown Summit and Conference

California DVBE Alliance (CADVBE)

- Keeping the Promise Business Expo
- Salute to Veterans Day Breakfast

California Hispanic Chamber of Commerce (CAHCC)

- Annual Conference

Central San Diego Black Chamber of Commerce (CSDBCC)

- Annual Awards Gala
- Underrepresented contractor’s workshops
- Talk Series

Diversity Professional Connect

- Diversity Forum & Sharing of Best Practices

Edison Electric Institute (EEI)

- Annual Supplier Diversity Conference

Elite Service Disabled Veteran Owned Business (SDVOB)

- Annual National Convention of Service Disabled Veterans & Small Businesses Conference
- Sponsorship & Appreciation Luncheon

Greater LA African American Chamber of Commerce (GLAAACC)

- Economic Awards Dinner

Greenlining

- Annual Economic Summit
- Greenlining Annual Report Card

National Association of Regulatory Utility Commissioners

- Gaining the Competitive Advantage

National Association of Women Business Owners-LA (NAWBO-LA)

- NAWBO Awards Luncheon

National Association of Women Business Owners-SD (NAWBO-SD)

- NAWBO-SD Bravo Awards
- Networking Conference

National Gay & Lesbian Chamber of Commerce

- Annual Gala Leadership Conference
- National International Business & Leadership Conference

National Minority Supplier Development Council (NMSDC)

- National Council Conference and Business Opportunity Fair

San Diego Business Journal

- Diversity and Inclusion Workshop

SCORE

- Diversity Workshop

Southern California Economic Summit

Southern California Minority Business Development Council (SCMBDC)

- Minority Business Opportunity Day
- Supplier of The Year (SOTY) Awards Gala
- Leadership Excellence Awards Dinner

Women’s Business Enterprise Council – West (WBEC-WEST)

- San Diego & LA Corporate Connection Dine Around
- Procurement Opportunity Conference and Platinum Supplier Program

Women’s Business Enterprise National Council (WBENC)

- National Conference

SDG&E WMDVLGBTBE annual results by ethnicity

		2016			
		Direct	Sub	Total \$	%
Minority Male	Asian Pacific American	\$ 46,191,263	\$ 9,537,256	\$ 55,728,519	3.87%
	African American	\$ 19,292,181	\$ 16,295,583	\$ 35,587,764	2.47%
	Hispanic American	\$ 123,689,546	\$ 22,640,963	\$ 146,330,509	10.16%
	Native American	\$ 53,991,077	\$ 863,510	\$ 54,854,587	3.81%
	Other	\$ -	\$ -	\$ -	0.00%
	Total Minority Male	\$ 243,164,067	\$ 49,337,312	\$ 292,501,379	20.31%
Minority Female	Asian Pacific American	\$ 11,565,813	\$ 10,721,118	\$ 22,286,931	1.55%
	African American	\$ 12,178,207	\$ 685,941	\$ 12,864,148	0.89%
	Hispanic American	\$ 8,154,026	\$ 50,638,425	\$ 58,792,451	4.08%
	Native American	\$ -	\$ 38,537	\$ 38,537	0.00%
	Other	\$ -	\$ 197,637	\$ 197,637	0.01%
	Total Minority Female	\$ 31,898,046	\$ 62,281,658	\$ 94,179,704	6.54%
Total Minority Business Enterprise (MBE)		\$ 275,062,113	\$ 111,618,970	\$ 386,681,083	26.85%
Women Business Enterprise (WBE)		\$ 128,254,626	\$ 65,184,267	\$ 193,438,893	13.43%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$ 835,259	\$ 102,249	\$ 937,508	0.07%
Service Disabled Veteran Business Enterprise (DVBE)		\$ 15,926,559	\$ 22,816,777	\$ 38,743,336	2.69%
Other 8(a)*		\$ -	\$ -	\$ -	0.00%
Total WMDVLGBTBE		\$ 420,078,557	\$ 199,722,263	\$ 619,800,820	43.03%
Net Procurement**		\$ 1,440,288,240			

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

SDG&E WMDVLGBTBE procurement by product and service categories - direct

			Products		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	Asian Pacific American	Direct	\$ 8,775,225	2.07%	\$ 37,416,038	3.68%	\$ 46,191,263	3.21%
	African American	Direct	\$ 3,475,620	0.82%	\$ 15,816,561	1.56%	\$ 19,292,181	1.34%
	Hispanic American	Direct	\$ 57,360,665	13.55%	\$ 66,328,881	6.52%	\$ 123,689,546	8.59%
	Native American	Direct	\$ 10,818,555	2.56%	\$ 43,172,523	4.25%	\$ 53,991,077	3.75%
	Other	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
	Total Minority Male	Direct	\$ 80,430,065	19.00%	\$ 162,734,002	16.00%	\$ 243,164,067	16.88%
Minority Female	Asian Pacific American	Direct	\$ 6,794,072	1.61%	\$ 4,771,741	0.47%	\$ 11,565,813	0.80%
	African American	Direct	\$ 55,475	0.01%	\$ 12,122,733	1.19%	\$ 12,178,207	0.85%
	Hispanic American	Direct	\$ 3,633,896	0.86%	\$ 4,520,130	0.44%	\$ 8,154,026	0.57%
	Native American	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
	Other	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
	Total Minority Female	Direct	\$ 10,483,442	2.48%	\$ 21,414,604	2.11%	\$ 31,898,046	2.21%
Total Minority Business Enterprise (MBE)		Direct	\$ 90,913,507	21.48%	\$ 184,148,606	18.11%	\$ 275,062,113	19.10%
Women Business Enterprise (WBE)		Direct	\$ 33,270,772	7.86%	\$ 94,983,853	9.34%	\$ 128,254,626	8.90%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$ -	0.00%	\$ 835,259	0.08%	\$ 835,359	0.06%
Service Disabled Veteran Business Enterprise (DVBE)		Direct	\$ 2,348,241	0.55%	\$ 13,578,318	1.34%	\$ 15,926,559	1.11%
Other 8(a)*		Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Total WMDVLGBTBE		Direct	\$ 126,532,521	29.89%	\$ 293,546,036	28.86%	\$ 420,078,657	29.17%
Total Product Procurement \$			\$ 423,262,934					
Total Service Procurement \$			\$ 1,017,025,306					
Net Procurement**			\$ 1,440,288,240					
Total Number of WMDVLGBTBEs that Received Direct Spend			387					

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

SDG&E WMDVLGBTBE procurement by product and service categories - subcontracting

			Products		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	Asian Pacific American	Sub	\$ 849,027	0.20%	\$ 8,688,229	0.85%	\$ 9,537,256	0.66%
	African American	Sub	\$ 4,890,447	1.16%	\$ 11,405,136	1.12%	\$ 16,295,583	1.13%
	Hispanic American	Sub	\$ 4,780,433	1.13%	\$ 17,860,530	1.76%	\$ 22,640,963	1.57%
	Native American	Sub	\$ 139,569	0.03%	\$ 723,941	0.07%	\$ 863,510	0.06%
	Other	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
	Total Minority Male	Sub	\$ 10,659,476	2.52%	\$ 38,677,836	3.80%	\$ 49,337,312	3.43%
Minority Female	Asian Pacific American	Sub	\$ 3,226,714	0.76%	\$ 7,494,404	0.74%	\$ 10,721,118	0.74%
	African American	Sub	\$ -	0.00%	\$ 685,941	0.07%	\$ 685,941	0.05%
	Hispanic American	Sub	\$ 28,034,960	6.62%	\$ 22,603,465	2.22%	\$ 50,638,425	3.52%
	Native American	Sub	\$ -	0.00%	\$ 38,537	0.00%	\$ 38,537	0.00%
	Other	Sub	\$ -	0.00%	\$ 197,637	0.02%	\$ 197,637	0.01%
	Total Minority Female	Sub	\$ 31,261,674	7.39%	\$ 31,019,984	3.05%	\$ 62,281,658	4.32%
Total Minority Business Enterprise (MBE)		Sub	\$ 41,921,150	9.90%	\$ 69,697,820	6.85%	\$ 111,618,970	7.75%
Women Business Enterprise (WBE)		Sub	\$ 9,745,794	2.30%	\$ 55,438,473	5.45%	\$ 65,184,267	4.53%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	\$ -	0.00%	\$ 102,249	0.01%	\$ 102,249	0.01%
Service Disabled Veteran Business Enterprise (DVBE)		Sub	\$ 5,189,834	1.23%	\$ 17,626,943	1.73%	\$ 22,816,777	1.58%
Other 8(a)*		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Total WMDVLGBTBE		Sub	\$ 56,856,778	13.43%	\$ 142,865,485	14.05%	\$ 199,722,263	13.87%
Total Product Procurement \$			\$ 423,262,934					
Total Service Procurement \$			\$ 1,017,025,306					
Net Procurement**			\$ 1,440,288,240					

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE

** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS

Direct - DIRECT PROCUREMENT

Sub - SUBCONTRACTOR PROCUREMENT

% - PERCENTAGE OF NET PROCUREMENT

SDG&E WMDVLGBTBE procurement by product category detail

APPENDIX E IN FOLD-OUT ▶

SIC Category	African American		Asian American		Hispanic American		Native American		Other		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female							
14 - Mining & Quarrying Of Nonmetallic Minerals	\$ 1,089,163	-	-	-	-	-	-	-	-	-	1,089,163	-	-	-	-	1,089,163	1,148,986
	% 94.79%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	94.79%	0.00%	0.00%	0.00%	0.00%	94.79%	
23 - Apparel & Oth Finished Prods Made From Fabric	\$ -	-	106,927	-	-	-	-	-	-	-	106,927	68,761	-	-	-	175,688	206,321
	% 0.00%	0.00%	51.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	51.83%	33.33%	0.00%	0.00%	0.00%	85.15%	
24 - Lumber & Wood Prods, Exc Furniture	\$ -	-	-	-	-	-	-	-	-	-	-	115,876	-	-	-	115,876	1,409,478
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	8.22%	0.00%	0.00%	8.22%		
25 - Furniture & Fixtures	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,123
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
26 - Paper & Allied Prods	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	3,923	-	3,923	89,350
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.39%	4.39%	
28 - Chemicals & Allied Prods	\$ -	-	-	-	-	-	-	-	-	-	-	42,086	-	-	-	42,086	1,035,947
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.06%	0.00%	0.00%	4.06%		
29 - Petroleum Refining & Related Industries	\$ -	-	-	-	-	-	-	-	-	-	-	1,241,194	-	193,177	-	1,434,371	1,462,894
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	84.85%	0.00%	13.21%	98.05%		
30 - Rubber & Misc Plastics Prods	\$ -	-	2,434	-	-	-	-	-	-	-	2,434	683	-	1,984	-	5,101	1,115,778
	% 0.00%	0.00%	0.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.22%	0.06%	0.00%	0.18%	0.46%		
32 - Stone, Clay, Glass & Concrete Prods	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,879,056
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
33 - Primary Metal Industries	\$ -	-	379,622	-	34,578	-	-	-	-	-	414,200	2,840	-	-	-	417,040	6,743,249
	% 0.00%	0.00%	5.63%	0.00%	6.14%	0.00%	0.00%	0.00%	0.00%	0.00%	6.14%	0.04%	0.00%	0.00%	6.18%		
34 - Fabricated Metal Prods, Exc Machinery	\$ -	-	322,214	17,441	3,247,399	-	73,933	-	-	-	3,660,987	221,422	-	-	-	3,882,408	32,002,694
	% 0.00%	0.00%	1.01%	0.05%	10.15%	0.00%	0.23%	0.00%	0.00%	0.00%	11.44%	0.69%	0.00%	0.00%	12.13%		
35 - Industrial & Commercial Machinery & Computer Equip	\$ 1,945,243	-	-	-	215,201	321,968	-	-	-	-	2,482,411	189,019	-	-	-	2,671,431	11,031,607
	% 17.63%	0.00%	0.00%	0.00%	1.95%	2.92%	0.00%	0.00%	0.00%	0.00%	22.50%	1.71%	0.00%	0.00%	24.22%		
36 - Electronic & Oth Elec Equip & Components	\$ 1,526,818	-	8,610,089	-	1,560,047	-	-	-	-	-	11,696,953	5,948,127	-	1,797,958	-	19,443,038	161,857,594
	% 0.94%	0.00%	5.32%	0.00%	0.96%	0.00%	0.00%	0.00%	0.00%	0.00%	7.23%	3.67%	0.00%	1.11%	12.01%		
37 - Transportation Equip	\$ -	-	-	172,965	6,318,711	-	2,120	-	-	-	6,493,796	204,146	-	-	-	6,697,942	8,634,372
	% 0.00%	0.00%	0.00%	2.00%	73.18%	0.00%	0.02%	0.00%	0.00%	0.00%	75.21%	2.38%	0.00%	0.00%	77.57%		
38 - Measuring, Analyzing & Controlling Instrumentation	\$ -	-	23,875	-	-	-	-	-	-	-	23,875	1,375,428	-	-	-	1,399,303	13,167,437
	% 0.00%	0.00%	0.18%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.18%	10.45%	0.00%	0.00%	10.63%		
39 - Misc Manufacturing Industries	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	221,518
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
50 - Wholesale Trade; Durable Goods	\$ 208,237	-	125,460	9,745,429	43,775,107	31,293,879	10,882,071	-	-	-	96,030,184	15,239,869	-	4,057,651	-	115,327,704	139,510,325
	% 0.15%	0.00%	0.09%	6.99%	31.38%	22.43%	7.80%	0.00%	0.00%	0.00%	68.83%	10.92%	0.00%	2.91%	0.00%	82.67%	
51 - Wholesale Trade; Nondurable Goods	\$ 26,965	55,475	-	23,202	578,829	53,009	-	-	-	-	737,479	13,034,239	-	1,469,736	-	15,241,454	16,983,592
	% 0.16%	0.33%	0.00%	0.14%	3.41%	0.31%	0.00%	0.00%	0.00%	0.00%	4.34%	76.75%	0.00%	8.65%	0.00%	89.74%	
52 - Bldg Mats, Hardware, Garden Supply	\$ -	-	-	-	-	-	-	-	-	-	-	283	-	-	-	283	2,347,115
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.00%	0.00%	0.01%		
55 - Automotive Dirs & Gasoline Service Stations	\$ 3,569,641	-	-	-	6,394,171	-	-	-	-	-	9,963,812	5,179,800	-	-	-	15,143,612	17,291,203
	% 20.64%	0.00%	0.00%	0.00%	36.98%	0.00%	0.00%	0.00%	0.00%	0.00%	57.62%	29.96%	0.00%	0.00%	0.00%	87.58%	
57 - Home Furniture, Furnishings & Equip Stores	\$ -	-	53,631	-	-	-	-	-	-	-	53,631	2,509	-	-	-	56,140	1,466,506
	% 0.00%	0.00%	3.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.66%	0.17%	0.00%	0.00%	3.83%		
58 - Eating & Drinking Places	\$ -	-	-	61,750	17,055	-	-	-	-	-	78,805	132,124	-	-	-	210,929	2,480,796
	% 0.00%	0.00%	0.00%	2.49%	0.69%	0.00%	0.00%	0.00%	0.00%	0.00%	3.18%	5.33%	0.00%	0.00%	8.50%		
59 - Misc Retail	\$ -	-	-	-	-	-	-	-	-	-	-	18,159	-	13,647	-	31,806	166,992
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.87%	0.00%	8.17%	19.05%		
Total Products Procurement	\$ 8,366,067	55,475	9,624,252	10,020,786	62,141,098	31,668,856	10,958,124	-	-	-	132,834,657	43,016,566	-	7,538,075	-	183,389,299	423,262,934
	% 1.98%	0.01%	2.27%	2.37%	14.68%	7.48%	2.59%	0.00%	0.00%	0.00%	31.38%	10.16%	0.00%	1.78%	0.00%	43.33%	

Total Product Procurement	\$ 423,262,934
Total Service Procurement	\$ 1,017,025,306
Net Procurement**	\$ 1,440,288,240

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

SDG&E WMDVLGBTBE procurement by service category detail

APPENDIX F IN FOLD-OUT ▶

SIC Category	African American		Asian American		Hispanic American		Native American		Other		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female							
07 - Agricultural Svcs	\$ 536,334	-	2,138,200	-	9,441	32,900	-	-	-	-	2,716,874	1,344,799	-	-	-	4,061,673	26,025,637
	% 2.06%	0.00%	8.22%	0.00%	0.04%	0.13%	0.00%	0.00%	0.00%	0.00%	10.44%	5.17%	0.00%	0.00%	0.00%	15.61%	
13 - Oil & Gas Extraction	\$ -	-	-	-	-	-	-	-	-	-	-	139,799	-	-	-	139,799	3,877,409
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.61%	0.00%	0.00%	0.00%	3.61%	
15 - Bldg Const-General Contractors	\$ -	-	-	3,378,969	12,252,939	-	4,653	-	-	149,274	15,785,834	295,552	-	3,353,519	-	19,434,905	37,527,877
	% 0.00%	0.00%	0.00%	9.00%	32.65%	0.00%	0.01%	0.00%	0.40%	0.46%	42.06%	0.79%	0.00%	8.94%	0.00%	51.79%	
16 - Heavy Const Oth Than Bldg Construction	\$ 984,395	-	-	503,699	41,655,939	390,835	38,302,246	-	-	-	81,837,114	9,735,091	-	611,493	-	92,183,698	257,617,547
	% 0.38%	0.00%	0.00%	0.20%	16.17%	0.15%	14.87%	0.00%	0.00%	0.00%	31.77%	3.78%	0.00%	0.24%	0.00%	35.78%	
17 - Const-Special Trade Contractors	\$ 16,229,224	-	1,892,391	937,638	6,510,730	6,300,234	135,414	-	-	-	32,005,632	59,655,862	-	12,787,519	-	104,449,012	199,351,082
	% 8.14%	0.00%	0.95%	0.47%	3.27%	3.16%	0.07%	0.00%	0.00%	0.00%	16.05%	29.93%	0.00%	6.41%	0.00%	52.39%	
27 - Printing Publishing & Allied Industries	\$ -	-	78,349	-	356,421	537	-	-	-	-	435,307	217,137	-	28,614	-	681,059	1,488,510
	% 0.00%	0.00%	5.26%	0.00%	23.94%	0.04%	0.00%	0.00%	0.00%	0.00%	29.24%	14.59%	0.00%	1.92%	0.00%	45.75%	
42 - Motor Freight Transportation & Warehousing	\$ 802,878	1,400	-	14,774	1,366,919	13,734,196	-	-	-	-	15,920,167	3,631,253	-	5,419,186	-	24,970,608	25,456,610
	% 3.15%	0.01%	0.00%	0.06%	5.37%	53.95%	0.00%	0.00%	0.00%	0.00%	62.54%	14.26%	0.00%	21.29%	0.00%	98.09%	
45 - Transportation By Air	\$ -	-	-	-	-	16,778	-	-	-	35,504	52,282	90,056	-	-	-	142,338	412,724
	% 0.00%	0.00%	0.00%	0.00%	0.00%	4.07%	0.00%	0.00%	0.00%	8.60%	12.67%	21.82%	0.00%	0.00%	0.00%	34.49%	
46 - Pipelines Exc Natural Gas	\$ -	-	-	-	-	-	-	-	-	-	890,043	100,000	-	-	-	890,043	890,043
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	
47 - Transportation Svcs	\$ 34,537	-	-	-	163,309	-	-	-	-	-	197,846	2,504,615	-	-	-	2,702,461	4,115,588
	% 0.84%	0.00%	0.00%	0.00%	3.97%	0.00%	0.00%	0.00%	0.00%	0.00%	4.81%	60.86%	0.00%	0.00%	0.00%	65.66%	
48 - Communications	\$ -	-	-	-	-	10,050	-	-	-	-	10,050	-	-	-	-	10,050	1,758,055
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.57%	0.00%	0.00%	0.00%	0.00%	0.57%	0.00%	0.00%	0.00%	0.00%	0.57%	
49 - Electric Gas & Sanitary Svcs	\$ -	-	-	-	-	318,742	-	-	-	-	318,742	-	-	18,602	-	337,344	3,686,425
	% 0.00%	0.00%	0.00%	0.00%	0.00%	8.65%	0.00%	0.00%	0.00%	0.00%	8.65%	0.00%	0.00%	0.50%	0.00%	9.15%	
60 - Depository Institutions	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	853,562
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
62 - Security & Commodity Brokers Dirs Exchanges	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	3,616	-	3,616	5,700,077
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.06%	
64 - Insurance Agents Brokers & Service	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	654,675
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
72 - Personal Svcs	\$ -	-	277,589	-	-	-	-	-	-	-	277,589	14,104	-	-	-	291,693	1,000,852
	% 0.00%	0.00%	27.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	27.74%	1.41%	0.00%	0.00%	0.00%	29.14%	
73 - Business Svcs	\$ 7,388,203	11,463,604	3,139,401	1,983,717	4,108,340	3,605,031	166,454	3,033	-	-	31,857,782	31,153,228	2,339	3,989,159	-	67,002,508	136,742,829
	% 5.40%	8.38%	2.30%	1.45%	3.00%	2.64%	0.12%	0.00%	0.00%	0.00%	23.30%	22.78%	0.00%	2.92%	0.00%	49.00%	
75 - Automotive Repair Svcs & Parking	\$ -	-	-	-	403,701	63,775	-	-	-	-	467,476	13,363	-	-	-	480,839	1,774,990
	% 0.00%	0.00%	0.00%	0.00%	22.74%	3.59%	0.00%	0.00%	0.00%	0.00%	26.34%	0.75%	0.00%	0.00%	0.00%	27.09%	
76 - Misc Repair Svcs	\$ -	-	-	-	1,069,611	-	-	-	-	-	1,069,611	200,604	-	-	-	1,270,215	2,735,420
	% 0.00%	0.00%	0.00%	0.00%	39.10%	0.00%	0.00%	0.00%	0.00%	0.00%	39.10%	7.33%	0.00%	0.00%	0.00%	46.44%	
78 - Motion Pictures	\$ -	17,087	60,318	-	-	-	-	-	-	-	77,404	-	-	-	-	77,404	88,932
	% 0.00%	19.21%	67.82%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	87.04%	0.00%	0.00%	0.00%	0.00%	87.04%	
80 - Health Svcs	\$ -	-	-	343,237	23,020	-	-	-	-	-	366,257	-	-	-	-	366,257	811,811
	% 0.00%	0.00%	0.00%	42.28%	2.84%	0.00%	0.00%	0.00%	0.00%	0.00%	45.12%	0.00%	0.00%	0.00%	0.00%	45.12%	
81 - Legal Svcs	\$ -	-	114,840	196,539	-	-	-	-	-	-	311,379	1,039,450	-	-	-	1,350,829	17,330,974
	% 0.00%	0.00%	0.00%	0.66%	1.13%	0.00%	0.00%	0.00%	0.00%	0.00%	1.80%	6.00%	0.00%	0.00%	0.00%	7.79%	
82 - Educational Svcs	\$ -	-	-	3,414	-	-	-	-	-	-	3,414	1,518,042	-	-	-	1,521,456	1,581,839
	% 0.00%	0.00%	0.00%	0.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.22%	95.97%	0.00%	0.00%	0.00%	96.18%	
83 - Social Svcs	\$ -	-	-	-	-	-	-	-	-	-	-	259,381	-	-	-	259,381	1,110,455
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	23.36%	0.00%	0.00%	0.00%	23.36%	
87 - Engrg Accounting Research Mgmt	\$ 95,131	1,287,968	32,354,554	2,783,563	13,956,681	528,946	5,011,800	-	48,363	-	56,067,007	28,212,869	935,169	4,992,985	-	90,208,030	239,339,893
	% 0.04%	0.54%	13.52%	1.16%	5.83%	0.22%	2.09%	0.00%	0.02%	0.00%	23.43%	11.79%	0.39%	2.09%	0.00%	37.69%	
89 - Svcs Not Elsewhere Classified	\$ 1,150,995	38,615	74,667	164,734	2,115,390	2,121,571	275,896	-	-	-	5,941,868	9,507,078	567	-	-	15,449,513	32,263,180
	% 3.57%	0.12%	0.23%	0.51%	6.56%	6.58%	0.86%	0.00%	0.00%	0.00%	18.43%	29.49%	0	0.00%	0.00%	47.92%	
99 - Nonclassifiable Establishments	\$ -	-	6,088,799	2,037,560	430	-	-	-	-	-	8,126,789	-	-	-	-	8,126,789	12,828,310
	% 0.00%	0.00%	47.46%	15.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	63.35%	0.00%	63.35%	0.00%	0.00%	63.35%	
Total Services Procurement	\$ 27,221,697	12,808,674	46,104,267	12,266,145	84,189,411	27,123,595	43,896,464	38,537	-	197,637	253,846,426	150,422,326	937,508	31,205,261	-	436,411,530	1,017,025,306
	% 2.68%	1.26%	4.53%	1.21%	8.28%	2.67%	4.32%	0.00%	0.00%	0.02%	24.96%	14.79%	0.09%	3.07%	0.00%	42.91%	

Total Product Procurement \$	423,262,934
Total Service Procurement \$	1,017,025,306
Net Procurement** \$	1,440,288,240

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse

Data On Number of Suppliers												
Revenue Reported to CHS							Utility-Specific 2016 Summary					
# WMDVLGBTBEs	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1M	128	100	2	50	0	280	262	239	2	41	0	544
Under \$5 million	57	75	0	0	0	132	45	32	0	8	0	85
Under \$10 million	33	30	0	1	0	64	8	8	0	1	0	17
Above \$10 million	105	76	0	0	0	181	8	2	0	1	0	11
Total	323	281	2	51	0	657	323	281	2	51	0	657

Revenue and Payment Data												
Revenue Reported to CHS							Utility-Specific 2016 Summary					
# WMDVLGBTBEs	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1M	31.4	33.9	0	0	0	65.2	35.3	34.0	0.9	6.0	0	76.2
Under \$5 million	139.0	201.1	0	0	0	340.1	96.1	78.1	0.0	16.4	0	190.6
Under \$10 million	242.0	219.2	0	5.6	0	466.8	58.9	53.0	0.0	5.4	0	117.3
Above \$10 million	38,697.6	13,348.0	0	0	0	52,045.6	196.3	28.4	0.0	11.0	0	235.7
Total	39,110.0	13,802.2	0	5.6	0	52,917.8	386.7	193.4	0.9	38.7	0	619.8

NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
CHS: SUPPLIER CLEARINGHOUSE

Major SDG&E WMDVLGBTBE purchase categories

CATEGORY	EXAMPLES OF SERVICES DESCRIPTIONS	2016 Total \$ (In Millions)	2016 % of Total Spend
Electric Operations	Engineering, Procurement and Construction (EPC), Engineering Services, Smart Grid, Electric Construction Services, Vegetation Management, Cable/Wire, Transformers, Equipment Rental, Aviation Services, Wildfire Mitigation Support, Traffic Control, Grading/Paving/Civil Services, Substation Site Development, Foundations	\$716.6	49.8%
Power Supply	Electricity & Gas Commodity, Power Plant Maintenance, Turbine Maintenance	\$52.6	3.6%
Customer Services	Energy Efficiency, Advertising & Marketing, Fulfillment & Distribution Services, Printing & Related Services, Appliance Recycling	\$151.7	10.5%
Fleet Services	Trucks, Vehicles & Equipment, Fuel & Oils, Tires, Auto Parts and Services, Vehicle Disposal	\$29.5	2.0%
Operations Support	Furniture, Office Maintenance & Repair, Landscaping & Maintenance, Building Leasing, Relocation, Environmental Services, Land Survey, Food & Catering, Building Security & Monitoring	\$76.5	5.3%
Information Technology	PC Equipment, Hardware/Software, Licensing, Application Development, Network/Telecommunication Equipment and Support, Helpdesk, Consulting	\$96.0	6.7%
Professional Services	Legal, Tax Consulting, Audit Services, Insurance & Benefits, Bond Issuance	\$36.7	2.5%
Gas Operations	Engineering, Materials, Construction, Welding Inspection, Locating & Testing Services	\$191.8	13.3%

Supplier diversity glossary of terms

CBO

Community based organization

DBE

Diverse Business Enterprise, SDG&E's term for WMDVLGBTBE

DVBE

Service Disabled Veteran-owned Business Enterprise

GO 156

In May 1988, the California Public Utilities Commission (CPUC) issued General Order 156 (GO 156). Under GO 156, all investor-owned electric, gas, water and telecommunication utility companies with gross annual revenues in excess of \$25 million and their regulated subsidiaries and affiliates, were required to develop and implement programs to increase the utilization of woman and minority owned businesses. Voluntary procurement goals are 5% for women, 15% for minorities and 1.5% for service-disabled veterans.

LGBTBE

In Decision 15-06-007, the CPUC required that Lesbian, Gay, Bisexual or Transgender Business Enterprises (LGBTBE) be included in General Order 156 reporting. There are no established goals at this time.

MBE

Minority-owned Business Enterprise (African American, Asian Pacific American, Hispanic American, Native American)

MWBE

Minority female-owned Business Enterprise (African American, Asian Pacific American, Hispanic American, Native American)

Other 8(a)

Other groups or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of Small Business Act. Other 8(a) may include non-WMDVLGBTBE firms.

QuickPay

This initiative requires federal agencies to speed up payments to small business contractors, with the goal of paying within 15 days. SDG&E's Supplier Quick Pay Program is based upon this federal initiative.

SCORE

Small Contractor Opportunity Realization Effort provides opportunities for new and growing DBE companies to demonstrate their abilities to work with utilities through low dollar, short term agreements, typically under \$75,000.

SQPP

Supplier Quick Pay Program - Helps small businesses by increasing their working capital, so they can grow their businesses and hire more workers. In the SQPP initiative, SDG&E commits to pay qualified small suppliers faster with payment terms of net 15 day with no discount.

SUBCONTRACTING

Subcontracting refers to any agreement or arrangement between a contractor and any party or person (in which the parties do not stand in the relationship of an employer and an employee.)

- 1) For the furnishing of supplies or services, which, in whole or in part, are necessary to the performance of any one or more contracts; or
- 2) Under which any portion of the contractor's obligation under any one or more contracts is performed, undertaken or assumed.

TECHNICAL ASSISTANCE

Technical Assistance - Provides well rounded and comprehensive programs to increase business acumen for diverse business owners at all levels and across functional business areas.

Tier 1 - Supplier Objectives: Identify core capabilities and develop metrics for supporting growth. Address business challenges and risk. Develop an action plan and a toolkit to overcome barriers.

Tier 2 - Supplier Objectives: Focus on capacity expansion and increasing revenue. Establish a strategic growth plan and identify methods to maximize profits.

Tier 3 - Supplier Objectives: Focus on key areas of expertise and leveraging subcontractors for areas that are not part of a supplier's core competency. Create value-added and innovative products and services. Proactively anticipate and prepare for future change. Develop a sustainable business model.

WBE

Women-owned Business Enterprise

WMBE

Women- and/or Minority-owned Business Enterprise

WMDVBE

Women, Minority and Service Disabled Veteran-owned Business Enterprise

WMDVLGBTBE

Women, Minority, Service Disabled Veteran and Lesbian, Gay, Bisexual or Transgender Business Enterprise



P.O. Box 129831 | San Diego, CA 92112-9831 | 1-800-411-7343 | Connect at sdge.com

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