

U.S. TelePacific Corp.	2016	G.O. #156
WMDVLGBTBE Annual Report/Annual Plan - Table of Contents		

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U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.1
Description of WMDVLGBTBE Program Activities During the Previous Calendar Year		

TelePacific continues to enhance its WMDVLGBTBE Program. We had personnel changes in early 2016 so the new Finance point person reviewed all expenditure types, evaluated and fine-tuned our tracking capabilities, and identified certified WMDVLGBTBE entities with which TelePacific does business. TelePacific continues to take steps to improve its diverse sourcing program and spend.

- TelePacific has a partially automated tracking process and is continuing to improve on its electronic recordkeeping capabilities, most recently by adding an additional category for LGBT to its internal tracking system.
- TelePacific modified its purchasing process to require that each party requesting a purchase order search the CPUC supplier database, using simple product terms and geographic location, to determine whether a diverse supplier could be asked for a quote.
 - If such a supplier can be found and a quote obtained, it must be attached regardless of whether the diverse supplier is selected. Requisitions that do not give diverse suppliers the opportunity to bid are subject to rejection.
 - Personnel within our Finance department who report purchasing information also checks the CPUC supplier database to verify whether an appropriate diverse vendor may exist.
- Letters were sent to all current suppliers describing the CPUC program, including how to get certified, and requesting information regarding any diverse suppliers and/or diverse subcontractors.
- All purchase orders are flagged at the top with: “Are you or your suppliers a minority owned business? Get certified at www.cpuc.ca.gov and let us know!”
- TelePacific has developed a vendor diversity form which is sent to all new vendors when a W9 is obtained. This form was updated to include LGBT-owned business enterprises (WMDVLGBTBEs).
- TelePacific continues to actively and routinely seek out qualified minority-owned, women-owned, disabled veteran-owned and LGBT-owned vendors that can provide products and services to TelePacific.
- TelePacific has updated its internet site to include information related to the Supplier Diversity program: <http://www.telepacific.com/supplier-diversity-program.asp>.
- TelePacific held quarterly meetings with internal organizations responsible for Supplier Diversity and those employees making purchasing decisions. Discussions also include best practices and action plans.
- TelePacific communicates and reports Supplier Diversity results and performance to key business unit executives on a quarterly basis and continues to increase company awareness of the program.
- TelePacific Regulatory and Finance personnel held training sessions with managers with responsibility for significant spend decisions to ensure that they understand the key aspects of the program, the benefits for involving diverse suppliers in our supply chain and utilization of the Supplier Clearinghouse.
- TelePacific continues to encourage its main suppliers to include WMDVLGBTBE in their subcontracting activities and to report the results.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.2
WMDVLGBTBE Annual Results by Ethnicity		

		[Year] of Report			
		Direct	Sub	Total \$	%
Minority Male	Asian Pacific American	\$942,626	\$0	\$942,626	1.29%
	African American	\$26,003	\$0	\$26,003	0.04%
	Hispanic American	\$0	\$0	\$0	0.00%
	Native American	\$0	\$0	\$0	0.00%
	Total Minority Male	\$968,629	\$0	\$968,629	1.33%
Minority Female	Asian Pacific American	\$0	\$0	\$0	0.00%
	African American	\$0	\$0	\$0	0.00%
	Hispanic American	\$9,649	\$0	\$9,649	0.01%
	Native American	\$0	\$0	\$0	0.00%
	Total Minority Female	\$9,649	\$0	\$9,649	0.01%
Total Minority Business Enterprise (MBE)		\$978,278	\$0	\$978,278	1.34%
Women Business Enterprise (WBE)		\$1,775,247	\$0	\$1,775,247	2.43%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0	\$0	\$0	0.00%
Disabled Veteran Business Enterprise (DVBE)		\$1,485	\$0	\$1,485	0.00%
Other 8(a)*		\$0	\$0	\$0	0.00%
TOTAL WMDVLGBTBE		\$2,755,009	\$0	\$2,755,009	3.78%

Net Procurement**	\$72,938,171
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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

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.2
WMDVLGBTBE Direct Procurement by Product and Service Categories		

				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Direct	\$621,819	0.00%	\$320,807	0.98%	\$942,626	1.29%
2		African American	Direct	\$0	0.00%	\$26,003	0.08%	\$26,003	0.04%
3		Hispanic American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
4		Native American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
5		Total Minority Male	Direct	\$621,819	1.54%	\$346,810	1.06%	\$968,629	1.33%
6	Minority Female	Asian Pacific American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
7		African American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
8		Hispanic American	Direct	\$0	0.00%	\$9,649	0.03%	\$9,649	0.01%
9		Native American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
10	Total Minority Female	Direct	\$0	0.00%	\$9,649	0.03%	\$9,649	0.01%	
11	Total Minority Business Enterprise (MBE)		Direct	\$621,819	1.54%	\$356,459	1.09%	\$978,278	1.34%
12	Women Business Enterprise (WBE)		Direct	\$937,737	2.32%	\$837,510	2.57%	\$978,278	1.34%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		Direct	\$0	0.00%	\$1,485	0.00%	\$1,485	0.00%
15	Other 8(a)*		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
16	TOTAL WMDVLGBTBE		Direct	\$1,559,556	3.87%	\$1,195,454	3.67%	\$2,755,009	3.78%

17	Total Product Procurement	\$40,333,009
18	Total Service Procurement	\$32,605,162

19	Net Procurement**	\$72,938,171
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20	Total Number of WMDVLGBTBEs that Received Direct Spend	22
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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

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.2
WMDVLGBTBE Subcontractor Procurement by Product and Service Categories		

TelePacific's internal financial tracking database does not currently report to subcontractor level.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.2
Description of WMDVLGBTBEs with CA Majority Workforce		

Per G.O. #156 Sec. 9.1.2, each utility shall report the number of WMDVLGBTBEs who have the majority workforce in California to the extent such information is readily accessible. This information is not readily accessible.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.3
WMDVLGBTBE Program Expenses		

As TelePacific is using internal resources to set up and expand its Program, expenses for 2016 predominantly involve time of personnel in Regulatory and Finance for activities such as evaluating and modifying prior processes to identify and track covered expenditures, identifying and tracking certified WMDVLGBTBE entities with which TelePacific does business, identifying and modifying systems for tracking and reporting purposes, preparation of internal and external notices, time for searches using the CPUC diverse supplier database, responding to inquiries, and the development and preparation of reports and documentation.

Expense Category	2016 (Actual)
Wages	\$0
Other Employee Expenses	\$0
Program Expenses	\$0
Reporting Expenses	\$0
Training	\$0
Consultants	\$0
Other	\$0
TOTAL	\$0

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.4
Description of Progress in Meeting or Exceeding Set Goals		

While TelePacific did not meet its target goal of 6.25% in diverse spend for 2016, spend in the Black minority category increased by 0.03% and spend in the WBE category increased by 0.14%.

TelePacific continues to develop both internal and external communications and/or procedures targeting increased opportunity for diverse suppliers and specifically, reaches out to the vendors by phone to make sure they are aware of the certification process and the importance of becoming certificated with the Supplier Clearinghouse.

TelePacific experienced a decrease in spend from 2015 to 2016, attributed in part to improving our processes and defining direct and addressable spend (as an example, TelePacific saw a decrease in the need for external legal resources, generating a significant reduction in spend in the Hispanic minority category from 2015 to 2016).

TelePacific regularly focuses on reducing expenses and providing the best value to our customers while ensuring increased spend with diverse suppliers when possible.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.4
WMDVLGBTBE Results and Goals*		

Category	2016 Results	2016 Goals
Minority Men	0.00%	2.00%
Minority Women	0.00%	1.00%
Minority Business Enterprise (MBE)	1.34%	0.00%
Women Business Enterprise (WBE)	2.43%	3.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0.00%	0.00%
Disabled Veteran Business (DVBE)	0.00%	0.25%
TOTAL WMDVLGBTBE	3.77%	6.25%

% - PERCENTAGE OF NET PROCUREMENT

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.5
Description of Prime Contractor Utilization of WMDVLGBTBE Subcontractors		

TelePacific sends notices to all its suppliers seeking information on diverse subcontracting. TelePacific provides a notice regarding WMDVLGBTBE subcontracting to go out with each Purchase Order.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.5
Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors		

TelePacific's internal financial tracking database does not report to subcontractor level.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.6
A List of WMDVLGBTBE Complaints Received and Current Status		

TelePacific is not aware of any WMDVLGBTBE complaints.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.7
Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Categories		

TelePacific utilized WMDVLGBTBE's with business descriptions including Legal Services, Information Technology products, and technical telecommunications products such as Ethernet, Fiber Optics and telecommunications engineering system design. TelePacific ensures that inquiries, materials and brochures from vendors are routed to the appropriate department for determining purchasing opportunities from DBE's. TelePacific continues to work with diverse suppliers not registered with the Clearinghouse to ensure that the necessary documentation is filed.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 9.1.11
WMDVLGBTBE Fuel Procurement		

Not applicable.

U.S. TelePacific Corp.	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 2020					Long-Term 2022				
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE
Products															
CAPEX	1.50%	1.50%	0.00%	0.10%	3.10%	3.75%	1.75%	0.00%	0.30%	5.80%	2.50%	0.00%	0.75%	10.75%	
	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%	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%	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%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Subtotal	1.50%	1.50%	0.00%	0.10%	3.10%	3.75%	1.75%	0.00%	0.30%	5.80%	2.50%	0.00%	0.75%	10.75%	

	Short-Term 2017					Mid-Term 2020					Long-Term 2022				
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	WMDVLGBTBE
Services															
Accounts Payable	0.25%	0.25%	0.00%	0.00%	0.50%	0.63%	0.38%	0.00%	0.00%	1.00%	0.50%	0.00%	0.00%	1.75%	
Building Maintenance	0.25%	0.25%	0.00%	0.05%	0.55%	0.63%	0.38%	0.00%	0.15%	1.15%	0.50%	0.00%	0.25%	2.00%	
Legal Services	0.25%	0.25%	0.00%	0.00%	0.50%	0.63%	0.38%	0.00%	0.00%	1.00%	0.30%	0.00%	0.00%	1.55%	
Network/ILEC	0.50%	0.50%	0.00%	0.05%	1.05%	1.25%	0.75%	0.00%	0.15%	2.15%	1.00%	0.00%	0.25%	3.75%	
Temp Agencies/Consultants	0.25%	0.25%	0.00%	0.05%	0.55%	0.63%	0.38%	0.00%	0.15%	1.15%	0.20%	0.00%	0.25%	1.70%	
Subtotal	1.50%	1.50%	0.00%	0.15%	3.15%	3.75%	2.25%	0.00%	0.45%	6.45%	2.50%	0.00%	0.75%	10.75%	

TOTAL	3.00%	3.00%	0.00%	0.25%	6.25%	7.50%	4.00%	0.00%	0.75%	12.25%	5.00%	0.00%	1.50%	21.50%
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U.S. TelePacific Corp.	2016	G.O. #156 Sec. 10.1.2
Description of WMDVLGBTBE Planned Program Activities for the Next Calendar Year		

TelePacific continues to improve processes for obtaining WMDVLGBTBE information and for working with contractors to encourage WMDVLGBTBE subcontracting and to obtain information regarding their success. Develop additional and/or improved processes for recruiting WMDVLGBTBE suppliers, including for procurement categories where WMDVLGBTBE utilization has been low. TelePacific's Compliance team continues to meet with TelePacific corporate directors and managers with purchasing responsibility to describe the high level requirements of GO 156 and actions to take to increase our supply of diverse vendors.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 10.1.3
Plans for Recruiting WMDVLGBTBE Suppliers in Low Utilization Areas		

TelePacific continues to encourage potential uncertified WMDVLGBTBEs to apply for and maintain certification with the Clearinghouse by providing a notice regarding WMDVLGBTBE to go out with each Purchase Order. TelePacific plans to work with other utilities to share ideas on how to identify and lobby new WMDVLGBTBE vendors in low utilization areas.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 10.1.4
Plans for Recruiting WMDVLGBTBE Suppliers Where Unavailable		

TelePacific will continue to seek opportunities for the purchase of products and services and will encourage its management team to expand opportunities for WMDVLGBTBE vendors in categories for which they are available. TelePacific will improve contact with WMDVLGBTBE organizations and agencies within the community to further promote the program.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 10.1.5
Plans for Encouraging Prime Contractors to Subcontract WMDVLGBTBE Suppliers		

TelePacific provides a notice regarding WMDVLGBTBE subcontracting to go out with each Purchase Order. TelePacific encourages its prime contractors to identify, solicit, qualify and negotiate with prospective DBE subcontractors. TelePacific is reviewing options to update its internal financial tracking database to include fields for subcontracting information.

U.S. TelePacific Corp.	2016	G.O. #156 Sec. 10.1.6
Plans for Complying with WMDVLGBTBE Program Guidelines		

TelePacific is utilizing the California Public Utilities Commission website and following guidelines outlined there for the Supplier Diversity program. TelePacific will continue to identify and include as many WMDVLGBTBE as possible in its procurement activities while following the guidelines established by the Commission. TelePacific also follows Commission docket, R.09-07-027, investigating possible Supplier Diversity updates and has incorporated reporting required by the updated reporting rules in G.O. 156.

Annual Energy Product Results by Ethnicity and WMDVLGBTBE Certification

Not applicable.

Annual Power Product Results by Ethnicity and WMDVLGBTBE Certification

Not applicable.