



GO 156 Report

Year 2013 Utility Procurement
of Goods, Services and Fuel
from

Women-, Minority-, and Disabled Veteran-owned Business Enterprises



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October 9, 2014





GO 156 Report to the Legislature

CPUC's 28th Annual Diversity Procurement Report

- Details progress by utilities in procuring goods, services, and fuel from women-, minority-, and disabled veteran-owned business enterprises (WMDVBEs).
- 21.5% procurement from diverse suppliers.
 - The goals are 15 percent, 5 percent, and 1.5 percent for minority-owned, women-owned, and disabled veteran-owned businesses, respectively.

33 Utilities & Carriers Filed Annual Reports

1. Large utilities (12) are those with annual total procurement of over \$150 million.
2. Small utilities (21) are those with less than \$150 million in annual total procurement.





GO 156 Report – Overview of Procurement

- Utility spending from diverse suppliers increased from \$8.0 billion in 2012 to \$8.6 billion in 2013.
- For 2013, there was also an increase in the percentage of total utility procurement from WMDVBE firms; it climbed from 32.9% in 2012 to 35.47% in 2013.

Category	2012 Diversity Procurement Amount	Percentage Achieved	2013 Diversity Procurement Amount	Percentage Achieved	Goal
MBE	\$5.2 billion	19.3%	\$6.0 billion	24.64%	15%
WBE	\$2.5 billion	9.4%	\$2.3 billion	9.30%	5%
DVBE	\$0.3 billion	1.3%	\$0.3 billion	1.54%	1.5%
Total	\$8.0 billion	32.9%	\$8.6 billion	35.47%	21.5%





2013 Top Performers

Company	2013 Diversity Procurement	Percentage Achieved	2012 Diversity Procurement	Percentage Achieved
AT&T California	\$1.2 billion	50.28%	\$1.0 billion	44.73%
Verizon California	\$115.1 million	48.84%	\$114.1 million	50.44%
So Cal Gas	428.5 million	45.38%	348.3 million	41.90%
SDG&E	\$453.4 million	44.88%	\$435.1 million	36.07%
PG&E	\$2.3 billion	42.10%	\$2.1 billion	38.83%
Sprint	\$546.3 million	41.88%	\$778.6 million	35.76%
Edison	\$1.4 billion	40.99%	\$1.5 billion	38.18%





Who met all three goals?

GO156 goal = 21.5% of total procurement from diverse suppliers

	15% Minority	5% Women	1.5% DVBE
Verizon California	24.84%	20.88%	3.13%
AT&T California	31.33%	12.98%	5.97%
SoCal Gas	30.97%	12.33%	2.09%
PG&E	27.35%	12.47%	2.28%
SDG&E	30.82%	11.53%	2.53%





GO 156 Report – Overview of Fuel Report

Total Utility WMDVBE Fuel Procurement for 2013:
\$768 million as compared to 2012, which was \$507 million.

Utility	2013 Total Procurement	2013 Diversity Procurement	Percentage Achieved	Goal
SDG&E	\$713,000,000	\$ 77,000,000	10.80%	21.5%
SoCalGas	\$1,707,994,197	\$329,736,515	19.31%	21.5%
PG&E	\$1,000,307,547	\$175,758,134	17.57%	21.5%
Edison	\$3,744,210,524	\$187,266,716	5.00%	21.5%



GO 156 – What's Next...

- 34 companies file annual GO156 reports, however, 98% of the procurement comes from 12 companies.
 - The goal has shifted to getting all 34 companies to reach the 21.5% goal. The CPUC can report that all 34 companies are committed to participating in GO 156.
- There are about 7,000 certified diverse suppliers in the Clearinghouse database.
 - Supplier diversity is about creating new opportunities and opening new doors.
 - We must also increase spend:
 - Subcontracting, New Markets, i.e., electricity procurement
 - DVBEs, African Americans and Native Americans
 - Underutilized areas of GO 156





GO 156 – Challenge

- In 2013, the CPUC held a “Best Practices Leadership Forum” for the small companies and three workshops for its supplier diversity managers.
- The CPUC asked the smaller companies’ executive’s commitments to General Order 156 with a focus on:
 - Leadership commitment at the highest level of the corporation;
 - Incorporation of best practices for a successful supplier diversity program;
 - Changing corporate policies to establish utility supplier diversity programs as corporate policy, including guidelines and metrics; and,
 - Engagement and participation at the CPUC’s annual en banc to report on supplier diversity progress.
- The CPUC also encourages Cox and Time-Warner to embrace the parameters of GO156 and file reports accordingly.





CPUC Procurement Diversity*

	<i>Fiscal Year</i>	<i>Fiscal Year</i>
	<i>2012-13</i>	<i>2013-14</i>
Small Business <i>Goal: 25%</i>	18.82% (\$16.81 M)	12.34% (\$12.26 M)
Disabled Veteran Business Enterprises <i>Goal: 3%</i>	1.28% (\$1.49 M)	3.34% (\$3.32 M)

* Proposition 209 prohibits preferential treatment of any individual or group in public contracting on the basis of race, sex, color, ethnicity, or national origin.





CPUC Employment Diversity Based on Voluntary Information/Publicly Available Statistics

	White	AM/Blk.	Hisp.	Asian	Filipino	Am. Indian	Pac. Islander	Other	Disabled	Total
M	26.4%	3.7%	4.2%	12.3%	3.2%	0.1%	.0%	1.6%	3.2%	51.6%
F	18.2%	6.6%	6.1%	11.3%	4.7%	0.0%	.4%	1.2%	3.0%	48.4%
Total	444	102	103	234	79	1	4	28	62	995





Thank You

