



1201 K Street, Suite 1980  
Sacramento, CA 95814  
916-683-7989

March 2, 2020

**VIA ELECTRONIC FILING**

Ms. Alice Stebbins  
Executive Director, Communications Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102-3288

**Re: Frontier's General Order 156 Compliance Filing - 2019 Annual Report and Annual Plan**

Dear Ms. Stebbins:

Pursuant to General Order 156 ("GO 156"), Frontier California Inc. (U-1002-C), Citizens Telecommunications of California Inc. (U-1024-C) and Frontier Communications of the Southwest Inc. (U-1026-C), (collectively "Frontier") hereby electronically files its 2019 Annual Report and Annual Plan in compliance with GO 156, Sections 9 and 10. This report is available to others upon request.

Please contact me with any questions at [charlie.born@ftr.com](mailto:charlie.born@ftr.com).

Sincerely,

Charlie Born  
Director, Government and External Affairs

cc: [Stephanie.Green@cpuc.ca.gov](mailto:Stephanie.Green@cpuc.ca.gov)



**2019 ANNUAL REPORT AND ANNUAL PLAN**

**WOMEN, MINORITY, DISABLED VETERAN, AND  
LGBT OWNED BUSINESS ENTERPRISES**

**California Public Utilities Commission  
March 2, 2020**



2019 ANNUAL REPORT AND ANNUAL PLAN

**TABLE OF CONTENTS**

<b>Section</b>	<b>Description</b>	<b>Page</b>
	INTRODUCTION	4
<b>9.0</b>	<b>2019 ANNUAL REPORT</b>	
<b>9.1.1</b>	Description of WMDVLGBTBE Program Activities During the Previous Calendar Year	5
<b>9.1.2</b>	WMDVLGBTBE Annual Results by Ethnicity	8
<b>9.1.2</b>	WMDVLGBTBE Direct Procurement by Product and Service Categories	9
<b>9.1.2</b>	WMDVLGBTBE Subcontractor Procurement by Product and Service Categories	10
<b>9.1.2</b>	WMDVLGBTBE Procurement by Standard Industrial Categories	11
<b>9.1.2</b>	Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse	12
<b>9.1.2</b>	Description of WMDVLGBTBE Suppliers with California Majority Workforce	12
<b>9.1.3</b>	WMDVLGBTBE Program Expenses	13
<b>9.1.4</b>	Description of Progress in Meeting or Exceeding Set Goals	14
<b>9.1.4</b>	WMDVLGBTBE Results and Goals	14
<b>9.1.5</b>	Description of Prime Contractor Utilization of WMDVLGBTBE Subcontractors	16
<b>9.1.5</b>	Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors	16
<b>9.1.6</b>	A List of WMDVLGBTBE Complaints Received and Current Status	17
<b>9.1.7</b>	Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Categories	17
<b>9.1.11</b>	WMDVLGBTBE Fuel Procurement	17
<b>10.0</b>	<b>2020 ANNUAL PLAN</b>	
<b>10.1.1</b>	WMDVLGBTBE Annual SHORT, MID, AND LONG-TERM Goals	17
<b>10.1.2</b>	Description of WMDVLGBTBE Planned Program Activities for the Next Calendar Year	19
<b>10.1.3</b>	Plans for Recruiting WMDVLGBTBE Suppliers in Low Utilization Areas	20
<b>10.1.4</b>	Plans for Recruiting WMDVLGBTBE Suppliers Where Unavailable	20
<b>10.1.5</b>	Plans for Encouraging Prime Contractors to Subcontract WMDVLGBTBE Suppliers	21
<b>10.1.6</b>	Plans for Complying with WMDVLGBTBE Program Guidelines	21

### INTRODUCTION

Frontier California Inc. (U-1002-C), Citizens Telecommunications of California Inc. (U-1024-C) and Frontier Communications of the Southwest Inc. (U-1026-C), (collectively “Frontier”) submits this consolidated 2019 Annual Report and Annual Plan in compliance with General Order 156 (“GO 156”) of the California Public Utilities Commission (“CPUC”).

This report documents Frontier’s supplier diversity activities and results for 2019, the fourth year since Frontier assumed operation of the landline operations of Verizon California Inc. as approved in D.15-12-005. As Frontier evolves it has made consistent progress in achieving GO 156 goals and supplier diversity commitments made in the acquisition, with \$1.8M in new spend with WMDVLGBTBs suppliers.

Frontier continues to make supplier diversity a priority with senior leadership and throughout the organization as a component of an overall corporate commitment to diversity and inclusion. This report describes Frontier’s specific procurement practices, internal program activities, and significant partnerships with external organizations that are driving Frontier’s continued improvement in achieving GO 156 goals. Frontier’s total 2019 spend with minority business enterprises (“MBE”) and women business enterprises (“WBE”) continues to exceed the GO 156 goals. Frontier has developed targeted initiatives designed to increase procurement opportunities for disabled veteran business enterprises (“DVBE”) and lesbian, gay, bisexual and transgender (“LGBT”) business enterprises with collaborations targeted at developing relationship for future initiatives.

Frontier actively seeks procurement opportunities for WMDVLGBTBs to increase their capacity and grow our supplier diversity program. However, we are sometimes impacted by changes in structure, ownership and certification of WMDVLGBTBs. Supplier diversity is a journey not a destination. At Frontier, we realize that supplier diversity requires a focused commitment for continued improvement and Frontier is committed to providing access, growth and development opportunities for WMDVLGBTBs. Annually, we forecast opportunities for WMDVLGBTBs and as those evolve and change direction throughout the year based on the needs of the business, we strive to reflect the community we serve throughout our supply chain.

Frontier is committed to continuous improvement in its supplier diversity program, including significant initiatives for 2019 described in this report, aimed at achieving results to meet or exceed GO 156 goals in all categories.

Frontier discusses each topic required in this report in Sections 9.1.1 through 9.1.11.

**9.0 2019 ANNUAL REPORT**

<b>Frontier Communications</b>	<b>2019</b>	<b>G.O. #156 Sec. 9.1.1</b>
<b>Description of WMDVLGBTBE Program Activities During the Previous Calendar Year</b>		

Frontier is committed to increasing year over year spend with diverse suppliers. In 2019, Frontier continued to focus on total spend improvement to meet its women, minority, disabled veteran, and lesbian, gay, bisexual and transgender business enterprise (“WMDVLGBTBE”) goals. Frontier continues to take a holistic approach to Supplier Diversity offering suppliers mentoring, follow ups and guidance in approach. Including diverse suppliers in our sourcing process allows us to provide unsurpassed value to our customers by helping increase the number and types of quality products and services Frontier offers.

**INTERNAL PROGRAM ACTIVITIES**

Below are some of the highlights from 2019:

- Frontier continued its commitment to supplier diversity by communicating the importance of and how to include diverse suppliers in the sourcing process to California employees with operations and purchasing responsibilities. Frontier’s senior leadership issued multiple communications outlining the importance of and our commitment to supplier diversity.
- Frontier’s strategic sourcing team continues to renegotiate grandfathered service agreements in the category of construction and outside plant maintenance to provide additional access for California WMDVLGBTBEs.
- Frontier is evolving and makes significant investments in technology to improve our ability to register and monitor suppliers in our online strategic sourcing portal.
- The Frontier sourcing team performs quarterly reviews encompassing detailed evaluation of spend to identify goods and services to ensure that we are focused on areas where we can make the most impact within our Supply Chain.
- Frontier continues to review group and individual diverse spending goals in order to drive focused utilization of diverse suppliers.
- Frontier reviewed detailed spend analytics that categorize vendors and spend, and allows users to identify top areas of opportunity. We have built out a robust calendar of sourcing opportunities that is reviewed at least quarterly by program leadership to ensure diverse suppliers are included in spend opportunities.
- Frontier effectively negotiated the retention of our largest Hispanic supply who in 2019 decided to move towards retirement and reduce the work with Frontier and other CPUC based utilities effectively reducing our MBE spend.

### **EXTERNAL PROGRAM ACTIVITIES**

- In 2019, Frontier hosted supplier sessions in collaboration with California American Water, SDGE, and the California Water Association with LGBTE Suppliers in Construction. These collaborations offer suppliers who are most often small businesses an opportunity to connect with multiple utilities seeking similar supply partners. The sessions matched Frontier prime suppliers with pre-vetted MWDVLGBTBE suppliers recommended for participation by local chambers and community-based organizations. The sessions included discussions of prime contractor requirements and contracting opportunities for MWDVLGBTBE suppliers.
- Frontier continued to encourage its prime suppliers to include WMDVLGBTBEs in their subcontracting activities and report on their results. We encouraged our vendors to report Tier 2 spend on a quarterly basis. The implementation of technology has dramatically increased our visibility and control over the program.
- In 2019 Frontier was a member of the Advisory Council for the following organizations:
  - American Indian Chamber of Commerce
  - The Asian Business Association
  - The Latin Business Association
- Frontier also collaborated with So Cal Gas for the “Utilities based Summit for Disabled Veterans” at their Downey Campus. Frontier led the “Ready or Not on the Spot pitch where we had over 20 Suppliers pitch their business to the 30 plus corporations and utilities who participated in the Summit.

The following are some of the matchmaking sessions and events Frontier sponsored or participated in across the state.

- Frontier partnered with the Asian Business Association – Los Angeles on its “Women Business Pioneers Symposium” designed to celebrate the achievements of Asian American women, and to provide an opportunity to learn from successful female businesswomen., Frontier’s Director of Strategic Sourcing & Supplier Diversity represented Frontier at the matchmaking session.
- Frontier participated in the American Indian Chamber of Commerce of California’s “Capacity Building Training Program” designed to provide American Indian business owners with practical information and training on starting new businesses, capacity building for existing businesses, and providing technical support for all business sizes once they receive procurement opportunities. For the third year, Frontier’s sales directors provided mentorship to the youth at the 2019 Youth Expo.
- Frontier was the premier sponsor of the Black Business Association’s 2019 “Procurement Summit Series”. The summit focuses on specific contracting opportunity areas and educated businesses on what is required to compete in these spaces and

match prepared, experienced diverse businesses with procurement and business line decision makers. Frontier's Director of Strategic Sourcing & Supplier Diversity represented Frontier at the matchmaking session and participated in the panel discussion. Frontier also supported the "Salute to Black Women" during the BBA's Celebration of Black History.

- Frontier sponsored the Filipino Small Business Expo in Citrus Heights with their Director of Supplier Diversity participating in a small business panel and matchmaking sessions
- Frontier partnered with the Greenlining Institute on its 26<sup>th</sup> Annual Economic Summit. The summit brings together nearly 1,000 cross-sector leaders to collaborate on solutions to the most pressing issues facing communities of color.
- In 2019, Frontier partnered with the Latin Business Association ("LBA") on its "Supplier Diversity Procurement Boot Camp." The boot camp offers hands on training on the key elements of what it takes to develop and sustain a high-performance business.
- Frontier partnered with the National Asian American Coalition on its "16th Annual Economic Development & Empowerment Conference." The conference focused on small business innovations and growth challenges.
- Frontier participated in the Women of Excellence events hosted the WNBEC-West.
- Frontier attended and participated in the WGA- LGBT Expo and matchmaking in 2019
- Frontier partnered with Veterans in Business on its "4<sup>nd</sup> Annual National Convention." Over 300 veteran businesses, corporations, and government agencies were in attendance. This two-day conference featured motivational speakers, exhibitors, workshops and networking. Frontier was recognized as a leader and supporter of the Veterans in Business and presented the Bravo Zulu award to the 2019 awardee.

9.1.2 WMDVLGBTBE Annual Results by Ethnicity

			ATTACHMENT C		Page 2	
Name of Utility		2019 of Report			G.O. #156 Sec. 9.1.2	
WMDVLGBTBE Annual Results by Ethnicity						
		2018] of Report				
		Direct	Sub	Total \$	%	
1	Minority Male	Asian Pacific American	\$2,723,818	\$82,027	\$2,805,845	1.39%
2		African American	\$374,224	\$95,875	\$470,099	0.19%
3		Hispanic American	\$15,949,885	\$1,344	\$15,951,229	8.13%
4		Native American	\$0.00	\$0	\$0	0.00%
5		Total Minority Male	\$19,047,927	\$179,246	\$19,227,173	9.80%
6	Minority Female	Asian Pacific American	\$117,809	\$843,659	\$961,468	0.50%
7		African American	\$0	\$0	\$0	0.00%
8		Hispanic American	\$9,437,934	\$3,487,942	\$12,925,876	6.57%
9		Native American	\$1,817	\$0	\$1,817	0.00%
10	Total Minority Female	\$9,557,560	\$4,331,601	\$13,889,161	7.07%	
11	Total Minority Business Enterprise (MBE)		\$28,605,487	\$4,510,847	\$33,116,334	16.87%
12	Women Business Enterprise (WBE)		\$26,518,527	\$2,868,919	\$29,387,446	14.98%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0	\$0	\$0	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		\$2,402,793	\$817,321	\$3,220,114	1.63%
15	Other 8(a)*		\$0	\$0	\$0	0.00%
16	<b>TOTAL WMDVLGBTBE</b>		<b>\$57,526,807</b>	<b>\$8,197,087</b>	<b>\$65,723,894</b>	<b>33.47%</b>
17	Net Procurement**	\$ 196,109,399				
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						

# Frontier Communications

Name of Utility	2019 of Report	G.O. #156 Sec. 9.1.2
<b>WMDVLGBTBE Direct Procurement by Product and Service Categories</b>		

				Products		Services		Total	
				\$	%	\$	%	\$	%
				1	<b>Minority Male</b>	Asian Pacific American	Direct	\$33,280	0.02%
2	African American	Direct	\$1,278	0.00%		\$372,946	0.19%	\$374,224	0.24%
3	Hispanic American	Direct	\$0	0.00%		\$15,949,885	8.13%	\$15,949,885	8.13%
4	Native American	Direct	\$0.00	0.00%		\$0	0.00%	\$0.00	0.00%
5	<b>Total Minority Male</b>	Direct	\$34,558	0.02%		\$19,013,369	9.69%	\$19,047,927	9.71%
6	<b>Minority Female</b>	Asian Pacific American	Direct	\$0.00	0.00%	\$117,809	0.06%	\$117,809	0.06%
7		African American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
8		Hispanic American	Direct	\$461,122	0.23%	\$8,976,812	4.57%	\$9,437,934	4.80%
9		Native American	Direct	\$0.00	0.00%	\$1,817	0.00%	\$1,817	0.00%
10		<b>Total Minority Female</b>	Direct	\$461,122	0.23%	\$9,096,438	4.63%	\$9,557,560	4.86%
11	<b>Total Minority Business Enterprise (MBE)</b>		Direct	\$495,680	0.25%	\$28,109,807	14.32%	\$28,605,487	14.57%
12	<b>Women Business Enterprise (WBE)</b>		Direct	\$9,813,887	5.00%	\$16,704,640	8.52%	\$26,518,527	13.52%
13	<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
14	<b>Disabled Veteran Business Enterprise (DVBE)</b>		Direct	\$240,240	0.12%	\$2,162,553	1.10%	\$2,402,793	1.22%
15	<b>Other 8(a)*</b>		Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
16	<b>TOTAL WMDVLGBTBE</b>		Direct	<b>\$10,549,807</b>	<b>5.37%</b>	<b>\$46,977,000</b>	<b>23.94%</b>	<b>\$57,526,807</b>	<b>29.31%</b>
17	<b>Total Product Procurement</b>			<b>\$10,549,807</b>					
18	<b>Total Service Procurement</b>			<b>\$46,977,000</b>					
19	<b>Net Procurement**</b>			\$ 196,109,399					
20	<b>Total Number of WMDVLGBTBEs that Received Direct Spend</b>			106					

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

Name of Utility	2019 of Report	G.O. #156 Sec. 9.1.2
<b>WMDVLGBTBE Subcontractor Procurement by Product and Service Categories</b>		

				Products		Services		Total	
				\$	%	\$	%	\$	%
1	<b>Minority Male</b>	Asian Pacific American	Sub	0	0.00%	\$82,027	0.04%	\$82,027	0.04%
2		African American	Sub	0	0.00%	\$95,875	0.05%	\$95,875	0.05%
3		Hispanic American	Sub	0	0.00%	\$1,344	0.00%	\$1,344	0.00%
4		Native American	Sub	0	0.00%	\$0	0.00%	\$0	0.00%
5		<b>Total Minority Male</b>	Sub	0	0.00%	\$179,246	0.00%	\$179,246	0.09%
6	<b>Minority Female</b>	Asian Pacific American	Sub	0	0.00%	\$843,659	0.43%	\$843,659	0.43%
7		African American	Sub	0	0.00%	\$0	0.00%	\$0	0.00%
8		Hispanic American	Sub	\$2,722	0.00%	\$3,485,220	1.77%	\$3,487,942	1.77%
9		Native American	Sub	0	0.00%	\$0.00	0.00%	\$0	0.00%
10		<b>Total Minority Female</b>	Sub	2,722	0.00%	\$4,328,879	2.29%	\$4,331,601	2.20%
11	<b>Total Minority Business Enterprise (MBE)</b>	Sub	\$2,722	0.00%	\$4,508,125	2.29%	\$4,510,847	2.29%	
12	<b>Women Business Enterprise (WBE)</b>	Sub	\$376,272	0.19%	\$2,492,647	1.27%	\$2,868,919	1.46%	
13	<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>	Sub	\$0.00	0.00%	\$0.00	0.00%	\$0	0.00%	
14	<b>Disabled Veteran Business Enterprise (DVBE)</b>	Sub	\$0.00	0.00%	\$817,321	0.41%	\$817,321	0.41%	
15	<b>Other 8(a)*</b>	Sub	\$0.00	0.00%	\$0.00	0.00%	\$0	0.00%	
16	<b>TOTAL WMDVLGBTBE</b>	Sub	\$378,994	0.19%	\$7,818,093	3.97%	\$8,197,087	4.16%	
17	<b>Total Product Procurement</b>		\$378,994						
18	<b>Total Service Procurement</b>				\$7,818,093				
19	<b>Net Procurement**</b>	\$	196,109,399						

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

Frontier Communications	2019 of Report	G. O. #156 Sec 9.1.2
WMDVLGBTBE Procurement by Standard Industrial Categories		

SIC Category	Asian Pacific American		African American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
	Male	Female	Male	Female	Male	Female	Male	Female							
Category 15 - Building Construction - General Construction, Operative Builders	\$ 33,280		\$ 1,278			\$ 461,122							\$495,680	\$495,680	\$ 52,619,647
	% 0.02%		% 0.0%			% 0.23%								0.25%	30.80%
Category 47 - Transportation Services														\$0	\$ 2,828,538
	%		%			%								0.00%	1.44%
Category 48 - Business Consulting Services, Not Elsewhere Classified	\$ 2,690,538		\$ 372,946						\$ 16,704,640					\$19,768,124	\$ 26,348,790
	% 1.37%		% 0.19%			%			8.52%					10.08%	5.84%
Category 75 - Repair and Service					\$ 15,949,885									\$15,949,885	\$ 20,003,523
	%		%		8.13%	%								8.13%	2.68%
Category 73- Business Services		\$ 117,809				\$ 8,976,812		\$ 1,817						\$9,096,438	\$ 23,707,997
	%	0.06%				4.57%		0.00%						4.63%	12.10%
Category 72 - Logistics & Shipping									\$ 9,813,887					\$9,813,887	\$ 19,752,340
	%					%			5.00%					5.00%	4.84%
Category 87 - Facilities							*					\$ 240,240		\$240,240	\$ 2,057,376
	%					%						0.12%		0.12%	10.20%
Category 36 - Engineering & Maintenance Services												\$ 2,162,553		\$212,553	\$ 48,791,188
	%					%						1.10%		1.10%	32.10%
	\$					\$									
	%					%									
<b>TOTAL</b>	\$ 2,723,818	\$ 117,809	\$ 374,224	0	\$ 15,949,885	\$ 9,437,934	\$ -	\$ 1,817	\$ 28,640,045	\$ 26,518,527	0	\$ 2,402,793	0	\$ 57,526,807	\$ 196,109,399
	% 1.39	% 0.06	% 0.19	0	% 8.13	% 4.8	0	% 0.00%	% 14.57%	% 13.52%	0	% 1.22%		29.31%	100%

Total Product Procurement	\$10,549,807
Total Service Procurement	\$46,977,000

Net Procurement***	\$196,109,399
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NOTE: \* FIRMS WITH MULTIPLE MINORITY OWNERSHIP STATUS  
 \*\* FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE  
 \*\*\* NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS  
 TOTAL DOLLARS - TOTAL PROCUREMENT DOLLAR AMOUNT IN THE SPECIFIC SIC CATEGORY  
 % - PERCENTAGE OF TOTAL DOLLARS

# Frontier Communications

Revenue and Payment Data												
WMDVLGBTBE \$M	Revenue Reported to CHS						Utility-Specific 2019 Summary					
	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1 million	\$ 4,368,188	0	0	0	0	\$ 4,368,188	\$ 1,532,058	\$ -	\$ -	\$ 240,240	\$ -	
Under \$5 million	\$ 34,768,817	\$ 98,716,500	0	0	0	\$ 133,485,317	\$ 19,020,847	\$ 13,088,674	\$ -	\$ 2,162,553	\$ -	\$ 133,485,317
Under \$10 million	\$ 65,297,620	\$ 35,527,537	0	0	0	\$ 100,825,157	\$ 446,748	\$ 12,243,051	\$ -	\$ -	\$ -	
Above \$10 million	\$630,608,265	\$ 110,863,397	0	0	0	\$ 945,149,967	\$ 7,640,392	\$ 1,186,802	\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$695,905,885</b>	<b>\$ 245,107,434</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$ 1,183,828,629</b>	<b>\$ 28,640,045</b>	<b>\$ 26,518,527</b>	<b>\$ -</b>	<b>\$ 2,402,793</b>	<b>\$ -</b>	<b>\$57,526,807</b>
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE												
CHS: SUPPLIER CLEARINGHOUSE												

<b>Frontier Communications</b>	<b>2019</b>	<b>G.O. #156 Sec. 9.1.2</b>
<b>Description of WMDVLGBTBEs with CA Majority Workforce</b>		

This information is not readily accessible and is not tracked by Frontier.

The following is a summary of Frontier's WMDVLGBTBE program expenses incurred in 2019

**ATTACHMENT C**

Name of Utility	2019 of Report	G.O. #156 Sec. 9.1.3		
<b>WMDVLGBTBE Program Expenses</b>				

Expense Category	Year 2019
Wages	\$250,000
Other Employee Expenses	\$8,775
Program Expenses	\$15,000
Reporting Expenses	\$112,700
Training	\$0
Consultants	\$0
Sponsorships	\$60,000
<b>TOTAL</b>	<b>\$446,475</b>

**9.1.4 A DESCRIPTION OF PROGRESS IN MEETING OR EXCEEDING SET GOALS AND AN EXPLANATION OF ANY CIRCUMSTANCES THAT MAY HAVE CAUSED THE UTILITY TO FALL SHORT OF ITS GOALS**

In 2019, Frontier spent percent of its procurement dollars with women, minority, and disabled veteran owned business enterprises. Frontier exceeded the GO 156 diversity spend goals for women and minority owned business enterprises. However, Frontier’s efforts with DVLGBTBE came in below target. In 2019, in an effort to increase spend with DVBEs, Frontier entered negotiations with a DVBE supplier to support logistics and peripherals earlier in the process the supply chose to disengage from the Frontier agreement but we were able to maintain diversity with the women owned business which was mentoring the DVBE. Frontier’s MWDVLGBTBE spend was also reduced by over ten million as spend was reduced in this area of historic spend by the needs of the business. We know that all supply chains are impacted by many factors annually and we are confident that our diversity spend will grow as we work to stabilize our MWDVLGBTBE base of suppliers for 2020 and beyond.

<b>Name of Utility</b>	<b>2019 of Report</b>	<b>G.O. #156 Sec. 9.1.4</b>		
<b>WMDVLGBTBE Results and Goals</b>				

<b>Category</b>	<b>2019 Results</b>	<b>2019 Goals</b>
<b>Minority Men</b>	9.80%	15.00%
<b>Minority Women</b>	7.07%	5.00%
<b>Minority Business Enterprise (MBE)</b>	16.87%	20.00%
<b>Women Business Enterprise (WBE)</b>	14.98%	5.00%
<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>	0.00%	0.00%
<b>Disabled Veteran Business (DVBE)</b>	1.63%	1.50%
<b>TOTAL WMDVLGBTBE</b>	<b>33.47%</b>	<b>26.50%</b>

**% - PERCENTAGE OF NET PROCUREMENT**

## Frontier Communications

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Frontier closely monitored progress and took additional steps to meet its WMDVLGBTBEs goals through the procurement opportunities associated with construction, outside plant maintenance and materials management. Frontier's supplier diversity team led a strategic cross-functional effort to identify key focus areas. The team targeted large and small Request for Proposals ("RFP") across the various products/services that had California spend impact. Some of these products and services included fiber optic cable, inside wire, network construction, and fiber to the premises ("FTTP"). The supplier diversity team worked directly with cross-functional teams to ensure that WMDVLGBTBE suppliers were considered for every opportunity.

The 2019 reported WMDVLGBTBEs overall expenditures of \$196,109,399 represents a slight year over year decrease in WMDVLGBTBEs spend. While these changes can be unexpected and may have a negative impact on overall diversity spend numbers, they are not reflective of an ineffective program, rather, a measure of success as the entrepreneurs liquidating all or part of their ownership. One of the primary goals of the program is to assist in the growth of diverse businesses, and this is a natural byproduct of business successes. Frontier is encouraged by the success of many businesses and remain steadfast in our commitment to provide opportunities for diverse businesses to succeed.

## Frontier Communications

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Category	2016	2017	2018	2019
WMDVLGBTBE	\$52,510,165	\$80,824,211	\$79,351,274	\$65,723,894
MBE Total	\$34,284,530	\$51,273,093	\$46,537,162	\$33,116,334
WBE Total	\$17,535,088	\$27,765,467	\$31,304,265	\$29,387,114
DVBE Total	\$661,973	\$1,785,651	\$1,509,847	\$3,220,114
LGBT Total	\$28,574	\$0	\$0	\$0

### 9.1.5 DESCRIPTION OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS

Frontier's supply chain/strategic sourcing department continued to focus on second tier spend that provided a direct means to increase contracting opportunities for WMDVLGBTBEs through prime supplier engagement.

Frontier's supply chain/strategic sourcing department renegotiated grandfathered agreements to ensure diversity clauses are included in applicable supplier agreements. We also requested that new suppliers certify WMDVLGBTBE status during initial registration via our online portal. Frontier's supply chain/strategic sourcing department also worked with prime suppliers to ensure utilization of diverse suppliers and to ensure they meet their utilization requirements. In addition, Frontier encouraged prime suppliers to explore areas of opportunity and expansion of WMDVLGBTBEs.

# Frontier Communications

Name of Utility	2019 Annual Report							G.O. #156 Sec. 9.1.5
Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
<b>Direct \$</b>	\$19,047,927	\$9,557,560	\$28,605,487	\$26,518,527	\$0	\$2,402,793	\$0	\$57,526,807
<b>Subcontracting \$</b>	\$179,246	\$4,331,691	\$4,331,601	\$2,868,919	\$0	\$817,321	\$0	\$8,187,087
<b>Total \$</b>	<b>\$19,227,173</b>	<b>\$13,889,161</b>	<b>\$22,116,334</b>	<b>\$29,387,446</b>	<b>\$0</b>	<b>\$3,220,114</b>	<b>\$0</b>	<b>\$65,723,894</b>
<b>Direct %</b>	9.71%	4.86%	1457.00%	13.52%	0.00%	1.22%	0.00%	29.31%
<b>Subcontracting %</b>	0.09%	2.20%	2.29%	1.27%	0.00%	0.41%	0.00%	4.16%
<b>Total %</b>	<b>9.80%</b>	<b>7.07%</b>	<b>16.87%</b>	<b>14.98%</b>	<b>0.00%</b>	<b>1.63%</b>	<b>0.00%</b>	<b>33.47%</b>
<b>Net Procurement**</b>	<b>\$196,109,399</b>							
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								
% - PERCENTAGE OF NET PROCUREMENT								
Direct - DIRECT PROCUREMENT								
Sub - SUBCONTRACTOR PROCUREMENT								

**9.1.6 A LIST OF WMDVLGBTBE COMPLAINTS RECEIVED DURING THE PAST YEAR, ACCOMPANIED BY A BRIEF DESCRIPTION OF THE NATURE OF EACH COMPLAINT AND ITS RESOLUTION OR CURRENT STATUS:**

Frontier continued its internal appeals process as outlined in GO 156, Section 7, to accept, review and resolve complaints relating to Frontier’s supplier diversity program. Frontier did not receive any formal complaints filed with the CPUC in connection with its program during the 2019 reporting period.

**9.1.7 A DESCRIPTION OF ANY EFFORTS MADE TO RECRUIT WMDVLGBTBE SUPPLIERS OF PRODUCTS OR SERVICES IN PURCHASING CATEGORIES WHERE WMDVLGBTBE UTILIZATION HAS BEEN LOW, SUCH AS LEGAL AND FINANCIAL SERVICES, FUEL PROCUREMENT, AND AREAS THAT ARE CONSIDERED HIGHLY TECHNICAL IN NATURE.**

Frontier continued to focus on areas of low utilization. To identify diverse suppliers in areas of low utilization, Frontier has:

- Searched for WMDVLGBTBEs within the low utilization categories to make contact and develop relationships that may lead to procurement opportunities.
- Worked actively with other utilities to share ideas on how to identify and solicit new WMDVLGBTBEs.
- Worked with WMDVLGBTBEs that are not certified with the Clearinghouse to complete the necessary documentation to become certified.
- Collaborated with the Small Business Association to identify small minority businesses for procurement opportunities.

**9.1.11 WMDVLGBTBE FUEL PROCUREMENT**

Not Applicable

**10.0 2019 ANNUAL PLAN**

**10.1.1 WMDVLGBTBE SHORT-TERM, MID-TERM AND LONG-TERM GOALS**

GO 156, Section 10.1.1 requires that the annual plan include a discussion of the short-, mid- and long-term goals as required by Section 8. Frontier has provided these goals on the attached spreadsheet, with a breakdown by Standard Industrial Classification (“SIC”) Major Group, and Product category, for the utilization of WMDVLGBTBE vendors. Frontier’s goals recognize our continued commitment to provide WMDVLGBTBE opportunities.

Frontier	2019 of Report	G.O. #156 Sec. 10.1.1
WMDVLGBTBE Annual SHORT, MID, AND LONG-TERM Goals by Product and Service Category		

	Short-Term 2020					Mid-Term 2021					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
<b>Products</b>															
34. Fabricated Products & Transport Equip	0.00%	1.00%	0.00%	6.00%	7.00%	1.50%	0.00%	0.00%	7.00%	8.50%	2.00%	1.00%	0.00%	10.00%	13.00%
35. Industrial & Computer Machinery	1.20%	0.80%	0.00%	0.00%	2.00%	2.00%	1.00%	0.00%	0.00%	3.00%	2.00%	3.00%	0.00%	0.00%	5.00%
36. Electrical Equipment Components	4.50%	1.50%	0.00%	0.00%	6.00%	4.50%	1.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
38. Measurement Equipment	0.00%	1.00%	0.00%	0.00%	1.00%	0.00%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	2.00%	0.00%	2.00%
50. Durable Goods	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%
51. Wholesale Trade - Nondurable goods	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%	0.00%	0.00%	0.00%	0.00%
<b>Subtotal</b>	<b>5.70%</b>	<b>3.30%</b>	<b>0.00%</b>	<b>6.00%</b>	<b>16.00%</b>	<b>8.00%</b>	<b>2.50%</b>	<b>1.00%</b>	<b>7.00%</b>	<b>18.50%</b>	<b>4.00%</b>	<b>3.00%</b>	<b>2.00%</b>	<b>10.00%</b>	<b>20.00%</b>

	Short-Term 2020					Mid-Term 2021					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
<b>Services</b>															
Category 15 - Building Construction - Gene	6.00%	5.00%	0.50%	2.00%	13.50%	7.00%	5.75%	1.00%	3.00%	16.75%	8.00%	5.75%	1.50%	3.00%	18.25%
Category 47 - Transportation Services	5.00%	0.75%	0.00%	0.00%	5.75%	6.00%	0.00%	0.00%	0.00%	6.00%	7.00%	0.00%	0.00%	0.00%	7.00%
Category 48 - Business Consulting Service	3.00%	4.00%	0.00%	1.00%	8.25%	3.25%	4.00%	0.00%	0.00%	7.25%	2.00%	5.00%	1.00%	1.00%	9.00%
Category 75 - Automotive Repair and Servi	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%
Category 73- Business Services	7.00%	3.00%	0.00%	0.00%	10.00%	8.00%	3.00%	0.00%	0.00%	11.00%	8.50%	4.00%	0.00%	0.00%	12.50%
Category 72 - Logistics & Shipping	4.00%	0.00%	0.00%	0.00%	4.00%	4.75%	0.00%	0.00%	0.00%	4.75%	2.00%	0.00%	0.00%	1.00%	3.00%
Category 87 - Facilities	0.00%	0.00%	0.75%	0.00%	0.75%	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%	0.25%	0.00%	0.00%	0.25%	0.00%	0.25%	0.00%	0.00%	0.25%
	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%
	25.00%	12.75%	1.25%	3.00%	42.00%	29.00%	13.00%	1.00%	3.00%	46.00%	29.50%	15.00%	1.50%	4.00%	50.00%

Category 36 - Engineering Services

Category 50 - Maintenance Repair

**10.1.2 A DESCRIPTION OF WMDVLGBTBE PROGRAM INTERNAL AND EXTERNAL ACTIVITIES PLANNED FOR THE NEXT CALENDAR YEAR:**

**PLANNED WMDVLGBTBE PROGRAM ACTIVITIES FOR 2019**

Frontier is committed to continuing to strengthen its supplier diversity results. Frontier's supplier diversity team will lead internal and external activities to further develop our program and increase opportunities for WMDVLGBTBEs. A summary of these activities are described below:

**INTERNAL PROGRAM ACTIVITIES**

- Develop and implement strategic plans to increase commitments to existing diverse suppliers and to provide opportunities for suppliers in low utilization areas based on quarterly review forecasting.
- Maintain supplier diversity's participation on cross-functional teams for RFPs and contracts to drive inclusion of diverse suppliers as subcontractors/2nd tier vendors in Frontier procurement opportunities.
- Partner and collaborate with internal business leaders to develop and implement strategies to increase diverse spend.
- Partner with sourcing and strategic prime suppliers to ensure multi-tier diversity inclusion.
- Communicate Frontier's short and long-term supplier diversity related strategic directions to key internal stakeholders.
- Regularly monitor, review and analyze reports to track progress to ensure diversity initiatives are being executed.
- Continue to collaborate with minority and non-minority advocacy organizations and prime contractors to support doing business with and encourage economic development of WMLGBTDVBEs.
- Continue to place high priority to encourage Frontier's prime suppliers to diversify their base of WMLGBTDVBE suppliers and subcontractors and develop relationships that will be mutually beneficial.
- Continue to work with local community-based organizations to identify suppliers as well as the Supplier Clearinghouse database and National Gay & Lesbian Chamber of Commerce to locate LGBTBE suppliers.

**EXTERNAL PROGRAM ACTIVITIES**

Frontier will continue to develop its supplier diversity program, with an emphasis on outreach to the supplier community, web-based tools to allow effective supplier access,

and the development of best practices. Frontier will also closely monitor opportunities to increase spending results, to promote supplier diversity and to meet its objectives, including:

- Work with various chambers of commerce and business associations to conduct one-on-one meetings between WMDVLGBTBEs and Frontier's sourcing leaders to discuss both current opportunities in California and general Frontier requirements for the applicable product or service.
- Participate in local, regional and national supplier diversity events such as: conferences, forums, symposiums, trade fairs and workshops to build awareness of Frontier's procurement requirements by participating in business matchmaking and one-on-one supplier meetings.
- Work closely with prime suppliers to ensure they meet their 2nd tier utilization requirements and review and expand areas of opportunity for diverse spend.

**10.1.3 PLANS FOR RECRUITING WMDVLGBTBE VENDORS OF LOW UTILIZED AREAS:**

Frontier will continue to:

- Develop and implement strategic plans to increase commitments to existing diverse suppliers and to provide opportunities for suppliers in low utilization areas.
- Work with community organizations to drive diverse participation in Frontier sourcing opportunities.
- Benchmark with other utilities to identify diverse suppliers in low utilization areas.
- Increase supplier diversity's participation on cross functional teams for RFPs for services that historically have lower levels of diverse spend including alternate sales channels, network electronics and professional services to drive inclusion of diverse suppliers for procurement opportunities.

**10.1.4 PLANS FOR SEEKING AND/OR RECRUITING WMDVLGBTBE VENDORS IN ANY EXCLUDED CATEGORY AND AREAS WHERE SUPPLIERS ARE CURRENTLY UNAVAILABLE**

The CPUC issued Decision 05-11-024 on November 13, 2005 in which it eliminated the use of exclusions in reporting diversity procurement results. Frontier has not used exclusions in providing this report.

**10.1.5 PLANS FOR ENCOURAGING BOTH PRIME CONTRACTORS AND GRANTEES TO ENGAGE WMDVLGBTBEs IN SUBCONTRACTS IN ALL CATEGORIES WHICH PROVIDE SUBCONTRACTING OPPORTUNITIES**

Frontier will continue to work closely with prime suppliers to encourage them to utilize WMDVLGBTBEs for subcontracting opportunities and review and expand areas of opportunity for diverse spend. In addition, the company's procurement department will make efforts to ensure that a diversity clause requesting suppliers to include WMDVLGBTBE sub-contractors, as appropriate, and report on resulting WMDVLGBTBE activity is part of future agreements.

**10.1.6 PLANS FOR COMPLYING WITH THE WMDVLGBTBE PROGRAM GUIDELINES ESTABLISHED BY PU CODE 8283.**

Frontier will continue its efforts to identify and include as many WMDVLGBTBEs as possible in its procurement activities and to follow the program guidelines established by the CPUC. Frontier's senior procurement department management will continue to actively communicate to their direct reports the need to positively influence WMDVLGBTBE activity and meet Frontier's goals. In addition, we continued our supplier diversity status updates to the docket of our bi-weekly staff meetings within the sourcing organization. This is a time for employees to share opportunities, recent successes and for our director of supplier diversity to share updates on the program.

**Annual Energy Product Results by Ethnicity and WMDVLGBTBE Certification**

Not applicable.

**Annual Power Product Results by Ethnicity and WMDVLGBTBE Certification**

Not applicable.