



# GO 156 Report

Year 2013 Utility Procurement  
of Goods, Services and Fuel  
from

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



**Stephanie Green**  
*Business and Community Outreach Office Supervisor*  
*California Public Utilities Commission*

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	<b>2012</b> Diversity Procurement Amount	Percentage Achieved	<b>2013</b> 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%
<b>Total</b>	<b>\$8.0 billion</b>	<b>32.9%</b>	<b>\$8.6 billion</b>	<b>35.47%</b>	<b>21.5%</b>





## 2013 Top Performers

Company	<u>2013</u> Diversity Procurement	Percentage Achieved	<u>2012</u> 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*

	<b>15% Minority</b>	<b>5% Women</b>	<b>1.5% DVBE</b>
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>
<b>Small Business</b> <i>Goal: 25%</i>	<b>18.82%</b> (\$16.81 M)	<b>12.34%</b> (\$12.26 M)
<b>Disabled Veteran Business Enterprises</b> <i>Goal: 3%</i>	<b>1.28%</b> (\$1.49 M)	<b>3.34%</b> (\$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**

