

# 2023 SUPPLIER DIVERSITY REPORT AND 2024 PLAN





**PROCUREMENT WITH**  
WOMEN  
MINORITY  
DISABLED VETERAN  
LESBIAN  
GAY  
BISEXUAL  
TRANSGENDERED  
PERSONS WITH DISABILITIES  
**BUSINESS ENTERPRISES**

**Utility Supplier Diversity Report to the  
California Public Utilities Commission (U-168-W)**

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In response to CPUC General Order 156

# S T E N T I N E R C O N T E N T

Message from Eric Thornburg, CEO San Jose Water

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letter from our

# CHIEF EXECUTIVE OFFICER



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## San Jose Water (SJW) achieved notable success in 2023,

upholding its steadfast dedication to delivering high quality drinking water and service reliability to customers. Central to our strategic foundation is a keen focus on serving customers and enhancing the well-being of the communities where we operate. The commitment extends to leadership in Environmental, Social, and Governance (ESG) realms, encompassing environmental and social justice, resilience building, environmental stewardship, and supplier responsibility.

A pivotal facet of our strategy is the unwavering commitment to supplier diversity, a commitment that yielded commendable results. The SJW 2023 Supplier Diversity Report and 2024 Annual Plan, now submitted to the California Public Utilities Commission (CPUC), showcase our determination to foster resilient communities and diversify our supply chain.

Noteworthy progress was evident in supplier diversity, marking continued diverse spend growth in several areas. Diverse spend reached \$54.4 million, constituting an impressive 34.9% of addressable spend. SJW also surpassed CPUC sub-goals for minority-owned (27.7%) women-owned (5.5%) and disabled veteran-owned (1.7%) spend.

Looking ahead to 2024, our commitment to diversity, equity, and inclusion will continue to intensify. The evolution of our supplier diversity program will involve cultivating stronger ties with diverse suppliers, including a particular focus on increasing involvement with the LGBT community in our supply chain.

Reflecting on our achievements in 2023, I am proud of SJW's progress and confident in our ability to make substantial strides in 2024. Our resolute commitment to supplier diversity positions us as a frontrunner in the field, and we remain dedicated to leading in this crucial area. We appreciate the opportunity to present this report and look forward to continued success.

**Eric Thornburg**  
*CEO, San Jose Water*

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# 2023 ANNUAL REPORT – SUMMARY OF PROGRAM AND HIGHLIGHTS

**SJW is proud to report** that its commitment to the CPUC’s Utility Supplier Diversity Program has continued to progress and deliver outstanding results in 2023. Through intentional focus on the supplier diversity program, including executive leadership, corporate KPIs tied to supplier diversity, the Corporate Leadership Committee Supplier Diversity Team, and the Prime Supplier Program, SJW has exceeded the CPUC’s diverse spend goal of 22.5% with a diverse business utilization percentage of 34.9%. These results demonstrate the company’s commitment to providing access and opportunity to diverse businesses and supporting the diverse communities it serves.

Our total addressable spend increased by 21%, from \$129M to \$156M, representing a significant spend increase when compared to other years. SJW total spend with diverse suppliers increased by 18%, from \$46M to \$54.4M, keeping pace with our overall spend growth. Direct and subcontracting spend with diverse companies increased by 18% representing consistent and balanced growth, with direct spending increasing from \$38.1M to \$45.1M and subcontracting spend increasing from \$7.9M to \$9.3M.

Total minority (MBE) spend increased 20% from \$35.9M to \$43.2M while our women-owned (WBE) spend increased by 31% from \$6.5M to \$8.5M. In addition, SJW expanded the number of direct diverse suppliers by 18%, from 44 suppliers to 52 suppliers and the total number of diverse suppliers within our supply chain grew by 6%, from 63 suppliers to 67 suppliers. LGBT spend continued to be a challenge in 2023 and remains an area of focus in our 2024 supplier diversity plan.

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IN ADDITION TO **EXCEEDING THE CPUC DIVERSE SPEND GOAL OF 22.5%**, WE ARE VERY PLEASED TO REPORT THAT WE EXCEEDED THREE OF THE CPUC SUB-GOALS:

**5.5%**  
WBE SPEND

**27.7%**  
MBE SPEND

**1.7%**  
DVBE SPEND

---

**WBE**

Women-Owned  
Business Enterprises

**MBE**

Minority-Owned  
Business Enterprises

**WMBE**

Women, Minority-Owned  
Business Enterprises

**DVBE**

Disabled Veteran-Owned  
Business Enterprises

**LGBTBE**

Lesbian, Gay, Bisexual, Transgender  
Business Enterprise

**PDDBE**

Persons with Disabilities  
Business Enterprises

# 2023 ANNUAL REPORT — SUMMARY OF PROGRAM AND HIGHLIGHTS (cont'd)



The positive results outlined in 2023 continue to be possible through intentional focus on our supplier diversity program in the following areas:



## EXECUTIVE LEADERSHIP

From our CEO, through the **Executive Leadership Team (ELT)** and all management, the importance of supplier diversity remains a priority. The company culture continues to shift through this enhanced focus on supplier diversity. There continues to be a significant increase in inquiries for diverse suppliers who's capabilities match internal opportunities.



## CORPORATE LEADERSHIP COMMITTEE (CLC)

CLC teams are set up each year to support various KPIs within the company. A **Supplier Diversity CLC team** is identified in order to focus on specific supplier diversity goals within each SJW Group location including SJW, Connecticut Water, Maine Water and SJWTX. This cross-functional team has helped to advance the supplier diversity strategy at SJW and all companies within SJW Group.



## CORPORATE KPI'S

The continued use of a **corporate KPI for supplier diversity helps to drive supplier diversity**. All corporate KPIs, including those for supplier diversity, are tied to employee objectives and the resulting employee compensation. This is a best practice within the supplier diversity industry.



## PRIME SUPPLIER PROGRAM

The **Prime Supplier Program** continues to be an integral part of the SJW supplier diversity strategy. In 2023 there were 9 prime suppliers that contributed \$9.3M of diverse subcontracting, representing over 17% of SJWs overall supplier diversity results.

SJW continues its active participation in the CWA USDP. Under the CWA USDP, we have maintained our Technical Assistance Program (TAP), Meet the Primes Program and supported numerous Community Business Organizations (CBOs) through participation in and/or sponsorship of events throughout California.

# SUPPLIER DIVERSITY AT A GLANCE



**\$156M**

ADDRESSABLE SPEND



**34.9%**

TOTAL DIVERSE SPEND PERCENTAGE



**4 Years**

EXCEEDING CPUC GOALS FOR  
MBE, WBE AND DVBE



**\$45.1M**

TOTAL AMOUNT  
OF DIRECT SPEND



**\$9.3M**

TOTAL AMOUNT OF  
SUBCONTRACTING SPEND



**52**

TOTAL NUMBER OF  
DIRECT DIVERSE  
SUPPLIERS



**20**

TOTAL NUMBER OF  
SUBCONTRACTING  
DIVERSE SUPPLIERS



**67**

TOTAL UNIQUE DIVERSE  
SUPPLIERS WITHIN THE  
SUPPLIER DIVERSITY PROGRAM

# SJW'S 2023 USDP HIGHLIGHTS

## CPUC Goals

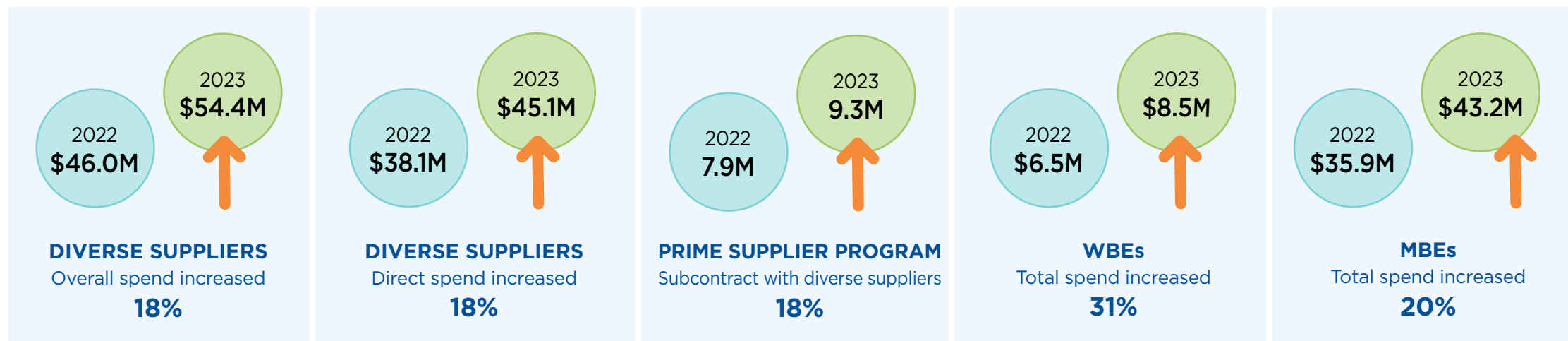
For the fourth consecutive year, SJW exceeded CPUC goals in the following categories:

**OVERALL**  
**GOAL: 22.5%**  
**SPEND: 34.9%**

**MBE**  
**GOAL: 15%**  
**SPEND: 27.7%**

**WBE**  
**GOAL: 5%**  
**SPEND: 5.5%**

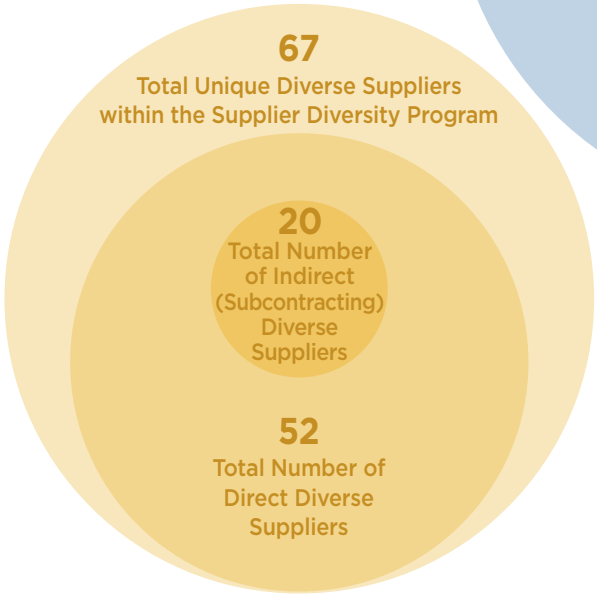
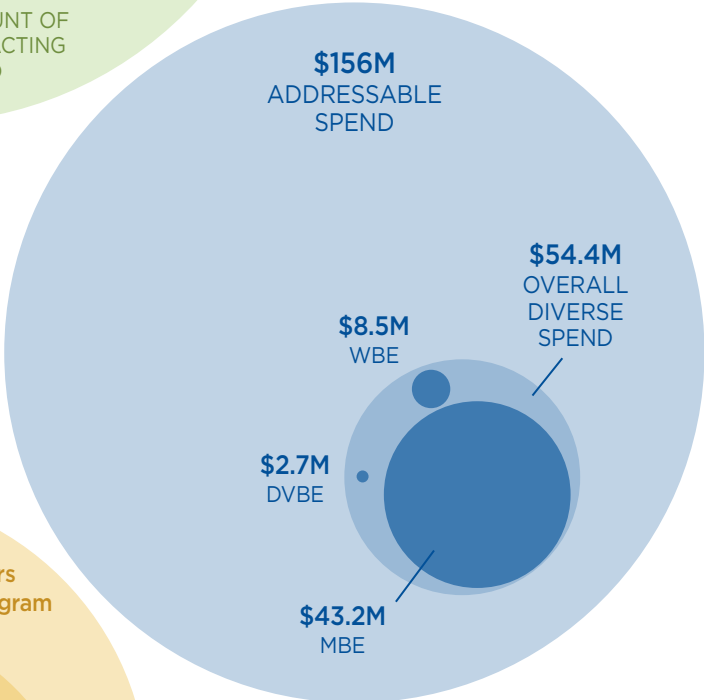
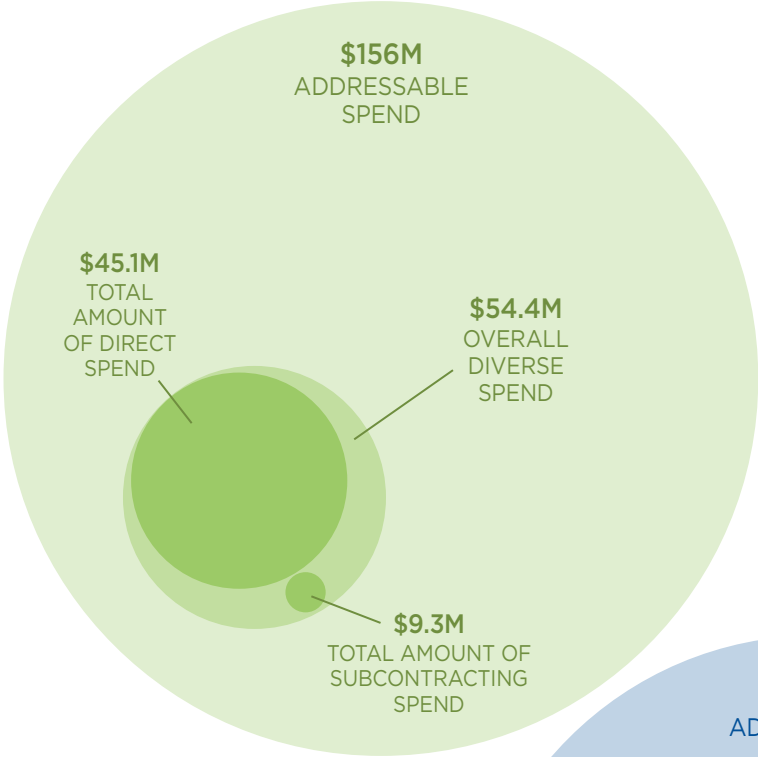
**DVBE**  
**GOAL: 1.5%**  
**SPEND: 1.7%**





# Program Baseline Statistics

|   | 2022          | 2023          | '22-'23 Change |
|---|---------------|---------------|----------------|
| <b>TOTAL PROCUREMENT SPEND</b>  | <b>\$348M</b> | <b>\$380M</b> | <b>9%</b>      |
| Total addressable spend   | \$129M        | \$156M        | 21%            |
| Overall spend with diverse suppliers  | \$46.0M       | \$54.4M       | 18%            |
| Direct spend with diverse suppliers   | \$38.1M       | \$45.1M       | 18%            |
| Prime Supplier Program, subcontracting with diverse suppliers                             | \$7.9M        | \$9.3M        | 18%            |
| Total Minority Business Enterprise (MBE) Spend  | \$35.9M       | \$43.2M       | 20%            |
| Total Women Business Enterprise (WBE) Spend   | \$6.5M        | \$8.5M        | 31%            |
| Total Disabled Veteran Business Enterprise (DVBE) Spend                                   | \$3.3M        | \$2.7M        | -18%           |
| Total Lesbian, Gay, Bisexual, Transgendered Business Enterprise Spend (LGBTBE) Spend      | \$12.5K       | \$0.0         | -              |
| <b>Total number of unique diverse suppliers within the SJW Supplier Diversity Program</b> |               |               |                |
|   | <b>63</b>     | <b>67</b>     | <b>6%</b>      |
| <b>Number of diverse suppliers doing business directly with SJW</b>                       |               |               |                |
|   | <b>44</b>     | <b>52</b>     | <b>18%</b>     |
| <b>Number of diverse suppliers doing business with SJW through subcontracting</b>         |               |               |                |
|   | <b>25</b>     | <b>20</b>     | <b>-20%</b>    |



## 9.1.1

# Description of Program Activities During the Previous Calendar Year

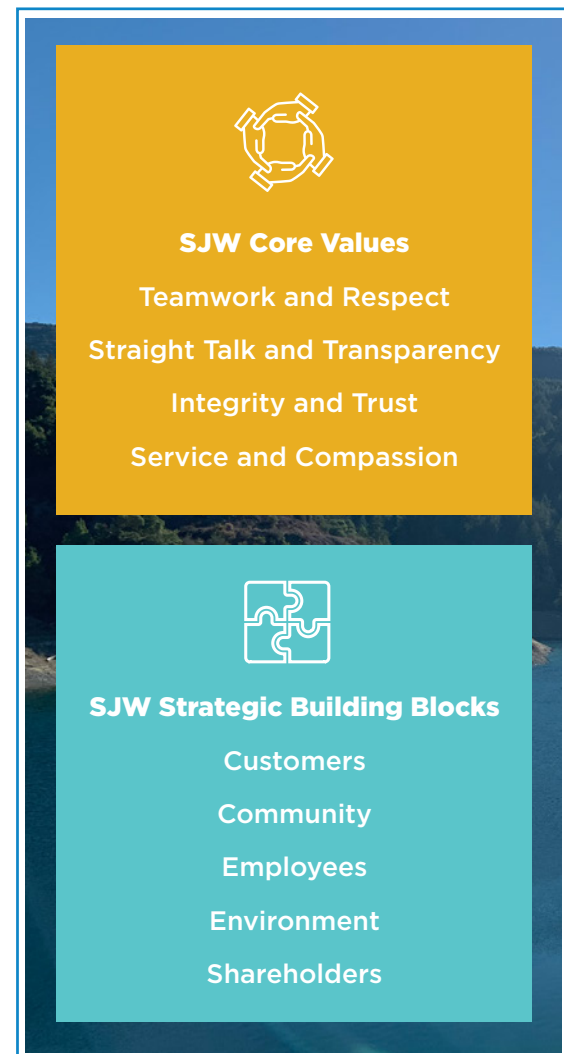
In 2023, notable transformations took place, marked by shifts in the post-pandemic business landscape, increased stability in the supply chain, and a growth trajectory in our overall expenditures. SJW adeptly navigated the evolving business climate, now prominently featuring a substantial remote work component. Overall spending witnessed a 9% upswing, paralleled by a notable 21% surge in our addressable spend.

Our diverse spend also saw an 18% increase, closely mirroring the growth in our addressable spend. Notably, the 2023 CPUC goals were elevated from 22.0% to 22.5%, with the LGBT goal ascending from 0.5% to 1.0%. We maintained our commitment to monitoring spend with Persons with Disabilities Business Enterprises. Additionally, Community Business Organization underwent a transition in 2023, incorporating a balance of in-person, hybrid, and virtual events. These dynamics demanded resilience and steadfastness in our organization's approach to supplier diversity.

SJW persistently underscores the significance of supplier diversity as a corporate Key Performance Indicator (KPI). As an integral facet of our corporate strategy, SJW remains dedicated to addressing Environmental, Social, and Governance (ESG) issues. This encompasses objectives such as reducing carbon emissions, ensuring the safety of individuals, promoting environmental stewardship, and advocating for supplier diversity.

The enduring mission of SJW remains: To be trusted, passionate, and socially responsible professionals delivering exceptional quality water and service to customers and communities while safeguarding the environment and ensuring a fair return to shareholders. Our focus on core values and strategic building blocks remains unwavering as we cater to the needs of our stakeholders.

Throughout 2023, our commitment to the Corporate Leadership Council (CLC) Program persisted, with a dedicated team enhancing Supplier Diversity programs across sister utilities in Texas, Maine, and Connecticut. SJW actively promoted diverse supplier registration through our third-party system, Avisare Corp., an African-American Women-Owned Business. This platform enabled registrants to gain visibility not only with SJW but also with other corporations and organizations utilizing the same system.



## Description of Program Activities During the Previous Calendar Year *(cont'd)*

### Internal Activities

On October 3rd of 2023, SJW completed the CPUC Supplier Diversity Program Performance audit of our 2021 CPUC Annual Report and Plan, covering results from January 1st 2021, to December 31st 2021. The CPUC indicated that SJW results were generally reported accurately, properly reported, and in compliance with GO 156 requirements and guidance. There were 4 findings within the CPUC audit report, two of which were minor incidents of over-reporting and two instances of misclassification of reported spend. The CPUC audit recommendation for each finding was to strengthen SJW monitoring and review procedures over its reporting process. As a result of the audit, SJW contracted with Astute Tax and Accounting Services, a minority and woman owned business, to perform the following:

- Participate in the creation of the 2023 CPUC Annual Report and 2024 Plan
- Document the current supplier diversity process with emphasis on CPUC reporting
- Identify process gaps and suggest process improvements
- Document new process as process improvements are implemented
- Take part in the monitoring and review procedure for current and future CPUC reports

### Additional items of focus for 2023 included:

- Persistent emphasis on language in Requests for Proposals (RFPs), contracts, Purchase Orders (POs), and associated documents, mandating prime contractors to achieve a 25% diverse subcontracting goal.
- Ongoing inclusion of supplier diversity as a crucial component in the RFP scoring process. This scoring system, implemented in 2021 for various RFPs, including those related to pipeline construction bids, remains a pivotal aspect of our approach.
- Collaborative efforts by local representatives from SJW with our central procurement group within the SJW Group, striking a balance between SJW Group's overall needs and the localized supplier diversity strategy. The construction/engineering group at SJW devised an innovative strategy that contributed to maintaining diverse spending within that specific business unit.
- Continuous endeavors to integrate the supplier diversity strategy into the SJW Advanced Metering Infrastructure (AMI) project. SJW witnessed increased diverse spending in the AMI domain, indicating progress in implementing the supplier diversity strategy in this area.



## Description of Program Activities During the Previous Calendar Year *(cont'd)*

### External Activities:

SJW's Director of Supplier Diversity, held the following leadership positions in 2023:

- Advisory Council for The Diversity Advisors
- Board of Directors for the Women's Business Enterprise Council (WBEC) — Pacific
- Board Chair for the United States Pan Asian American Chamber of Commerce (USPAACC) — Western Region

### CBO Outreach — Tradeshow, Conference, and other Outreach Events

SJW actively extends the company's outreach initiatives by engaging in Community Business Organization (CBO) events that involve collaborations with Diverse Business Enterprises (DBEs), at the local level, across the State of California and nationally. Establishing and nurturing relationships, as well as comprehending the unique needs and capabilities of each CBO, remains a pivotal factor for success in enhancing diverse spending at SJW. Furthermore, SJW collaborates with fellow members of the California Water Association (CWA) as part of the CWA USDP committee. Representing the CWA USDP, SJW frequently participates in diverse events such as CBO gatherings, tradeshows, and matchmaking events. The Director of Supplier Diversity at SJW actively contributes to these events, either through financial support or by attending, serving as a panelist, or presenting valuable insights.

### Organizations Supported:

American Indian Chamber of Commerce (AICOC)  
 CPUC (Small Business Expos)  
 Disabled Veteran Business Alliance (DVBA)  
 Elite Service Disabled Veteran Owned Business (SDVOB) Network  
 Golden Gate Business Association (GGBA)  
 Industry Council for Small Business Development (ICSBD)  
 National Gay & Lesbian Chamber of Commerce (NGLCC)  
 National Minority Supplier Development Council (NMSDC)  
 National Utility Diversity Council (NUDC)  
 Rainbow Chamber of Commerce Silicon Valley  
 Silicon Valley Black Chamber of Commerce  
 Silicon Valley Hispanic Chamber of Commerce  
 Southern California Minority Supplier Development Council (SMSDC)  
 The National Center for Native American Enterprise Development (NCAIED)  
 Veterans in Business (VIB) Network  
 Western Regional Minority Supplier Development Council (WRMSDC)  
 Women's Business Enterprise Council — Pacific (WBEC-Pacific)  
 Women's Business Enterprise Council — West (WBEC-West)  
 Women's Business Enterprise National Council (WBENC)

SJW's Director of Supplier Diversity is also participant in the CPUC joint utilities organization.

9.1.2

# Annual Results by Ethnicity

|  |                              | DIRECT SPEND <sup>1</sup> | SUB SPEND <sup>2</sup> | TOTAL \$            | %             |
|--|------------------------------|---------------------------|------------------------|---------------------|---------------|
| Minority Male  | African American             | \$20,000                  | \$0                    | \$20,000            | 0.01%         |
|  | Asian Pacific American       | \$456,604                 | \$94,560               | \$551,164           | 0.35%         |
|  | Hispanic American            | \$29,500,260              | \$2,326,723            | \$31,826,983        | 20.42%        |
|  | Native American              | \$0                       | \$0                    | \$0                 | 0.00%         |
|  | <b>Total Minority Male</b>   | <b>\$29,976,864</b>       | <b>\$2,421,283</b>     | <b>\$32,398,147</b> | <b>20.79%</b> |
| Minority Female  | African American             | \$20,228                  | \$1,210                | \$21,438            | 0.01%         |
|  | Asian Pacific American       | \$2,727,063               | \$1,660,734            | \$4,387,797         | 2.82%         |
|  | Hispanic American            | \$6,340,501               | \$58,592               | \$6,399,093         | 4.11%         |
|  | Native American              | \$0                       | \$0                    | \$0                 | 0.00%         |
|  | <b>Total Minority Female</b> | <b>\$9,087,792</b>        | <b>\$1,720,536</b>     | <b>\$10,808,328</b> | <b>6.93%</b>  |
| Total Minority Business Enterprise (MBE)                         |                              | \$39,064,656              | \$4,141,819            | \$43,206,475        | 27.72%        |
| Women Business Enterprise (WBE)                                  |                              | \$4,834,135               | \$3,668,175            | \$8,502,310         | 5.46%         |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) |                              | \$0                       | \$0                    | \$0                 | 0.00%         |
| Disabled Veteran Business Enterprise (DVBE)                      |                              | \$1,237,308               | \$1,440,983            | \$2,678,291         | 1.72%         |
| Persons with Disabilities Business Enterprise (PDBE)             |                              | \$0                       | \$1,932                | \$1,932             | 0.00%         |
| 8(a)*  |                              | \$0                       | \$0                    | \$0                 | 0.00%         |
| <b>Total Supplier Diversity Spend</b>                            |                              | <b>\$45,136,099</b>       | <b>\$9,252,909</b>     | <b>\$54,389,008</b> | <b>34.90%</b> |
| <b>Net Procurement**</b>   |                              | <b>\$155,853,952</b>      |                        |                     |               |

NOTES:

\*Firms classified as 8(a) by the Small Business Administration include non-diverse.

\*\*Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

<sup>1</sup> Direct means Direct Procurement – when a utility directly procures from a supplier.

<sup>2</sup> Sub means Subcontractor Procurement – when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).

% = Percentage of Net Procurement.

Totals may not add due to rounding.

# Direct Procurement by Product and Service Categories

|   |                              | Product              |              | Service             |               | Total               |               |
|---|------------------------------|----------------------|--------------|---------------------|---------------|---------------------|---------------|
|   |                              | \$                   | %            | \$                  | %             | \$                  | %             |
| Minority Male   | African American             | \$0                  | 0.00%        | \$20,000            | 0.01%         | \$20,000            | 0.01%         |
|   | Asian Pacific American       | \$0                  | 0.00%        | \$456,604           | 0.29%         | \$456,604           | 0.29%         |
|   | Hispanic American            | \$7,618              | 0.00%        | \$29,492,642        | 18.92%        | \$29,500,260        | 18.93%        |
|   | Native American              | \$0                  | 0.00%        | \$0                 | 0.00%         | \$0                 | 0.00%         |
|   | <b>Total Minority Male</b>   | <b>\$7,618</b>       | <b>0.00%</b> | <b>\$29,969,246</b> | <b>19.23%</b> | <b>\$29,976,864</b> | <b>19.23%</b> |
| Minority Female   | African American             | \$20,227             | 0.01%        | \$0                 | 0.00%         | \$20,227            | 0.01%         |
|   | Asian Pacific American       | \$29,245             | 0.02%        | \$2,697,818         | 1.73%         | \$2,727,063         | 1.75%         |
|   | Hispanic American            | \$6,134,877          | 3.94%        | \$205,624           | 0.13%         | \$6,340,501         | 4.07%         |
|   | Native American              | \$0                  | 0.00%        | \$0                 | 0.00%         | \$0                 | 0.00%         |
|   | <b>Total Minority Female</b> | <b>\$6,184,349</b>   | <b>3.97%</b> | <b>\$2,903,442</b>  | <b>1.86%</b>  | <b>\$9,087,791</b>  | <b>5.83%</b>  |
| Total Minority Business Enterprise (MBE)                            |                              | \$6,191,967          | 3.97%        | \$32,872,688        | 21.09%        | \$39,064,655        | 25.06%        |
| Women Business Enterprise (WBE)                                     |                              | \$2,012,374          | 1.29%        | \$2,821,761         | 1.81%         | \$4,834,135         | 3.10%         |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)    |                              | \$0                  | 0.00%        | \$0                 | 0.00%         | \$0                 | 0.00%         |
| Disabled Veteran Business Enterprise (DVBE)                         |                              | \$0                  | 0.00%        | \$1,237,308         | 0.79%         | \$1,237,308         | 0.79%         |
| Persons with Disabilities Business Enterprise (PDBE)                |                              | \$0                  | 0.00%        | \$0                 | 0.00%         | \$0                 | 0.00%         |
| 8(a)*   |                              | \$0                  | 0.00%        | \$0                 | 0.00%         | \$0                 | 0.00%         |
| <b>Total Supplier Diversity Spend</b>                               |                              | <b>\$8,204,341</b>   | <b>5.26%</b> | <b>\$36,931,757</b> | <b>23.70%</b> | <b>\$45,136,098</b> | <b>28.96%</b> |
| <b>Net Procurement**</b>  |                              | <b>\$155,853,952</b> |              |                     |               |                     |               |
| <b>Net Product Procurement</b>                                      |                              | <b>\$8,204,341</b>   |              |                     |               |                     |               |
| <b>Net Service Procurement</b>                                      |                              | <b>\$36,931,757</b>  |              |                     |               |                     |               |
| <b>Total Number of Diverse Suppliers that Received Direct Spend</b> |                              | <b>52</b>            |              |                     |               |                     |               |

NOTES:

\*Firms classified as 8(a) by the Small Business Administration include non-diverse.

\*\*Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

1 Direct means Direct Procurement – when a utility directly procures from a supplier.

2 Sub means Subcontractor Procurement – when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).

% = Percentage of Net Procurement.

Totals may not add due to rounding.

# Subcontractor Procurement by Product and Service Categories

|  |                              | Product              |              | Service            |              | Total              |              |
|--|------------------------------|----------------------|--------------|--------------------|--------------|--------------------|--------------|
|  |                              | \$                   | %            | \$                 | %            | \$                 | %            |
| Minority Male  | African American             | \$0                  | 0.00%        | \$0                | 0.00%        | \$0                | 0.00%        |
|  | Asian Pacific American       | \$0                  | 0.00%        | \$94,560           | 0.06%        | \$94,560           | 0.06%        |
|  | Hispanic American            | \$0                  | 0.00%        | \$2,326,723        | 1.49%        | \$2,326,723        | 1.49%        |
|  | Native American              | \$0                  | 0.00%        | \$0                | 0.00%        | \$0                | 0.00%        |
|  | <b>Total Minority Male</b>   | <b>\$0</b>           | <b>0.00%</b> | <b>\$2,421,283</b> | <b>1.55%</b> | <b>\$2,421,283</b> | <b>1.55%</b> |
| Minority Female  | African American             | \$1,210              | 0.00%        | \$0                | 0.00%        | \$1,210            | 0.00%        |
|  | Asian Pacific American       | \$0                  | 0.00%        | \$1,660,734        | 1.07%        | \$0                | 0.00%        |
|  | Hispanic American            | \$58,592             | 0.04%        | \$0                | 0.00%        | \$58,592           | 0.04%        |
|  | Native American              | \$0                  | 0.00%        | \$0                | 0.00%        | \$0                | 0.00%        |
|  | <b>Total Minority Female</b> | <b>\$59,802</b>      | <b>0.04%</b> | <b>\$1,660,734</b> | <b>1.07%</b> | <b>\$1,720,536</b> | <b>1.10%</b> |
| Total Minority Business Enterprise (MBE)                         |                              | \$59,802             | 0.04%        | \$4,082,017        | 2.62%        | \$4,141,819        | 2.66%        |
| Women Business Enterprise (WBE)                                  |                              | \$1,034,701          | 0.66%        | \$2,633,474        | 1.69%        | \$3,668,175        | 2.35%        |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) |                              | \$0                  | 0.00%        | \$0                | 0.00%        | \$0                | 0.00%        |
| Disabled Veteran Business Enterprise (DVBE)                      |                              | \$333,868            | 0.21%        | \$1,107,115        | 0.71%        | \$1,440,983        | 0.92%        |
| Persons with Disabilities Business Enterprise (PDBE)             |                              | \$1,932              | 0.00%        | \$0                | 0.00%        | \$1,932            | 0.00%        |
| 8(a)*  |                              | \$0                  | 0.00%        | \$0                | 0.00%        | \$0                | 0.00%        |
| <b>Total Supplier Diversity Spend</b>                            |                              | <b>\$1,430,303</b>   | <b>0.92%</b> | <b>\$7,822,606</b> | <b>5.02%</b> | <b>\$9,252,909</b> | <b>5.94%</b> |
| <b>Net Procurement**</b>   |                              | <b>\$155,853,952</b> |              |                    |              |                    |              |
| <b>Net Product Procurement</b>                                   |                              | <b>\$1,403,303</b>   |              |                    |              |                    |              |
| <b>Net Service Procurement</b>                                   |                              | <b>\$7,822,606</b>   |              |                    |              |                    |              |

NOTES:

\*Firms classified as 8(a) by the Small Business Administration include non-diverse.

\*\*Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

1 Direct means Direct Procurement — when a utility directly procures from a supplier.

2 Sub means Subcontractor Procurement — when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).

% = Percentage of Net Procurement.

Totals may not add due to rounding.

# Procurement by Standard Industrial Categories

| SIC CODE* | AFRICAN AMERICAN |        | ASIAN PACIFIC AMERICAN |          | HISPANIC AMERICAN |             | NATIVE AMERICAN |        | MINORITY BUSINESS ENTERPRISE (MBE) | WOMEN BUSINESS ENTERPRISE (WBE) | LESBIAN, GAY, BISEXUAL, TRANSGENDER BUSINESS ENTERPRISE (LGBTBE) | DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) | PERSONS WITH DISABILITIES BUSINESS ENTERPRISE (DBE) | 8(a)**       | TOTAL SUPPLIER DIVERSITY SPEND | TOTAL PROCUREMENT |
|-----------|------------------|--------|------------------------|----------|-------------------|-------------|-----------------|--------|------------------------------------|---------------------------------|--|---|---|--------------|--------------------------------|-------------------|
|           | MALE             | FEMALE | MALE                   | FEMALE   | MALE              | FEMALE      | MALE            | FEMALE |                                    |                                 |  |   |   |              |                                |                   |
| 7         | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$185,057         |
|           | 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%                          | 0.12%             |
| 8         | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$0               |
|           | 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%             |
| 13        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$6,478           |
|           | 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%             |
| 14        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$23,157          |
|           | 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%                          | 0.01%             |
| 15        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$5,087,296       |
|           | 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%                          | 3.26%             |
| 16        | \$0              | \$0    | \$0                    | \$0      | \$28,769,714      | \$0         | \$0             | \$0    | \$28,769,714                       | \$0                             | \$0  | \$643,834                                   | \$0   | \$29,413,548 | \$73,756,279                   | \$73,756,279      |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 18.46%            | 0.00%       | 0.00%           | 0.00%  | 18.46%                             | 0.00%                           | 0.00%  | 0.41%                                       | 0.00%   | 18.87%       | 47.32%                         | 47.32%            |
| 17        | \$0              | \$0    | \$0                    | \$98,682 | \$173,500         | \$0         | \$0             | \$0    | \$272,182                          | \$11,000                        | \$0  | \$0   | \$0   | \$283,182    | \$937,412                      | \$937,412         |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.06%    | 0.11%             | 0.00%       | 0.00%           | 0.00%  | 0.17%                              | 0.01%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.18%        | 0.60%                          | 0.60%             |
| 22        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$60,486          |
|           | 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%                          | 0.04%             |
| 23        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$0               |
|           | 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        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$0               |
|           | 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        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$3,947           |
|           | 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%             |
| 27        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$383,791                       | \$0  | \$0   | \$0   | \$383,791    | \$410,326                      | \$410,326         |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 0.00%                              | 0.25%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.25%        | 0.26%                          | 0.26%             |
| 28        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$205,524   | \$0             | \$0    | \$205,524                          | \$0                             | \$0  | \$0   | \$0   | \$205,524    | \$368,723                      | \$368,723         |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 0.13%             | 0.00%       | 0.00%           | 0.00%  | 0.13%                              | 0.00%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.13%        | 0.24%                          | 0.24%             |
| 29        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$56,302          |
|           | 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%                          | 0.04%             |
| 30        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$67,910          |
|           | 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%                          | 0.04%             |
| 32        | \$0              | \$0    | \$0                    | \$0      | \$331,799         | \$0         | \$0             | \$0    | \$331,799                          | \$0                             | \$0  | \$0   | \$0   | \$331,799    | \$340,853                      | \$340,853         |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 0.21%             | 0.00%       | 0.00%           | 0.00%  | 0.21%                              | 0.00%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.21%        | 0.22%                          | 0.22%             |
| 33        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$3,737,799       |
|           | 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%                          | 2.40%             |
| 34        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$260,916         |
|           | 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%                          | 0.17%             |
| 35        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$3,666                         | \$0  | \$0   | \$0   | \$3,666      | \$6,657,382                    | \$6,657,382       |
|           | 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%                          | 4.27%             |
| 36        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$269,158         |
|           | 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%                          | 0.17%             |
| 37        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$4,845           |
|           | 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%             |
| 38        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$988,504                       | \$0  | \$0   | \$0   | \$988,504    | \$3,274,405                    | \$3,274,405       |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 0.00%                              | 0.63%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.63%        | 2.10%                          | 2.10%             |
| 39        | \$0              | \$0    | \$0                    | \$29,245 | \$0               | \$0         | \$0             | \$0    | \$29,245                           | \$0                             | \$0  | \$0   | \$0   | \$29,245     | \$174,962                      | \$174,962         |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.02%    | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 0.02%                              | 0.00%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.02%        | 0.11%                          | 0.11%             |
| 42        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$371,431                       | \$0  | \$0   | \$0   | \$371,431    | \$647,321                      | \$647,321         |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 0.00%                              | 0.24%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.24%        | 0.42%                          | 0.42%             |
| 45        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$10,009          |
|           | 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%                          | 0.01%             |
| 47        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$0               |
|           | 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%             |
| 48        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$158,037         |
|           | 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%                          | 0.10%             |
| 49        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$203,284         |
|           | 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%                          | 0.13%             |
| 50        | \$0              | \$0    | \$0                    | \$0      | \$7,618           | \$6,102,463 | \$0             | \$0    | \$6,110,081                        | \$1,013,593                     | \$0  | \$552,076                                   | \$0   | \$7,675,750  | \$8,241,369                    | \$8,241,369       |
|           | 0.00%            | 0.00%  | 0.00%                  | 0.00%    | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 3.92%                              | 0.65%                           | 0.35%  | 0.00%                                       | 0.00%   | 4.92%        | 5.29%                          | 5.29%             |
| 51        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$1,047,502       |
|           | 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%                          | 0.67%             |
| 52        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$30,966          |
|           | 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%                          | 0.02%             |
| 53        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$1,347           |
|           | 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%             |
| 54        | \$0              | \$0    | \$0                    | \$0      | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0          | \$0                            | \$31,840          |
|           | 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%                          | 0.02%             |



# Procurement by Standard Industrial Categories *(cont'd)*

| SIC CODE           | AFRICAN AMERICAN |          | ASIAN PACIFIC AMERICAN |             | HISPANIC AMERICAN |             | NATIVE AMERICAN |        | MINORITY BUSINESS ENTERPRISE (MBE) | WOMEN BUSINESS ENTERPRISE (WBE) | LESBIAN, GAY, BISEXUAL, TRANSGENDER BUSINESS ENTERPRISE (LGBTBE) | DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) | PERSONS WITH DISABILITIES BUSINESS ENTERPRISE (DBE) | 8(a)** | TOTAL SUPPLIER DIVERSITY SPEND | TOTAL PROCUREMENT |
|--------------------|------------------|----------|------------------------|-------------|-------------------|-------------|-----------------|--------|------------------------------------|---------------------------------|--|---|---|--------|--------------------------------|-------------------|
|                    | MALE             | FEMALE   | MALE                   | FEMALE      | MALE              | FEMALE      | MALE            | FEMALE |                                    |                                 |  |   |   |        |                                |                   |
| 55                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$1,864,707       |
| 56,57              | 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%                          | 1.20%             |
| 58                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$90,104          |
| 59                 | 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%                          | 0.06%             |
| 60                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$40,347          |
| 62                 | 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%                          | 0.03%             |
| 63                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$280,000         |
| 64                 | 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%                          | 0.18%             |
| 65                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$139,788         |
| 67                 | 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%                          | 0.09%             |
| 70                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$1,800           |
| 72                 | 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%             |
| 73                 | \$0              | \$0      | \$56,137               | \$1,708,789 | \$214,447         | \$0         | \$0             | \$0    | \$1,979,373                        | \$179,415                       | \$0  | \$0   | \$0   | \$0    | \$2,158,788                    | \$11,511,055      |
| 75                 | 0.00%            | 0.00%    | 0.04%                  | 1.10%       | 0.14%             | 0.00%       | 0.00%           | 0.00%  | 1.27%                              | 0.12%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.00%  | 1.39%                          | 7.39%             |
| 76                 | \$0              | \$0      | \$0                    | \$637,626   | \$0               | \$0         | \$0             | \$0    | \$637,626                          | \$0                             | \$0  | \$0   | \$0   | \$0    | \$637,626                      | \$643,994         |
| 79                 | 0.00%            | 0.00%    | 0.00%                  | 0.41%       | 0.00%             | 0.00%       | 0.00%           | 0.00%  | .41%                               | 0.00%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.00%  | 0.41%                          | 0.41%             |
| 80                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$522,719                       | \$0  | \$0   | \$0   | \$0    | \$522,719                      | \$2,742,771       |
| 81                 | 0.00%            | 0.00%    | 0.00%                  | 0.00%       | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 0.00%                              | 0.34%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.00%  | 0.34%                          | 1.76%             |
| 82                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$964,536         |
| 83                 | 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%                          | 0.62%             |
| 86                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$0               |
| 87                 | 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%             |
| 88,89              | \$0              | \$0      | \$125,214              | \$0         | \$0               | \$0         | \$0             | \$0    | \$125,214                          | \$0                             | \$0  | \$0   | \$0   | \$0    | \$125,214                      | \$1,039,681       |
| 92                 | 0.00%            | 0.00%    | 0.08%                  | 0.00%       | 0.00%             | 0.00%       | 0.00%           | 0.00%  | 0.08%                              | 0.00%                           | 0.00%  | 0.00%                                       | 0.00%   | 0.00%  | 0.08%                          | 0.67%             |
| 93                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$0               |
| 94                 | 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%             |
| 95                 | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$16,600          |
| 96                 | 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%                          | 0.01%             |
| Other              | \$0              | \$0      | \$0                    | \$0         | \$0               | \$0         | \$0             | \$0    | \$0                                | \$0                             | \$0  | \$0   | \$0   | \$0    | \$0                            | \$23,000          |
| Total              | \$20,000         | \$20,227 | \$456,604              | \$2,727,062 | \$29,500,259      | \$6,340,501 | \$0             | \$0    | \$39,064,653                       | \$4,834,134                     | \$0  | \$1,237,308                                 | \$0   | \$0    | \$45,136,095                   | \$155,853,952     |
|                    | 0.01%            | 0.01%    | 0.29%                  | 1.75%       | 18.93%            | 4.07%       | 0.00%           | 0.00%  | 25.06%                             | 3.10%                           | 0.00%  | 0.79%                                       | 0.00%   | 0.00%  | 28.96%                         | 100.00%           |
| Net Procurement*** | \$155,853,952    |          |                        |             |                   |             |                 |        |                                    |                                 |  |   |   |        |                                |                   |

NOTES:  
 \*SIC (Standard Industrial Classification) Code Definitions are on page 32.  
 \*\*Firms classified as 8(a) by the Small Business Administration include non-diverse.  
 \*\*\*Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.  
 1 Direct means Direct Procurement — when a utility directly procures from a supplier.  
 2 Sub means Subcontractor Procurement — when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).  
 % = Percentage of Net Procurement.  
 Totals may not add due to rounding.

# Number of Suppliers and Revenue Reported to the Clearinghouse

| NUMBER OF DIVERSE SUPPLIERS DATA               |                                    |                                 |  |   |   |          |           |                                    |                                 |  |   |   |          |           |
|--|------------------------------------|---------------------------------|--|---|---|----------|-----------|------------------------------------|---------------------------------|--|---|---|----------|-----------|
| Revenue Reported to the Supplier Clearinghouse |                                    |                                 |  |   |   |          |           | Utility-Specific 2023 Summary      |                                 |  |   |   |          |           |
| Number of Diverse Suppliers                    | Minority Business Enterprise (MBE) | Women Business Enterprise (WBE) | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | Disabled Veteran Business Enterprise (DVBE) | Persons with Disabilities Business Enterprise (DBE) | 8(a)*    | TOTAL     | Minority Business Enterprise (MBE) | Women Business Enterprise (WBE) | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | Disabled Veteran Business Enterprise (DVBE) | Persons with Disabilities Business Enterprise (DBE) | 8(a)*    | TOTAL     |
| Under \$1 million                              | 10                                 | 8                               | 0  | 5   | 0   | 0        | 23        | 23                                 | 21                              | 0  | 5   | 0   | 0        | 49        |
| Under \$5 million                              | 6                                  | 7                               | 0  | 0   | 0   | 0        | 13        | 1                                  | 0                               | 0  | 0   | 0   | 0        | 1         |
| Under \$10 million                             | 0                                  | 2                               | 0  | 0   | 0   | 0        | 2         | 1                                  | 0                               | 0  | 0   | 0   | 0        | 1         |
| Above \$10 million                             | 9                                  | 5                               | 0  | 0   | 0   | 0        | 14        | 1                                  | 0                               | 0  | 0   | 0   | 0        | 1         |
| <b>TOTAL</b>                                   | <b>25</b>                          | <b>22</b>                       | <b>0</b>   | <b>5</b>                                    | <b>0</b>  | <b>0</b> | <b>52</b> | <b>26</b>                          | <b>21</b>                       | <b>0</b>   | <b>5</b>                                    | <b>0</b>  | <b>0</b> | <b>52</b> |

| REVENUE AND PAYMENT DATA                       |                                    |                                |  |   |   |            |                         |                                    |                                 |  |   |   |            |                     |
|--|------------------------------------|--------------------------------|--|---|---|------------|-------------------------|------------------------------------|---------------------------------|--|---|---|------------|---------------------|
| Revenue Reported to the Supplier Clearinghouse |                                    |                                |  |   |   |            |                         | Utility-Specific 2023 Summary      |                                 |  |   |   |            |                     |
| Revenue of Diverse Suppliers                   | Minority Business Enterprise (MBE) | Women Business Enterprise (WB) | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | Disabled Veteran Business Enterprise (DVBE) | Persons with Disabilities Business Enterprise (DBE) | 8(a)*      | TOTAL                   | Minority Business Enterprise (MBE) | Women Business Enterprise (WBE) | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | Disabled Veteran Business Enterprise (DVBE) | Persons with Disabilities Business Enterprise (DBE) | 8(a)*      | TOTAL               |
| Under \$1 million                              | \$12,027,642                       | \$8,666,223                    | \$0  | \$1   | \$0   | \$0        | \$20,693,866            | \$2,786,683                        | \$3,834,135                     | \$0  | \$1,237,308                                 | \$0   | \$0        | \$7,858,126         |
| Under \$5 million                              | \$13,471,421                       | \$16,492,622                   | \$0  | \$0   | \$0   | \$0        | \$29,964,043            | \$1,426,892                        | \$0                             | \$0  | \$0   | \$0   | \$0        | \$1,426,892         |
| Under \$10 million                             | \$0                                | \$13,744,558                   | \$0  | \$0   | \$0   | \$0        | \$13,744,558            | \$6,081,364                        | \$1,000,000                     | \$0  | \$0   | \$0   | \$0        | \$7,081,364         |
| Above \$10 million                             | \$11,036,729,651                   | \$137,967,926                  | \$0  | \$0   | \$0   | \$0        | \$11,174,697,577        | \$28,769,714                       | \$0                             | \$0  | \$0   | \$0   | \$0        | \$28,769,714        |
| <b>TOTAL</b>                                   | <b>\$11,062,228,714</b>            | <b>\$176,871,329</b>           | <b>\$0</b>   | <b>\$1</b>                                  | <b>\$0</b>  | <b>\$0</b> | <b>\$11,239,100,044</b> | <b>\$39,064,653</b>                | <b>\$4,834,135</b>              | <b>\$0</b>   | <b>\$1,237,308</b>                          | <b>\$0</b>  | <b>\$0</b> | <b>\$45,136,096</b> |

NOTES:

\*Firms classified as 8(a) by the Small Business Administration include non-diverse.

\*\*Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

The tables above represent data for direct spend only.

Totals may not add due to rounding.

## 9.1.2

# Description of Number of Suppliers with California Majority Workforce

In 2023, SJW conducted business directly with 46 diverse companies headquartered\* in California with a total workforce of 1,816 employees and a total revenue of \$822M. The average revenue for a supplier within this dataset is \$17.9M. SJW spent \$35.9M with CA-based suppliers in 2023.

\*Information for this report was taken from the CPUC Clearinghouse database as of 12/31/2023. It is assumed that suppliers listed in the Clearinghouse with California addresses, are California-based companies, and the number of employees listed for these suppliers are part of the California workforce.

## 9.1.3

# Program Expenses

| EXPENSE CATEGORY        | YEAR (ACTUAL)    |
|-------------------------|------------------|
| Wages                   | \$192,900        |
| Other Employee Expenses | \$0              |
| Program Expenses        | \$50,000         |
| Reporting Expenses      | \$5,000          |
| Training Expenses       | \$0              |
| Consultant Expenses     | \$2,248          |
| Other Expenses          | \$29,177         |
| <b>TOTAL</b>            | <b>\$279,325</b> |

## 9.1.4

# Description of Progress in Meeting or Exceeding Set Goals

SJWs diverse business utilization for 2023 was 34.9%, exceeding the 22.5% overall goal established by the CPUC. SJW also met the CPUC sub-goals for WBE, MBE and DVBE spend.

There were several factors that affected our ability to meet the above mentioned goals, including:

- There continues to be a significant amount of spend with our largest diverse construction supplier, Lewis & Tibbitts.
- Our overall addressable spend increased by 21% in 2023, while our diverse spend nearly kept pace, growing by 18% in 2023.
- In dollars spent, we grew in all categories with exception of DVBE and LGBT.
- We experienced a significant increase in the number of direct diverse suppliers (18%) utilized and an increase in the total number of diverse suppliers within our supply chain (6%)
- SJW reached 5.5% WBE spend against a CPUC goal of 5%.
- Direct spend with diverse suppliers increased by 18%.
- Subcontracting spend through our prime supplier program increased by 18%
- Overall spend with diverse suppliers increased by 18%.
- 2023 marks the third consecutive year that a corporate KPI was established for Supplier Diversity. The Supplier Diversity KPI is part of several KPIs which tie our performance to compensation. This continues to strengthen SJWs commitment to our diverse community.

| CATEGORY   | 2023 RESULT % | 2023 GOAL %  |
|--|---------------|--------------|
| Minority Male Business Enterprise                                | 20.8%         | 7.5%         |
| Minority Female Business Enterprise                              | 6.9%          | 7.5%         |
| Minority Business Enterprise (MBE)                               | 27.7%         | 15%          |
| Women Business Enterprise (WBE)                                  | 5.5%          | 5.0%         |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | 0.0%          | 1.5%         |
| Disabled Veteran Business Enterprise (DVBE)                      | 1.7%          | 1.5%         |
| Persons with Disabilities Business Enterprise (DBE)              | 0.0%          | n/a          |
| <b>TOTAL</b>   | <b>34.9%</b>  | <b>22.5%</b> |

NOTE:  
% = Percentage of Net Procurement.

## 9.1.5

# Description of Prime Contractor Utilization of Subcontractors

In 2023, Prime Supplier subcontracting to diverse suppliers increased from \$7.9M in 2022 to \$9.3M in 2023, an increase of 18%. Prime Supplier subcontracting accounted for 6.0% of our overall results. The Supplier Diversity Director, Champions, and sourcing personnel continue to work with prime suppliers to increase utilization of diverse businesses. SJW encourages its prime suppliers to review their operations to identify areas suitable for diverse supplier participation.

### Prime Supplier Matchmaking Events

SJW continued to collaborate with other CWA USDP members to sponsor and lead a Prime Supplier Matchmaking event which was held on June 14, 2023. Please see a more detailed Meet the Primes report summary, later in this document.

|                          | Minority Male        | Minority Female     | Minority Business Enterprise (MBE) | Women Business Enterprise (WBE) | Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | Disabled Veteran Business Enterprise (DVBE) | Persons with Disabilities Business Enterprise (PDBE) | 8(a)*       | Total Supplier Diversity Spend |
|--------------------------|----------------------|---------------------|------------------------------------|---------------------------------|--|---|--|-------------|--------------------------------|
| <b>Direct \$</b>         | \$29,976,864         | \$9,087,792         | \$39,064,656                       | \$4,834,135                     | \$0  | \$1,237,308                                 | \$0  | \$0         | \$45,136,099                   |
| <b>Sub \$</b>            | \$2,421,283          | \$1,720,536         | \$4,141,819                        | \$3,668,175                     | \$0  | \$1,440,983                                 | \$1,932  | \$0         | \$9,252,909                    |
| <b>TOTAL \$</b>          | <b>\$32,398,147</b>  | <b>\$10,808,328</b> | <b>\$43,206,475</b>                | <b>\$8,502,310</b>              | <b>\$0</b>   | <b>\$2,678,291</b>                          | <b>\$1,932</b>                                       | <b>\$0</b>  | <b>\$54,389,008</b>            |
| <b>Direct %</b>          | 19.2%                | 5.8%                | 25.1%                              | 3.1%                            | 0.0%   | 0.8%  | 0.0%   | 0.0%        | 29.0%                          |
| <b>Sub %</b>             | 1.6%                 | 1.1%                | 2.7%                               | 2.4%                            | 0.0%   | 0.9%  | 0.0%   | 0.0%        | 5.9%                           |
| <b>TOTAL %</b>           | <b>20.8%</b>         | <b>6.9%</b>         | <b>27.7%</b>                       | <b>5.5%</b>                     | <b>0.0%</b>  | <b>1.7%</b>                                 | <b>0.0%</b>  | <b>0.0%</b> | <b>34.9%</b>                   |
| <b>Net Procurement**</b> | <b>\$155,853,952</b> |                     |                                    |                                 |  |   |  |             |                                |

**NOTES:**

\*Firms classified as **8(a)** by the Small Business Administration include non-diverse.

\*\***Net Procurement** includes purchase orders, non-purchase orders, and credit card dollars.

1 **Direct** means Direct Procurement – when a utility directly procures from a supplier.

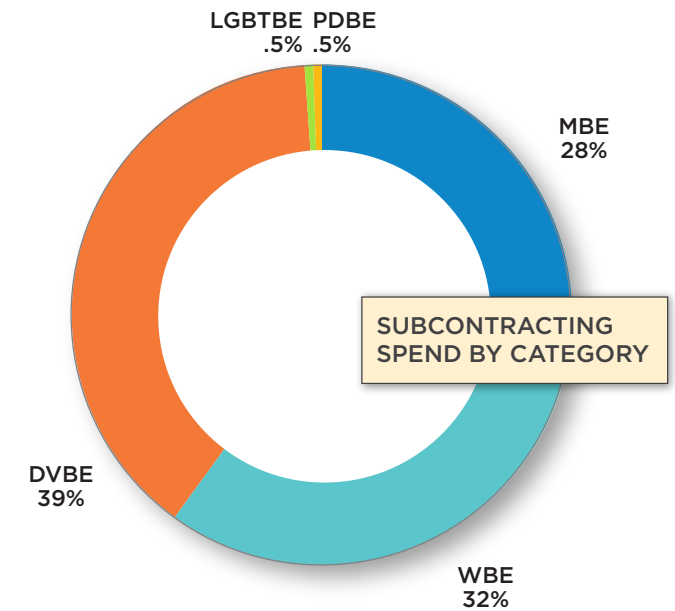
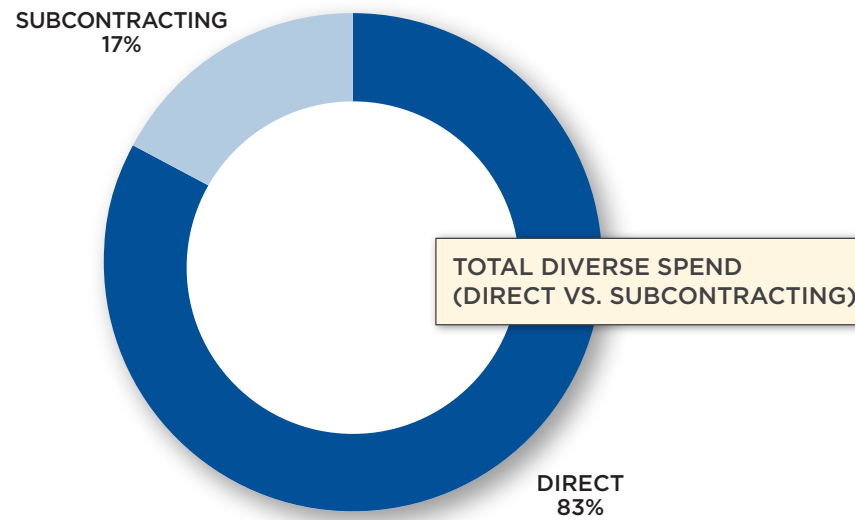
2 **Sub** means Subcontractor Procurement – when a prime contractor, in contract with a utility, procures from a subcontractor to fulfill its contractual obligation(s).

% = Percentage of Net Procurement.

Totals may not add due to rounding.

# Summary of Prime Contractor Utilization of Subcontractors

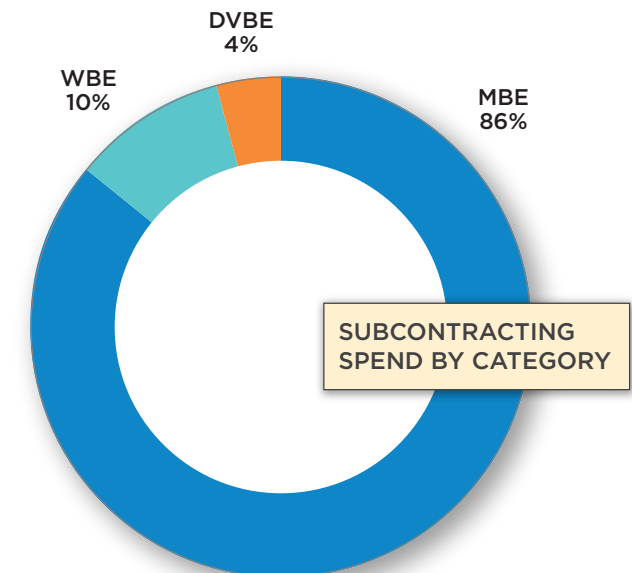
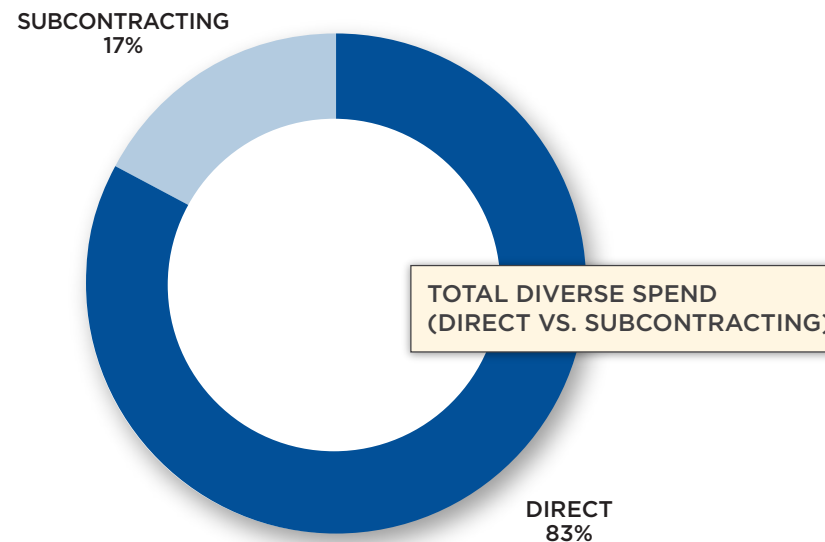
2022



2023

- DVBE (Disabled Veteran)
- LGBTBE (Lesbian, Gay, Bisexual, Transgender)
- MBE (Minority-Owned)
- PDBE (Persons with Disabilities)
- WBE (Women-Owned)

All percentages below .5% have been rounded up to .5%



## 9.1.6

### A List of Complaints Received and Current Status

SJW did not receive any formal complaints about the USDP in 2023.

## 9.1.7

### Description of Efforts to Recruit Suppliers in Low Utilization Categories

Opportunities in these areas are limited, however, we are committed to identifying qualified diverse suppliers in the above areas, should an opportunity arise.

During 2023, SJW continued our focus to increase diverse spend in areas in which such supplier utilization has traditionally been low. Discussions regarding potential opportunities to engage DBEs continue to focus on the following functional areas:

- Legal Services
- Financial Services
- Accounting

## 9.1.8

### Retention of all Documents / Data

SJW has retained all documents and data necessary for the preparation of the Utility Supplier Diversity Report to the CPUC. Documents and data are retained for either the longer of 3 years or as per the requirement of the SJW document retention policies. Documents and data are available at the request of the CPUC.

## 9.1.11

### Fuel Procurement

Not applicable.

## CAPACITY BUILDING AND TECHNICAL ASSISTANCE:

# CWA W.A.T.E.R. 1.0



CWA W.A.T.E.R 1.0 was held October 4th and 11th.

**At the California Water Association,** we collaborate with diverse groups of vendors from across the state which leads to numerous benefits and ultimately improves services for rate payers.

The **CWA Utility Supplier Diversity Program (USDP)** is at the forefront of the extensive diverse vendor outreach. They host a variety of events throughout the year to connect vendors to opportunities and prepare them to meet with decision makers within the water industry.

One of the capacity building programs they offer is **CWA W.A.T.E.R. 1.0 — Water Acumen Training Entrepreneur Refinement.** Now in its fourth year, the highly-successful program convened 13 vendors who offered services that ranged from construction site brush clearing to water conservation enforcement to cybersecurity and data protection specialists.

In just three sessions, W.A.T.E.R. 1.0 graduates experienced BEFORE and AFTER transformations as they learned how to tailor their messaging to industry buyers. They learned how to discover forecasted opportunities by reading rate cases and annual reports. Melanie Rae, founder of Guided Business Plan, designed and facilitated the cohort which was held at the Suburban Water Systems' corporate office.

It's not just about accessing industry insights. The CWA USDP team wanted to make sure vendors were introduced to decision makers. The W.A.T.E.R. 1.0 cohort culminated with a vendor showcase with buyers from **California Water Service, Suburban Water, California American Water, San Gabriel Valley Water, Liberty Utilities and Golden State Water.** The vendors refined their 60-second introductions which made a tremendous difference because the 10 buyers could see how the vendors could add value to their specific projects.

Alumni of the CWA W.A.T.E.R. have collectively earned millions in contracts within the utility industry.



# CAPACITY BUILDING AND TECHNICAL ASSISTANCE:

## CWA W.A.T.E.R. 1.0 *(cont'd)*



### The CWA USDP team is composed of:

|                 |                                  |
|-----------------|----------------------------------|
| Mary Lou Ruiz   | California American Water        |
| Jordan Nakasone | California Water Service         |
| Michael Moss    | Golden State Water               |
| Holley Joy      | Liberty Utilities                |
| Jeanette Diaz   | San Gabriel Valley Water Company |
| Darryl Brown    | San Gabriel Valley Water Company |
| Tim McLaughlin  | San Jose Water                   |
| Lauren James    | Suburban Water Systems           |

SUPPORTED BY Alexus Russell, California American Water and Kalei Munoz, Suburban Water Systems

### CWA W.A.T.E.R. 1.0 Attendees:

|                         |   |
|-------------------------|---|
| Brian Frantz            | S2S Environmental Resource Management   |
| Deborah Buck            | Buck Signs & Graphics                   |
| Derik Syemenyei         | Trinus Corporation                      |
| Dot Oni                 | DotWave Solutions                       |
| Fernanda Miranda        | MCK Americas, Inc.                      |
| Herb Moutra             | Moutra Construction Group Inc           |
| Jan A Davis             | SuperbTech, Inc.                        |
| Jose Ceja               | Yaquis Metal Fabricators                |
| Liam Conor              | Conor Commercial Construction           |
| Rachel Stanhoff         | Conterra Construction                   |
| Russell Matthews        | Leader Sauce LLC                        |
| Silvia Gutierrez        | Green Media Creations, Inc.             |
| Srividya "Sri" Krishnan | Fill Good LLC DBA Fill Good Landscaping |

## CAPACITY BUILDING AND TECHNICAL ASSISTANCE:

**On December 5, 2023**, the **California Water Association** celebrated a significant milestone: spending \$300 million dollars with diverse vendors.

The exponential impact is astonishing as these dollars fueled small and large businesses across the state resulting in job creation and local re-investment.

The leaders behind this effort is the **CWA's Utility Supplier Diversity Program (USDP)** team composed of representatives from the seven largest Class A investor-owned water utilities in California. These Supplier Diversity professionals attend hundreds of events to look for diverse companies who can provide anything from pest control to engineering services to water well construction.

The event was held at a small business — the Four Bricks restaurant in Whittier, CA. With its rustic but spacious atmosphere, it set the tone for a celebratory networking event which soon took a surprising twist. The DJ switched up the music and dance coaches from Show Off Dance Center created a party atmosphere teaching attendees some of the most popular line dances. Corey Harris, whose company helps to eradicate “forever chemicals” that pollute water sources, exclaimed on LinkedIn that **“it was the best diverse vendor event he had been to.”** The event was produced by Melanie Rae, CEO of Guided Business Plan, who has partnered with CWA USDP to provide comprehensive training programs for diverse vendors.

# CWA Mixer



The CWA Mixer was held December 5, 2023 at the Four Bricks Restaurant, Whittier, CA. There were close to 43 attendees and 18 USDP and staff.

## CAPACITY BUILDING AND TECHNICAL ASSISTANCE:

# CWA Meet The Primes

Meet  
the  
Primes



**The CWA Meet The Primes (MTP)** session was held on **June 14th 2023** in **Whittier California, from 11:00 – 2:00 pm**. The CWA MTP event brings together prime suppliers from various CWA member companies to celebrate our success, discuss subcontracting strategies and expectations and network our primes with qualified diverse suppliers.

This year's event brought together 11 prime suppliers, 6 of which participated in our Prime Supplier Panel discussion. Panel representatives included:

**Tim Roberts**

**Shane Soto**

**Lianne Lami**

**Natane Rogers-Engle**

**Omone' Livingston**

**Mike Sager**

**T.E. Roberts**

**W.A. Rasic Construction**

**Bocci Engineering and Construction**

**SR Diversified**

**O2 Engineering, Projects & Construction Management**

**G.M. Sager Construction**

Firms such as San Jose Water (17% subcontracting) and California Water Services (13% subcontracting) rely heavily on prime supplier subcontracting in order to achieve their results.

| Q&A |

## INSPIRING CHANGE THROUGH SUPPLIER DIVERSITY IN THE WATER INDUSTRY



**TIM MCLAUGHLIN**  
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**Q: Why is supplier diversity a priority for San Jose Water?**

San Jose Water (SJW) is committed to delivering high-quality, reliable water service to our customers. As part of the foundation of our strategy, the company and its employees are keenly focused on how we support and bring value to our customers and the communities where we live, work and serve. This strategy includes a commitment to being a leader in Environmental, Social and Governance (ESG) areas. This includes enhancing environmental and social justice, building resilience, fostering environmental stewardship and supporting supplier responsibility. A critical component of this is our commitment to supplier diversity.

**Q: What initiatives or strategies have been most successful for San Jose Water when it comes to diversifying the supply chain?**

As with any major corporate initiative, supply chain diversification starts with executive leadership. Support from both our executive and senior leadership teams provides a foundation that embraces diversity — ensuring it is part of our culture. Supplier diversity champions throughout all business units focus on our strategy, identifying supplier capabilities that match internal opportunities. In addition, SJW's prime supplier program calls for these suppliers to subcontract to diverse suppliers. Our prime supplier program has contributed significantly to the overall success of our supplier diversity program.



# 2024 Plan

## 10.1.1

# Annual Short, Mid, and Long-Term Goals by Product and Service Category

SJW has instituted tracking and reporting of PDBEs but has not yet established a goal for PDBE spend. It is expected to take several years of tracking before a formal goal is put in place.

Short-term, mid-term and long-term goals are identified at the level called out by GO 156, and are subject to change from year to year. Although breaking down goals by SIC code is not practical, SJW has shown a consistent profile of nearly 50% of spend in the construction, engineering, and construction services categories. For a detailed view of current and future purchase profiles by SIC code, please refer to tables contained within section 9.1.2.

| CATEGORY   | 2023 RESULTS | SHORT TERM GOALS** | MID TERM GOALS** | LONG TERM GOALS** |
|--|--------------|--------------------|------------------|-------------------|
| Minority Men   | 20.8%        | 7.5%               | 7.5%             | 7.5%              |
| Minority Women*  | 6.9%         | 7.5%               | 7.5%             | 7.5%              |
| Minority Business Enterprise (MBE)                               | 27.7%        | 15.0%              | 15.0%            | 15.0%             |
| Women Business Enterprise (WBE)                                  | 5.5%         | 5.0%               | 5.0%             | 5.0%              |
| Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) | 0.0%         | 1.5%               | 1.5%             | 1.5%              |
| Disabled Veteran Business (DVBE)                                 | 1.7%         | 1.5%               | 1.5%             | 1.5%              |
| Persons With Disabilities (DBE)                                  | 0.0%         |                    |                  |                   |
| <b>TOTAL DIVERSE SPEND</b>                                       | <b>34.9%</b> | <b>23.0%</b>       | <b>23.0%</b>     | <b>23.0%</b>      |

**NOTES:**

\*Target goals each year are to meet the CPUC defined goals. Stretch goals are still being defined as of the date of this publication.

\*\*All WMBE's were counted as WBE's for purposes of this report.

% = Percentage of Net Procurement.

## Description of Planned Program Activities for the Next Calendar Year

### Internal Activities

#### Major areas of focus for the 2024 Supplier Diversity Program include:

- Continued focus on process improvement through use of 3rd party consultant. Process improvement components include:
  - Documentation of current supplier diversity reporting process
  - Identification of process gaps with suggested process improvements
  - Implementation of appropriate process improvements
  - Enhance new supplier intake process to ensure efficiencies and reliable input of supplier diversity data.
  - Revise standard Prime Supplier reporting templates for easier results calculation.
  - Automate the population of CPUC Annual Report templates
- Implement Small Business Program (at all SJW Group locations)
- Restructuring the Supplier Diversity Champions Program.
- Increased focus on low spend categories, particularly LGBT and PDBE spend.
- Examine strategy, policy and guidelines regarding the use of Value Added Resellers (VAR) and Managed Service Providers (MSP).
- Consider internal supplier diversity recognition program.
- Complete annual review of supplier diversity website and make appropriate changes/updates.
- Increase buyer participation at various CBO events.

### External Activities

- In compliance with Ordering Paragraph No. 4 of CPUC D.11-05-019 (in R.09-07-027), SJW will continue to work closely with the CWA and its members to participate in the Tier 1 capacity building and technical assistance programs. Continue to support previous graduates of the CWA W.A.T.E.R. program through 2024.
- In 2024, SJW will continue to work with the CWA and its member companies to host Business Opportunity Fair meetings, encouraging prime suppliers to increase sub-contracting participation.
- Enhance outreach strategy to supplier diversity Community Business Organizations (CBO). Address potential funding of CBOs outside of CWA Utility Supplier Diversity Program (USDP) Committee. Consider potential national memberships when appropriate.
- SJW will continue to participate in and attend a variety of outreach activities with various CBO tradeshows, conferences and matchmakers.
- Consider external supplier diversity recognition program.

## 10.1.3

# Plans for Recruiting Suppliers in Low Utilization Areas

SJW will focus on increased communication and partnerships with local organizations in the following categories:

### MBEs

The primary CBO utilized will be the Western Regional Minority Supplier Development Council (WRMSDC).

### WBEs

Primarily through continued partnership with the Women's Business Enterprise Council — Pacific (WBEC-Pacific). Note that SJW's Supplier Diversity Program Manager, Tim McLaughlin, is on the Board of WBEC-Pacific.

### DVBEs

In association with the Veterans in Business (VIB) Network and the Elite Service Disabled Veteran Owned Business (SDVOB) Network.

### LGBTs

SJW will increase participation with the Rainbow Chamber — Silicon Valley, the Golden Gate Business Association (GGBA) and Buildout California. This is critical to increasing LGBT spend and meeting the 2024 CPUC LGBT goal of 1.5%.

We will continue to participate in outreach to CBOs through matchmaking, panels, technical assistance, and mentoring, including but not limited to organizations found in section 9.1.1.

During 2024, SJW will continue our efforts to increase diverse spending in areas in which such supplier utilization has traditionally been low. Discussions regarding potential opportunities to engage DBEs will continue in the following functional areas:

- Legal Services
- Financial Services
- Accounting





## 10.1.4

### Plans for Recruiting Suppliers Where Unavailable

SJW's primary focus is on recruiting diverse suppliers in categories where diverse suppliers are available. However, we remain committed to identifying diverse suppliers in categories which have historically shown few, if any, diverse suppliers. The method of outreach will remain the same as outlined in section 10.1.3.

## 10.1.5

### Plans for Encouraging Prime Contractors to Subcontract Suppliers

In 2024, we will strive to maximize the number of prime suppliers reporting subcontracting. We will continue our work to ensure policy and procedure documents are included in the new, centralized supply chain organization. This includes contract and RFP supplier diversity language standards, prime supplier diversity tracking and reporting requirements, standard supplier diversity weighting on all RFP bid evaluation forms, and SJW-specific supplier diversity requirements for centralized purchasing. Based upon lessons learned in 2023, including any CPUC audit findings of our 2021 report, we will increase our communication with prime suppliers around reporting rules and requirements. This includes revising standard Prime Supplier reporting templates for easier reporting. SJW will require prime suppliers to submit subcontracting reports on a quarterly basis, at a minimum. Some suppliers will continue to report on a monthly basis.

## 10.1.6

### Plans for Complying with Program Guidelines

SJW will comply with all provisions and revisions of General Order 156. SJW works cooperatively with the Commission and its staff in the implementation of program objectives. The USDP Program Director will continue to proactively work with USDP Champions to review, streamline, and improve policies that implement department goals and contract language to include diverse suppliers in all procurement.

# GO 156 Section 1.3 Definitions

| ACRONYM         | TERM  | DEFINITION  | CERTIFICATION          |
|-----------------|---|---|------------------------|
| <b>MBE</b>      | <b>Minority-Owned Business Enterprises</b>                            | Minority-owned business means (1) a business enterprise (a) that is at least 51% owned by a minority individual or group(s) or (b) if a publicly owned business, at least 51 % of the stock of which is owned by one or more minority groups, and (2) whose management and daily business operations are controlled by one or more of those individuals. The contracting utility shall presume that minority includes, but is not limited to, Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other groups, as defined in the GO 156. | Supplier Clearinghouse |
| <b>WBE</b>      | <b>Women-Owned Business Enterprises</b>                               | Women-owned business means (1) a business enterprise (a) that is at least 51% owned by a woman or women or (b) if a publicly owned business, at least 51% of the stock of which is owned by one or more women; and (2) whose management and daily business operations are controlled by one or more of those individuals.   | Supplier Clearinghouse |
| <b>WMBE</b>     | <b>Women, Minority-Owned Business Enterprises</b>                     | WMBE means a women-owned and/or minority-owned business enterprise.   | Supplier Clearinghouse |
| <b>LGBTBE</b>   | <b>Lesbian, Gay, Bisexual, Transgender (LGBT) Business Enterprise</b> | GBT-owned business means (1) a business enterprise (a) that is at least 51% owned by a lesbian, gay, bisexual, or transgender person or persons or (b) if a publicly owned business, at least 51% of the stock of which is owned by one or more lesbian, gay, bisexual, or transgender persons; and (2) whose management and daily business operations are controlled by one or more of those individuals.  | Supplier Clearinghouse |
| <b>WMLGBTBE</b> | <b>Women, Minority, and/or LGBT-Owned Business Enterprises</b>        | WMLGBTBE means a women-owned, minority-owned and/or LGBT-owned business enterprise. Under these rules, a woman, a minority and/or an LGBT person owning such an enterprise must be either U.S. citizens or legal aliens with permanent residence status in the United States.   | Supplier Clearinghouse |
| <b>PDBE</b>     | <b>People with Disabilities Business Enterprise</b>                   | PDBE means (1) a business enterprise (a) that is at least 51% owned by a person or persons with a disability or (b) if a publicly owned business, at least 51 % of the stock of which is owned by one or more persons with a disability; and (2) whose management and daily business operations are controlled by one or more of those individuals.   | Supplier Clearinghouse |

| ACRONYM                                      | TERM   | DEFINITION  | CERTIFICATION  |
|--|--|---|--|
| <b>DVBE</b>                                  | <b>Disabled Veteran-Owned Business Enterprises</b> | <p>Disabled Veteran-owned Business (1) is a sole proprietorship at least 51% owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51% of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation, but only if at least 51% of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51% of the joint venture's management and control and earnings are held by one or more disabled veterans. (2) the management and control of the daily business operations are by one or more disabled veterans. And (3) it is a sole proprietorship, corporation, or partnership with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.</p> <p>Disabled veteran refers to a veteran of the military, naval or air service of the United States with a service connected disability and who is a resident of the State of California.</p> | DGS  |
| <b>MBE</b>                                   | <b>Asian Pacific American</b>                      | Asian Pacific Americans-persons having origins in Asia or the Indian subcontinent, including, but not limited to, persons from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, India, Pakistan, and Bangladesh.   | Supplier Clearinghouse   |
| <b>MBE</b>                                   | <b>African American</b>                            | Black Americans-persons having origins in any black racial groups of Africa.  | Supplier Clearinghouse   |
| <b>MBE</b>                                   | <b>Hispanic American</b>                           | Hispanic Americans-all persons of Mexican, Puerto Rican, Cuban, South or Central American, Caribbean, and other Spanish culture or origin.  | Supplier Clearinghouse   |
| <b>MBE</b>                                   | <b>Native American</b>                             | Native Americans-persons having origin in any of the original peoples of North America or the Hawaiian Islands, in particular, American Indians, Eskimos, Aleuts, and Native Hawaiians.   | Supplier Clearinghouse   |
| <b>8(a)</b>                                  | <b>Other 8(a)</b>                                  | Other groups, or individuals, found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of Small Business Act as amended (15 U.S.C. 637(a)), or the Secretary of Commerce pursuant to Section 5 of Executive Order 11625. May include non-WMDVLGBTBEs firms.  | U.S. Small Business Administration                               |
| <b>Tier 2 (Tier 3, etc. when applicable)</b> | <b>Subcontracting</b>                              | <p>"Subcontract" means 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):</p> <ol style="list-style-type: none"> <li>1. For the furnishing of supplies or services for the use of real or personal property, including lease arrangements, which, in whole or in part, is necessary to the performance of any one or more contracts; or</li> <li>2. Under which any portion of the contractor's obligation under any one or more contracts is performed, undertaken or assumed.</li> </ol>   | Supplier Clearinghouse, DGS & U.S. Small Business Administration |

# SIC (Standard Industrial Classification) Code Definitions

## A. Agriculture, Forestry, & Fishing

- 01 Agricultural Production — Crops
- 02 Agricultural Production — Livestock
- 07 Agricultural Services
- 08 Forestry
- 09 Fishing, Hunting, & Trapping

## B. Mining

- 10 Metal, Mining
- 12 Coal Mining
- 13 Oil & Gas Extraction
- 14 Nonmetallic Minerals, Except Fuels

## C. Construction

- 15 General Building Contractors
- 16 Heavy Construction, Except Building
- 17 Special Trade Contractors

## D. Manufacturing

- 20 Food & Kindred Products
- 21 Tobacco Products
- 22 Textile Mill Products
- 23 Apparel & Other Textile Products
- 24 Lumber & Wood Products
- 25 Furniture & Fixtures
- 26 Paper & Allied Products
- 27 Printing & Publishing
- 28 Chemical & Allied Products
- 29 Petroleum & Coal Products
- 30 Rubber & Miscellaneous Plastics Products
- 31 Leather & Leather Products
- 32 Stone, Clay, & Glass Products
- 33 Primary Metal Industries
- 34 Fabricated Metal Products
- 35 Industrial Machinery & Equipment
- 36 Electronic & Other Electric Equipment
- 37 Transportation Equipment
- 38 Instruments & Related Products
- 39 Miscellaneous Manufacturing Industries

## E. Transportation & Public Utilities

- 40 Railroad Transportation
- 41 Local & Interurban Passenger Transit
- 42 Trucking & Warehousing
- 43 U.S. Postal Service
- 44 Water Transportation
- 45 Transportation by Air
- 46 Pipelines, Except Natural Gas
- 47 Transportation Services
- 48 Communications
- 49 Electric, Gas, & Sanitary Services

## F. Wholesale Trade

- 50 Wholesale Trade — Durable Goods
- 51 Wholesale Trade — Nondurable Goods

## G. Retail Trade

- 52 Building Materials & Gardening Supplies
- 53 General Merchandise Stores
- 54 Food Stores
- 55 Automotive Dealers & Service Stations
- 56 Apparel & Accessory Stores
- 57 Furniture & Homefurnishings Stores
- 58 Eating & Drinking Places
- 59 Miscellaneous Retail

## H. Finance, Insurance, & Real Estate

- 60 Depository Institutions
- 61 Nondepository Institutions
- 62 Security & Commodity Brokers
- 63 Insurance Carriers
- 64 Insurance Agents, Brokers, & Service
- 65 Real Estate
- 67 Holding & Other Investment Offices

## I. Services

- 70 Hotels & Other Lodging Places
- 72 Personal Services
- 73 Business Services
- 75 Auto Repair, Services, & Parking
- 76 Miscellaneous Repair Services
- 78 Motion Pictures
- 79 Amusement & Recreation Services
- 80 Health Services
- 81 Legal Services
- 82 Educational Services
- 83 Social Services
- 84 Museums, Botanical, Zoological Gardens
- 86 Membership Organizations
- 87 Engineering & Management Services
- 88 Private Households
- 89 Services, Not Elsewhere Classified

## J. Public Administration

- 91 Executive, Legislative, & General
- 92 Justice, Public Order, & Safety
- 93 Finance, Taxation, & Monetary Policy
- 94 Administration of Human Resources
- 95 Environmental Quality & Housing
- 96 Administration of Economic Programs
- 97 National Security & International Affairs
- 98 Zoological Gardens

## K. Nonclassifiable Establishments

- 99 Non-Classifiable Establishments

OUR STRENGTH IS IN OUR DIVERSITY

