



## SUPPLIER DIVERSITY

2023 ANNUAL REPORT | 2024 ANNUAL PLAN

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# SHAPING THE FUTURE

Through Inclusion & Innovation



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# SHAPING THE FUTURE

## THROUGH INCLUSION AND INNOVATION

**Do the right thing, champion people and shape the future.** These values are the driving force behind everything we do at SoCalGas, including our engagement with small and diverse business enterprises.

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For over 45 years, our Supplier Diversity Program has been rooted in our values and has expanded opportunities for thousands of California businesses. Today, as we advance our mission to build the cleanest, safest, most innovative energy infrastructure company in America, our supplier network plays an increasingly vital role.

To meet the energy needs of our communities and achieve the state's ambitious climate goals, we must embrace innovation. We recognize that innovation is a catalyst for abundant opportunities, and we are committed to sharing those opportunities with diverse businesses. As we innovate, our communities and local economies flourish.

Diverse firms of all sizes strengthen our business and help us to advance safety, operational excellence and critical solutions across all aspects of our business.

As we pursue our goal to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045, we will continue to support these firms through technical assistance and opening pathways to future opportunities.

We are excited for what's ahead as we work to increase delivery of cleaner fuels like hydrogen and renewable natural gas (RNG) and leverage our resilient infrastructure to support customer decarbonization throughout California.

Working together, we are shaping the clean energy future through inclusion and innovation.

# CEO's Message

I'm incredibly proud that in 2023, SoCalGas once again proved to be a leader in supplier diversity, surpassing the California Public Utilities Commission (CPUC) Supplier Diversity Program goal for the 31st straight year by working with 618 diverse firms and subcontractors, representing 44% of our total procurement. These partnerships have been instrumental in delivering value to our customers and advancing safety, reliability, affordability, and California's clean energy objectives.



Our tradition of excellence in supplier diversity reflects the dedicated efforts of our leadership team, employees, and community partners, who all make supplier diversity a top business priority.

Our efforts to engage diverse firms in emerging sectors like clean hydrogen and renewable natural gas have begun to yield positive outcomes, with several such firms winning contracts for feasibility studies and engineering phases of leading-edge projects.

This spring marks an exciting time as we partner with the Department of Energy to host its 2024 Minority Business Enterprise Summit at our Energy Resource Center, home

of the [H2] Innovation Experience, in Downey, California. At this summit, hundreds of diverse suppliers will gain insights into how to secure local, state and federal contract opportunities. We feel privileged to host such events, which can help diverse suppliers scale their businesses and create further growth within our communities.

With California slated to benefit from up to \$1.2 billion from the U.S. Department of Energy for a clean hydrogen hub, there are plenty of opportunities ahead. Along with the contributions diverse business enterprises make to California's clean energy transition, every day they work to maintain and

enhance our existing infrastructure, improve Californians' lives through customer assistance programs, and help us operate safely and efficiently.

We are grateful for all the diverse business enterprises who collaborate with us on a daily basis, and we look forward to shaping a better future for all communities in California, together.

A handwritten signature in dark blue ink that reads "SCOTTY". The signature is stylized and written in all caps.

**Scott Drury**  
CEO, SoCalGas

# 2023 Supplier Diversity Highlights



**\$2.31 Billion**

total procurement



**\$1.02 Billion**

total spent with diverse firms



**44%**

purchases spent with diverse suppliers



**618**

diverse suppliers



**86.9%**

diverse suppliers based in California



**12**

diverse firms among top 25 suppliers



**\$129.27 Million**

SCORE spend



**31 YRS**

CPUC goal surpassed



**2,693**

suppliers received technical assistance



**340**

diverse prime suppliers

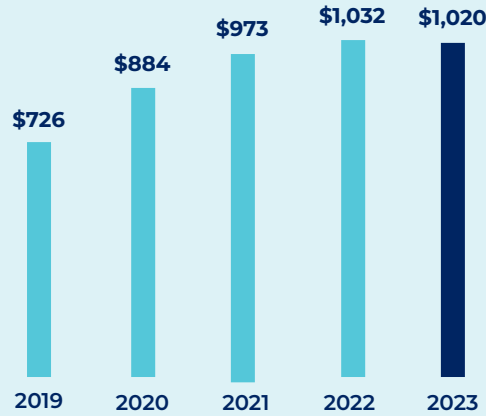


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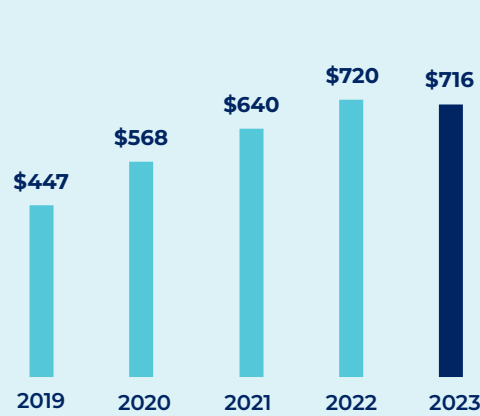
new diverse firms

# 2023 Procurement Results\*

**Total Spend with Diverse Suppliers**  
(\$ in millions)



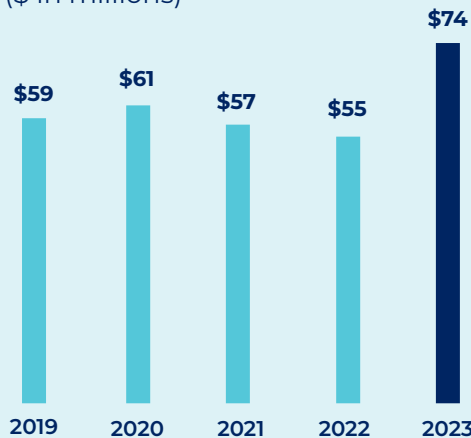
**Minority Business Enterprises**  
(\$ in millions)



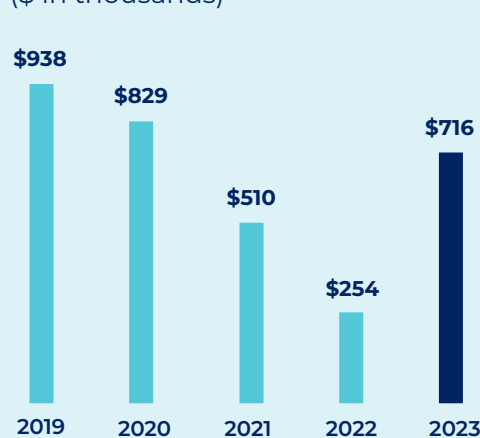
**Women Business Enterprises**  
(\$ in millions)



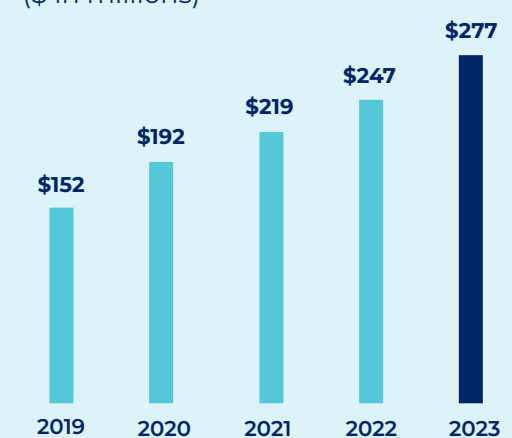
**Disabled Veteran Business Enterprises**  
(\$ in millions)



**Lesbian, Gay, Bisexual and Transgender Business Enterprises**  
(\$ in thousands)



**Diverse Subcontracting**  
(\$ in millions)



\*Dollars and Percentages reflect rounding differences

# 2023

## ANNUAL REPORT

### 9.1.1 PROGRAM ACTIVITIES

#### INTERNAL ACTIVITIES

##### Corporate Commitment

Year after year, we've amplified our engagement with diverse suppliers, not only enhancing our procurement practices to ensure inclusivity, but also equipping potential firms to thrive through robust initiatives, technical assistance and community partnerships.

There are significant opportunities ahead for diverse suppliers in cutting-edge fields like

clean hydrogen and renewable natural gas, as well as vital infrastructure projects. In addition, we are sharpening our focus and developing novel strategies for sectors where supplier diversity has been historically challenging, with the aim of bringing more diverse suppliers to the table across all facets of our enterprise.

#### Supplier Development

##### • Technical Assistance

In our ongoing efforts to foster visibility and opportunity for diverse firms, SoCalGas has diligently invested in supplier development. Our technical assistance programs have

been tailored for maximum participation and convenience by offering both in-person and online options.

Suppliers participated in our internal technical workshops, benefiting from individualized mentoring and collaborative breakout sessions. The curriculum spanned a variety of crucial topics, such as "Your One-Page Business," "Diverse Business Growth and Development," "Safety Culture and Safety Management Systems," "CPR and First Aid Training," "CPUC Certification Process and Requirements" and "Creating Robust Capabilities Statements."



*Held in person for the first time since 2018, Meet the Primes attracted over 300 attendees.*

**Supplier diversity has long supported our company values – Do the Right Thing, Champion People and Shape the Future – and is central to our diversity, equity and inclusion (DEI) culture.**

Additionally, SoCalGas experts shared knowledge on issues such as cybersecurity, safety compliance, back-office operations and sustainability practices. Instructions on utilizing the Ariba Supplier Portal, mastering invoicing practices and understanding the procurement process were also key components of the training offered.

• **Focus Groups**

To measure the impact and refine the approach of our technical assistance offerings, we gathered insights from nine focus groups comprised of diverse suppliers, community-based organizations (CBOs) and internal business partners.

Our main objective was to pinpoint the needs of our suppliers and shape more

effective support mechanisms and content from comments presented by our focus groups. Feedback received from the groups included:

- The need to understand SoCalGas' end-to-end procurement requirements and related processes, and various project prerequisites
- How to pursue opportunities that result in long-term relationships with SoCalGas business units as well as collaborations with established and seasoned prime suppliers through mentoring programs
- Capabilities and skillsets needed to differentiate diverse suppliers from other firms and "promote" their brand to SoCalGas business units and large prime suppliers

- Increased awareness of strategic SoCalGas goals, including clean energy initiatives
- Providing training focused on important modules that are tailored towards diverse suppliers' understanding of how to do business with SoCalGas, such as the company's safety culture, insurance and risk management, financial management, certification requirements and bonding

A notable issue brought to our attention through focus groups concerned the complexities of successfully onboarding new suppliers. The Supplier Diversity team is actively collaborating with suppliers and internal departments to streamline these processes, making it more straightforward to join our network.



**As part of our ASPIRE 2045 Sustainability Strategy, we committed to a goal of 45% spend with diverse business enterprises by 2025.**



*Diverse entrepreneurs listen to a speaker at SoCalGas' Supplier Diversity Business Showcase.*



## Helping veteran businesses build connections

When Rebecca Aguilera-Gardiner shared plans with SoCalGas for the newly created Veterans In Business (VIB) Network – a nonprofit organization that advocates for veteran businesses – the utility “was all in.”

“SoCalGas was with us from the beginning. They were part of the foundation that started the VIB Network,” she says, adding that a Supplier Diversity team member is on the group’s corporate advisory board and provides guidance on programs and how to grow the organization.

The group, founded in 2016 by Aguilera-Gardiner and Cole Woodman, both owners of successful disabled veteran business enterprises, helps veteran businesses build connections with corporations, government agencies and prime contractors.

The VIB Network provides a veteran business directory, business resources, educational seminars, outreach opportunities, a Veteran 2 Veteran Business Cohort, a Corporate Mentor/

**“SoCalGas was with us from the beginning.”**

Veteran Business Protégé program, scholarships, and more.

“We lean on companies like SoCalGas to offer free services to the veteran community. One of the things that sets us apart from other organizations is that we don’t charge a membership fee. We believe their service to the country was payment enough.”

The San Diego-based group serves over 2,800 veterans in the United States as well as Puerto Rico, Guam and England. It also holds an annual national conference bringing together key buyers and veteran businesses.

Aguilera-Gardiner is delighted that there are many successful business relationships between VIB members and SoCalGas and that she can use the utility as a sounding board. “They’ve been amazing partners. Anytime we have an idea, I always reach out. We shoot around ideas and how things can work and try to get more vets on these projects.”



VIB Network Co-founder Rebecca Aguilera-Gardiner

### Pipeline Construction Business Development and Mentoring Program

Last year, SoCalGas launched a supplier development program in partnership with our largest prime pipeline construction companies to mentor African American, Native American and LGBT pipeline construction firms. This three- to five-year program consists of three components: field training and mentorship,

classroom training and technical assistance.

Five diverse firms were mentored and trained by five prime pipeline construction companies. The classroom component reinforced field training and provided diverse firms with the necessary skills to successfully run a business, ensuring the mentored firms can thrive independently.

This ongoing initiative places a strong emphasis on critical industry-specific training, including operator qualifications, adherence to safety protocols, navigation of insurance requirements and support for back-office operations. It also addresses business fundamentals like access to capital, business system optimization, human resources



*Small and local diverse businesses meet with prime contractors and other small businesses at Meet the Primes.*

management and compliance with pertinent laws. SoCalGas is committed to supervising the program’s execution, ensuring that all training aligns with the highest of standards and operational excellence.

### **Smaller Contractor Opportunity Realization Effort (SCORE)**

Created in 2011, our Smaller Contractor Opportunity Realization Effort (SCORE) program helps prepare smaller diverse suppliers to participate in SoCalGas procurement opportunities. SCORE identifies and develops qualified small diverse businesses with revenues under \$5 million and fewer than 25 employees. Opportunities often lead to participation in competitive bids with similar-sized companies.

Upon winning contracts, SCORE contractors are equipped with on-the-job training,

mentoring and skills development and training workshops designed to enhance business acumen in key areas, such as estimating, bidding, business management, cybersecurity, branding, access to capital, artificial intelligence and reporting systems.

SoCalGas’ total expenditure with SCORE suppliers grew from \$116 million in 2022 with 101 suppliers to over \$129 million with 107 suppliers in 2023.

### **Supplier Relationship Management**

SoCalGas’ Supplier Relationship Management (SRM) program enhances supplier performance and potential by focusing on safety, quality and diverse subcontracting. Through collaboration with internal teams, prime suppliers and subcontractors, the SRM program has led to more open dialogue, operational process improvements, increased

cost savings and timely invoicing and payments with the company’s larger prime suppliers.

Programs like SRM have resulted in improved diverse subcontracting performance and increased the potential for subcontractors to transition into prime roles.

SoCalGas’ subcontracting expenditures rose from \$247 million in 2022 to \$277 million in 2023. Increasing diverse subcontracting opportunities continues to be a key goal in 2024.

### **Supplier Diversity Business Showcases**

Our business showcases introduce specific company projects to potential bidders. These SoCalGas-hosted events occur prior to large project bids and allow diverse firms to present their capabilities and expertise to our project teams and prime suppliers. The intent is to cultivate new relationships with the possibility of a diverse subcontractor and prime supplier partnering on a large project bid.

A preparation session is planned prior to the showcases in which the scope of work and project objectives are shared with diverse suppliers. To participate in the preparation meeting and showcase, diverse firms must demonstrate an in-depth understanding of the proposed project and present their qualifications, relevant experience and references.

In 2023, we held three business showcases focused on specific company projects. These

## Supplier diversity critical to company's growth and success

In 2002, Greg Gates gambled big. He sold his Chicago condo to underwrite the launch of GDM, an African American- and disabled veteran-owned construction procurement and general contracting firm.

Over the next five years, the company launched operations in Maryland, New Jersey, New York, Oregon, Pennsylvania and Texas. GDM relocated to Chino, Calif., and expanded its services to include equipment rentals, materials and tools, in addition to construction, design and engineering services.

But it was his pitch at SoCalGas' 2011 Supplier Diversity Business Showcase that set his company on a higher trajectory. GDM has since won contracts with SoCalGas for truck and crane rentals, supplies and safety equipment. It also won several engagements with prime suppliers, including a multimillion-dollar contract with a large engineering and utility firm.

events brought diverse suppliers into the spotlight, allowing them to present their expertise directly to both prime suppliers and internal business clients on information technology (IT), construction and facilities management.

**“I wouldn't be here if it weren't for SoCalGas' focus on diverse businesses.”**

“Because of our relationships with SoCalGas and other utilities, we expect to continue growing 20% year-over-year,” says Gates, GDM president, who was awarded SoCalGas scholarships for advanced entrepreneurial training at the USC Marshall School of Business and UCLA's Anderson School of Management. Over the last decade, GDM has tripled its staff to 60 and is looking to quadruple payroll by 2026. But, he says, “It's not about how many jobs we create, it's about the families we help support.”

Gates credits supplier diversity for much of his company's success. It's why he's committed to offering similar opportunities to other diverse-owned firms, which represent about half of GDM's supplier base.

“I wouldn't be here if it weren't for SoCalGas' focus on diverse businesses. That's vital to companies like mine,” says Gates. “I've been around long enough to know it otherwise wouldn't happen.”

Following the IT business showcase, several diverse firms that attended were invited by prime bidders for potential subcontracting opportunities in areas such as security, data management, cybersecurity and staff augmentation.



GDM President Greg Gates

### Meet the Primes

The annual Meet the Primes event is an opportunity for diverse businesses to meet prime suppliers and explore potential business collaborations on upcoming SoCalGas projects.

In 2023, this event attracted over 300 attendees, providing a unique platform for diverse

## Sharing a commitment to supplier diversity

In 2013, ARB, Inc., a provider of a wide range of construction services for industrial plants and facilities, began to consider outsourcing some of its equipment rental processes. This would build capacity for ARB and also create an opportunity for smaller businesses to have a role in SoCalGas projects.

That led to a relationship with Michael Pagano, a disabled veteran who was looking to enter the construction industry. ARB assembled a team to mentor Pagano, which led to his company, Amerify, an equipment rental company. Today, Amerify is the main source of equipment rental for ARB projects with SoCalGas, which include clean hydrogen projects.

“ARB’s mentorship with Amerify has been invaluable,” says Pagano. “We take pride in our ability to provide ARB with the equipment and logistics they need for their projects in addition to becoming a valuable supplier for SoCalGas.”

“Our partnership with Amerify supports ARB’s diverse spend goals on daily equipment rentals,

**SoCalGas’ commitment to supplier diversity inspired ARB to develop its own supplier diversity program.**

a market that offers little in terms of diverse suppliers that can match the volume, or the rates required to deliver competitive prices for utility customers” says Kimberly Sharifi, director of supplier diversity at Primoris Services Corporation, ARB’s parent company.

She added that SoCalGas’ commitment to supplier diversity inspired ARB to develop its own supplier diversity program, with diverse spend totaling about \$200 million annually.

The Lake Forest, Calif.-based company has worked on numerous

SoCalGas projects, including serving as the general contractor for the [H2] Innovations Experience, North America’s first-ever clean hydrogen-powered microgrid and home. ARB representatives also attend SoCalGas’ supplier diversity workshops, including the annual Meet the Primes event.

“Over the years we’ve realized that mentorship, strategic relationships and joint ventures are the best possible outcomes of a world-class supplier diversity program,” Sharifi adds.

businesses to gain valuable insights into upcoming local projects and engage in direct one-on-one discussions with prime contractors. Local resource partners were also included, such as banking institutions, CBOs, the CPUC Supplier Clearinghouse and other entities.

The event’s matchmaking sessions resulted in contracting opportunities. Subsequently, collaborations have developed between participating primes and diverse suppliers in areas such as fleet services, logistics, engineering and facilities as well as construction services.



From left: Supplier Diversity Program Manager Lacey Newman, ARB; Director of Supplier Diversity Kimberly Sharifi, Primoris Services; Accounting Specialist Christopher Richardson, Amerify.

## UCLA Management Development for Entrepreneurs Program

Each year, SoCalGas grants scholarships to 10 diverse business owners to attend the Management Development for Entrepreneurs Program at UCLA Anderson School of

Management's Harold and Pauline Price Center for Entrepreneurship & Innovation.

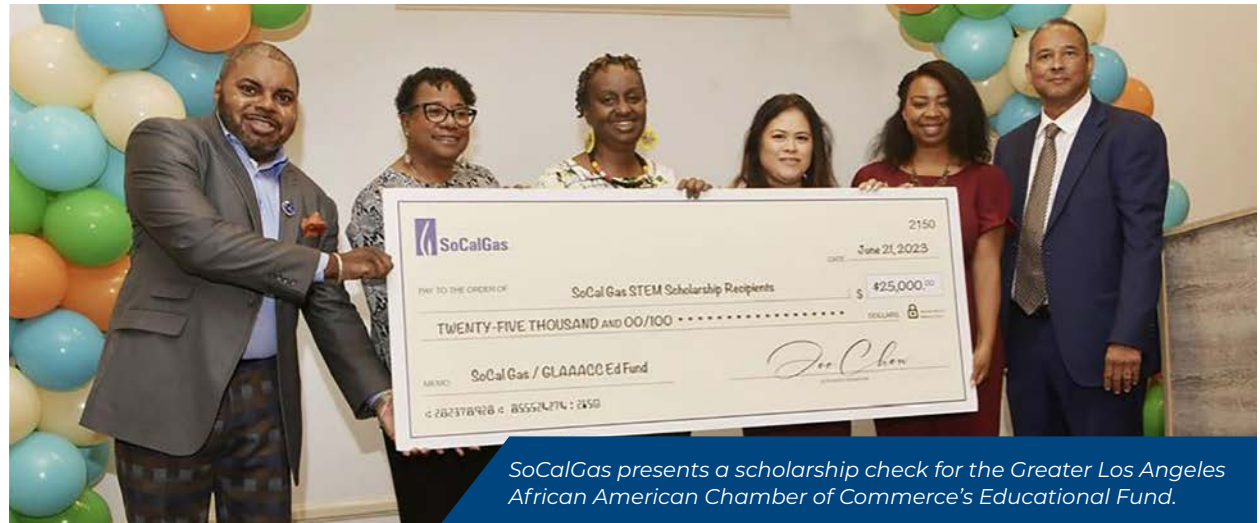
These scholarships equip participants with executive-level management skills, enhancing their business acumen, leadership capabilities and growth potential. Topics include bank and credit analysis, organization and strategy, operations, management, marketing and finance.

### Supplier Diversity Champions

Supplier Diversity Champions are SoCalGas employees who advocate for and advance potential contracting opportunities with diverse suppliers in their business units. They play a vital role in the success of our Supplier Diversity Program.

Last year, our 72 Champions were instrumental in inviting diverse suppliers to bid on projects across the company, ranging from IT to

**We achieved 44% spend with diverse business enterprises, exceeding the California Public Utilities Commission's goal of 22.5% for the 31st year.**



*SoCalGas presents a scholarship check for the Greater Los Angeles African American Chamber of Commerce's Educational Fund.*

professional services. Champions also led presentations at supplier development workshops and volunteered to serve as mentors, matchmakers and exhibitors at various events.

### Supplier Quick Pay Program

To address the cash flow challenges small diverse businesses face, our Supplier Quick Pay Program (SQPP) ensures swift payment for services, offering net 15-day electronic invoice settlements to smaller firms with annual revenues of up to \$5 million and a maximum of 25 employees. Implemented over 10 years ago, this program supported 78 firms last year, enhancing their operational liquidity.

### Ethnic/Community Media

In 2023, over 35% of our total gross media budget was specifically invested to reach

ethnic audiences, employing a mix of social, digital and traditional media alongside targeted email campaigns and TV partnerships. This effort aimed to communicate crucial messages about natural gas infrastructure safety, high bill awareness and associated resources, customer assistance programs, energy efficiency and additional company programs across diverse communities.

To make sure important information reached our diverse customers, we utilized Hispanic, Chinese, Vietnamese, Korean, Filipino and African American outlets for:

- Social, digital, outdoor and traditional media advertising
- Targeted email campaigns
- TV partnerships and media talent

## Giving a voice to Native American businesses

For nearly 30 years, the American Indian Chamber of Commerce of California (AICCC) has been giving a voice to Native American-owned firms, and support from companies like SoCalGas means AICCC can help ensure more business opportunities for their members.

“SoCalGas has been a longtime supporter,” says AICCC President Tracy Stanhoff, adding Supplier Diversity representatives serve on the group’s corporate advisory council, provide guidance on programs and participate in events. “They look at developing suppliers and helping them become long-term partners.”

Based in Los Angeles, AICCC is a statewide organization whose mission is to educate and advocate for tribal enterprises and Native American businesses. With chapters in Southern California, San Diego County and Northern California, the group serves over 300 members.

“Our focus is to provide content – educational and technical – to improve Native American business

prospects and help members position themselves for successful bidding opportunities with large companies like SoCalGas,” says Stanhoff.

In addition to monthly meetings, the group holds three events a year – a Recognition Luncheon & MEDweek, an Annual EXPO with trade show and a Native American Heritage Month Luncheon. AICCC also hosts the largest Native American procurement center in the country, APEX Accelerator, which is funded by the U.S. Department of Defense, to help Native American tribal enterprises win government contracts.

Several AICCC members have provided services to SoCalGas, ranging from IT consulting to construction services. Of the utility’s support, Stanhoff says, “They’re eager to do what they can. They roll up their sleeves and tell us what they think, what we don’t know and where we can align ourselves.”

“SoCalGas has been a longtime supporter.”

- Station-produced vignettes
- Live TV integrations
- Community affairs interviews

### Communications and Awareness

Expanded media coverage – achieved through collaborative efforts between the Supplier Diversity team and our Media Committee –

has helped increase awareness of our supplier diversity outreach activities, investments and diverse supplier success stories across various platforms, including local newspapers and online media, as well as on SoCalGas’ intranet and website.

### Monitoring/Auditing/Reporting

SoCalGas utilizes several tools to monitor



SoCalGas CEO Scott Drury and AICCC President Tracy Stanhoff

diverse supplier prospects, activities and spend. These include:

- **Interactive Dashboards** Monthly updated visuals provide real-time insights into our procurement and subcontracting across departments, enabling precise tracking of our spending with diverse vendors.
- **Subcontracting Portal** A vital tool for our prime suppliers, this portal facilitates

reporting of monthly subcontracting expenditures to simplify tracking, accuracy and consistency in subcontracting reporting.

- **Independent Subcontracting Audit** A diverse firm conducts audits to validate the diverse subcontracting expenditures reported by our prime suppliers, adding a further layer of data validation to our processes.
- **Analysis and Reporting Tools** A comprehensive suite of analytical tools allows for detailed spend analysis, strategic goal setting and forecasting, guiding our efforts to enhance the program's effectiveness.

### Strategic Sourcing Successes

In 2023, continued collaboration between Supplier Diversity, Supply Chain Management and various business units led to notable strategic sourcing successes with diverse



*SoCalGas was among the attendees at the American Indian Chamber of Commerce of California's Tribal Empowerment workshop.*

suppliers winning contracts in key areas, such as construction, environmental, fleet and clean energy-related services.

Some of our major strategic sourcing initiatives included:

- **Control Center Modernization Project (CCM)** This project, which has a 47% diverse spend goal, is intended to modernize our natural gas pipeline infrastructure. The project scope involves construction of a state-of-the-art gas control and emergency management center as well as deployment of innovative technologies across our pipeline system. Three diverse firms were awarded contracts for mechanical equipment delivery services for the CCM building, which is currently under construction.
- **Transmission Pipeline Project** This project required excavation, new pipeline installation and tie-in activities associated with a large diameter natural gas transmission pipeline. Of the nine pipeline contractors invited to bid on this transmission project, three were diverse firms. The contract was awarded to a diverse supplier.
- **Cathodic Protection Shallow Well Anode Installation** This Request for Proposal (RFP) to support anode installation included a Request for Information (RFI) component. The RFI was sent to multiple bidders, and the goal was to vet performance and prepare bidders for the RFP process. Two of the three contracts were awarded to diverse firms.



*National Latina Business Women Association – Inland Empire Executive Director Maria Solano addresses participants at its Latina BizCon event, which SoCalGas sponsored.*

- **Facilities Improvement and Maintenance**

Of 13 suppliers invited to bid on three RFPs for facility improvement projects, eight were diverse firms. Three of these diverse companies were awarded contracts.

- **Tenant Improvement and Facilities Services**

A Hispanic-owned firm was mentored by the Facilities Capital team in 2023 and subsequently won several contracts to support facilities projects. This firm was also encouraged to partner with an Asian American-owned business to provide electrical services. The Facilities Capital team also awarded a contract to a Native American-owned firm for electric vehicle (EV) charging station installations at several SoCalGas locations near Needles, Calif.

- **Furniture & Office Equipment Procurement**

An RFP was sent to 17 companies, of which 12 were diverse firms, and the successful bidder was a diverse business. This RFP's scope of work included installation of new monitors

**All our large prime contractors are encouraged to subcontract at least 43% of their spend to diverse businesses.**



Senior Category Management Advisor April Pilaro with Supplier Diversity Project Manager Victoria Leonido at SoCalGas' LGBT Business Showcase.

and arms, docking stations and chairs at multiple SoCalGas facilities.

- **Customer Programs** During the first round of a major RFP, multiple bid invitations were sent to potential suppliers, including nine diverse firms. Of the four successful contract awardees, one was a diverse supplier. In the second phase of the RFP, three diverse firms were invited to bid. The RFP process will be completed in 2024.
- **Clean Energy** SoCalGas continues to engage diverse firms to support clean hydrogen-related projects. Four diverse firms have been awarded contracts to perform tasks in

this specialized field, including helping to develop feasibility studies for the Angeles Link project.

### Supplier Diversity Team

The Supplier Diversity team is responsible for overseeing SoCalGas' supplier diversity initiatives and engaging with internal departments and external organizations to advance, advocate and promote opportunities for diverse suppliers.

In 2023, the team:

- Facilitated meetings with Supply Chain Management and internal clients to align goals and strategies and monitored progress



## A partnership a decade in the making

Even though San Francisco-based BuildOUT California was officially launched just three years ago, SoCalGas' partnership with the LGBT industry association has been nearly a decade in the making.

BuildOUT is the world's largest organization promoting the growth and inclusion of LGBT-owned firms and professionals. It has nearly 6,700 members representing architecture, engineering, construction services, materials supply, program and construction management and large-scale real estate development.

"The LGBT community is a robust participant in California's economic vitality," says BuildOUT Board President Paul Pendergast. "The relationship we have with SoCalGas is key to increasing opportunities for this community."

That relationship began informally in 2014 when LGBT business leaders and California utility representatives successfully lobbied the state legislature to include LGBT business enterprises (LGBTBEs) in the CPUC's Supplier Diversity

Program. One of those representatives was Rick Hobbs Seeley, former SoCalGas Procurement and Supplier Diversity director and now a BuildOUT vice president. SoCalGas was also involved in the commission's goal-setting process for LGBTBE utilization.

**"The relationship we have with SoCalGas is key to increasing opportunities for this community."**

SoCalGas officially became a sponsor in 2023 when it supported BuildOUT's 2023 Founders Day event. Supplier Diversity team members have long participated in Golden Pitch sessions showcasing LGBT businesses, and the two organizations are now developing

a mentor-protégée program involving LGBTBE-certified companies and utility managers, procurement representatives and Tier 1 suppliers.

"SoCalGas' commitment to our mentor-protégée program is a hallmark of our partnership," says Pendergast. "It gives businesses technical assistance, training and capacity-building support to partner with SoCalGas and its major suppliers. Efforts like these are the only way to advance LGBT firms."



BuildOUT Board President Paul Pendergast

- Organized and hosted business showcases, Meet the Primes, one-on-one meetings and other events to highlight diverse suppliers and their capabilities
- Cultivated relationships with diverse businesses and evaluated their readiness for upcoming bid opportunities
- Actively participated in strategic sourcing activities to ensure diverse firms were included in all bidding processes
- Identified and developed training content for technical assistance programs, including conferences, seminars and business networking events
- Partnered with CBOs to increase awareness of SoCalGas' Supplier Diversity Program and identified suppliers for upcoming bid opportunities
- Met with new diverse firms to discuss certification benefits and worked with these suppliers to obtain CPUC certification from the Supplier Clearinghouse

## Work expands to clean energy projects

Five years ago, Hal Hays Construction was awarded its first SoCalGas contract to build a new base in Bakersfield. Since then, the Riverside, Calif.-based, general and civil construction firm has worked on over 100 SoCalGas jobs, including a clean hydrogen pilot project last year.

“It took six years to get that first contract, but I had a feeling that once we got our first opportunity, it would catch like wildfire, and it has,” says Hal Hays Construction CEO Kirby Hays, whose father founded the company in 1991.

The firm has grown to 330 employees, with approximately 80 dedicated to SoCalGas projects, which include building a compressed natural gas (CNG) refueling station, renovating a dehydration station at Aliso Canyon storage field and other infrastructure improvements.

“SoCalGas is great to work with and they continue to give us opportunities.”

The most noteworthy project in 2023 was working with SoCalGas to construct a hydrogen bus fueling station in Cathedral City for SunLine Transit Agency. The agency is building a fleet entirely of hydrogen fuel cell buses to support the state’s greener future.

In 2024, the Native American-owned company will support another clean energy project – providing everything from fleet maintenance and emissions compliance to repairs – as SoCalGas implements a natural gas capture system that prevents venting natural gas into the atmosphere before equipment inspections and maintenance.

“SoCalGas is great to deal with and they continue to give us opportunities,” says Hays, adding the utility’s Supplier Diversity Program has inspired Hal Hays to grow its diverse spend to 32%. “They’re our No. 1 client so we’d better figure out how to become involved in new areas like hydrogen energy.”



Hal Hays Construction CEO Kirby Hays

- Helped to resolve problems associated with contract requirements, performance, quality-of-service issues and timely payments to diverse businesses
- Targeted prime suppliers not meeting their subcontracting goals and developed plans to get back on track with their commitments

### EXTERNAL ACTIVITIES

#### Supplier Development and Technical Assistance

Through our partnerships with various CBOs, such as Greater Los Angeles African American Chamber of Commerce (GLAAACC), Asian Business Association – Los Angeles (ABA-LA), Asian Business Association – Orange County (ABA-OC), Los Angeles LGBTQ Chamber

of Commerce (LAGLCC) and the Veterans Business (VIB) Network, we supported over 30 workshops aimed at boosting the business acumen of diverse entrepreneurs.

These workshops, attended by more than 2,600 diverse suppliers, covered essential topics, including creating effective capabilities statements, aligning services with customer needs, understanding CPUC certification and



*Various organizations participated at an LGBT business forum sponsored by SoCalGas and City National Bank.*

insurance requirements and how to prepare for potential business opportunities.

### **Strengthening Coalitions with External Organizations**

Our outreach efforts extended to over 60 events and collaborations with 30-plus organizations, focusing on identifying and engaging diverse suppliers for potential SoCalGas opportunities.

Highlights included supporting Latina entrepreneurs through National Latina Business Women Association - Inland Empire (NLBWA-IE) events, sharing information at LAGLCC workshops and participating in National Association of Women Business Owners – California’s (NAWBO-CA’s) Propel Conference. Our active participation in networking events, advisory boards and panels strengthened our connections with diverse business communities.

Activities included:

- Helping Latina entrepreneurs grow their businesses by participating in NLBWA-IE events, including Latina BizCon, Latina BizMatch, the Latina Entrepreneur in Leadership Awards (LEILA) and various “Connect & Elevate” events
- Teaming up with LAGLCC to offer five workshops aimed at preparing LGBT suppliers interested in doing business with SoCalGas, covering topics such as cybersecurity, invoicing, sustainability and the SAP Ariba Business Network
- Engaging with attendees at the National Association of Women Business Owners - Los Angeles’ (NAWBO-LA) Annual Procurement and Business Matchmaking Fair, an event designed to help women business owners win corporate and government contracts

- Sponsoring and attending the Black Business Association’s (BBA) Business Ready webinar and Business Ready Two-Part Series Workshop, Salute to Black Women Business Conference and Annual Black Business Day Empowerment Fair
- Attending the Desert Business Association’s (DBA) networking mixer and engaging with LGBT suppliers to discuss potential business opportunities
- Exchanging information on supplier diversity best practices at the National Minority Supplier Development Council’s (NMSDC) Business Diversity Leadership Summit
- Participating in the CPUC’s Small and Diverse Business Expo during the commission’s En Banc hearing to network and share information about potential contracting opportunities and our Supplier Diversity Program
- Networking with businesses at the U.S. Department of Commerce’s Global Diversity Export Initiative (GDEI) conference,

**In 2023, more than 2,600 diverse businesses participated in technical assistance programs SoCalGas supported.**

“Empowering Women-Owned Businesses for Global Expansion”

- Hosting the National Utilities Diversity Council’s (NUDC) annual summit at our Energy Resource Center in Downey, Calif., which attracted more than 100 attendees, to discuss the future of supplier diversity and workforce and governance diversity in the utilities and communications sectors

### Community-Based Organizations Forum

Our annual CBO forum gathered 28 organizations in a virtual setting to discuss upcoming legislative impacts on energy, procurement opportunities, community contributions and our supplier diversity objectives. This event fostered dialogue, potential partnerships and stronger ties with our community partners.

**We collaborated with over 30 organizations and attended 60+ virtual and in-person events to meet and identify diverse suppliers for potential business opportunities.**



### Goals to Increase Spend in Specific Categories

In 2023, SoCalGas set internal goals to increase the vendor count and spend in the following categories:

#### African American Business Enterprises

Increasing African American supplier participation continues to be a key part of SoCalGas’ Supplier Diversity Program given the number of businesses seeking to participate. In 2023, we spent \$131.3 million with 72 African American vendors.

During the year, Supplier Diversity continued to:

- Actively identify and develop current and potential new suppliers that have the capacity and skill set to do business with SoCalGas
- Utilize existing programs, outreach methods

and tools to increase African American contracting opportunities and participation in the company’s technical assistance programs

- Collaborate with Supply Chain Management and SoCalGas business units to create pilot programs that increase RFP participation and competitive bids for African American companies
- Establish goals and actively track the progress of African American firms that are participating in technical assistance programs and RFPs and securing contracts
- Seek opportunities to expand the company’s SCORE program for smaller-sized diverse businesses, which includes offering smaller contracting opportunities and training to build capacity and create competition within our supply chain

**We are working with diverse suppliers to improve safety, customer service and operational efficiencies as we pursue our goal to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045.**

### **Lesbian, Gay, Bisexual and Transgender and Native American Business Enterprises**

In 2022, we set an internal goal to increase underutilized vendor categories with LGBT and Native American firms. In 2023, our combined vendor count objective in these categories was 31 suppliers. Through our targeted outreach efforts, we met this goal, spending \$78.8 million with 31 Native American and LGBT businesses.

Efforts focused on recruitment and outreach to ensure that Native American and LGBT suppliers were involved in various sourcing initiatives and participating in our technical assistance and capacity-building programs.

Our activities last year included:

- Participating in the American Indian Chamber of Commerce of California's (AICCC) Expo '23, which offered two days of workshops, networking and a trade fair

Other events included a tribal empowerment forum and a Native American Heritage Month celebration

- Co-sponsoring an LGBT business showcase with City National Bank to showcase LGBT firms. This event, which attracted about 100 suppliers, featured a panel of utility professionals and fostered a dialogue on how LGBT suppliers can participate in future projects
- Working with the Long Beach LGBTQ Chamber of Commerce (LBGLCC) on a matchmaking event, which had over 35 LGBT businesses specializing in marketing, facilities and staffing

### **Disabled Veteran Business Enterprises**

Our efforts to increase opportunities for

disabled veteran firms included sponsoring the VIB Network's national conference, which attracted over 550 attendees. Our goal was to meet and identify disabled veteran entrepreneurs for potential contract opportunities. Our involvement included:

- Conducting a workshop that provided insights and practical advice to participants on how to effectively do business with utilities
- Participating in business matchmaking sessions with over 30 suppliers to discuss potential contract opportunities and upcoming RFPs at SoCalGas

In 2023, we procured \$74.43 million with 40 disabled veteran business enterprises.



*SoCalGas Supplier Diversity Project Manager Vaughn Williams moderates a panel discussion at a Veterans in Business (VIB) workshop.*

# Organizations Supported by SoCalGas

In 2023, SoCalGas actively engaged with several organizations advancing opportunities for diverse business enterprises, including:

- 21st Century STEM
- American Association of Blacks in Energy
- American Indian Chamber of Commerce of California\*
- Asian Business Association – Los Angeles\*
- Asian Business Association – Orange County\*
- Black Business Association – Los Angeles
- BuildOUT California
- California African American Chamber of Commerce\*
- California Asian Chamber of Commerce
- California Hispanic Chamber of Commerce
- Chinese American Construction Professionals
- Desert Business Association
- Disability:IN
- Greater Los Angeles African American Chamber of Commerce\*
- Latin Business Association\*
- Los Angeles Area Chamber of Commerce Foundation
- Los Angeles Latino Chamber of Commerce\*
- Los Angeles LGBTQ Chamber of Commerce\*
- Long Beach LGBTQ Chamber of Commerce\*
- National Association of Women Business Owners – California
- National Association of Women Business Owners – Los Angeles\*
- National LGBT Chamber of Commerce
- National Association of Minority Contractors – Southern California\*



SoCalGas employees were among the attendees at the National Latina Business Women Association - Inland Empire's Latina Entrepreneur in Leadership Awards ceremony.

- National Latina Business Women Association – Inland Empire
- National Latina Business Women Association – Los Angeles\*
- National Minority Supplier Development Council
- National Utilities Diversity Council\*
- Pacific Asian Consortium in Employment
- Parkside Economic Development Corporation
- Southern California Minority Supplier Development Council\*
- The KIS Foundation\*
- US Pan Asian American Chamber of Commerce
- Veterans In Business Network\*
- Women's Business Enterprise Council – West\*

\*Board or committee position held by a SoCalGas representative

# 2023 Awards

**SoCalGas received the following awards for our best practices and leadership in supplier diversity:**

- American Indian Chamber of Commerce of California Corporate Sponsorship Award
- Asian Business Association – Orange County Corporate Partner of the Year Award
- Chinese American Construction Professionals Gold Sponsor Corporate Award
- Council for Supplier Diversity Corporate Sponsorship Award
- Greater Los Angeles African American Chamber of Commerce Utility Corporation of the Year Award
- Veterans In Business Network Above and Beyond Bravo Zulu Award
- Women’s Business Enterprise Council – West Corporate Advocate of the Year Award



*Chinese American Construction Professionals Gold Sponsor Corporate Award*



*Greater Los Angeles African American Chamber of Commerce Utility Corporation of the Year Award*



*Asian Business Association – Orange County Corporate Partner of the Year Award*

## 9.1.2 SUMMARY OF PURCHASES/CONTRACTS

SoCalGas worked with a total of 618 diverse suppliers, with 340 serving as prime suppliers (see Chart Addendums starting on page 36).

## 9.1.3 PROGRAM EXPENSES

Supplier diversity expenses included CPUC Supplier Clearinghouse program costs, technical assistance, capacity-building events, office support services, consulting, supplier outreach, annual report production and other related expenses.

Expense Category	Expenses (in thousands)
Wages	\$569
Other Employee Expenses	\$99
Training Expenses	\$34
Consultant Expenses	\$378
Other Expenses	\$3
<b>Total</b>	<b>\$1,083</b>



SoCalGas attendees at the CPUC's Supplier Diversity Annual En Banc hearing. From left: Vaughn Williams, Anne Muchiri, Joe Chow, Sandra Hrna, Lily Otieno, Scott Drury, Erin Smith and Mitch Mitchell.

## 9.1.4 GOAL PROGRESS

Category	SoCalGas 2023 Results	CPUC 2023 Goals
Minority Business Enterprise (MBE)	30.9%	15.0%
Women Business Enterprise (WBE)	9.9%	5.0%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	0.0%	1.0%
Disabled Veteran Business Enterprise (DVBE)	3.2%	1.5%
Persons with Disabilities Business Enterprise (PDBE)	N/A	N/A
Other 8(a)	0.0%	N/A
<b>Total</b>	<b>44.0%</b>	<b>22.5%</b>

% - Percentage of Net Procurement

In 2023, procurement with diverse suppliers reached more than \$1.02 billion, or 44.05% of SoCalGas' total procurement. Highlights included:

- Doing business with 152 new diverse firms, totaling \$53.98 million
- Exceeding the CPUC's 15% minority business enterprise (MBE) goal for the 25th straight year, with spend totaling \$715.68 million
- Surpassing the commission's women business enterprise (WBE) goal of 5% for the 36th consecutive year, with purchases reaching \$228.84 million, or 9.89% of SoCalGas' total procurement
- Spending over \$131.33 million, or 5.67%, with African American suppliers
- Achieving \$74.43 million in spend, or 3.22%, with disabled veteran business enterprises (DVBEs)
- Reaching a combined spend of over \$78.84 million, or 3.41%, with Native American and LGBT suppliers



## 9.1.5 SUBCONTRACTORS

In 2023, we spent about \$277 million with diverse subcontracting firms, emphasizing our commitment to fostering a diverse subcontracting ecosystem. The implementation of a new subcontracting portal enhanced our ability to monitor and support prime suppliers in achieving and tracking subcontracting spend.

Our subcontracting program encourages large prime contractors to consider diverse suppliers when selecting subcontractors. A contractor's commitment to our aspirational spend goal is considered when awarding contracts in the RFP process.

To encourage prime suppliers to meet the company's subcontracting requirements, SoCalGas:

- Requests all primes to complete a subcontracting goal form during the RFP process with names of diverse subcontractors to be used for each bid. This includes validating diverse subcontractors' names.
- Develops and assists diverse subcontractors by identifying and providing contracting opportunities through meetings with SoCalGas Supply Chain Management and offering technical assistance, mentoring and coaching through supplier diversity and SRM programs
- Holds quarterly meetings with our largest prime suppliers and monitors their subcontracting goals, and aids with the development of action plans if goals are not met
- Meets with prime suppliers to provide training and access to our subcontracting portal and introduces them to diverse firms
- Shares monthly subcontracting results with Supply Chain Management and key company stakeholders
- Mentors diverse subcontractors on the CPUC Supplier Clearinghouse certification process

### Summary of Prime Contractors' Utilization of Diverse Subcontractors

	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Spend
Direct \$	\$481,464,624	\$64,916,384	\$546,381,008	\$153,925,676	\$646,290	\$41,897,189	N/A	\$0	\$742,850,163
Sub \$	\$125,117,948	\$44,181,748	\$169,299,696	\$74,910,139	\$69,456	\$32,537,640	N/A	\$0	\$276,816,931
<b>Total \$</b>	<b>\$606,582,572</b>	<b>\$109,098,132</b>	<b>\$715,680,704</b>	<b>\$228,835,815</b>	<b>\$715,746</b>	<b>\$74,434,829</b>	<b>N/A</b>	<b>\$0</b>	<b>\$1,019,667,094</b>
Direct %	20.80%	2.80%	23.60%	6.65%	0.03%	1.81%	N/A	0.00%	32.09%
Sub %	5.40%	1.91%	7.31%	3.24%	0.00%	1.41%	N/A	0.00%	11.96%
<b>Total %</b>	<b>26.20%</b>	<b>4.71%</b>	<b>30.91%</b>	<b>9.89%</b>	<b>0.03%</b>	<b>3.22%</b>	<b>N/A</b>	<b>0.00%</b>	<b>44.05%</b>
<b>Net Procurement**</b>	<b>\$2,314,943,541</b>								

#### NOTES:

\*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDPBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)

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

Direct - Means Direct Procurement: when a utility directly procures from a supplier

Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a utility, procures from a subcontractor to fulfil its contractual obligation(s)

% - Percentage of Net Procurement

The procurement information provided is required pursuant to CPUC General Order 156

## Capabilities and adaptability drive success

**W**hen a major client declared bankruptcy in 2008, Industrial Field Services (IFS), an Azusa, Calif.-based civil construction firm, had to pivot.

Co-founders Schola Chinchin Liu and Sam Hejran took the company's three decades of experience in mixed-use projects, which included mechanical fabrication and heavy construction, and applied it to the utility industry.

The Asian- and woman-owned company got its shot following an introduction to a SoCalGas project manager at the utility's Aliso Canyon natural gas storage facility, where most of its work has been concentrated.

In 2013, IFS was hired to design and fabricate a steel compressor room cover and, later, turbine, generator and emergency shutdown valve covers. It then won similar projects at the Honor Rancho and Playa Del Rey storage facilities and pipeline work in Los Angeles

and Orange counties. In 2019, IFS was hired to perform emergency repairs on a 24" withdrawal pipeline and, four years later, completed one of its largest projects for SoCalGas: a nine-month multimillion-dollar excavation project supporting the installation of energy-efficient compressors.

Over the past 10 years, the growing scope of work for SoCalGas increased IFS' revenue by about 35% and prompted it to increase staffing by about 50% to 70 employees, not including seasonal workers, and

purchase its own construction equipment.

However, the company's relationship with SoCalGas is about more than numbers, says Hejran, vice president, who runs the company with Liu, his wife.

"Over the last 10 years, we've worked hard to continue earning SoCalGas' trust. We look forward to continuing our partnership and working to help them build a safer, more reliable and innovative infrastructure."

**"The growing scope of work for SoCalGas increased IFS' revenue by about 35%."**



IFS Co-founder Sam Hejran (left) and Operations Manager Carlito Tiongco

- Invites diverse contractors to participate in virtual and in-person business showcases so they can share their capabilities with prime suppliers and SoCalGas project managers

We are pleased that many prime suppliers have realized the benefits of working with diverse firms and have implemented their own supplier diversity programs.

### 9.1.6 COMPLAINTS

Our Supplier Diversity Program maintained its integrity and effectiveness throughout 2023, with no formal complaints or lawsuits filed against SoCalGas.

### 9.1.7 DIVERSE SUPPLIERS IN UNDERUTILIZED AREAS

We remain focused on seeking opportunities to enhance spending with diverse suppliers in traditionally lower-utilization areas.

## Legal

The Law Department continued to identify new diverse law firms to provide legal services in various areas and retained diverse firms for matters related to employment law, general and business litigation, personal injury, workers' compensation and commercial, environmental and real estate law. We also retained a diverse law firm to support the 2024 Test Year General Rate Case (GRC). This firm provided invaluable support to SoCalGas' legal and business teams throughout the GRC.

In 2023, SoCalGas' spend with diverse law firms totaled \$2.3 million, an increase of about 9.5% from 2022. We have adopted goals to increase the number of diverse firms considered for nearly all new litigation matters.

In furtherance of these goals, our Supplier Diversity team set up introductory meetings with SoCalGas legal team members and attorneys at diverse firms. Several of our lawyers met with diverse law firms during virtual and in-person meetings and at energy industry forums to learn about their services. Diverse resources were also engaged for various support services, such as court reporting.

We also advanced our commitment to diversity in 2023 by participating in Sempra's Community of Counsel, a consortium of law firms that handle approximately 85% of outside legal work for the

Sempra family of companies. The program returns a portion of discounts provided by these firms when they meet aspirational goals related to staffing matters with attorneys who come from diverse or traditionally underrepresented backgrounds. SoCalGas also added a new diverse firm to the Community of Counsel program.

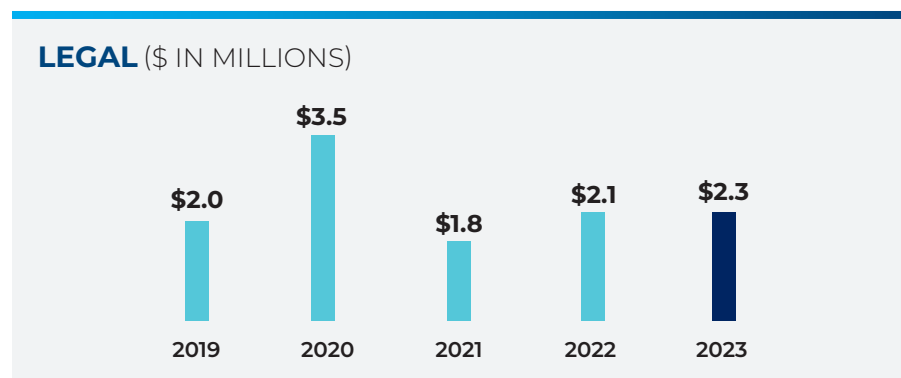
Moreover, the Law Department, a member of the California Minority Counsel Program, participated in the Association of Corporate Counsel's Diversity Summer Internship Program and hosted a first-year law student during the summer to perform legal work.

Members of the SoCalGas law department participated in various organizations that advance the interests of diverse or underserved groups, including: Alliance for Children's Rights, Alliance College-Ready Public

Diverse Attorney Work Within Majority Law Firms		Total (\$)
Minority Men	African American	\$0
	Asian Pacific American	\$428,574
	Hispanic American	\$205,395
	Native American	\$0
	Other	\$8,512
	<b>Total Minority Men</b>	<b>\$642,481</b>
Minority Women	African American	\$73,596
	Asian Pacific American	\$118,411
	Hispanic American	\$317,000
	Native American	\$0
	Other	\$31,389
	<b>Total Minority Women</b>	<b>\$540,396</b>
<b>Total Minority*</b>		<b>\$1,182,877</b>
<b>Non-Minority Women</b>		<b>\$3,819,093</b>
<b>Non-Minority Men</b>		<b>\$6,023,405</b>
<b>Lesbian, Gay, Bisexual and Transgender</b>		<b>\$716,564</b>
<b>Disabled Veteran</b>		<b>\$23,983</b>
<b>Persons with Disabilities</b>		<b>N/A</b>
<b>8(a)</b>		<b>\$0</b>
<b>Total All Minority/Non-Minority</b>		<b>\$11,765,922</b>

Note: Figures provided by Majority Law Firms

\*Total Minority spend excludes LGBT and Disabled Veteran Business Enterprises spend



Schools\*, Asian Americans Advancing Justice (Los Angeles)\*, Asian Pacific American Association, Association of Corporate Counsel\*, Bet Tzedek, Breathe LA, Civil Justice Association of California\*, Child Educational Center\*, Clare I Matrix\*, Constitutional Rights Foundation\*, Court Appointed Special Advocates for Children of Los Angeles, Counsel for Justice (pro bono arm of the Los Angeles County Bar Association\*), Habitat for Humanity of Greater Los Angeles, Hispanic National Bar Association, Inner City Law Center\*, Legal Clinic of the Gay and Lesbian Center of Los Angeles, LA Family Housing, La Canada Unified School District's Diversity, Equity and Inclusion Committee\*, Kids in Need of Defense, South Asian Bar Association of North America\* and USC Latino Alumni Association.\*

\*SoCalGas Law Department employees are on the board or advisory members.



Diverse Paralegal Work Within Majority Law Firms		Total (\$)
Minority Men	African American	\$0
	Asian Pacific American	\$1,785
	Hispanic American	\$41,958
	Native American	\$18,074
	Other	\$0
<b>Total Minority Men</b>		<b>\$61,817</b>
Minority Women	African American	\$78,830
	Asian Pacific American	\$116,407
	Hispanic American	\$263,224
	Native American	\$0
	Other	\$0
<b>Total Minority Women</b>		<b>\$458,461</b>
<b>Total Minority*</b>		<b>\$520,278</b>
<b>Non-Minority Women</b>		<b>\$33,315</b>
<b>Non-Minority Men</b>		<b>\$23,958</b>
<b>Lesbian, Gay, Bisexual and Transgender</b>		<b>\$28,959</b>
<b>Disabled Veteran</b>		<b>\$2,930</b>
<b>Persons with Disabilities</b>		<b>N/A</b>
<b>8(a)</b>		<b>\$0</b>
<b>Total All Minority/Non-Minority</b>		<b>\$609,440</b>

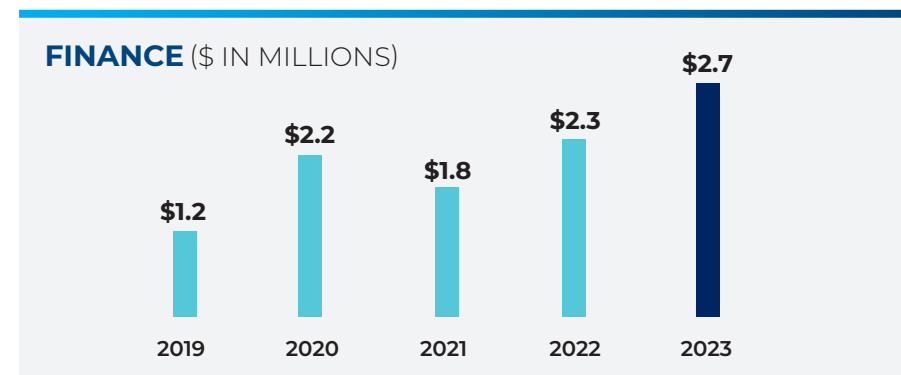
Note: Figures provided by Majority Law Firms

\*Total Minority spend excludes LGBT and Disabled Veteran Business Enterprises spend

## Finance

Our Accounting and Finance team meets with various diverse financial services firms throughout the year to consider them for inclusion on an approved list of qualified firms. Considerations include relevant certifications, community outreach and involvement and financial performance. Engaging diverse financial services firms led to a \$2.7 million spend in 2023, a 17.4% increase from the previous year, with active participation in public debt offerings.

We also invited diverse firms to participate in our large issuances by helping to market and place a portion of the issue to their buy-side clients.



## Renewable natural gas takes company in a new direction

**W**hen family- and employee-owned W.M. Lyles Co. diversified its construction operations in 2012, Tami Lyles and her team launched a new company, Lyles Utility Construction. That move continues the family's 78-year history in the natural gas business.

Visalia, Calif.-based Lyles Utility provides earthwork, hardscape restoration, gas pipeline and other transmission and distribution facility construction services, including pressure-limiting and metering stations.

In 2013, the company was subcontracted to build "smart pig" facilities for SoCalGas in Cuyama and a receiving station at the nearby Apache Valve Station. Lyles Utility later became a prime contractor for several SoCalGas pipeline projects in the utility's northwest region.

Lyles Utility's construction of eight RNG projects propelled the woman-owned firm to new heights. In 2021, it constructed a pipeline and the point of receipt metering station, including

site work, control instrumentation equipment and an odorization tank, to transport RNG from a Rialto, Calif., food-waste-to-energy facility to SoCalGas' distribution system.

**"We've benefited from our partnership with SoCalGas in many ways."**

"SoCalGas has been very forward-thinking in their approach to the renewable market and we've been fortunate to have found a niche in it," says Lyles, president and CEO.

"We've benefited from our relationship with SoCalGas in many ways," adds Lyles, who attended the Financial Success for Diverse

Businesses program at the USC Marshall School of Business on a SoCalGas scholarship. Over the years, the firm has grown by about 80% and opened a satellite office in California's southern Central Coast region.

"SoCalGas has encouraged us to pay it forward when it comes to hiring minority suppliers. We've gone from subcontracting to just three minority-owned firms a decade ago to working with over 20 today."

During the year, we issued \$1 billion of first mortgage bonds. A diverse firm was invited to participate as a joint bookrunner and actively manage the marketing and placement of the issuance. Two other diverse businesses acted as

co-managers to passively receive and distribute allocations to their clients.

Each year, we engage a diverse firm to perform an audit of our General Order 77 filing with



Lyles Utility Construction Senior Vice President Brad Zeimet and President and CEO Tami Lyles

the CPUC. We continue our work to identify diverse firms, build relationships and expand opportunities within the department.



# SHAPING THE FUTURE

THROUGH INNOVATION AND INCLUSION

## 2024 ANNUAL PLAN

# Message from Vice President, Supply Chain and Operations Support

Supplier diversity is at the core of our business and we couldn't be more proud that, for the 31st consecutive year, our intentional efforts to help increase the pool of diverse suppliers through broad outreach and education have led to us exceeding the CPUC's supplier diversity goal.



In 2023, SoCalGas prudently spent nearly half of our procurement budget, amounting to \$1 billion, with women-, minority-, disabled veteran- and LGBT-owned businesses.

In 2024, we intend to build on our momentum in supplier diversity as we advance our mission to build the cleanest, safest and most innovative energy infrastructure company in America.

Our plans include:

- Continuing to support African American, Native American and LGBT pipeline construction firms through our Pipeline Construction Business Development and Mentoring Program
- Actively working with our top prime suppliers to help increase subcontracting opportunities with diverse firms. We plan to hold executive-level meetings with prime

contractors that have low diverse subcontractor spend to better understand and address what obstacles they are encountering in reaching their subcontracting goals and create actionable plans to help address those issues.

- Increasing the number of LGBTBE and persons with disabilities business enterprises (PDBEs) certified with the Supplier Clearinghouse by utilizing our existing channels, including Meet the Primes and technical assistance programs, to identify suppliers in these categories

We look forward to sharing our 2024 supplier diversity results and successes with you next year.

A handwritten signature in black ink that reads "Sandra Hrna".

**Sandra Hrna**

Vice President, Supply Chain and Operations Support, SoCalGas

### 10.1.1 GOALS

SoCalGas is committed to the goals and intention of General Order 156, setting an ambitious internal benchmark of 45% for our total procurement spend with diverse firms. Our strategy revolves around reinforcing existing partnerships, extending the efforts

of our outreach and broadening our diverse supplier network. A pivotal aspect of our objectives for the upcoming year is enhancing the representation of two specific categories: LGBT-owned businesses and enterprises owned by persons with disabilities.

### 10.1.2 PLANNED ACTIVITIES

#### Facilities Capital Programs

SoCalGas' administrative office facility strategy includes several projects to be bid in 2024. The projects include architectural services, audio-visual services, facility renovations and electric vehicle (EV) charging infrastructure

### PRODUCTS

	Short-Term (2024)							Mid-Term (2026)							Long-Term (2028)						
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Goal
<b>Products</b>	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%
<b>Subtotal</b>	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%

### SERVICES

	Short-Term (2024)							Mid-Term (2026)							Long-Term (2028)						
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Goal	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	8(a)*	Total Supplier Diversity Goal
<b>Services</b>	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%
<b>Subtotal</b>	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%

<b>TOTAL</b>	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%	15.00%	5.00%	1.50%	1.50%	N/A	N/A	23.00%
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N/A: No goals have been set by the CPUC for Persons with Disabilities Business Enterprises



installation projects. Diverse suppliers will be invited to participate in each sourcing initiative, ensuring inclusivity in our bidding process. The SoCalGas Supplier Diversity, Supply Chain Management and Facilities teams are planning business showcases for larger bid events seeking physical security, battery services and workplace technology services.

## Major Projects

Engagement with diverse suppliers in connection with major projects will continue throughout 2024, including:

- Expanding an existing RNG project located in the Central Valley to add more equipment for higher throughput at SoCalGas' point of receipt, while the interconnection pipeline will also be upsized to a larger diameter
- Audio-visual equipment and services bid for a major gas operations control facility project (an RFP was issued, with two diverse firms invited to bid)
- Supporting an air quality hyperfuel piping-related project at one of our storage facilities (an RFP was issued in 2023 and three out of four invited bidders were diverse firms)
- Developing two clean energy-related projects, including installing a transmission pipeline infrastructure that connects with a proposed hydrogen plant, and an interconnection pipeline infrastructure at a waste management landfill facility for another RNG project (three diverse suppliers were invited to bid on both projects)

## INTERNAL ACTIVITIES

We will continue to build supplier diversity excellence through the following impactful activities:

- Hosting business showcase events for new clean energy projects, pipeline construction projects, information technology initiatives, facility renovation construction projects and environmental services
- Augmenting technical assistance programs to align with SoCalGas' goals and changes in the business community
- Growing the number of diverse suppliers in the SCORE program
- Promoting supplier diversity through online communication and internal dialogue sessions
- Managing supplier relationships to increase subcontracting opportunities and improve prime suppliers' results
- Focusing on areas of business that are low in diverse supplier participation, such as legal and financial services
- Reinvigorating Supplier Diversity Champions through new activities, such as program promotion, departmental meetings and increasing the frequency of Champions meetings
- Focusing on supplier diversity spend categories that have not achieved the CPUC's goals, including LGBT and Section 8(a)



## EXTERNAL ACTIVITIES

External activities planned for 2024 include:

- Participating in CBO events with outreach, technical assistance and development programs
- In partnership with the U.S. Department of Energy and the Minority Business Development Agency, SoCalGas is hosting a summit for minority businesses to learn about government investments in clean energy, engage with federal, state and local agencies for contracting and grant opportunities and participate in matchmaking sessions
- Partnering with CPUC Joint Utilities to enhance outreach programs
- Communicating opportunities for diverse suppliers to participate in new clean energy projects

- Focusing on the identification of LGBT and persons with disabilities-owned enterprises through targeted outreach efforts and CBO partnerships

### 10.1.3 RECRUITMENT PLANS FOR SUPPLIERS IN UNDERUTILIZED AREAS

#### Legal

The Law Department is committed to deepening its engagement with diverse law firms throughout 2024. This will involve an enhanced presence at outreach events and sustained involvement with bar associations and legal organizations championing diversity. We will maintain our collaboration with a diverse law firm for GRC-related matters, ensuring that diverse perspectives and expertise contribute to our legal strategies.

#### Finance

Our approach to recruiting diverse financial services firms remains dynamic and inclusive.

We will continue to meet with and select diverse financial services firms which are added to our list of qualified diverse firms. Consideration will be given to the type of diverse certification, community outreach and involvement and financial performance.

We will also continue to invite diverse firms to participate in our public debt offerings. This strategy ensures that a wide range of

viewpoints and capabilities are represented in our financial operations.

### 10.1.4 PLANS FOR UNAVAILABLE SUPPLIERS

SoCalGas continues to support outreach efforts to identify diverse suppliers in areas where none are currently known to be available. We will continue to access the Supplier Clearinghouse as well as our CBO partners to increase our outreach efforts.

### 10.1.5 SUBCONTRACTING PLANS

To increase diverse subcontracting opportunities, we plan to:

- Actively engage with all prime contractors (diverse and non-diverse) that are not meeting their subcontracting goals and help them develop action plans to address any challenges
- Coordinate meetings and networking workshops between top prime suppliers and diverse subcontractors to open possible opportunities for partnership and increase subcontracting performance
- Host business showcases to introduce prime suppliers to diverse suppliers for future business opportunities in strategic sourcing initiatives
- Encourage the inclusion of diverse vendor subcontracting plans in RFPs and final contracts



*SoCalGas Project Manager Nancy Ngugi (left) receives a National Association of Minority Contractors award from Robin Thorne, CEO of CTI Environmental.*

- Continue to attend RFP planning and pre-bid meetings to promote diverse supplier participation
- Develop, implement and monitor diverse business sourcing plans for major capital projects
- Contact diverse businesses that can potentially subcontract but are not certified and encourage them to seek certification, coupled with technical support to those who need it

### 10.1.6 PROGRAM COMPLIANCE

SoCalGas is committed in spirit and in practice to General Order 156. Our supplier diversity practices are not only compliant, but continue to expand business opportunities for suppliers of all types across California.

# 2023

## ANNUAL REPORT

### FUEL PROCUREMENT

In 2023, **\$903.46 million** in SoCalGas' natural gas procurement was from diverse firms, representing **22.41%** of total natural gas purchases.

#### 9.1.11.A.1 MARKET ORIGIN AND FUEL TYPE

##### INTERNAL ACTIVITIES

In 2023, our Gas Acquisition team focused on engaging qualified diverse firms for our gas procurement transactions. The team played a crucial role in monitoring and communicating market trends on natural gas supply and demand, commodities pricing, banking and financing resources to participating diverse firms that could increase involvement of diverse suppliers in natural gas procurement. As a result, there has been an increase in our pool of diverse suppliers in recent years.

##### EXTERNAL ACTIVITIES

Our participation in initiatives led by the National Association of Regulatory Utility Commissioners (NARUC) helps develop and promote a national utility supplier diversity program. Through these efforts, we aim to not only support but inspire the growth and success of diverse business enterprises in the energy sector.

Fuels for Non-Generation Purchases		
	Dollars	Volume (Billion BTUs)
Canadian Source Natural Gas	\$40,375,413	17,573,841
Domestic On-Shore Natural Gas Purchases from Non-Diverse Suppliers	\$3,086,612,959	351,272,381
Domestic On-Shore Natural Gas Purchases from Diverse Suppliers	\$903,455,937	103,984,833
Natural Gas Purchases/Payments - Other Utilities	\$0	0
<b>Total Natural Gas Purchased</b>	<b>\$4,030,444,309</b>	<b>472,831,055</b>

Fuels for non-generation information provided is required pursuant to CPUC General Order 156, section 8.1.1

### 9.1.11.A.2 VOLUME AND DOLLAR MAGNITUDE

In the past year, SoCalGas has seen a notable increase in procurement from minority, women and disabled veteran business enterprises, attributed to both a rise in participation from these groups and our sustained efforts to support and grow this momentum.

Natural Gas Suppliers by Ethnicity		
Federally recognized tribes (sovereign nations) and Native American-owned	\$64,602,631	1.60%
African American-owned	\$247,536,497	6.14%
Hispanic American-owned	\$43,115,187	1.07%
Asian Pacific American-owned	\$183,453,429	4.55%
Women-owned	\$144,778,553	3.59%
Disabled Veteran Business Enterprise-owned	\$219,969,640	5.46%
Lesbian, Gay, Bisexual and Transgender-owned	\$0	0%
<b>Total</b>	<b>\$903,455,937</b>	<b>22.41%</b>

Fuels for non-generation information provided is required pursuant to CPUC General Order 156, section 8.1.1

### 9.1.11.A.4 ETHNICITY AND GENDER OF SUPPLIERS

SoCalGas purchased 22.41% of our natural gas supplies from diverse firms, totaling \$903.46 million. Below is a breakdown of the company's natural gas purchases by ethnicity. Please refer to Chart Addendum A7 on page 44 for a breakdown by ethnicity and gender.

### 9.1.11.B.1 EXISTING AND/OR CHANGING MARKET CONDITIONS

SoCalGas' commitment to identify and develop relationships with diverse suppliers in natural gas procurement remains a key priority. With the implementation of the renewable gas standard, we anticipate new opportunities for diverse suppliers to participate in the West Coast market. SoCalGas is enthusiastic about the expansion and future prospects of our diverse supplier base in this evolving landscape.

### 9.1.11.B.2 SPECIFIC OUTREACH PROGRAMS

SoCalGas' ability to increase the involvement of natural gas suppliers is the result of support and engagement by larger market participants. We remain committed to expanding our diverse natural gas supplier portfolio and will focus on increasing the participation of these suppliers in the West Coast market.

Despite ongoing credit concerns, the involvement of banking institutions has introduced a measure of stability to the market. SoCalGas will persist in our efforts to sponsor development activities for diverse suppliers, aiming to broaden their presence and participation in the market.

### 9.1.11.B.3A EXCLUSIONS OF SPECIFIC FUEL CATEGORY

Please refer to Chart Addendum A7 on page 44.

# 2024

## ANNUAL PLAN

### FUEL PROCUREMENT



SoCalGas sponsored the Asian Business Association - Orange County's BizCon event, which offered panel discussions and networking opportunities for Asian American entrepreneurs.

#### 10.1.1 GOALS

SoCalGas will continue to work toward meeting short-, mid- and long-term goals of 23%, which also supports the CPUC goal.

#### 10.1.2 PLANNED ACTIVITIES

##### INTERNAL ACTIVITIES

We will continue to increase the company's diverse natural gas supplier base in 2024. This includes providing mentoring and other assistance to emerging suppliers with high potential in this sector. Further, our Gas Acquisition staff, managers and senior leaders will continue to collaborate with buyers and diverse firms on their goals and progress.

##### EXTERNAL ACTIVITIES

Our activities to increase participation of diverse natural gas suppliers include:

- Providing diverse firms with support to access financing and credit institutions
- Working with key organizations to identify and develop diverse natural gas suppliers

- Participating in energy industry fairs to promote diverse natural gas supplier opportunities
- Reaching out to emerging diverse natural gas firms through industry and business associations
- Offering mentoring, business development and educational opportunities
- Encouraging major energy companies to participate in trading with diverse businesses
- Serving in a leadership role on the National Utilities Diversity Council

#### 10.1.3 RECRUITMENT PLANS FOR SUPPLIERS IN UNDERUTILIZED AREAS

Our engagement efforts will continue at trade fairs to connect with and recruit diverse suppliers for natural gas procurement. SoCalGas is open to competitive offers from all markets, including international sources like Canada and offshore, as we aim to broaden our diverse supplier network.

#### 10.1.4 PLANS FOR UNAVAILABLE SUPPLIERS

SoCalGas is dedicated to ongoing outreach to discover potential suppliers in areas currently lacking diversity, ensuring that no market is overlooked in our supplier diversity efforts.

#### 10.1.5 SUBCONTRACTING PLANS

At present, there are no subcontracting opportunities available. However, SoCalGas remains committed to exploring all avenues to foster diversity and inclusion within our procurement processes as opportunities arise.

#### 10.1.6 PROGRAM COMPLIANCE

SoCalGas will persist in our outreach to diverse firms consistent with the aims of General Order 156. Our commitment to supplier diversity is unwavering as we continue to seek innovative ways to support and enhance diversity within our supply chain.

# CHART ADDENDUMS SUMMARY OF PURCHASES/CONTRACTS

## A1 9.1.2 Supplier Diversity Results by Ethnicity

		Direct <sup>1</sup>	Sub <sup>2</sup>	Total \$	%
Minority Male	African American	\$82,567,669	\$22,051,949	\$104,619,618	4.52%
	Asian Pacific American	\$128,648,160	\$20,092,742	\$148,740,902	6.42%
	Hispanic American	\$196,342,579	\$79,606,825	\$275,949,404	11.92%
	Native American	\$73,906,216	\$3,366,432	\$77,272,648	3.34%
	<b>Overall Result</b>	<b>\$481,464,624</b>	<b>\$125,117,948</b>	<b>\$606,582,572</b>	<b>26.20%</b>
Minority Female	African American	\$16,703,324	\$10,004,632	\$26,707,956	1.15%
	Asian Pacific American	\$27,530,992	\$4,918,959	\$32,449,951	1.40%
	Hispanic American	\$20,286,411	\$28,802,181	\$49,088,592	2.12%
	Native American	\$395,657	\$455,976	\$851,633	0.04%
	<b>Overall Result</b>	<b>\$64,916,384</b>	<b>\$44,181,748</b>	<b>\$109,098,132</b>	<b>4.71%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>\$546,381,008</b>	<b>\$169,299,696</b>	<b>\$715,680,704</b>	<b>30.91%</b>
<b>Women Business Enterprise (WBE)</b>		<b>\$153,925,676</b>	<b>\$74,910,139</b>	<b>\$228,835,815</b>	<b>9.89%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>\$646,290</b>	<b>\$69,456</b>	<b>\$715,746</b>	<b>0.03%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>\$41,897,189</b>	<b>\$32,537,640</b>	<b>\$74,434,829</b>	<b>3.22%</b>
<b>Persons with Disabilities Business Enterprise (PDBE)</b>		<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>8(a)*</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Supplier Diversity Spend</b>		<b>\$742,850,163</b>	<b>\$276,816,931</b>	<b>\$1,019,667,094</b>	<b>44.05%</b>
<b>Net Procurement**</b>		<b>\$2,314,943,541</b>			

### NOTES:

\*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTBDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)

\*\*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

The procurement information provided is required pursuant to CPUC General Order 156

## A2 9.1.2 Supplier Diversity Direct Procurement Results by Product and Service Categories

			Product		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	African American	Direct	\$12,754,759	0.55%	\$69,812,909	3.02%	\$82,567,668	3.57%
	Asian Pacific American	Direct	\$16,998,538	0.74%	\$111,649,623	4.82%	\$128,648,161	5.56%
	Hispanic American	Direct	\$14,855,301	0.64%	\$181,487,277	7.84%	\$196,342,578	8.48%
	Native American	Direct	\$1,166,633	0.05%	\$72,739,584	3.14%	\$73,906,217	3.19%
	<b>Overall Result</b>	<b>Direct</b>	<b>\$45,775,231</b>	<b>1.98%</b>	<b>\$435,689,393</b>	<b>18.82%</b>	<b>\$481,464,624</b>	<b>20.80%</b>
Minority Female	African American	Direct	\$3,361	0.00%	\$16,699,962	0.72%	\$16,703,323	0.72%
	Asian Pacific American	Direct	\$5,953,763	0.26%	\$21,577,229	0.93%	\$27,530,992	1.19%
	Hispanic American	Direct	\$2,631,156	0.11%	\$17,655,256	0.76%	\$20,286,412	0.87%
	Native American	Direct	\$5,850	0.00%	\$389,807	0.02%	\$395,657	0.02%
	<b>Overall Result</b>	<b>Direct</b>	<b>\$8,594,130</b>	<b>0.37%</b>	<b>\$56,322,254</b>	<b>2.43%</b>	<b>\$64,916,384</b>	<b>2.80%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>Direct</b>	<b>\$54,369,361</b>	<b>2.35%</b>	<b>\$492,011,647</b>	<b>21.25%</b>	<b>\$546,381,008</b>	<b>23.60%</b>
<b>Women Business Enterprise (WBE)</b>		<b>Direct</b>	<b>\$43,895,008</b>	<b>1.90%</b>	<b>\$110,030,668</b>	<b>4.75%</b>	<b>\$153,925,676</b>	<b>6.65%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>Direct</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$646,290</b>	<b>0.03%</b>	<b>\$646,290</b>	<b>0.03%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>Direct</b>	<b>\$214,649</b>	<b>0.01%</b>	<b>\$41,682,540</b>	<b>1.80%</b>	<b>\$41,897,189</b>	<b>1.81%</b>
<b>Persons with Disabilities Business Enterprise (PDDBE)</b>		<b>Direct</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>8(a)*</b>		<b>Direct</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Supplier Diversity Spend</b>		<b>Direct</b>	<b>\$98,479,018</b>	<b>4.26%</b>	<b>\$644,371,145</b>	<b>27.83%</b>	<b>\$742,850,163</b>	<b>32.09%</b>
<b>Net Procurement**</b>			<b>\$2,314,943,541</b>					
<b>Net Product Procurement</b>			<b>\$309,584,630</b>					
<b>Net Service Procurement</b>			<b>\$2,005,358,911</b>					
<b>Total Number of Diverse Suppliers that Received Direct Spend</b>			<b>340</b>					

**NOTES:**

\*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTPDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (50 CFR 1.13.13)

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

Direct - Means Direct Procurement: when a utility procures from a supplier

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

The procurement information provided is required pursuant to CPUC General Order 156

### A3 9.1.2 Supplier Diversity Subcontractor Procurement Results by Product and Service Categories

			Product		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	African American	Sub	\$860,232	0.04%	\$21,191,717	0.91%	\$22,051,949	0.95%
	Asian Pacific American	Sub	\$431,666	0.02%	\$19,661,075	0.85%	\$20,092,741	0.87%
	Hispanic American	Sub	\$7,908,692	0.34%	\$71,698,134	3.10%	\$79,606,826	3.44%
	Native American	Sub	\$0	0.00%	\$3,366,432	0.14%	\$3,366,432	0.14%
	<b>Total Minority Male</b>	<b>Sub</b>	<b>\$9,200,590</b>	<b>0.40%</b>	<b>\$115,917,358</b>	<b>5.00%</b>	<b>\$125,117,948</b>	<b>5.40%</b>
Minority Female	African American	Sub	\$0	0.00%	\$10,004,633	0.43%	\$10,004,633	0.43%
	Asian Pacific American	Sub	\$46,860	0.00%	\$4,872,098	0.21%	\$4,918,958	0.21%
	Hispanic American	Sub	\$6,224,168	0.27%	\$22,578,013	0.98%	\$28,802,181	1.25%
	Native American	Sub	\$1,397	0.00%	\$454,579	0.02%	\$455,976	0.02%
	<b>Total Minority Female</b>	<b>Sub</b>	<b>\$6,272,425</b>	<b>0.27%</b>	<b>\$37,909,323</b>	<b>1.64%</b>	<b>\$44,181,748</b>	<b>1.91%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>Sub</b>	<b>\$15,473,015</b>	<b>0.67%</b>	<b>\$153,826,681</b>	<b>6.64%</b>	<b>\$169,299,696</b>	<b>7.31%</b>
<b>Women Business Enterprise (WBE)</b>		<b>Sub</b>	<b>\$7,594,826</b>	<b>0.33%</b>	<b>\$67,315,313</b>	<b>2.91%</b>	<b>\$74,910,139</b>	<b>3.24%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>Sub</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$69,456</b>	<b>0.00%</b>	<b>\$69,456</b>	<b>0.00%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>Sub</b>	<b>\$243,411</b>	<b>0.01%</b>	<b>\$32,294,229</b>	<b>1.40%</b>	<b>\$32,537,640</b>	<b>1.41%</b>
<b>Persons with Disabilities Business Enterprise (PDBE)</b>		<b>Sub</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>8(a)*</b>		<b>Sub</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total Supplier Diversity Spend</b>		<b>Sub</b>	<b>\$23,311,252</b>	<b>1.01%</b>	<b>\$253,505,679</b>	<b>10.95%</b>	<b>\$276,816,931</b>	<b>11.96%</b>
<b>Net Procurement**</b>			<b>\$2,314,943,541</b>		<b>NOTES:</b>			
<b>Net Product Procurement</b>			<b>\$309,584,630</b>		*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTBPDDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)			
<b>Net Service Procurement</b>			<b>\$2,005,358,911</b>		**Net Procurement includes purchase orders, non-purchase orders, and credit card dollars			

Direct - Means Direct Procurement: when a utility procures from a supplier  
 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  
 The procurement information provided is required pursuant to CPUC General Order 156



#### A4 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female								
23 - Apparel & Other Fabric Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$340,678
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%	
28 - Chemicals & Allied Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$13,787,130
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%	
30 - Rubber & Miscellaneous Plastics Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$196	\$0	\$0	N/A	\$0	\$196	\$3,577,387
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%	
32 - Stone, Clay, Glass & Concrete Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$2,022,287
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%	
33 - Primary Metal Industries	\$0	\$0	\$15,219,151	\$0	\$3,282,279	\$0	\$0	\$0	\$18,501,430	\$0	\$0	\$0	N/A	\$0	\$18,501,430	\$45,281,346
	0.00%	0.00%	0.66%	0.00%	0.14%	0.00%	0.00%	0.00%	0.80%	0.00%	0.00%	0.00%	N/A	0.00%	0.80%	
34 - Fabricated Metal Prods, Except Machinery	\$0	\$0	\$0	\$0	\$1,764,940	\$1,125	\$0	\$0	\$1,766,065	\$9,588,780	\$0	\$0	N/A	\$0	\$11,354,845	\$24,846,520
	0.00%	0.00%	0.00%	0.00%	0.08%	0.00%	0.00%	0.00%	0.08%	0.41%	0.00%	0.00%	N/A	0.00%	0.49%	
35 - Industrial & Comm'l Machinery & Computers	\$6,625	\$0	\$0	\$0	\$140,727	\$0	\$71,237	\$0	\$218,589	\$2,257,109	\$0	\$0	N/A	\$0	\$2,475,698	\$15,001,607
	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.10%	0.00%	0.00%	N/A	0.00%	0.11%	
36 - Electronic & Electric Equip & Components	\$0	\$0	\$0	\$0	\$1,069,884	\$0	\$0	\$0	\$1,069,884	\$15,413	\$0	\$0	N/A	\$0	\$1,085,297	\$17,914,925
	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	N/A	0.00%	0.05%	
37 - Transportation Equip	\$0	\$0	\$0	\$0	\$11,608,855	\$0	\$0	\$0	\$11,608,855	\$0	\$0	\$0	N/A	\$0	\$11,608,855	\$13,553,780
	0.00%	0.00%	0.00%	0.00%	0.50%	0.00%	0.00%	0.00%	0.50%	0.00%	0.00%	0.00%	N/A	0.00%	0.50%	
38 - Measuring, Analyzing & Controlling Instr	\$0	\$0	\$0	\$0	\$2,288	\$1,112,155	\$0	\$0	\$1,114,443	\$3,007,774	\$0	\$0	N/A	\$0	\$4,122,217	\$16,692,497
	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.05%	0.13%	0.00%	0.00%	N/A	0.00%	0.18%	
39 - Miscellaneous Manufacturing Industries	\$0	\$0	\$0	\$0	\$0	\$542,802	\$0	\$0	\$542,802	\$0	\$0	\$0	N/A	\$0	\$542,802	\$5,320,221
	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	N/A	0.00%	0.02%	
50 - Wholesale Trade-Durable Goods	\$510,988	\$0	\$2,206,161	\$6,000,623	\$1,273,492	\$7,155,724	\$1,095,396	\$7,247	\$18,249,631	\$9,156,923	\$0	\$127,642	N/A	\$0	\$27,534,196	\$88,034,225
	0.02%	0.00%	0.10%	0.26%	0.05%	0.31%	0.05%	0.00%	0.79%	0.39%	0.00%	0.01%	N/A	0.00%	1.19%	
51 - Wholesale Trade-Nondurable Goods	\$13,097,378	\$0	\$0	\$0	\$3,433,653	\$0	\$0	\$0	\$16,531,031	\$27,244,780	\$0	\$115,769	N/A	\$0	\$43,891,580	\$56,168,188
	0.56%	0.00%	0.00%	0.00%	0.15%	0.00%	0.00%	0.00%	0.71%	1.18%	0.00%	0.01%	N/A	0.00%	1.90%	

**A4** 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes (CONTINUED)

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$	
	Male	Female	Male	Female	Male	Female	Male	Female									
52 - Bldg Mats, Hardware & Garden Supply	\$0	\$0	\$0	\$0	\$249	\$0	\$0	\$0	\$249	\$0	\$0	\$0	N/A	\$0	\$249	\$708,774	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%		
53 - General Merchandise Stores	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$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%	N/A	0.00%	0.00%		
54 - Food Stores	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$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%	N/A	0.00%	0.00%		
55 - Automotive Dlr's & Gasoline Svc Stations	\$0	\$0	\$0	\$0	\$116,906	\$0	\$0	\$0	\$116,906	\$0	\$0	\$0	N/A	\$0	\$116,906	\$4,118,643	
	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	N/A	0.00%	0.01%		
58 - Eating & Drinking Places	\$0	\$3,361	\$0	\$0	\$0	\$0	\$0	\$0	\$3,361	\$218,859	\$0	\$0	N/A	\$0	\$222,220	\$1,031,188	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	N/A	0.00%	0.01%		
59 - Miscellaneous Retail	\$0	\$0	\$4,892	\$0	\$70,720	\$43,518	\$0	\$0	\$119,130	\$0	\$0	\$214,649	N/A	\$0	\$333,779	\$1,185,234	
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.01%	N/A	0.00%	0.02%		
<b>Total \$</b>	<b>\$13,614,991</b>	<b>\$3,361</b>	<b>\$17,430,204</b>	<b>\$6,000,623</b>	<b>\$22,763,993</b>	<b>\$8,855,324</b>	<b>\$1,166,633</b>	<b>\$7,247</b>	<b>\$69,842,376</b>	<b>\$51,489,834</b>	<b>\$0</b>	<b>\$458,060</b>	<b>N/A</b>	<b>\$0</b>	<b>\$121,790,270</b>	<b>\$309,584,630</b>	
<b>Total %</b>	<b>4.40%</b>	<b>0.00%</b>	<b>5.63%</b>	<b>1.94%</b>	<b>7.35%</b>	<b>2.86%</b>	<b>0.38%</b>	<b>0.00%</b>	<b>22.56%</b>	<b>16.63%</b>	<b>0.00%</b>	<b>0.15%</b>	<b>N/A</b>	<b>0.00%</b>	<b>39.34%</b>		
<b>Net Procurement**</b>	<b>\$2,314,943,541</b>																

**NOTES:**

\*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTBPDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)

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

Direct - Means Direct Procurement: when a utility directly procures from a supplier

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

The procurement information provided is required pursuant to CPUC General Order 156

## A5 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female								
07 - Agricultural Services	\$0	\$24,494	\$0	\$121,306	\$896,638	\$0	\$0	\$0	\$1,042,438	\$255,943	\$0	\$0	N/A	\$0	\$1,298,381	\$2,826,885
	0.00%	0.00%	0.00%	0.01%	0.04%	0.00%	0.00%	0.00%	0.05%	0.01%	0.00%	0.00%	N/A	0.00%	0.06%	
13 - Oil & Gas Extraction	\$0	\$0	\$0	\$11,327,750	\$903,014	\$752	\$8,360,660	\$0	\$20,592,176	\$13,261	\$0	\$65,428	N/A	\$0	\$20,670,865	\$111,380,233
	0.00%	0.00%	0.00%	0.49%	0.04%	0.00%	0.36%	0.00%	0.89%	0.00%	0.00%	0.00%	N/A	0.00%	0.89%	
15 - Bldg Construction-General Contractors	\$1,321,315	\$0	\$3,985,977	\$0	\$15,246,381	\$0	\$25,041,057	\$105,000	\$45,699,730	\$10,434,166	\$0	\$24,199,219	N/A	\$0	\$80,333,115	\$98,743,643
	0.06%	0.00%	0.17%	0.00%	0.66%	0.00%	1.08%	0.00%	1.97%	0.45%	0.00%	1.05%	N/A	0.00%	3.47%	
16 - Heavy Construction Other Than Building	\$0	\$0	\$0	\$0	\$85,307,875	\$13,792,705	\$0	\$0	\$99,100,580	\$18,108,241	\$0	\$39,269,468	N/A	\$0	\$156,478,289	\$425,464,666
	0.00%	0.00%	0.00%	0.00%	3.68%	0.60%	0.00%	0.00%	4.28%	0.78%	0.00%	1.70%	N/A	0.00%	6.76%	
17 - Construction-Special Trade Contractors	\$2,303,761	\$0	\$12,837,995	\$1,387,940	\$36,333,930	\$2,734,875	\$14,237,223	\$280,450	\$70,116,174	\$52,812,261	\$407,706	\$4,412,724	N/A	\$0	\$127,748,865	\$270,998,350
	0.10%	0.00%	0.55%	0.06%	1.57%	0.12%	0.62%	0.01%	3.03%	2.28%	0.02%	0.19%	N/A	0.00%	5.52%	
27 - Printing, Publishing & Allied Industries	\$0	\$0	\$0	\$0	\$242,600	\$0	\$0	\$0	\$242,600	\$1,205,634	\$0	\$0	N/A	\$0	\$1,448,234	\$4,318,834
	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.05%	0.00%	0.00%	N/A	0.00%	0.06%	
42 - Motor Freight Transport & Warehousing	\$2,787,797	\$9,148,937	\$0	\$189,539	\$15,889,569	\$11,949,738	\$0	\$7,315	\$39,972,895	\$8,421,229	\$0	\$0	N/A	\$0	\$48,394,124	\$51,642,913
	0.12%	0.40%	0.00%	0.01%	0.69%	0.51%	0.00%	0.00%	1.73%	0.36%	0.00%	0.00%	N/A	0.00%	2.09%	
47 - Transportation Services	\$1,275	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,275	\$0	\$0	\$0	N/A	\$0	\$1,275	\$579,898
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%	
49 - Electric, Gas & Sanitary Services	\$3,210,731	\$0	\$0	\$0	\$19,716,985	\$631,024	\$0	\$0	\$23,558,740	\$0	\$0	\$0	N/A	\$0	\$23,558,740	\$32,525,316
	0.14%	0.00%	0.00%	0.00%	0.85%	0.03%	0.00%	0.00%	1.02%	0.00%	0.00%	0.00%	N/A	0.00%	1.02%	
60 - Depository Institutions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N/A	\$0	\$0	\$7,598,034
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%	0.00%	
62 - Security & Commodity Brokers & Exchs	\$0	\$381,250	\$0	\$0	\$305,000	\$0	\$0	\$0	\$686,250	\$0	\$0	\$1,175	N/A	\$0	\$687,425	\$8,908,306
	0.00%	0.02%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	N/A	0.00%	0.03%	
64 - Insurance Agents, Brokers & Services	\$0	\$15,575	\$0	\$0	\$133,993	\$59,242	\$2,148	\$0	\$210,958	\$539,262	\$0	\$0	N/A	\$0	\$750,220	\$2,236,513
	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.02%	0.00%	0.00%	N/A	0.00%	0.03%	

**A5** 9.1.2 Supplier Diversity Results by Standard Industrial Classification (SIC) Codes (CONTINUED)

SIC Category	African American		Asian Pacific American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Minority Business Enterprise (WMBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Other 8(a)*	Total Supplier Diversity Spend	Total Procurement \$
	Male	Female	Male	Female	Male	Female	Male	Female								
65 - Real Estate	\$1,984,183	\$35,564	\$0	\$0	\$28,975	\$0	\$0	\$0	\$2,048,722	\$248,227	\$0	\$0	N/A	\$0	\$2,296,949	\$5,991,542
	0.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.01%	0.00%	0.00%	N/A	0.00%	0.10%	
73 - Business Svcs	\$61,960,106	\$4,244,619	\$21,758,026	\$8,778,243	\$23,034,718	\$6,539,796	\$28,269,753	\$439,070	\$155,024,331	\$33,863,151	\$0	\$3,449,304	N/A	\$0	\$192,336,786	\$451,105,753
	2.68%	0.18%	0.94%	0.38%	1.00%	0.28%	1.22%	0.02%	6.70%	1.46%	0.00%	0.15%	N/A	0.00%	8.31%	
75 - Automotive Repair, Services & Parking	\$9,042,273	\$0	\$0	\$0	\$6,747,784	\$219,761	\$0	\$0	\$16,009,818	\$70,235	\$0	\$0	N/A	\$0	\$16,080,053	\$20,289,147
	0.39%	0.00%	0.00%	0.00%	0.29%	0.01%	0.00%	0.00%	0.69%	0.00%	0.00%	0.00%	N/A	0.00%	0.69%	
76 - Miscellaneous Repair Services	\$0	\$0	\$92,757	\$0	\$1,331,673	\$0	\$0	\$0	\$1,424,430	\$177,206	\$0	\$0	N/A	\$0	\$1,601,636	\$3,376,001
	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%	0.00%	0.06%	0.01%	0.00%	0.00%	N/A	0.00%	0.07%	
80 - Health Services	\$0	\$0	\$0	\$860,300	\$45,960	\$0	\$0	\$0	\$906,260	\$41,441	\$0	\$0	N/A	\$0	\$947,701	\$1,197,790
	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	N/A	0.00%	0.04%	
81 - Legal Services	\$66,240	\$94,462	\$357,982	\$282,322	\$665,509	\$0	\$0	\$0	\$1,466,515	\$827,185	\$0	\$0	N/A	\$0	\$2,293,700	\$9,011,574
	0.00%	0.00%	0.02%	0.01%	0.03%	0.00%	0.00%	0.00%	0.06%	0.04%	0.00%	0.00%	N/A	0.00%	0.10%	
87 - Engrg, Acctg, Research & Management	\$8,326,945	\$12,759,694	\$92,244,960	\$3,051,441	\$46,169,936	\$2,335,909	\$195,175	\$0	\$165,084,060	\$32,207,228	\$283,310	\$1,065,998	N/A	\$0	\$198,640,596	\$458,646,343
	0.36%	0.55%	3.99%	0.13%	1.99%	0.10%	0.01%	0.00%	7.13%	1.39%	0.01%	0.05%	N/A	0.00%	8.58%	
89 - Miscellaneous Services	\$0	\$0	\$33,001	\$450,486	\$184,871	\$1,969,467	\$0	\$12,551	\$2,650,376	\$18,121,311	\$24,730	\$1,513,453	N/A	\$0	\$22,309,870	\$38,517,170
	0.00%	0.00%	0.00%	0.01%	0.01%	0.09%	0.00%	0.00%	0.11%	0.78%	0.00%	0.07%	N/A	0.00%	0.96%	
<b>Total \$</b>	<b>\$91,004,626</b>	<b>\$26,704,595</b>	<b>\$131,310,698</b>	<b>\$26,449,327</b>	<b>\$253,185,411</b>	<b>\$40,233,269</b>	<b>\$76,106,016</b>	<b>\$844,386</b>	<b>\$645,838,328</b>	<b>\$177,345,981</b>	<b>\$715,746</b>	<b>\$73,976,769</b>	<b>N/A</b>	<b>\$0</b>	<b>\$897,876,824</b>	<b>\$2,005,358,911</b>
<b>Total %</b>	<b>4.54%</b>	<b>1.33%</b>	<b>6.55%</b>	<b>1.32%</b>	<b>12.62%</b>	<b>2.01%</b>	<b>3.80%</b>	<b>0.04%</b>	<b>32.21%</b>	<b>8.84%</b>	<b>0.03%</b>	<b>3.69%</b>	<b>N/A</b>	<b>0.00%</b>	<b>44.77%</b>	
<b>Net Procurement**</b>			<b>\$2,314,943,541</b>													

**NOTES:**

\*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTPDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)

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

Direct - Means Direct Procurement: when a utility directly procures from a supplier

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

The procurement information provided is required pursuant to CPUC General Order 156

## A6 9.1.2 Number of Diverse Suppliers and Revenue Reported to the Supplier Clearinghouse

In 2023, SoCalGas utilized **618** direct and subcontractor diverse suppliers, and **86.9%** of these suppliers' workforce was based in California.

DATA ON NUMBER OF SUPPLIERS														
Number of Diverse Suppliers	Revenue Reported to the Supplier Clearinghouse							Utility-Specific Summary						
	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	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
Under \$1M or Unknown	102	44	3	27	N/A	0	176	279	159	4	24	N/A	0	466
Under \$5 million	109	56	0	1	N/A	0	166	67	29	0	5	N/A	0	101
Under \$10 million	54	39	0	1	N/A	0	94	13	12	0	0	N/A	0	25
Above \$10 million	115	64	1	2	N/A	0	182	21	3	0	2	N/A	0	26
<b>TOTAL</b>	<b>380</b>	<b>203</b>	<b>4</b>	<b>31</b>	<b>N/A</b>	<b>0</b>	<b>618</b>	<b>380</b>	<b>203</b>	<b>4</b>	<b>31</b>	<b>N/A</b>	<b>0</b>	<b>618</b>

REVENUE AND PAYMENT DATA														
Revenue of Diverse Suppliers	Revenue Reported to the Supplier Clearinghouse							Utility-Specific Summary						
	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	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 \$
Under \$1M or Unknown	\$35,183,001	\$17,179,007	\$1,124,623	\$203,111	N/A	\$0	\$53,689,742	\$53,370,136	\$27,493,033	\$715,746	\$4,367,465	N/A	\$0	\$85,946,380
Under \$5 million	\$262,038,494	\$150,328,706	\$0	\$3,215,623	N/A	\$0	\$415,582,823	\$155,166,313	\$76,486,129	\$0	\$9,265,979	N/A	\$0	\$240,918,421
Under \$10 million	\$374,918,535	\$284,792,955	\$0	\$7,892,470	N/A	\$0	\$667,603,960	\$93,905,175	\$87,578,894	\$0	\$0	N/A	\$0	\$181,484,069
Above \$10 million	\$40,600,796,115	\$4,561,569,238	\$12,500,000	\$85,267,555	N/A	\$0	\$45,260,132,908	\$413,239,080	\$37,277,759	\$0	\$60,801,385	N/A	\$0	\$511,318,224
<b>TOTAL</b>	<b>\$41,272,936,145</b>	<b>\$5,013,869,906</b>	<b>\$13,624,623</b>	<b>\$96,578,759</b>	<b>N/A</b>	<b>\$0</b>	<b>\$46,397,009,433</b>	<b>\$715,680,704</b>	<b>\$228,835,815</b>	<b>\$715,746</b>	<b>\$74,434,829</b>	<b>N/A</b>	<b>\$0</b>	<b>\$1,019,667,094</b>

**NOTE:**

\*8(a) - Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTBPDBE. Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)

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

The procurement information provided is required pursuant to CPUC General Order 156

## A7 9.1.11 Annual Energy Results in Fuel Procurement

		Natural Gas \$		LPG \$ <sup>1</sup>		Totals \$ <sup>2</sup>			T% <sup>3</sup>
		Short Term	Long Term	Short Term	Long Term	Total Natural Gas	Total LPG	Total \$	
Minority Male	African American	\$100,408,974	\$93,647,213	\$0	\$0	\$194,056,187	\$0	\$194,056,187	4.81%
	Asian Pacific American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
	Hispanic American	\$18,604,071	\$4,466,741	\$0	\$0	\$23,070,812	\$0	\$23,070,812	0.57%
	Native American	\$44,890,368	\$0	\$0	\$0	\$44,890,368	\$0	\$44,890,368	1.11%
	<b>Total Minority Male</b>	<b>\$163,903,413</b>	<b>\$98,113,954</b>	<b>\$0</b>	<b>\$0</b>	<b>\$262,017,367</b>	<b>\$0</b>	<b>\$262,017,367</b>	<b>6.49%</b>
Minority Female	African American	\$8,609,208	\$44,871,102	\$0	\$0	\$53,480,310	\$0	\$53,480,310	1.33%
	Asian Pacific American	\$0	\$183,453,429	\$0	\$0	\$183,453,429	\$0	\$183,453,429	4.55%
	Hispanic American	\$15,569,714	\$4,474,661	\$0	\$0	\$20,044,375	\$0	\$20,044,375	0.50%
	Native American	\$15,237,602	\$4,474,661	\$0	\$0	\$19,712,263	\$0	\$19,712,263	0.49%
	<b>Total Minority Female</b>	<b>\$39,416,524</b>	<b>\$237,273,853</b>	<b>\$0</b>	<b>\$0</b>	<b>\$276,690,377</b>	<b>\$0</b>	<b>\$276,690,377</b>	<b>6.87%</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>\$203,319,937</b>	<b>\$335,387,807</b>	<b>\$0</b>	<b>\$0</b>	<b>\$538,707,744</b>	<b>\$0</b>	<b>\$538,707,744</b>	<b>13.36%</b>
<b>Women Business Enterprise (WBE)</b>		<b>\$65,817,521</b>	<b>\$78,961,032</b>	<b>\$0</b>	<b>\$0</b>	<b>\$144,778,553</b>	<b>\$0</b>	<b>\$144,778,553</b>	<b>3.59%</b>
<b>Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Disabled Veteran Business Enterprise (DVBE)</b>		<b>\$141,032,389</b>	<b>\$78,937,251</b>	<b>\$0</b>	<b>\$0</b>	<b>\$219,969,640</b>	<b>\$0</b>	<b>\$219,969,640</b>	<b>5.46%</b>
<b>Persons with Disabilities Business Enterprise (PDBE)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Other 8(a)<sup>4</sup></b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Total WMDVLGBTBE</b>		<b>\$410,169,847</b>	<b>\$493,286,090</b>	<b>\$0</b>	<b>\$0</b>	<b>\$903,455,937</b>	<b>\$0</b>	<b>\$903,455,937</b>	<b>22.41%</b>

<b>Net Fuel Procurement</b>	<b>\$4,030,444,309</b>
<b>Net Natural Gas Procurement</b>	<b>\$4,030,444,309</b>
<b>Net LPG Procurement</b>	<b>\$0</b>

**NOTE:**

Short Term: The term of the deal is no longer than one calendar month

Long Term: The term of the deal is greater than one calendar month but less than one calendar year

<sup>1</sup> LPG - Liquefied Petroleum Gas

<sup>2</sup> Excludes purchases from the CAISO, other utilities, federal entities, state entities, municipalities and cooperatives

<sup>3</sup> % - Percentage of Net Fuel Procurement

<sup>4</sup> 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13)

Dollars and Percentages reflect rounding differences

The procurement information provided is required pursuant to CPUC General Order 156

## WORKFORCE AND BOARD DIVERSITY

At SoCalGas, advancing diversity, equity and inclusion (DEI) is aligned with our values and a vital driver of our success. DEI extends beyond our doors, reaching into the communities and businesses with whom we partner. We firmly believe that a diverse and inclusive supplier base fuels innovation, strengthens resilience and fosters a more equitable economy. Investing in our own diversity paves the way for a more inclusive ecosystem for our suppliers.

### Board Diversity

As of Dec. 31, 2023, the SoCalGas Board of Directors consisted of four members, including two women. We believe diverse voices and experiences around the board table unlock a wider range of opportunities, fueling growth and creating a competitive advantage in an evolving marketplace.

### Workforce Diversity

ASPIRE 2045 is our strategy to further integrate sustainability across our business. It affirms our aim to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045 and focuses on five areas: accelerating the energy transition; protecting the climate and improving air quality in our communities; increasing clean energy access and affordability; advancing a diverse, equitable and inclusive culture; and achieving world-class safety. Learn more about SoCalGas' ASPIRE 2045 sustainability strategy and the role DEI plays: <https://www.socalgas.com/sustainability/aspire2045#dei>

Championing people is one of our core values. We are focused on efforts to enhance a culture of inclusion and opportunity for all members of our employee community, whose identities are as multi-faceted and diverse as the customers we serve. As of Dec. 31, 2023, SoCalGas' workforce consists of 27% women and 74% people of color. SoCalGas' leadership includes 42% women and 52% people of color. Learn more about how diversity is energizing our future and review some key workforce metrics by visiting <https://www.socalgas.com/careers/diversity>

SoCalGas is a subsidiary of Sempra, and Sempra believes in championing performance through diversity and inclusion. Recently, Sempra was awarded *Forbes* Best Employers for Diversity in 2023. Learn more about this award and our company values by visiting: [Diversity and inclusion | Sempra](#)

# Meet the Team

## Our Leadership Team



**Sandra Hrna**  
Vice President, Supply Chain  
and Operations Support



**Lily Otieno**  
Director, Supply Chain  
Management and Diverse  
Business Enterprises

## Our Dedicated Supplier Diversity Team



**Joe Chow**  
Supplier Diversity Manager



**Victoria Leonido**  
Supplier Diversity Project  
Manager



**Anne Muchiri**  
Supplier Diversity Project  
Manager



**Vaughn Williams**  
Supplier Diversity Project  
Manager

SoCalGas® Supplier Diversity Program [vendorrelations@socalgas.com](mailto:vendorrelations@socalgas.com) For more information, visit [socalgas.com/SupplierDiversity](https://socalgas.com/SupplierDiversity)







SoCalGas® Supplier Diversity Program  
**vendorrelations@socalgas.com**

For more information, visit **[socalgas.com/SupplierDiversity](https://socalgas.com/SupplierDiversity)**

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