



California Public Utilities Commission
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PRESS RELEASE

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CPUC EXPANDS SUPPLIER DIVERSITY PROGRAM TO ENCOURAGE DIVERSITY AND INCLUSION WITHIN UTILITY INDUSTRY

SAN FRANCISCO, April 7, 2022 – The California Public Utilities Commission (CPUC), in ongoing efforts to promote and support diversity and inclusion, today expanded its Supplier Diversity Program in a number of ways, including setting goals for procurement from lesbian, gay, bisexual, and transgender (LGBT) businesses; adding businesses owned by persons with disabilities; bringing Community Choice Aggregators (CCA) and Electric Service Providers (ESP) into the program; and initiating reporting requirements of workforce and executive board diversity.

For the more than 30 years, the Supplier Diversity Program has encouraged energy, telephone, and water utilities under the CPUC’s jurisdiction to voluntarily procure from diverse entities, including those owned by women, minorities, disabled veterans, and LGBT businesses. In 2021, the Supplier Diversity Program achieved a diversity procurement milestone of \$12.3 billion. This amount represents more than 30 percent of the total procurement dollars of utilities and other entities, surpassing the 21.5 percent in combined goals.

Today’s Decision establishes a specific procurement goal for LGBT businesses—one that increases over the next three years: 0.5 percent for 2022, 1 percent for 2023, and 1.5 percent for 2024. To encourage program participation by LGBT businesses, the Decision directs CPUC staff, the utilities and other entities, and community-based organizations to coordinate outreach efforts to encourage program participation by LGBT businesses.

The Decision adds businesses owned by people with disabilities to the Program. People with disabilities are significantly underrepresented in employment and business opportunities, and are disproportionately low-income. The CPUC will establish specific procurement goals for these businesses in three years.

This Decision also implements the requirements of Senate Bill 255 (Bradford, 2019), which authorizes the CPUC to incorporate CCAs, ESPs, and smaller investor-owned utilities into the Program.

In addition, today's Decision requires that utilities and other entities covered by the Program report on their workforce and board diversity. Preliminarily, utilities and other entities are required to share with the CPUC their existing diversity reports filed with the U.S. Equal Employment Opportunity Commission on workforce data and the California Secretary of State on board data. Further reporting requirements will be developed in phase 2 of this proceeding. The CPUC is one of the first Commissions in the country to establish these requirements.

“California's Supplier Diversity Program has been a great success and a model for other utilities around the country in encouraging utility contracting with businesses owned by historically marginalized groups,” said Commissioner Clifford Rechtschaffen, who is assigned to the proceeding. “This Decision furthers the economic well-being of the state by advancing contracting opportunities for LGBT and persons with disabilities, in addition to increasing the transparency of utility workforce and board diversity data.”

“The revisions to our Supplier Diversity Program reflect the ongoing changes to the electric retail provider landscape to ensure that we evolve with the changes to California's utility sector and a clean energy future,” said CPUC President Alice Busching Reynolds. “The Supplier Diversity Program is an important tool through which we can leverage the economic power of the utility sector to address historic inequities for economic opportunity and ensure that women, minority, disabled veteran, and LGBT businesses are included in contracting opportunities, including renewable energy contracts.”

“The changes and revisions today strengthen our General Order on supplier diversity and strengthen our State's economy,” said Commissioner Genevieve Shiroma. “California is a diverse state with many small businesses and this update supports local jobs and contributes to California's Gross Domestic Product.”

For more information on the CPUC's Supplier Diversity Program, please visit www.cpuc.ca.gov/supplierdiversity.

The proposal voted on is available at

<https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M465/K664/465664194.PDF>.

Documents related to the proceeding are available at

https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:R2103010.

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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