



Redwood Coast Energy Authority's

Supplier Diversity

2023 Annual Report

& 2024 Annual Plan

Report to the California Public Utilities Commission
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2023 ANNUAL REPORT

The Redwood Coast Energy Authority's (RCEA) Community Choice Aggregation (CCA) program started serving load to Humboldt County in May 2017 for the express purpose of empowering its member communities to choose the generation resources that reflect their specific values and needs. Chief among these needs identified through community workshops and input to RCEA's Board of Directors are affordability, local economic development, local control over power resources and generation rates, greenhouse gas emissions reduction, air quality, protection of natural resources, and energy reliability in rural Humboldt County, an area especially prone to extended electric outages.

2023 marks the fourth year for RCEA's participation in the California Public Utilities Commission's (CPUCs) supplier diversity program. Several highlights from RCEA's 2023 supplier diversity activities include the addition of two Tribal members to RCEA's Board of Directors, progress on continued implementation of RCEA's Racial Justice Plan, a revamp on staff hiring and training with a focus on diversity, and a 20 times increase in spend with certified diverse businesses compared to the previous year. RCEA is thankful for the opportunity to continue participating in this and other programs in our community to expand equity.

9.1.1 – Description of Supplier Diversity Program Activities During the Previous Calendar Year

In 2023, RCEA made progress toward the goals set in the Annual Plan submitted last reporting cycle. 2023 activities and a description of progress are provided below.

2023 External Program Activities

As reported in previously filed Supplier Diversity reports, the RCEA Board of Directors adopted a Resolution in 2020 that made a commitment to racial justice. In October 2022, the Board adopted the [RCEA Racial Justice Plan](#), which established a plan of action for ongoing work toward increasing diversity and equity in RCEA's hiring practices, governance, workplace culture, program development, and program delivery. RCEA recognizes that access to energy, energy efficiency, freedom from pollution and a role in the renewable energy transition intimately affect economic and personal health outcomes. RCEA strives to serve everyone in the Humboldt County community more equitably. Throughout the course of 2023, RCEA has made progress on many of the components identified in the Racial Justice Plan.

Tribal Engagement

RCEA's service area is home to several California Tribes, namely the Big Lagoon Rancheria, Blue Lake Rancheria Tribe, Hoopa Valley Tribe, Karuk Tribe, Resighini Rancheria, Bear River Band of Rohnerville Rancheria, Cher-Ae Heights Indian Community of the Trinidad Rancheria, Wiyot Tribe and the Yurok Tribe. Because of this, many of the programs RCEA implements in the community serve Tribal members and Tribally-owned businesses and entities, The Racial Justice Plan goals related to Tribes are to strive to include Tribal representation, expand work with local Tribes on program development, customer outreach, and policy setting, and expand efforts to identify opportunities to collaborate with local Tribes as partners on sustainable energy initiatives.

In early 2023, RCEA staff engaged with local Tribal leaders to gauge interest in expanded collaboration. As of April 2023, the Blue Lake Rancheria Tribe and the Yurok Tribe have joined RCEA as members and appointed representatives to serve on the RCEA Board of Directors. RCEA is the first CCA to count Tribal governments amongst a CCA's governing board.

In addition, RCEA frequently works with Tribes and other local stakeholders to partner on grant funding applications. Specifically, in 2023, RCEA was awarded \$3,000,000 in partnership with the Yurok Tribe Fire Department, Karuk Tribe Department of Natural Resources, Hoopa Fire Department, and others to construct resilient energy systems consisting of solar panels and batteries at fire stations that serve high-fire risk areas.

Efforts in Support of Small, Local, and Diverse Businesses

RCEA staff continues to engage with existing vendors that are qualified but not certified to provide information about Clearinghouse certification and offer technical assistance and resources to become certified.

For example, RCEA staff connected with and provided supplier diversity program resources to a recently formed local organization dedicated to creating, maintaining, and sustaining economic empowerment for the Black and Brown communities in the North Coast region by promoting existing Black and Brown businesses owners, professionals, and organizations.

In 2023, RCEA staff planned and designed the E-bike rebate program with a focus on supporting local businesses and prioritizing the distribution of the program dollars to underserved segments of the community. The E-Bike program design limits rebate dollars to purchases made at locally-owned bike shops throughout Humboldt County. Additionally, the program has dedicated 75% of the initial program budget to low-income customers and has designed the rebate as a point-of-sale voucher to enable low-income rebate recipients to purchase an E-Bike without initially fronting the funds until an after-the-fact rebate payment is generated.

In our power procurement, RCEA began incorporating energy-justice best practices and affordability into renewable development and power purchase solicitations and resource planning. In an effort to contract for projects that benefit racially diverse communities and to avoid projects that are detrimental to those communities, RCEA will continue to include project location and community benefit in its evaluation criteria for power solicitations.

Outreach and Community Engagement

RCEA staff continues to improve methods to reach wider audiences and get information, resources, and programs out to all segments of our community.

In 2023, RCEA worked to optimize our website through updates to our Supplier Diversity webpage to reflect terminology and qualifying criteria categories. Additionally, RCEA staff continued translating program applications into Spanish as a standard procedure as a tool to help the programs benefit more segments of our community.

RCEA staff has developed a supplier diversity brochure and presentation slide tailored for contractors and business owners for presentation and distribution at RCEA-led workshops and events, including two contractor workshops held in April and October 2023.

RCEA staff tabled at eight public community events in geographically diverse locations throughout the county, and regularly attended monthly mixers for two local chambers, as well as being a member of six local chambers.

Collaboration with External Equity Organizations

As a member of CalCCA, who “share a commitment to inclusion and representation of our diverse communities through democratic governance and intensive community engagement,” RCEA continues to represent Humboldt County in these endeavors. Additionally, RCEA continues participating as a member of the Equity Metrics Working Group of the California Energy Efficiency Coordinating Committee (CAEECC), which serves as an advisory group to the CPUC.

RCEA is also engaged with the Redwood Region Climate & Community Resilience Hub (CORE Hub), a community organization with a mission to provide community engagement, technical assistance and an equity and justice lens to help our community transition our built and natural systems to a decarbonized and resilient future. The CORE Hub has been requested by federal, Tribal, state, and local governments, agencies, and community organizations to facilitate community engagement on Offshore Wind, to include “Community Benefits” strategies that will ultimately help guide and shape this new industry as it develops within the region. In this work, CORE Hub will help reduce conflicts, avoid maladaptation, and create enduring human, environmental, and economic resilience. RCEA is actively engaged in CORE Hub’s discussions and collaborations with tribal governments, tribal organizations, community-based organizations representing underrepresented communities, local government and agencies, local environmental and conservation groups, local educational leaders, and trade unions.

2023 Internal Program Activities

Equitability and Diversity in Internal Operations

RCEA is committed to creating a supportive and affirming space for staff, stakeholders, and community members across all identities. In order to foster this type of environment, RCEA has worked to progress the goals in our Racial Justice Plan by revitalizing our hiring

process and internal operations through the incorporation of equity actions in job descriptions and work plans, interviewing, and continued staff training.

RCEA's job descriptions for new postings and work plans for existing roles, at all staff levels, have been updated to include the promotion of customer programs that serve racially diverse communities. As thought leaders in our organization, our Director level job descriptions now include requirements for their leadership in the implementation of the Racial Justice Plan, with specific revisions regarding supporting staff training opportunities on the topic of diversity, equity and inclusion (DEI), promoting outreach and service to historically disadvantaged community groups in design and implementation of customer, ability to present to diverse audiences, specifically racially, ethnically, and socioeconomically diverse communities, and experience considering the impacts of the work on multiple communities, including communities of color, in technical analysis.

RCEA recognizes the benefits of building a diverse team, and how equitability and diversity can increase engagement and performance. Per the Racial Justice Plan, RCEA's oral interview process has been updated to include at least one question relating to DEI. Additionally, hiring and promotion processes were updated to require employees participating on hiring committees to receive refresher training on implicit bias before the recruitment process begins, and open positions are promoted to historically underserved affinity groups, on local campuses in the community, and affinity trade groups. Continued training efforts for all staff have included staff participation in a two-day "Foundations of Racial Equity" workshop series.

In 2023, RCEA staff provided a report summarizing the 2023 Supplier Diversity Report and Plan to the Board, as well as an annual report to the Board of Directors and RCEA's Community Advisory Committee on the implementation of RCEA's Racial Justice Plan.

Communicating Contracting Opportunities and Identifying Diverse Vendors

RCEA staff continue to post contracting opportunities on the Supplier Clearinghouse bid board. In 2023, RCEA experienced an increase in certified businesses submitting responses to RCEA solicitations. The two contracts resulting from the certified diverse business responses to solicitations account for the vast majority of the 2023 diverse spend that RCEA is reporting here.

In 2022, RCEA began including a "Supplier Clearinghouse and Labor Practices" section in all solicitations. In 2023, certified firms submitting responses to our open solicitations provided certification information alongside submission materials in response to the new solicitation language. While RCEA still plans to develop and implement a vendor survey in the future, this added solicitation language has been effective in identifying Diverse respondents and may also contribute to an increase in submissions from Diverse respondents.

9.1.2 – Supplier Diversity Results of Goods and Services (non-power purchases) if Procured

		2023							
		Direct Spend	Sub Spend	Total	%	Product Spend	Service Spend	Total	%
Minority Male	African American								
	Asian Pacific American								
	Hispanic American								
	Native American								
	Total Minority Male								
Minority Female	African American								
	Asian Pacific American								
	Hispanic American								
	Native American								
	Total Minority Female								
Total Minority Business Enterprise (MBE)		\$ 8,557		\$ 8,557	0.22%		\$ 8,557	\$ 8,557	0.22%
Women Business Enterprise (WBE)		\$ 58,296		\$ 58,296	1.49%		\$ 58,296	\$ 58,296	1.49%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)									
Disabled Veteran Business Enterprise (DVBE)		\$ 7,100		\$ 7,100	0.18%		\$ 7,100	\$ 7,100	0.18%
Persons with Disabilities Business Enterprise (PDBE)									
8(a)									
Total Supplier Diversity Spend		\$ 73,953	\$ -	\$ 73,953	1.89%	\$ -	\$ 73,953	\$ 73,953	1.89%
Net Procurement		\$ 3,920,875							
Net Product Procurement		\$ 127,990							
Net Service Procurement		\$ 3,792,885							
Total Number of Diverse Suppliers that Received Direct Spend		3							

RCEA’s Small and Local Vendors

In addition to RCEA’s efforts to engage with and procure from business enterprises owned by women, minorities, disabled veterans, persons with disabilities, lesbian, gay, bisexual, transgender, (“Diverse BEs”), RCEA’s procurement policies have and continue to also help small and local business owners. While GO 156 acknowledges Small Business Administration 8(a) certified small businesses, RCEA notes the importance of purchasing from local and small businesses not recognized through the CPUC’s Diverse BE-focused Supplier Clearinghouse. Procuring from small businesses is impactful because our CCA service territory is rural, thus experiencing economic marginalization distinct from our metropolitan neighbors served by their own CCA programs. RCEA defines “small” as businesses that have California Department of General Services (“DGS”) “Small Business” and “Micro Business” certification. RCEA defines “local” as businesses based within RCEA’s territory, Humboldt County. For purposes of clarity, all eight of the businesses RCEA identified as small also met the criteria for local, but the expenditures for these eight businesses were excluded from the local expense calculations. This year, RCEA’s business with these certified small businesses, some of which were also certified Diverse BEs, resulted in a total sum of \$91,238, which is over ten times the amount from the previous year.

RCEA also recognizes the value in procurement with local businesses. Local procurement is essential in our service territory, where poverty and low household income are widespread, and where distance creates logistical challenges in procuring goods and services from outside our area. In 2023, RCEA did business with 70 local businesses including one power supplier and other non-power businesses providing a wide array of services such as event and training facilitation, IT, security, legal, financial, engineering, project consulting, as well as facility and outreach material expenses. More information can be found in section 9.1.9 regarding RCEA’s efforts to procure local renewable energy and energy storage projects.

	Small Business Procurement	Number of Small Suppliers	Local Business Procurement	Number of Local Suppliers	Small & Local Combined Spend	Small & Local Combined %
Non-Power	\$ 91,238	8	\$ 511,554	69	\$ 602,792	15%
Power	-	-	\$ 6,377,534	1	\$ 6,377,534	40%
ALL	\$ 91,238	8	\$ 6,889,088	70	\$ 6,980,326	35%

Net Non-Power Procurement	\$ 3,920,875
Net Power Procurement	\$ 15,915,108
Net Power and Non-Power Procurement	\$ 19,835,983

RCEA has maintained contracts with several vendors over several years that are local and have been identified as woman-owned, but not WBE certified. In 2023, \$124,860 of RCEA’s total spend went to these six WBE-eligible businesses. RCEA does not currently survey all existing vendors for eligibility, so this total only represents the local businesses that are primarily sole proprietorships for which eligibility verification comes easily. While RCEA plans to engage with these qualified businesses to educate and assist with the certification process, it is important to emphasize that this is indeed a material hurdle small businesses face generally, and a more streamlined certification process could provide an equitable opportunity for certification of smaller vendors.

Nevertheless, RCEA is proud of our procurement from these businesses and is excited to continue leveraging GO 156 as an opportunity to further the power our procurement holds to stimulate small, local, and diverse business growth.

9.1.2 – Description of Diverse Suppliers with Majority Workforce in California

RCEA does not have sufficient information to report on whether the majority of the workforce of its Diverse Suppliers are working in California; however, all the Diverse Supplier vendors RCEA hired in 2023 are based in California.

9.1.3 – Supplier Diversity Program Expense

Expense Category	2023 (Actual)
Wages	\$ 4,157
Other Employee Expenses	\$ 671
Program Expenses	
Reporting Expenses	
Training Expenses	
Consultant Expenses	
Other Expenses	
Total	\$ 4,828

9.1.5 – Description of Prime Contractors Utilization of Diverse Subcontractors

In 2023, RCEA only entered one contract that included the utilization of a subcontractor, which staff verified was not a certified diverse business enterprise. RCEA enters very few contracts that entail prime contractors who utilize subcontractors for the work. With that said, RCEA is committed to collecting data about future subcontractors to the best of our ability.

9.1.6 – List of Supplier Diversity Complaints Received and Current Status

RCEA did not receive any formal complaints this reporting cycle.

9.1.9 – Description of Supplier Diversity Activities and Progress in Power (Energy) Procurement

RCEA did not procure power products from a Clearinghouse-certified entity during reporting year 2023, nor did RCEA have any owned power plants or power purchase agreements (PPA) that required fuel provision. RCEA did, however, post one long-term open power procurement solicitation to the Supplier Clearinghouse website. No responses were received via the Clearinghouse as of the end of 2023.

Despite this, RCEA does procure power products from a variety of small, local producers as part of our Board-directed effort to spur and sustain economic development within our service area. In 2023, RCEA procured energy and capacity from a local biomass plant, Humboldt Sawmill Company's Scotia Cogeneration Plant (HSC). RCEA's procurement from HSC sustains local jobs and will continue to do so through the end of the PPA term in June 2031.

RCEA has issued at least one solicitation for renewable energy and energy storage projects per year over the last few years, all of which have expressed preference for local resources. RCEA will continue to seek procurement opportunities with an emphasis on projects within its service area to promote local economic development and grid reliability.

9.1.9 – Supplier Diversity Results in Power (Energy) Procurement

RCEA has no results to report in Energy Procurement from Diverse BEs in 2023, notwithstanding the efforts and activities outlined in the preceding section.

		2023							
		Direct Power Purchases	Direct Fuels for Generation			Totals			%
		Renewable and Non-Renewable Power Products	Diesel	Nuclear	Natural Gas	Direct	Sub	Total \$	
Minority Male	African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Asian Pacific American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total Minority Male	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Minority Female	African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Asian Pacific American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total Minority Female	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
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 Enterprises (PDBE)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
8(a) ⁶		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Supplier Diversity		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Power Procurement		\$ 15,915,108							
Net Direct Power Purchases		\$ 15,915,108							
Net Direct Fuels for Generation		\$ -							
Total Number of Diverse Suppliers		0							

2024 ANNUAL PLAN

10.2 – Description of Supplier Diversity Program Activities Planned for the Next Calendar Year

RCEA learned several lessons through the implementation of 2023's Supplier Diversity Program that we will employ in 2024.

Overall, RCEA's 2024 activities will focus on refining the methods established over the last several years to continue and improve our engagement and support with small, local, and diverse businesses. RCEA looks forward to continuing to grow the programs, initiatives, and policies outlined in this report.

The following activities are under development for 2024:

Planned External Program Activities For 2024

Efforts in Support of Small, Local, and Diverse Businesses

RCEA will ramp up efforts outlined in the Racial Justice Plan pertaining to DEI in program selection design and implementation.

To provide a baseline for how RCEA is serving all segments of our local community, when possible RCEA will conduct needs assessments by issuing voluntary surveys to customers receiving program benefits such as rebates, technology, or professional services. If RCEA programs are found to underserve some segment of the population, staff will reach out to community-based organizations to learn how to connect with and support those communities.

RCEA will launch the fully designed E-Bike rebate program mentioned in section 9.1.1. RCEA will develop an Electric Vehicle (EV) Rebate with very similar goals of supporting local businesses and prioritizing the distribution of the program dollars to underserved segments of the community. The EV rebate program will have a dedicated program budget for low-income customer rebates and will consider aspects such as incentivizing the sale of used cars that are more affordable and the possibility of issuing the rebate as a point-of-sale voucher to enable low-income rebate recipients to purchase an EV without initially fronting the funds until an after-the-fact rebate payment is generated. Additionally, RCEA will assess current equipment rebate offerings to determine whether to launch a low-income rebate adder and a local-buy adder, which would incentivize customers to purchase from local dealerships in order to foster a consistent local EV stock/supply. The EV and equipment rebate programs also support small, local, and diverse businesses in that Business account holders are eligible to receive them.

RCEA will work with community partners in the development and implementation of grant applications. Namely, as mentioned in section 9.1.1, RCEA, Tribal, and rural community partners expect to begin implementation of the \$3,000,000 California's Regional Resilience Grant in 2024, and we plan to, as much as possible, contract with small, local, and diverse businesses as we complete this project.

RCEA will continue to provide technical assistance to diverse BE's and encourage local qualified firms and existing vendors to pursue certification. If RCEA finds that contractors or vendors are qualified for Clearinghouse certification or hold non-Clearinghouse certifications, encourage them to pursue Clearinghouse certification.

Outreach and Community Engagement

RCEA will continue to expand our outreach efforts to local community environmental groups, trade organizations, and chambers of commerce.

RCEA will continue to host workshops and trainings tailored for contractors and will continue sharing resources and information about the benefits of certification at these events.

RCEA will promote MCE's Certify and Amplify workshop, as well as any other CCA-led supplier diversity events throughout the year.

Collaboration with External Equity Organizations

RCEA will continue active participation with the CORE Hub efforts, which are anticipated to escalate as the timeline and efforts to develop offshore wind energy off the coast of Humboldt Bay continue to unfold. RCEA will seek partnerships with expert consultants on racially diverse community engagement, especially for large-scale projects such as offshore wind.

RCEA will continue to be active members of the CalCCA Environmental Justice and Equity Committee.

RCEA staff will learn how other CCAs develop programs and policies to reach historically underserved community members in order to incorporate successful practices in RCEA's regular operations. Staff will share RCEA's successes in community engagement with other CCAs to promote improved practices throughout California.

RCEA staff will attend CPUC's Small and Diverse Business Expo being held in San Francisco.

Planned Internal Program Activities For 2024

Equitability and Diversity in Internal Operations

RCEA will continue the practice of providing staff trainings as needed to remind staff how to distribute opportunities on Supplier Clearinghouse platform.

RCEA plans to restructure aspects of the Community Strategies Department to emphasize responsibilities related to RCEA's strategy for targeted outreach for rural, hard-to-reach, and equity priority communities and for facilitating ongoing Tribal engagement. With the restructuring and new hires for this department, RCEA hopes to build a team that integrates more elements of our supplier diversity program into community events and engagements with business owners and community members.

RCEA will continue efforts to make resources, program applications, and information more accessible. This will include adding Spanish translation capabilities to our website and procuring an on-call translation service for customer interactions over the phone and in-person.

Communicating Contracting Opportunities and Identifying Diverse Vendors

RCEA will continue to integrate and update supplier diversity language in solicitations and continue the practice of posting solicitations directly to the Supplier Diversity Clearinghouse in order to share these opportunities with existing certified vendors.

RCEA will develop and implement a voluntary supplier diversity survey for new vendors, with a future roll out to existing vendors. This survey will identify the certification status and eligibility of prime- and sub- contractors, with the goal of empowering RCEA to educate and support not-yet-enrolled-but-qualified vendors to complete certification. The development and process for collecting this data will be informed by other CCA best practices.

10.2 – Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses

As noted in previous sections, RCEA very seldomly solicits and contracts for work that entails hiring prime contractors who utilize subcontractors. As such, RCEA intends to educate prime contractors about utilization of diverse subcontractors on a case-by-case basis in upcoming years. As with all RCEA solicitations, supplier diversity information will be collected from vendors who contract with RCEA, and this request will extend to subcontractors when applicable.