

2023 ANNUAL REPORT AND 2024 ANNUAL PLAN

Supplier Diversity Report to the
California Public Utilities Commission

March 1, 2024



SAN DIEGO
**COMMUNITY
POWER**

TABLE OF CONTENTS

Introduction.....	3
Section 9.1.1 Description of Supplier Diversity Program Activities During the Previous Calendar Year.....	4
Section 9.1.2 Description of Diverse Suppliers with Majority Workforce in California.....	6
Section 9.1.3 Supplier Diversity Program Expense.....	6
Section 9.1.5 Description of Prime Contractors Utilization of Diverse Subcontractors.....	6
Section 9.1.6 List of Supplier Diversity Complaints Received and Current Status.....	7
Section 9.1.9 Description of Supplier Diversity Activities and Progress in Power (Energy) Procurement.....	7
Section 9.1.9 Supplier Diversity Results in Power (Energy) Procurement.....	8
Section 10.2 Description of Supplier Diversity Program Activities Planned for the Next Calendar Year.....	9
Section 10.2 Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses.....	9
Small and Local Business Procurement.....	10



Introduction

San Diego Community Power's (SDCP) mission as a community-owned organization is to provide affordable, clean energy and invest in our community to create an equitable and sustainable future for the San Diego region. Our vision is to become a global leader inspiring innovative climate change solutions by powering our communities with 100 percent clean, affordable energy while prioritizing equity, sustainability, and high-quality jobs.

SDCP is the default electricity provider for the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa, National City, and San Diego and the County of San Diego's unincorporated areas. SDCP's is the first in California with the objective to achieve and sustain 100 percent renewable energy availability and usage by 2035, which is in advance of current State targets. SDCP began service in 2021 and completed enrolling customers in 2023. This enrollment covered approximately 960,000 customer accounts. As the state's second largest CCA, SDCP recognizes the important role it has in shaping California's energy future and supporting efforts to uplift Small, Local, and Diverse Businesses along the way.

SDCP is governed by a Board of Directors that is comprised of elected officials who represent each of the seven member agencies of SDCP. In addition to receiving comments from the general public on SDCP business, the Board utilizes input from a Community Advisory Committee (CAC), which provides advice on matters of importance to the various communities served by SDCP.

SDCP continues to grow and remain focused on being financially sound, increasing its brand recognition in the region, and ensuring long term success in delivering upon its mission, vision, & values. As a public agency, SDCP will continue to improve its supplier diversity program within the limitations of Proposition 209, which prohibits government agencies like CCAs from giving preferential treatment based on race, sex, color, ethnicity, or national origin in hiring or contracting.



Karin Burns, SDCP's CEO, with the 2024 Board of Directors

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

Internal Strategies and Activities

In 2023, SDCP continued building its staff by hiring in several departments across the agency. Of particular note, SDCP hired a Procurement Manager in October 2023. The Procurement Manager is responsible for managing SDCP's ongoing solicitations needs, the subsequent contracting process that follow, and leading Supplier Diversity efforts and reporting. As such, with this additional capacity, SDCP now has some additional bandwidth to dedicate to further developing and implementing internal and external supplier diversity initiatives in 2024.

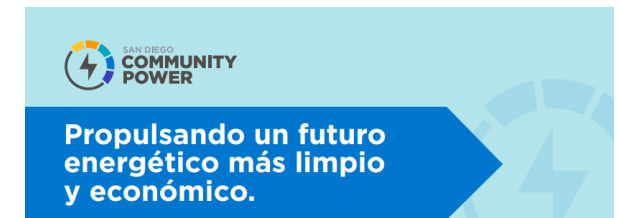
The Public Affairs department continues to extend its strategic outreach, share contracting opportunities with more organizations, build more relationships with businesses and non-profits in our community, as well as ensure that the SDCP brand is recognized by more people than ever.

SDCP staff also participated in regular joint CCA Supplier Diversity meetings with CPUC staff, as well as additional CalCCA-specific Supplier Diversity meetings. These meetings are a forum for coordinating supplier diversity activities with other CCAs and receiving guidance from the CPUC's staff on reporting and ways to improve GO156 implementation.

External Strategies and Activities

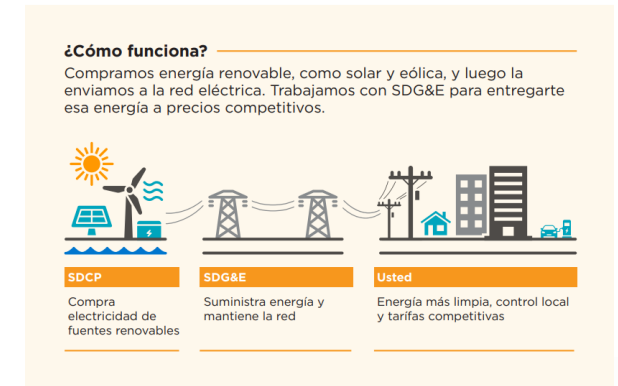
In 2023, SDCP supported many local, small and diverse businesses, trade organizations and community events such as the CPUC-hosted Small Business Expo in September 2023, as well as the Supplier Diversity En Banc that was held the following day. SDCP continues to build relationships with local, small and diverse businesses and organizations in communities of concern, by providing community grants, sponsorships, volunteering for community events, and tabling at community events. Additionally, SDCP provides prospective suppliers with public-facing materials about SDCP's supplier diversity program.

San Diego Community Power has a dedicated webpage for its supplier diversity program. That webpage can be found at <https://sdcommunitypower.org/supplier-diversity/> and any questions can be sent to Christopher Stephens, Procurement Manager, at cstephens@sdcommunitypower.org or (619) 732-4659.



San Diego Community Power es tu proveedor comunitario de electricidad más limpia a precios competitivos. Somos una agencia pública local sin fines de lucro que invierte en sus clientes para crear un futuro equitativo y sostenible en la región de San Diego.

San Diego Community Power pone nuestras comunidades primero a través de programas y educación para ayudarte a dar un gran paso hacia un futuro energético más sostenible.



SDCP's Bilingual Customer Outreach Sample

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

		2023							
		Direct Spend ¹ \$	Sub Spend ² \$	Total \$	% ³	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	\$12,680	-	\$12,680	0.17%	-	\$12,680	\$12,680	0.17%
	Native American	-	-	-	-	-	-	-	-
	Total Minority Female	\$12,680	-	\$12,680	0.17%	-	\$12,680	\$12,680	0.17%
Total Minority Business Enterprise (MBE)		\$12,680	-	\$12,680	0.17%	-	\$12,680	\$12,680	0.17%
Women Business Enterprise (WBE)		\$802,440	-	\$802,440	11.38%	-	\$802,440	\$802,440	11.38%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$	-	\$	%	-	\$	\$	%
Disabled Veteran Business Enterprise (DVBE)		\$1,360	-	\$1,360	0.01%	-	\$1,360	\$1,360	0.01%
Persons with Disabilities Business Enterprise (DBE)		-	-	-	-	-	-	-	-
8(a) ⁴		\$578,030	-	\$578,030	8.20%	-	\$578,030	\$578,030	8.20%
Total Supplier Diversity Spend		\$1,394,510	-	\$1,394,510	19.76%	-	\$1,394,510	\$1,394,510	19.76%
Net Procurement**					\$7,048,043				
Net Product Procurement					\$82,594				
Net Service Procurement					\$6,965,449				
Total Number of Diverse Suppliers that Received Direct Spend					10				

¹ Direct Procurement: When SDCP directly procures from a supplier.

² Subcontractor Procurement: When a prime contractor, in contract with SDCP, procures from a subcontractor.

³ Percentage of Net Procurement

⁴ 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).

Section 9.1.2 Description of Diverse Suppliers with Majority Workforce in California

This information was not available at the time this report was written.

Section 9.1.3 Supplier Diversity Program Expense

Expense Category	2023
Wages	\$11,250
Other Employee Expenses	-
Program Expenses	-
Reporting Expenses	-
Training Expenses	-
Consultant Expenses	-
Other Expenses	-
Total	\$11,250

Section 9.1.5 Description of Prime Contractors Utilization of Diverse Subcontractors

As it relates to encouraging prime contractors to increase their utilization of diverse subcontractors, SDCP requests prospective contractors to review SDCP's Inclusive and Sustainable Workforce Policy,⁵ which furthers SDCP's priorities of (1) demonstrating quantifiable economic benefits to the region, including prevailing wage jobs and local workforce development; (2) supporting a stable, skilled, and trained workforce; and (3) promoting supplier and workforce diversity including returning veterans and those from communities of concern. Moreover, SDCP requests that contractors provide subcontractor information, where applicable, to deliver services or goods. SDCP's Request for Proposals solicitation template provides information about General Order 156 and SDCP's encouragement to use diverse suppliers within the limits of Prop 209.

⁵ https://sdcommunitypower.org/wp-content/uploads/2022/02/SDCP_ISWF-Policy.pdf

Section 9.1.6 List of Supplier Diversity Complaints Received and Current Status

In 2023, SDCP received no supplier diversity complaints.

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

As previously mentioned, SDCP asks prospective contractors to review SDCP's Inclusive and Sustainable Workforce Policy and to be aware of SDCP's intent, within the limits of Prop 209, to increase the diversity of its suppliers. SDCP also finalized its Energy Bid Criteria that will further improve SDCP's efforts to collect voluntary demographic information from diverse suppliers. Nothing in the "Energy Proposal Evaluation Criteria" is specifically targeted to hire diverse suppliers and will contribute to SDCP's long-term financial success while delivering on its renewable energy mandates and goals.



Section 9.1.9 Supplier Diversity Results in Power (Energy) Procurement

		Direct Power Purchases \$ Renewable and Non-Renewable Power Products	Direct Fuels for Generation \$			Totals \$ ⁶			% ⁷
			Diesel	Nuclear	Natural Gas	Direct ⁸	Sub ⁹	Total \$ ¹⁰	
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 (DBE)		-	-	-	-	-	-	-	-
8(a) ¹¹		-	-	-	-	-	-	-	-
Total Supplier Diversity		-	-	-	-	-	-	-	-
Net Power Procurement			\$481,729,800						
Net Direct Power Purchases			\$481,729,800						
Net Direct Fuels for Generation			\$0						
Total Number of Diverse Suppliers			0						

⁶ Excludes purchases from the California Independent System Operator (CAISO), utilities, federal entities, state entities, municipalities and cooperatives.

⁷ % - Percentage of Net Procurement.

⁸ Includes Direct Power Purchases and Direct Fuels for Generation. Direct - Means Direct Procurement: when a CCA directly procures from a supplier.

⁹ Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfil its contractual obligations.

¹⁰ "Total" does not include pre-commercial development (COD) subcontracting values.

¹¹ 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). 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business

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

In 2024, SDCP looks forward to expanding its programs, policies, and efforts outlined in this report. A summary of activities planned for 2024 are provided below:

- Collaborate with local business chambers of commerce and look for new opportunities to elevate SDCP's work to small, locally owned diverse businesses who may be interested in working with SDCP.
- Provide educational presentations on SDCP's supplier diversity efforts to local community stakeholders & build SDCP's visibility by participating in local community events to build visibility among vendors.
- Actively participate in the CPUC's GO156 regulatory proceeding, track developments, and contribute to the joint CCA meetings with CPUC supplier diversity staff and the Supplier Diversity En Banc.
- Continue to provide resources and information to new SDCP vendors regarding the CPUC Supplier Clearinghouse certification process and extend opportunities to SDCP's current vendors to attend CPUC-sponsored events such as the 2024 CPUC Small and Diverse Business Expo.
- Focus on contributing to a diverse and inclusive workforce supportive of small and local businesses that reflect the suppliers in the communities that we serve.
- Elevate and promote SDCP's goal of having an inclusive and sustainable workplace culture.
- Complete a 2024 compensation study to ensure our compensation and benefits are competitive with the local and relevant job market for comparable positions.
- Offering a 10-week immersive work experience specifically aimed to help underrepresented students enter careers in the climate industry.
- Provide supplier diversity training to SDCP staff.

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

SDCP is committed to supporting small, local and diverse businesses. SDCP's Inclusive and Sustainable Workforce Policy provides a focus for how SDCP can support quantifiable economic benefits to the region, including prevailing wage jobs and local workforce development. While SDCP does not have authority over prime contractors' subcontracting activities, SDCP will continue to offer opportunities to support a stable, skilled, and trained workforce and promote local supplier and workforce diversity, including returning veterans and those from communities of concern, in furtherance of California's General Order 156 efforts.

Small and Local Business Procurement¹²

	Small Business Procurement ¹³ (\$)	# of Suppliers	Local Business Procurement (\$)	# of Suppliers	Small & Local Combined Spend (\$)	Small & Local Combined Spend (%)
All	\$885,584	6	\$635,996	26	\$1,521,580	21.59%
Non-Power	\$885,584	6	\$635,996	26	\$1,521,580	21.59%
Power	-	-	-	-	-	-

Net Non-Power Procurement**	\$7,048,043
Net Power Procurement	\$481,729,800
Net Power + Non-Power Procurement	\$488,777,843

In 2023, 21.59 percent of SDCP's non-power procurement came from a combination of small and local businesses. SDCP defines local businesses as those headquartered in San Diego County. Meanwhile, small is defined as those registered as either small or small (micro) with the California Department of General Services. SDCP looks forward to continuing to build this momentum as it grows its vendors base and impact in the wider San Diego and California community.

¹² Companies that are both certified small and local are not double counted.

¹³ All certified small businesses hold a either a Small Business or Small Business (micro) certification from the DGS.

