



Connecting and Protecting
the Networked WorldSM



Level 3
2015 Report and 2016 Plan – CPUC GO

March 25, 2016

INTRODUCTION

This first Annual Plan is submitted by *Level 3 Communications LLC* (“*Level 3*”) to the Public Utilities Commission of California (“CPUC”) pursuant to Sections 8281-8286 of the Public Utilities Code and Sections 9 and 10 of General Order 156 (“GO 156”).

Level 3 is committed to actively (i) identifying, (ii) encouraging business opportunities for, (iii) purchasing products and services from, and (iv) growing *Level 3*'s base of Women, Minority, Disabled Veteran and Lesbian, Gay, Bisexual and Transgender Business Enterprises (“WMDVLGBTBE”) pursuant to the CPUC GO156. *Level 3* has an established nationwide Federal Small & Diverse Business Subcontracting Plan pursuant to FAR 19.704 and FAR clause 52.219-9.

Level 3 acquired tw telecom on October 30, 2014. As a result, it is assuming tw telecom's reporting obligations to the CPUC as a combined company, beginning in 2015. As a provider of telecommunications services whose gross annual revenue exceeds \$25 million, *Level 3* recognizes its obligation to provide the CPUC with annual detailed and verifiable plans concerning its WMDVLGBTBE procurement in all related categories. In order to accomplish the objectives and requirements set forth in GO156, *Level 3* identified areas that differ from its Federal and other state plans that require a focused effort and re-alignment of *Level 3*'s Supplier Diversity program requirements. *Level 3*'s Supplier Diversity Team, North American Procurement organization and employees are excited about the opportunity to continue to improve its Supplier Diversity program and increase its WMDVLGBTBE spend.

For its first year under a CPUC Plan, *Level 3* plans to focus on communications with its Supplier base, with the intent to strengthen its ability to expand (i) ongoing business with WMDVLGBTBE vendors and (ii) its Supplier Diversity program within California. Expected communication improvements include building and publishing new internal and external website content to deliver Supplier Diversity information, training and policy expectations that will contribute to employee spend and purchasing decisions affecting California and other local markets nationwide. Internal communications will target purchasing decision makers with new policy requirements for supplier diversity inclusion whenever practicable. Information is being developed and will be made available to employees to include *Level 3*'s diversity plans, policies, diverse supplier organization links, and prospective and current supplier lists. Additionally, information will be provided to current incumbents supporting *Level 3*'s Tier 2 program. Potential suppliers will be required to submit a *Supplier Certification Form* as part of the standard vendor on-boarding process.

Level 3 requests that all new suppliers complete a Supplier Certification Form to represent their business size, structure, classification and diversity certification status. As part of the integration activities the Supplier Certification Form is being updated and modified to include certification requirements in support of this Plan. In 2015, *Level 3* integrated the tw telecom and *Level 3* ERP systems and vendor records. This effort provides benefits that will enhance *Level 3*'s ability to capture monitor and report Supplier Diversity information. These initiatives are intended to change how *Level 3*'s suppliers interact with *Level 3* by providing clear instruction to Suppliers through web-based communication tools. Furthermore, as *Level 3* works on the ERP financial system integrations, it is exploring opportunities to automate workflow functionality for purchases.

In 2016, *Level 3* plans to expand and update its employees' awareness of WMDVLGBTBEs opportunities and methods to identify new WMDVLGBTBE suppliers through training and improved

resources. Additionally, Level 3's Diversity Administrator will continue to work with the local market teams to: further train them on new and available tools to identify diverse resources (available both on Level 3's internal webpage and on external resources such as the CPUC's Clearinghouse); and familiarize employees with GO156 and the associated plan requirements.

In this first year of the Plan, Level 3 is focused on establishing a baseline for monitoring future successes, improving any weaknesses, and making sure that those individuals who are in a position to make purchasing decisions understand and follow through on Level 3's commitment to supplier diversity. The objective of Level 3's supplier diversity training is to ensure that the North America Procurement organization, regional leadership, and local offices are all armed with the appropriate resources, information, and tools to identify and award business to diverse sources of supply.

In the coming 1-2 years, Level 3 will place an emphasis on establishing partnerships with local Small Business Administrations and Ethnic Chambers to identify additional opportunities for expanding its local spending and community participation in local events, as applicable. Additionally, Level 3 will review its internal procurement document templates (i.e., RFx, Purchase Order and Agreements) and update language necessary to support communications to its suppliers related to Level 3's commitment to its supplier diversity programs.

Level 3 is committed to building a strong base of diverse suppliers. Level 3 believes that supporting the diverse supplier community is the right thing to do for the company, the communities it serves, and its customers.

GO156, §9 ANNUAL REPORT

9.1.1 DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES ENGAGED IN DURING THE PREVIOUS CALENDAR YEAR. THIS DESCRIPTION SHALL INCLUDE BOTH INTERNAL AND EXTERNAL ACTIVITIES.

Beginning in 2016, an Annual Report will be submitted that includes the following topics:

Internal Activities

- *Training and Education*
- *Employee Communication*
- *Data Quality and Reporting*
- *Tier 2 Program*

External Activities

- *Involvement in supplier diversity organizations*

9.1.2 A SUMMARY OF **WMDVLGBTBE** PURCHASES AND/OR CONTRACTS, WITH BREAKDOWNS BY ETHNICITY, PRODUCT AND SERVICE CATEGORIES COMPARED WITH TOTAL UTILITY CONTRACT DOLLARS AWARDED TO OUTSIDE VENDORS IN THOSE CATEGORIES.

In 2016, Reports will be provided that represent; the Supplier Diversity Annual Results by Ethnicity – California Direct and Tier 2 (Sub), Supplier Diversity Procurement by Products and Services Category- California Direct, Supplier Diversity Procurement Contracts, Supplier Diversity Procurement by Products and Services Category - California Subcontract, and the Standard Industry Code WMDVLGBTBE California Spend Report.

Supplier Diversity Annual Results By Ethnicity – California Direct and Tier 2 (Sub)

| CALIFORNIA | | 2015 | | | |
|--|--------------------------------|----------------------|--------------------|-----------------------|--------------|
| | | DIRECT \$ | SUB \$ | Total Direct & Sub \$ | % |
| MBE (Men only) | Asian-Pacific | \$17,036 | \$377,626 | \$394,662 | 0.01% |
| | Black | \$0 | \$3,366 | \$3,366 | 0.00% |
| | Hispanic | \$2,213,149 | \$47,519 | \$2,260,668 | 1.03% |
| | Native-American | \$0 | \$0 | \$0 | 0.00% |
| | Other (Minority Only) | \$1,140,493 | \$0 | \$1,140,493 | 0.53% |
| | Total Minority Men | \$3,370,677 | \$428,511 | \$3,799,188 | 1.57% |
| WBE | Asian-Pacific | \$0 | \$127 | \$127 | 0.00% |
| | Black | \$0 | \$0 | \$0 | 0.00% |
| | Hispanic | \$75,433 | \$0 | \$75,433 | 0.04% |
| | Native-American | \$0 | \$5 | \$5 | 0.00% |
| | Other | \$889,196 | \$2,163,131 | \$3,052,327 | 0.41% |
| | Total Minority Women | \$964,629 | \$2,163,263 | \$3,127,892 | 0.45% |
| DVBE | Disabled Veteran Owned - MEN | \$0 | \$48,167 | \$48,167 | 0.00% |
| | Disabled Veteran Owned - Women | \$0 | \$0 | \$0 | 0.00% |
| | Total DVBE | \$0 | \$48,167 | \$48,167 | 0.00% |
| Minority Business Enterprise (MBE-MEN only) | | \$3,370,677 | \$428,512 | \$3,799,189 | 1.57% |
| Women Business Enterprises (WBE) | | \$964,629 | \$2,163,263 | \$3,127,892 | 0.45% |
| Subtotal Minority, Women Business Enterprise (MWBE) | | \$4,335,306 | \$2,591,775 | \$6,927,081 | 2.01% |
| Service Disabled Veteran Business Enterprise | | \$0 | \$48,167 | \$48,167 | 0.00% |
| TOTAL MWDVBE | | \$4,335,306 | \$2,639,941 | \$6,975,247 | 2.01% |
| Gross Procurement | | \$288,615,405 | | | |
| Exclusions | | \$0 | | | |
| Net Procurement | | \$215,299,351 | | | |

NOTE: GROSS AND NET PROCUREMENT ARE BASED ON LEVEL 3'S CA DIRECT SPEND ONLY (LESS EMPLOYEE, UTILITY, CARRIERS AND TAX SPEND). THEREFORE, THE PERCENTAGE CALCULATION IS DERIVED FROM DIRECT SPEND/NET PROCUREMENT. PER CPUC GO 156 (JUNE 2015) SECTION 8.3, NUMERICAL GOALS WILL BE EXCUSED FOR THE FIRST FIVE YEARS FOR LGBTBE'S IN ORDER THAT PARTICIPATION IN PROCUREMENT PROGRAMS CAN BE ESTABLISHED AND IMPLEMENTED TO GATHER DATA AND EXPERIENCE TO SET MEANINGFUL TARGET GOALS .

Supplier Diversity Procurement by Products and Services Category - California Direct

| CALIFORNIA | | 2015 Diversity Spend Report for CA PUC General Order 156 | | | | |
|--|-------------------------------|--|---------------------|---------------------|----------------------|---------------|
| | | Products | Services | UNK | Total | % |
| MBE (Men only) | Asian-Pacific | \$17,036 | \$0 | \$0 | \$17,036 | 0.01% |
| | Black | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Hispanic | \$2,198,365 | \$1,248 | \$13,535 | \$2,213,149 | 1.03% |
| | Native-American | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Disabled Veteran Owned | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Other Diverse Classifications | \$1,499,011 | \$46,293 | \$7,528 | \$1,552,831 | 0.72% |
| | Total Diverse Men | \$3,714,412 | \$47,541 | \$21,063 | \$3,783,016 | 1.76% |
| WBE | Asian-Pacific | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Black | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Hispanic | \$27,857 | \$45,094 | \$2,481 | \$75,433 | 0.04% |
| | Native-American | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Disabled Veteran Owned | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Other Diverse Classifications | \$0 | \$0 | \$0 | \$0 | 0.00% |
| | Women-Owned (Non minority) | \$599,330 | \$216,670 | \$73,197 | \$889,196 | 0.41% |
| | Total Diverse Women | \$627,187 | \$261,764 | \$75,678 | \$964,629 | 0.45% |
| Minority Business Enterprise (MBE-MEN only) | | \$3,714,412 | \$47,541 | \$21,063 | \$3,783,016 | 1.76% |
| Women Business Enterprises (WBE) | | \$627,187 | \$261,764 | \$75,678 | \$964,629 | 0.45% |
| Subtotal Minority, Women Business Enterprise (MWBE) | | \$4,341,599 | \$309,304 | \$96,741 | \$4,747,644 | 2.21% |
| Service Disabled Veteran Business Enterprise | | \$0 | \$0 | \$0 | \$0 | 0.00% |
| TOTAL MWDVBE | | \$4,341,599 | \$309,304 | \$96,741 | \$4,747,644 | 2.21% |
| Gross Procurement | | | | | | |
| Exclusions | | | | | | |
| Net Procurement | | \$158,904,640 | \$14,732,542 | \$41,662,170 | \$215,299,351 | 100.0% |

NOTE: GROSS AND NET PROCUREMENT ARE BASED ON LEVEL 3'S CA DIRECT SPEND ONLY (LESS EMPLOYEE, UTILITY, CARRIERS AND TAX SPEND). THEREFORE, THE PERCENTAGE CALCULATION IS DERIVED FROM DIRECT SPEND/NET PROCUREMENT. PER CPUC GO 156 (JUNE 2015) SECTION 8.3, NUMERICAL GOALS WILL BE EXCUSED FOR THE FIRST FIVE YEARS FOR LGBTBE'S IN ORDER THAT PARTICIPATION IN PROCUREMENT PROGRAMS CAN BE ESTABLISHED AND IMPLEMENTED TO GATHER DATA AND EXPERIENCE TO SET MEANINGFUL TARGET GOALS.

**Supplier Diversity Procurement by Products and Services Category - California Subcontract
 (Please see table on following page.)**

| | | Level 3 Supplier Diversity Tier 2 Spend Report - 2015 - YTD | | | | |
|--|--|---|------------------------|-------------------------|------------------------|------------------------|
| Denotes a formula cell, please do not enter figures in these cells | | Products | | Services | | Total |
| | | Direct | Indirect | Direct | Indirect | |
| MBE (MEN ONLY) | Asian-Pacific | \$967,112.93 | \$3,946,151.37 | \$2,018,375.56 | \$70.70 | \$6,931,710.56 |
| | Black | \$4,950.00 | \$29,644,554.66 | \$4,763.73 | \$3,065.00 | \$29,657,333.39 |
| | Hispanic | \$3.00 | \$11,411,476.11 | \$86,076.17 | \$28.07 | \$11,497,583.35 |
| | Other | \$0.00 | \$13,302.00 | \$0.00 | \$265.75 | \$13,567.75 |
| | Other Minority ONLY - Exclude Veteran-Owned and Small | \$0.00 | \$176,393.31 | \$699,619.00 | \$252,661.00 | \$1,128,673.31 |
| | Total Minority Men | \$972,065.93 | \$45,191,877.45 | \$2,808,834.46 | \$256,090.52 | \$49,228,868.36 |
| WBE | Asian-Pacific | \$0.00 | \$323.34 | \$149.54 | \$113.90 | \$586.78 |
| | Black | \$0.00 | \$0.00 | \$0.00 | \$76.18 | \$76.18 |
| | Hispanic | \$0.00 | \$0.00 | \$1.75 | \$0.00 | \$1.75 |
| | Other | \$0.00 | \$0.00 | \$4.67 | \$83.61 | \$88.28 |
| | Total Minority Women | \$102,299.59 | \$26,301,001.29 | \$960,903.19 | \$1,934,502.40 | \$29,298,706.47 |
| | DVBE | Disabled Veteran Owned MEN | \$0.00 | \$287,953.96 | \$329,288.02 | \$584.27 |
| Disabled Veteran Owned WOMEN | | \$0.00 | \$159,800.00 | \$329,288.02 | \$621.74 | \$489,709.76 |
| Total DVBE | | \$0.00 | \$447,753.96 | \$658,576.04 | \$1,243.48 | \$1,107,573.48 |
| Total Minority Business Enterprise (MBE Men Only) | | \$972,065.93 | \$45,191,877.45 | \$2,808,834.46 | \$256,090.52 | \$49,228,868.36 |
| Women Business Enterprises (WBE) | \$102,299.59 | \$26,301,001.29 | \$960,903.19 | \$1,934,502.40 | \$29,298,706.47 | |
| Subtotal Women, Minority Business Enterprise (MWBE) | \$1,074,365.52 | \$71,492,878.74 | \$3,769,737.65 | \$2,190,592.92 | \$78,527,574.83 | |
| Service Disabled Veteran Business Enterprise (DVBE) | \$0.00 | \$447,753.96 | \$658,576.04 | \$1,243.48 | \$1,107,573.48 | |
| TOTAL WMOVBE | \$1,074,365.52 | \$71,940,632.70 | \$4,428,313.69 | \$2,191,836.40 | \$79,635,148.31 | |
| Gross Procurement | | | | \$239,695,428.31 | | |
| Exclusions | | | | \$34,000.00 | | |
| Net Procurement | | | | \$239,661,428.31 | | |
| Total Net Product Procurement | | | | \$755,238,495.87 | | |
| Total Net Service Procurement | | | | \$586,898.32 | | |
| Net Procurement | | | | \$755,825,394.19 | | |

***PER CPUC GO 156 (JUNE 2015) SECTION 8.3, NUMERICAL GOALS WILL BE EXCUSED FOR THE FIRST FIVE YEARS FOR LGBTBE'S IN ORDER THAT PARTICIPATION IN PROCUREMENT PROGRAMS CAN BE ESTABLISHED AND IMPLEMENTED TO GATHER DATA AND EXPERIENCE TO SET MEANINGFUL TARGET GOALS .**

Unless otherwise described in the 2015 Report, Level 3 intends to utilize the following WMDVLGBTBE Procurement SIC Code Legend:

| SIC Cat. | SIC Category Description | SIC Cat. | SIC Category Description | SIC Cat. | SIC Category Description | SIC Cat. | SIC Category Description |
|----------|--|----------|--|----------|--|----------|---|
| 14 | Mining and Quarrying of Nonmetallic Minerals, Except Fuels | 40 | Railroad Transportation | 64 | Food Stores | 96 | Administration of Economic Programs |
| 15 | Building Construction General Contractors & Operative Builders | 41 | Local and Suburban Transit and Interurban Highway Passenger Transportation | 65 | Real Estate | 97 | National Security and International Affairs |
| 16 | Heavy Construction | 42 | Motor Freight Transportation and Warehousing | 67 | Holding and Other Investment Offices | 99 | Nonclassifiable Establishments |
| 17 | Construction Special Trade Contractors | 43 | United States Postal Service | 70 | Hotels, Rooming Houses, Camps, and Other Lodging Places | | |
| 20 | Food and Kindred Products | 44 | Water Transportation | 72 | Personal Services | | |
| 21 | Tobacco Products | 45 | Transportation by Air | 73 | Business Services | | |
| 22 | Textile Mill Products | 46 | Pipelines, Except Natural Gas | 75 | Automotive Repair, Services, and Parking | | |
| 23 | Apparel & Other Finished Products Made from Fabrics & Similar Materials | 47 | Transportation Services | 76 | Miscellaneous Repair Services | | |
| 24 | Lumber and Wood Products, Except Furniture | 48 | Communications | 78 | Motion Pictures | | |
| 25 | Furniture and Fixtures | 49 | Electric, Gas, and Sanitary Services | 79 | Amusement and Recreation Services | | |
| 26 | Paper and Allied Products | 50 | Wholesale Trade-durable Goods | 80 | Health Services | | |
| 27 | Printing, Publishing, and Allied Industries | 51 | Wholesale Trade-non-durable Goods | 81 | Legal Services | | |
| 28 | Chemicals and Allied Products | 52 | Building Materials, Hardware, Garden supply, and Mobile Home Dealers | 82 | Educational Services | | |
| 29 | Petroleum Refining and Related Industries | 53 | General Merchandise Stores | 83 | Social Services | | |
| 30 | Rubber and Miscellaneous Plastics Products | 54 | Food Stores | 84 | Museums, Art Galleries, and Botanical and zoological Gardens | | |
| 31 | Leather and Leather Products | 55 | Automotive Dealers and Gasoline Service Stations | 86 | Membership Organizations | | |
| 32 | Stone, Clay, Glass, and Concrete Products | 56 | Apparel and Accessory Stores | 87 | Engineering, Accounting, Research Management, and Related Services | | |
| 33 | Primary Metal Industries* | 57 | Home Furniture, Furnishings, and Equipment Stores | 88 | Private Households | | |
| 34 | Fabricated Metal Products, Except machinery and Transportation Equipment | 58 | Eating and Drinking Places | 89 | Miscellaneous Services | | |
| 35 | Industrial & Commercial Machinery & Computer Equipment | 59 | Miscellaneous Retail | 91 | Executive, Legislative, and General Government, Except Finance | | |
| 36 | Electronic and Other Electrical Equipment and Components, Except Computer Equipment | 60 | Dispository Institutions | 92 | Justice, Public Order and Safety | | |
| 37 | Transportation Equipment | 61 | Non-depository Credit Institutions | 93 | Public Finance, Taxation, and Monetary Policy | | |
| 38 | Measuring, Analyzing, and Controlling Instruments; Photographic, Medical & Optical Goods; Watches & Clocks | 62 | Security and Commodity Brokers, Dealers, Exchanges, and Services | 94 | Administration of Human Resource Programs | | |
| 39 | Miscellaneous Manufacturing Industries | 63 | Insurance Carriers | 95 | Administration of Environmental Quality and Housing Programs | | |

For the Detailed Results of Supplier Diversity Procurement by Standard Industry Codes

Please See Tables on Following Pages

Standard Industry Code 2015 WMDVLGBTBE California Spend Report

| CALIFORNIA | | Asian | | Black | | Hispanic | | Native-American | | Disabled Veteran | | Other | | Total Minority Men | Total Minority Women | Minority Business Enterprise (MBE) | Women Business Enterprise (WBE) | Subtotal Women, Minority Business Enterprise (W/MBE) | Service Disabled Veterans Enterprise | Total W/MDVBE | Total Exp | | |
|------------|---------|---|-------|-------|-------|----------|-----------|-----------------|-------|------------------|-------|-------|-------|--------------------|----------------------|------------------------------------|---------------------------------|--|--------------------------------------|---------------|-----------|-----------|------------|
| NAICS | SIC | Men | Women | Men | Women | Men | Women | Men | Women | Men | Women | Men | Women | | | | | | | | | | |
| (blank) | (blank) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,681 | 147,374 | 20,681 | 147,374 | 20,681 | 147,374 | 168,055 | 0 | 168,055 | 86,919,697 |
| 22 | 49 | Utilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 221118 | 49 | Other Electric Power Generation | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 221121 | 49 | Electric Bulk Power Transmission and Control | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 221122 | 49 | Electric Power Distribution | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 221210 | 49 | Natural Gas Distribution(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 221310 | 49 | Water Supply and Irrigation Systems(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 221330 | 49 | Steam and Air-Conditioning Supply(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 236220 | 15 | Construction(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 2371 | 16 | Utility System Construction | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 237110 | 16 | Water and Sewer Line and Related Structures Construction(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 23713 | 16 | Power and Communication Line and Related Structures Construct | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 237130 | 16 | Power and Communication Line and Related Structures Constr(0) | 0 | 0 | 0 | 0 | 2,075,044 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,075,044 | 0 | 2,075,044 | 0 | 2,075,044 | 0 | 2,075,044 | 3,510,219 | |
| 237310 | 16 | Highway, Street, and Bridge Construction(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 760,536 | |
| 237990 | 16 | Other Heavy and Civil Engineering Construction(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 238120 | 17 | Structural Steel and Precast Concrete Contractors(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 23821 | 17 | Electrical Contractors | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 238210 | 17 | Electrical Contractors(0) | 0 | 0 | 0 | 0 | 12,087 | 0 | 0 | 0 | 0 | 0 | 0 | 1,119,812 | 7,049 | 1,131,899 | 7,049 | 1,131,899 | 7,049 | 1,138,948 | 0 | 1,138,948 | 2,202,524 |
| 238220 | 17 | Plumbing, Heating, and Air-Conditioning Contractors(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 670 | |
| 238290 | 17 | Other Building Equipment Contractors(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 238390 | 17 | Other Building Finishing Contractors(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 238910 | 17 | Site Preparation Contractors(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 238990 | 17 | All Other Specialty Trade Contractors(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 282,971 | 0 | 282,971 | 0 | 282,971 | 282,971 | 0 | 282,971 | 762,147 | |
| 332911 | 34 | Industrial Valve Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 33411 | 35 | Computer and Peripheral Equipment Manuf | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334111 | 35 | Electronic Computer Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72,314 | |
| 3342 | 36 | Communications Equipment Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 310,515 | |
| 33421 | 36 | Telephone Apparatus Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334210 | 36 | Telephone Apparatus Manufacturing(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 564,150 | |
| 334220 | 36 | Radio and Television Broadcasting and Wire | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334290 | 36 | Other Communications Equipment Manufact | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334413 | 36 | Semiconductor and Related Device Manufac | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334417 | 36 | Electronic Connector Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334418 | 36 | Printed Circuit Assembly (Electronic Assembl | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334419 | 36 | Other Electronic Component Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334513 | 36 | Instruments and Related Products Manufac | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 334515 | 36 | Instrument Manufacturing for Measuring and | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 65,165 | |
| 335911 | 36 | Storage Battery Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20,840 | |
| 335921 | 33 | Fiber Optic Cable Manufacturing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,240 | 0 | 1,240 | 0 | 1,240 | 1,240 | 0 | 1,240 | 1,240 | |
| 335929 | 33 | Other Communication and Energy Wire Manu | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 33599 | 36 | All Other Electrical Equipment and Compone | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 335999 | 36 | All Other Miscellaneous Electrical Equipme | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 339999 | 36 | All Other Miscellaneous Manufacturing(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 423420 | 50 | Office Equipment Merchant Wholesalers(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 425 | |
| 423430 | 50 | Computer and Computer Peripheral Equipme | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,338 | 0 | 4,338 | 0 | 4,338 | 4,338 | 0 | 4,338 | 4,338 | |
| 423610 | 50 | Electrical Apparatus and Equipment, Wiring | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,039 | |
| 423690 | 50 | Other Electronic Parts and Equipment Mercha | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 423810 | 50 | Construction and Mining (except Oil Well) M | 0 | 0 | 0 | 0 | 124,718 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 124,718 | 0 | 124,718 | 0 | 124,718 | 0 | 124,718 | 124,718 | |
| 42383 | 50 | Industrial Machinery and Equipment Mercha | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 23 | |
| 423990 | 50 | Other Miscellaneous Durable Goods Mercha | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 424490 | 51 | Other Grocery and Related Products Mercha | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |

| | | | | | | | | | | | | | | | | | | | | |
|--------|----|---|--------|---|---|---|---|--------|---|---|---|---|--------|---|--------|---|--------|--------|--------|-----------|
| 444130 | 52 | Hardware Stores(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 454390 | 54 | Other Direct Selling Establishments(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 482112 | 40 | Short Line Railroads | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 485112 | 41 | Commuter Rail Systems | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 488119 | 45 | Other Airport Operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 493110 | 42 | General Warehousing and Storage(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 511199 | 27 | All Other Publishers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5112 | 73 | Software Publishers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 511210 | 73 | Software Publishers(1) | 17,036 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 17,036 | 0 | 17,036 | 0 | 17,036 | 0 | 17,036 | 852,101 |
| 512240 | 73 | Sound Recording Studios(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 515120 | 48 | Television Broadcasting(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 515210 | 48 | Cable and Other Subscription Programming(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 517 | 48 | Telecommunications | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5171 | 48 | Wired Telecommunications Carriers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 517110 | 48 | Wired Telecommunications Carriers(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39,402 |
| 517210 | 48 | Wireless Telecommunications Carriers (except satellite) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 51791 | 48 | Other Telecommunications(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 517911 | 48 | Telecommunications Resellers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 88,287 | 0 | 88,287 | 0 | 88,287 | 88,287 | 0 | 88,287 |
| 517919 | 48 | All Other Telecommunications | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,368,077 |
| 518 | 73 | Data Processing, Hosting, and Related Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 518210 | 73 | Data Processing, Hosting, and Related Services(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 39,506 |
| 519110 | 73 | News Syndicates(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 519130 | 27 | Internet Publishing and Broadcasting and Web Related Activities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 519190 | 73 | All Other Information Services(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 35,913 |
| 522320 | 73 | Financial Transactions Processing, Reserve, and Fund Transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 525110 | 63 | Pension Funds(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53 | 65 | Real Estate and Rental and Leasing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 531 | 65 | Real Estate | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53112 | 65 | Lessors of Nonresidential Buildings (except apartments, hotels, motels, and dormitories) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 531120 | 65 | Lessors of Nonresidential Buildings (except apartments, hotels, motels, and dormitories) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,905 |
| 531190 | 65 | Lessors of Other Real Estate Property(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5312 | 65 | Offices of Real Estate Agents and Brokers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53121 | 65 | Offices of Real Estate Agents and Brokers(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 531210 | 65 | Offices of Real Estate Agents and Brokers(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53131 | 65 | Real Estate Property Managers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 531312 | 65 | Nonresidential Property Managers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 53132 | 65 | Offices of Real Estate Appraisers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 531390 | 65 | Other Activities Related to Real Estate(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 532111 | 75 | Passenger Car Rental | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 532490 | 73 | Other Commercial and Industrial Machinery and Equipment (except Airlines, Motor Vehicle, and Motor Vehicle Parts) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5411 | 73 | Legal Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54111 | 81 | Offices of Lawyers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 541110 | 81 | Offices of Lawyers(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54119 | 73 | Other Legal Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 541199 | 73 | All Other Legal Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54121 | 87 | Accounting, Tax Preparation, Bookkeeping, and Auditing Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 541211 | 87 | Offices of Certified Public Accountants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 54133 | 87 | Engineering Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 541330 | 87 | Engineering Services(0) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 241,154 |
| 541340 | 73 | Drafting Services(0) | 0 | 0 | 0 | 0 | 0 | 75,433 | 0 | 0 | 0 | 0 | 0 | 0 | 75,433 | 0 | 75,433 | 75,433 | 0 | 75,433 |
| 541370 | 73 | Surveying and Mapping (except Geophysical) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

***PER CPUC GO 156 (JUNE 2015) SECTION 8.3, NUMERICAL GOALS WILL BE EXCUSED FOR THE FIRST FIVE YEARS FOR LGBTBE'S IN ORDER THAT PARTICIPATION IN PROCUREMENT PROGRAMS CAN BE ESTABLISHED AND IMPLEMENTED TO GATHER DATA AND EXPERIENCE TO SET MEANINGFUL TARGET GOALS.**

9.1.3 Program Expenses

| Expense Category | Description | 2015 Actuals |
|-------------------------------|---|------------------|
| Wages, Other Employee Expense | Salary and payroll related costs of employees working on WMDVBE matters, Office space, travel, and other non-wage costs | \$150,000 |
| Program Expenses & Training | Printing, postage, supplies, outreach, and other costs directly related to programs including costs related to training employees (internal) and suppliers (external) | \$7,500 |
| Reporting Expenses | Computer, accounting, printing and other expenses in preparing reports to CPUC. | \$500 |
| Consultants and Contractors | Costs of hiring consultants and contractors to assist with WMDVBE program. | \$0 |
| Other | Miscellaneous costs that do not fit in other categories. | None Identified |
| Total | | \$158,000 |

9.1.4 A DESCRIPTION OF PROGRESS IN MEETING OR EXCEEDING SET GOALS AND AN EXPLANATION OF ANY CIRCUMSTANCES THAT MAY HAVE CAUSED THE UTILITY TO FALL SHORT OF ITS GOALS.

This is the first year that Level 3 is submitting a Plan. The 2015 Report will establish the baseline for year over year goal attainment or subsequent shortfalls by diversity category.

9.1.5 A SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS.

This is the first year that Level 3 is submitting a Plan. The 2015 Report will establish the baseline for Tier 2 year over year goal attainment or subsequent shortfalls by diversity category.

9.1.6 A LIST OF WMDVLGBTBE COMPLAINTS RECEIVED DURING THE PAST YEAR, ACCOMPANIED BY A BRIEF DESCRIPTION OF THE NATURE OF EACH COMPLAINT AND ITS RESOLUTION OR CURRENT STATUS.

COMPLAINTS WILL BE MONITORED AND REPORTED IN 2016.

9.1.7 A SUMMARY OF PURCHASES AND/OR CONTRACTS FOR PRODUCTS AND SERVICES IN EXCLUDED CATEGORIES.

Level 3's understanding is that the GO 156 Ruling on November 14, 2003, ended the exclusion category. Level 3 does not intend to exclude any product/service category from its purchase base other than those specifically stated in General Order 156, Section 8 such as payments to other utilities, government fees and taxes.

9.1.8 A DESCRIPTION OF ANY EFFORTS MADE TO RECRUIT WMDVLGBTBE SUPPLIERS OF PRODUCTS OR SERVICES IN PROCUREMENT CATEGORIES WHERE WMDVLGBTBE UTILIZATION HAS BEEN LOW, SUCH AS LEGAL AND FINANCIAL SERVICES, FUEL PROCUREMENT, AND AREAS THAT ARE CONSIDERED HIGHLY TECHNICAL IN NATURE.

To be addressed and reported, as applicable, in the 2016 Report.

9.1.9 UTILITIES SHALL RETAIN ALL DOCUMENTS AND DATA THEY RELY ON IN PREPARING THEIR WMDVBE ANNUAL REPORT FOR THE LONGER OF EITHER THREE YEARS OR IN CONFORMANCE

WITH THE UTILITIES' INDIVIDUAL DOCUMENT RETENTION POLICIES, AND SHALL PROVIDE THESE DOCUMENTS AND DATA TO THE COMMISSION UPON REQUEST.

Level 3 is in compliance with this provision.

- 9.1.10 EACH UTILITY WHICH ELECTS TO REPORT FUEL PROCUREMENT SEPARATELY MUST FILE WITH THE EXECUTIVE DIRECTOR BY MARCH 1 OF EACH YEAR, BEGINNING IN 1991, A SEPARATE DETAILED AND VERIFIABLE REPORT ON WMDVBE PARTICIPATION IN FUEL MARKETS. THESE REPORTS MUST INCLUDE, AT A MINIMUM, THE RESULTS OF PURCHASES IN EACH FUEL CATEGORY. UTILITIES SHALL REPORT RENEWABLE AND NONRENEWABLE ENERGY PROCUREMENT IN A MANNER SIMILAR TO THEIR REPORTING OF FUEL PROCUREMENT.**

Level 3 will evaluate the ability to report renewable and nonrenewable energy procurement for future plans.

GO156, §10 2016 ANNUAL PLAN

- 10.1.1 SHORT, MID, AND LONG TERM GOALS SET AS REQUIRED BY SECTION 8, SUPRA**

Level 3 plans to use historical information from prior years once a baseline is established, along with its anticipated company spend for the coming plan year, knowledge of major initiatives and opportunities, and input from key corporate departments, regional leadership, and local management in establishing its annual goals and objectives. While economic factors and influences outside the company's control affect overall purchasing decisions Level 3 will seek opportunities to improve upon stated goals and the resulting accomplishments year over year.

A summary of Level 3's first year goals are as follows:

| Term Goal | MBE | WBE | DVBE | LGBT |
|-------------------|------------|------------|-------------|-------------|
| Short Term (2016) | 3.5% | .5% | .5% | * |
| Mid Term (2019) | 5% | 1% | 1% | * |
| Long Term (2021) | 15% | 5% | 1.5% | * |

*The stated goals are not legally enforceable requirements or quotas of any kind and failure to meet or exceed them, or any other portion of this plan, is not subject to any penalty. **PER CPUC GO 156 (JUNE 2015) SECTION 8.3, NUMERICAL GOALS WILL BE EXCUSED FOR THE FIRST FIVE YEARS FOR LGBTBE'S IN ORDER THAT PARTICIPATION IN PROCUREMENT PROGRAMS CAN BE ESTABLISHED AND IMPLEMENTED TO GATHER DATA AND EXPERIENCE TO SET MEANINGFUL TARGET GOALS .**

- 10.1.2 A DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES PLANNED FOR THE NEXT CALENDAR YEAR. THIS DESCRIPTION SHALL INCLUDE BOTH INTERNAL AND EXTERNAL ACTIVITIES**

In 2016, Level 3 plans to work with California business units to identify opportunities to expand the use of WMDVLGBTBE vendors.

In order to meet its 2016 goals, Level 3 is in the process of establishing the following *internal* activities:

1. Local Goals and Objectives.

In order for any program to be effective, Level 3 believes that goals and objectives must be established at the lowest common level within the company to ensure success. While Level 3 has established supplier diversity goals and objectives in North America in support of its Federal plan, the company is also aware that the CA Plan and goals has components that must be applied to each individual market for them to be meaningful. In 2016, the Supplier Diversity Team, North American Procurement Organization, and CA Local Management will, through collaborative planning and implementation sessions, continue efforts to reinforce the Supplier Diversity goals for each of the California markets that will ultimately contribute to the overall 2016 Plan. This reinforcement process will engage, challenge, and establish local accountability to identify new and diverse sources of supply for employees who make purchasing decisions.

2. Training and Education.

Level 3 plans to train its North American Procurement Managers, Buyers and purchasing decision makers on the requirements, and benefits of having a supplier diversity program beginning in 2016. The goal of the training will be to educate Level 3 personnel on the existence and importance of the Supplier Diversity Program, the CA Plan and associated goals and requirements, along with providing access and visibility to available tools and resources in support of purchasing decision. .

In addition to updated training Level 3 will work to institute a targeted refresher training that is intended to continue to be communicated to the California market management team(s). By having the management team and employees be knowledgeable about the WMDVLGBTBE program, and well versed and familiar with the necessary supplier diversity “tools” to succeed, Level 3 will be positioned to be successful under this Plan.

Specific topics to be covered in 2016 market specific diversity training include:

- Visibility to the goals and requirements stated within the 2016 Annual Plan as submitted to the CPUC.
- Training on key sections of GO156 and employee responsibility.
- WMDVLGBTBE Prime Contractor Outreach.
- CPUC Clearinghouse as a resource tool for validation of existing and location of potential diverse suppliers.
- *2016 Annual Plan as submitted to the GSA.*
- Targeted diversity opportunities for underutilized businesses.

- Local Diversity Leaders and resources.

3. WMDVLGBTBE Prime Contractor Outreach.

Level 3 intends to strengthen its Supplier Diversity Outreach on a continuing basis in 2016. Some of the efforts the company plans to undertake include:

- Actively expanding the company's California source pools by leveraging the CPUC Clearinghouse and the California Department of General Services (DGS) Supplier Diversity Website supplier databases.
- Participate in Supplier Diversity seminars, conferences, workshops, and renew membership(s) with supplier diversity councils.
- Supporting outreach efforts through contacts with minority and small business trade associations, and attendance at minority, veteran-owned, service-disabled veteran-owned, lesbian, gay, bisexual and transgender-owned, minority-owned and women-owned business procurement conferences and trade fairs nationally and locally within key markets (i.e., California).
- Partner with the Federal Small Business Administration, or the California state counterpart, to seek alternative sources for supply or opportunities to further mature Level 3's diversity program.
- Partner with an Ethnic Business Association or Ethnic Chamber to seek alternative sources for supply or opportunities to further mature Level 3's *diversity program*.

4. Subcontracting Program.

Level 3 plans to launch its Tier 2 subcontracting program to encourage prime contractors to expand their utilization of WMDVLGBTBE subcontractors pursuant to GO156 §6.3. In particular, Level 3 will focus on prime contractors with whom the company has historically spent over \$500,000 for products and services and \$1,000,000 for construction services.

5. Employee Communication.

Level 3 intends to create and publish information about Supplier Diversity on its internal company site to incorporate resources for employees to increase opportunities to locate diverse suppliers through use of internal bid lists, links to external sites (such as the CPUC and DGS Supplier Diversity website), and other informational tools specific to Supplier Diversity efforts. Level 3 will seek opportunities to further develop means for vendors to update their records with current diversity status, and to streamline WMDVLGBTBE inclusion on bid opportunities. Level 3 is also working to identify a mechanism for new, diverse

suppliers to register for inclusion in future business solicitations. The research, development and implementation are planned for 2016.

6. Contracting.

Level 3 will continue to work to identify bid opportunities and include supplier diversity provisions in its RFXs, company Certification Forms (that enable the company to further identify opportunities and track the diverse status of its supplier base), and incorporate diversity requirements in its due diligence process.

7. Data Quality.

As part of the data integration activities, Level 3 is investigating opportunities to work with its Accounts Payable and IT departments to update and maintain diverse supplier records. New suppliers will be required to complete a Supplier Certification Form and provide current certification information as part of the company's standard vendor on-boarding and set-up process.

8. Supplier Certification.

Level 3 plans to train on and use the CPUC Clearinghouse, including the certification process, and encourage the company's existing diverse suppliers to submit for certification.

Level 3 is in the process of establishing the following external actions:

1. Attend WMDVLGBTBE Business Opportunity Workshops, Minority Business Enterprise Seminars and Trade Fairs.
2. Contact diverse and small business trade associations.
3. Identify and work with primary contacts at small and diverse trade associations to improve upon networking and sourcing opportunities.
4. Contact diverse business development organizations.
5. Attend minority, women-owned, and other diverse business/procurement conferences.

10.1.3 PLANS FOR RECRUITING WMDVLGBTBE SUPPLIERS OF PRODUCTS OR SERVICES WHERE WMDVLGBTBE UTILIZATION HAS BEEN LOW, SUCH AS LEGAL AND FINANCIAL SERVICES, FUEL PROCUREMENT, AND AREAS THAT ARE CONSIDERED HIGHLY TECHNICAL IN NATURE.

- Once a baseline is established, Level 3 plans to meet and work with key departments that purchase products or services in areas where WMDVLGBTBE utilization has been low to help design procurement "packages" that permit and encourage the participation of WMDVLGBTBE concerns.

- Directly or indirectly counsel WMDVLGBTBE suppliers and/or California employees on areas that present subcontracting opportunities.

10.1.4 PLANS FOR SEEKING AND OR RECRUITING WMDVLGBTBE SUPPLIERS OF PRODUCTS OR SERVICES IN ANY "EXCLUDED CATEGORY" OF PRODUCTS OR SERVICES WHICH HAS BEEN REMOVED FROM THE PROCUREMENT DOLLAR BASE USED TO SET GOALS BECAUSE OF THE ESTABLISHED UNAVAILABILITY OF WMDVLGBTBE SUPPLIERS. PLANS FOR SEEKING AND OR RECRUITING WMDVLGBTBE SUPPLIERS OF PRODUCTS OR SERVICES WHERE WMDVLGBTBE SUPPLIERS ARE CURRENTLY UNAVAILABLE

Level 3 currently has no plans to purchase or classify any products or services in an "excluded category" in 2016, other than those described above.

10.1.5 PLANS FOR ENCOURAGING BOTH PRIME CONTRACTORS AND GRANTEES TO ENGAGE WMDVLGBTBES IN SUBCONTRACTS IN ALL CATEGORIES WHICH PROVIDE SUBCONTRACTING OPPORTUNITIES.

Level 3 is committed to providing increased opportunities for diverse businesses, but in some cases, the company is challenged by supply chain realities that may impede the ability to buy directly from WMDVLGBTBE suppliers. In those cases, Level 3 will rely upon its prime contractors' Tier 2 subcontracting activities to expand supplier diversity efforts. Level 3 is in the process of implementing a Tier 2 program to encourage its prime providers to utilize diverse suppliers in fulfillment of their contracts. This process is designed to augment existing efforts to increase meaningful business opportunities for diverse suppliers.

Level 3 remains committed to achieving the maximum practical utilization of WMDVLGBTBE vendors in all categories and sees Tier 2 purchases as an opportunity to expand business opportunities. It should be noted, however, that the award of subcontracts are at the sole discretion of the prime contractor.

10.1.6 PLANS FOR COMPLYING WITH THE WMDVLGBTBE PROGRAM GUIDELINES ESTABLISHED BY THE COMMISSION AS REQUIRED BY PUBLIC UTILITIES SECTION 8283(C). THE EXECUTIVE DIRECTOR'S OFFICE WILL BE RESPONSIBLE FOR DEVELOPING, PERIODICALLY REFINING, AND RECOMMENDING SUCH GUIDELINES FOR THE COMMISSION'S ADOPTION IN AN APPROPRIATE PROCEDURAL FORUM

Level 3 will monitor any changes to the program guidelines to ensure continued compliance with the program.