



March 1, 2016

Timothy Sullivan Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

Re: Park Water Company and Apple Valley Ranchos Water Company 2015 Annual
Report in Compliance with General Order 156

Dear Mr. Sullivan,

Pursuant to Park Water Company's and Apple Valley Ranchos Water Company's participation in General Order 156, please find an enclosed copy of our Annual Report on the Utility Supplier Diversity Program, formatted as required by Decision 95-12-045.

In January 2016, Park Water Company and Apple Valley Ranchos Water Company were acquired by Liberty Utilities Co. In future years, this annual compliance report will be submitted by Liberty Utilities.

If you have any questions, please call me at 562.299.5118.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel Rodriguez", with a stylized flourish at the end.

Daniel Rodriguez
Utility Supplier Diversity Program

Attachment

2015
Utility Supplier Diversity Program
REPORT



APPLE VALLEY RANCHOS
WATER COMPANY™



Message From Our President

Our Commitment to Diversity Drives Results

Water is a natural resource that is essential to life, and all of us at Park Water Company, now part of Liberty Utilities, understand the tremendous responsibility that comes with providing water to the communities we are honored to serve. Part of this responsibility means being an engaged community partner. We must continually strive not only to provide reliable, quality water service, but also create opportunities for businesses that reflect the richly diverse communities in our service areas.

For more than twelve years, we have participated in the California Public Utilities Commission's Utility Supplier Diversity Program with our two Southern California regulated utilities—Apple Valley Ranchos Water Company and Park Water Company. Apple Valley Ranchos (Ranchos Water) serves approximately 50 square miles in Apple Valley and Victorville, while Park Water operates three water systems in southeast Los Angeles County for portions of the communities of Compton, Bellflower, Lynwood, Norwalk, Artesia, Santa Fe Springs and Willowbrook.

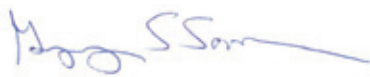
In conjunction with the Utility Supplier Diversity Program, we have actively sought to develop ongoing business relationships with talented minority- and women-owned businesses, disabled veterans firms, as well as lesbian, gay, bisexual and transgender (LGBT) business enterprises.

We achieved continued success with our diversity efforts in 2015. I am proud to report that last year our percent spend with diverse businesses reached 39.9 percent, exceeding the California Public Utilities Commission's target of 21.5 percent.

We purchased \$12.5 million in products and services from diverse businesses, as we worked with 34 diverse vendors. As our total diversity spend increased once again, it included a 6.4 percent spend with LGBT business enterprises.

In January 2016, Liberty Utilities completed its acquisition of Park Water and Ranchos Water. Liberty Utilities is also committed to supplier diversity and will continue to be an active participant in the communities we serve. We will rely on our diverse suppliers to help Liberty Utilities provide best-in-class customer care.

My sincere thanks to all who have contributed to Park Water Company's success with our Supplier Diversity Program in 2015, and I look forward to continued diversity excellence from Liberty Utilities in 2016.



Greg Sorenson
President, Liberty Utilities California



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Overview

Pursuant to the direction of General Order 156 (GO 156) of the California Public Utilities Commission, this report covers and includes the Utility Supplier Diversity Program (USDP) and procurement data for Park Water Company (Park Water) and also those of its California subsidiary, Apple Valley Ranchos Water Company (Ranchos Water), both of which are now part of Liberty Utilities. Park Water provides support to Ranchos Water for its Supplier Diversity Program as it does for many other administrative services.

Prior to being subject to GO 156, Park Water and Ranchos Water voluntarily participated in the USDP. This report is our fifth required filing and 2015 is our twelfth year participating in the program.

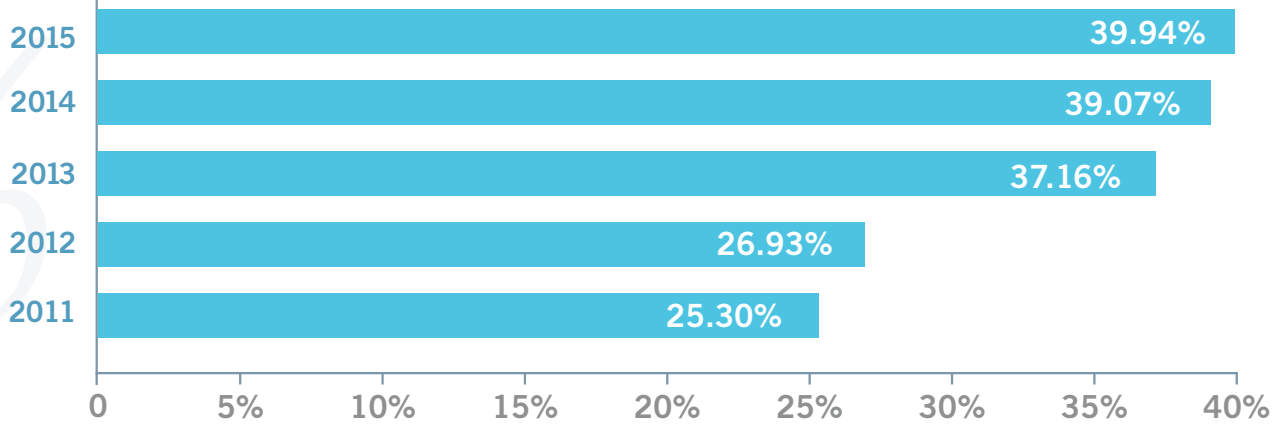
The graphs shown on the following page illustrate the progress we have made during the past five years. The success we have had in 2015 shows the commitment we have to the USDP throughout Park Water and Ranchos Water.



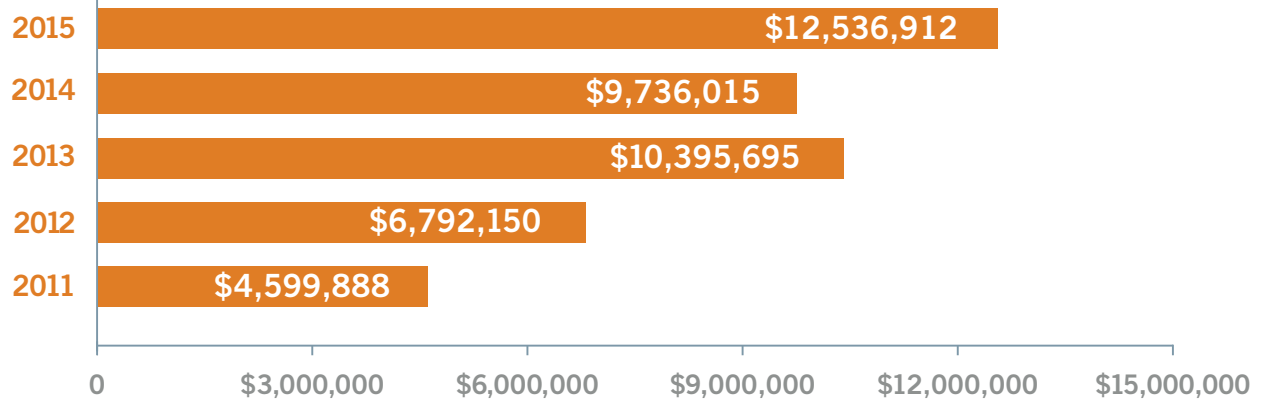
5th filing
12th program year

Utility Supplier Diversity Program Results 2011-2015

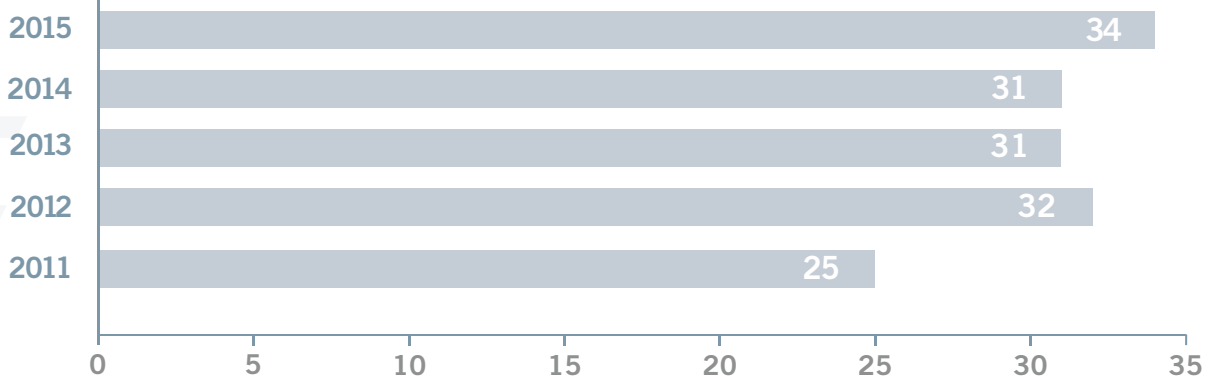
Percent Spend With Diversity Vendors Per Year



Diversity Vendors Spend Per Year



Number of Diversity Vendors Per Year



SECTION 9.1.1

Description Of WMDVLGBTBE Program Activities—Internal And External

Internal

Our Supplier Diversity Steering Committee is comprised of a wide base of employees from both companies. The Committee is co-chaired by our Chief Executive Officer and our Diversity Coordinator. Several senior executives from both Park Water and Ranchos Water also serve on the Committee.

Department heads are committed to including USDP activities as a performance measurement for their staff. Job descriptions specify that those with purchasing authority are to actively support the USDP to achieve the Program's objectives and incorporate diverse business enterprises in the procurement process. The Company's Procurement Guidelines direct that the procurement process shall be conducted in a manner consistent with the intent and requirements of any applicable federal and state laws or regulations regarding incorporation of diversity vendors in the process.

Staff members with purchasing power are encouraged to screen their suppliers to determine their eligibility as a women, minority, disabled veteran, lesbian, gay, bisexual and transgender business enterprise (WMDVLGBTBE) and to encourage those whose qualify to become certified.

In 2015 we partnered with a DVBE supplier to help with our traffic-control needs. In addition, we were pleased to learn that Brkich Construction Corporation is a certified LGBT business enterprise. We have been working with Brkich for more than 20 years, and it has consistently delivered high-quality construction services.

External

Park Water, along with the California Water Association (CWA), conducted our Sixth Annual Contractors Meetings in both Northern and Southern California. The "Meet the Primes" event in Southern California, held in June in Ontario, drew more than 70 people including 12 prime contractors looking for subcontracting opportunities with diverse suppliers. Christopher Schilling, President and CEO of Park Water, delivered the executive message emphasizing utility members' commitment to supplier diversity and the benefits of an inclusive supply chain. The Northern California event held in September was similarly successful with a draw of 50 attendees. The highlights of these events were panels of utility prime contractors responding to questions about their subcontracting requirements. These outreach events serve as a conduit for introducing diverse businesses to water utility contractors and help build second-tier spend.

We continued to be more visible as a participating utility in USDP outreach activities. Our USDP manager participated in monthly conference calls and meetings with other utilities through the CWA. Park Water and Ranchos Water continued to develop USDP contacts within the water industry and among other utilities.

Park Water participated in the WMDVLGBTBE-related events noted on the following page.



2015 WMDVLGBTBE Events Attended

JANUARY	CPUC Audit Workshop, San Francisco, CA CWA/USDP Committee Meeting, San Jose, CA
FEBRUARY	CWA/USDP Committee Meeting, Coronado, CA
MARCH	SCMSDC Minority Business Opportunity Day, Universal City, CA CUDC Monthly Meeting, San Diego, CA JU Quarterly Meeting, San Diego, CA CWA/USDP Committee Meeting, San Jose, CA Los Angeles Chapter/DVBA Meeting, Los Angeles, CA
APRIL	WEBC-West Corporate Dine Around, Los Angeles, CA CWA/USDP Committee Meeting, Fontana, CA WEBC-West WebEx, Teleconference
MAY	CWA/USDP Committee Meeting, Sacramento, CA KTP DVBE Business Alliance, Sacramento, CA
JUNE	TELACU Millennium Event, Los Angeles, CA CWA/USDP Committee Meeting, Ontario, CA CWA/USDP "Meet the Primes" Event, Ontario, CA
JULY	No events to report
AUGUST	CWA/USDP Committee Meeting, Long Beach, CA Elite SDVOB National Conference, Long Beach, CA
SEPTEMBER	CWA/USDP Committee Meeting, San Jose, CA CWA/USDP "Meet the Primes" Event, San Jose, CA
OCTOBER	CPUC EnBanc, San Francisco, CA CWA/USDP Committee Meeting, Coronado, CA
NOVEMBER	DVBA Salute to Veterans Breakfast, Beverly Hills, CA
DECEMBER	No events to report

SECTION 9.1.2

Summary Of Purchases Or Contracts

ANNUAL RESULTS BY CATEGORY

		Direct \$	Sub \$	Total \$	%
Minority Men	Asian-Pacific	\$ 306,315		\$ 306,315	0.98%
	Black	\$ 227		\$ 227	0.00%
	Hispanic	\$ 3,294,627		\$ 3,294,627	10.50%
	Native American				
	Other				
	Total Minority Men		\$ 3,601,169		\$ 3,601,169
Minority Women	Asian-Pacific	\$ 8,620		\$ 8,620	0.03%
	Black				
	Hispanic	\$ 127,595		\$ 127,595	0.41%
	Native American				
	Other				
	Total Minority Women		\$ 136,216		\$ 136,216
Total Minority Business Enterprise (MBE)		\$ 3,737,384		\$ 3,737,384	11.91%
Women Business Enterprise (WBE)		\$ 6,778,970		\$ 6,778,970	21.60%
Subtotal Women, Minority Business Enterprise (MWBE)		\$10,516,354		\$10,516,354	33.51%
Disabled Veteran Business Enterprise (DVBE)		\$ 18,414		\$ 18,414	0.06%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)		\$ 2,002,144		\$ 2,002,144	6.38%
TOTAL WMDVLGBTBE		\$12,536,912		\$12,536,912	39.94%
Gross Procurement		\$43,697,546			
Exclusions		\$12,310,588			
Net Procurement		\$31,386,958			

\$3,601,169
total minority men

\$136,216
total minority women

SECTION 9.1.2

Summary Of Purchases Or Contracts

PROCUREMENT BY PRODUCT AND SERVICE CATEGORIES

		Products		Services		TOTAL	
		\$	%	\$	%	\$	%
Minority Men	Asian-Pacific	\$ 122,004	5.38%	\$ 184,310	0.63%	\$ 306,315	0.98%
	Black			\$ 227	0.00%	\$ 227	0.00%
	Hispanic	\$ 3,255		\$ 3,291,373	11.30%	\$3,294,627	10.50%
	Native American						
	Other						
Total Minority Men		\$ 125,259	5.52%	\$3,475,910	11.94%	\$3,601,169	11.47%
Minority Women	Asian-Pacific			\$ 8,620	0.03%	\$ 8,620	0.03%
	Black						
	Hispanic			\$ 127,595	0.44%	\$ 127,595	0.41%
	Native American						
	Other						
Total Minority Women				\$ 136,216	0.47%	\$ 136,216	0.43%
Total Minority Business Enterprise (MBE)		\$ 125,259	5.52%	\$ 3,612,125	12.41%	\$3,737,384	11.91%
Women Business Enterprise (WBE)		\$ 774,179	34.14%	\$ 6,004,791	20.62%	\$6,778,970	21.60%
Subtotal Women, Minority Business Enterprise (WMBE)		\$ 899,438	39.66%	\$ 9,616,917	33.03%	\$10,516,354	33.51%
Disabled Veteran Business Enterprise (DVBE)				\$ 18,414	0.06%	\$ 18,414	0.06%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)				\$ 2,002,144	6.88%	\$ 2,002,144	6.38%
TOTAL WMDVLGBTBE		\$ 899,438	39.66%	\$11,637,474	39.97%	\$12,536,912	39.94%

Gross Procurement	\$43,697,546
Exclusions	\$12,310,588
Net Procurement	\$31,386,958
Total Product Procurement	\$ 2,267,957
Total Service Procurement	\$29,119,001
Net Procurement	\$31,386,958

Percentages for "Products" expenditures are WMDVLGBTBE expenditures compared to "Total Product Procurement" expenditures.

Percentages for "Services" expenditures are WMDVLGBTBE expenditures compared to "Total Service Procurement" expenditures.

Percentages for "Total" expenditures are WMDVLGBTBE expenditures compared to "Net Procurement" expenditures.

SECTION 9.1.2

PROCUREMENT BY STANDARD INDUSTRY CODE-DETAIL

SIC Category	Asian		Black		Hispanic		Native-American		Other		Total Minority Men	Total Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Subtotal, Women, Minority Business Enterprise (WMWBE)	Service Disabled Veterans Business Enterprise (DVBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Total WMDVLTBE	Total Expenditures
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women									
15. General Bldg. Contractors	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	64,716	64,716	0	0	64,716	499,050
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	12.97%	12.97%	0.00%	0.00%	12.97%	
16. Heavy Construction	\$ 0	0.00%	\$ 0	0.00%	\$ 2,563,815	0.00%	\$ 0	0.00%	\$ 0	0.00%	2,563,815	0	2,563,815	5,725,149	8,288,964	0	0	8,288,964	8,515,210
	%	0.00%	%	0.00%	%	30.11%	%	0.00%	%	0.00%	30.11%	0	30.11%	67.23%	97.34%	0.00%	0.00%	97.34%	
17. Special Trade Contractors	\$ 0	0.00%	\$ 227	0.00%	\$ 256,983	0.00%	\$ 0	0.00%	\$ 0	0.00%	35,091	292,302	292,302	0	292,302	0	0	292,302	1,932,114
	%	0.00%	%	0.01%	%	13.30%	%	0.00%	%	0.00%	13.31%	1.82%	15.13%	0.00%	15.13%	0.00%	0.00%	15.13%	
27. Printing and Publishing	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	25,721	25,721	0	0	25,721	49,131
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	52.35%	52.35%	0.00%	0.00%	52.35%	
28. Chemicals and Allied Products	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	3,742
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
32. Stone Clay and Glass Products	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	2,001
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
34. Fabricated Metal Products	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	53,171
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
35. Industrial Machinery	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	107,847
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
36. Electronic and Other Electric Equipment	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	105,301
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
38. Instruments and Related Products	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	1,500
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
42. Trucking and Warehousing	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	117
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
46. Pipelines, except Natural Gas	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	2,617,069
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
47. Transportation Services	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	8,448
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
48. Communication	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	553,070
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
50. Wholesale Trade - Durable Goods	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	748,295	748,295	0	0	748,295	1,713,951
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	43.66%	43.66%	0.00%	0.00%	43.66%	
52. Eating and Drinking Places	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	1,024
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
53. General Merchandise Stores	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	115,791
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
54. Food Stores	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	7,451
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
55. Automotive Dealers and Service Stations	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	292,786
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
56. Apparel and Accessory Stores	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0	0	0	0	0	0	0	8,135
	%	0.00%	%	0.00%	%	0.00%	%	0.00%	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

SECTION 9.1.2

PROCUREMENT BY STANDARD INDUSTRY CODE-DETAIL

SIC Category	Asian		Black		Hispanic		Native-American		Other		Total Minority Men	Total Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Subtotal, Women, Minority Business Enterprise (WMBE)	Service Disabled Veterans Business Enterprise (DVBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Total WMD/LGBTBE	Total Expenditures	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women										
59. Miscellaneous Retail	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	4,771	
60. Depository Institutions	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	494,977	
61. Non Depository	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	10,270	
62. Security Brokers	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	396,790	
63. Insurance Carriers	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	3,899,705	
64. Insurance Agents, Brokers & Service	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	304,491	
65. Real Estate	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	517,521	
72. Personal Services	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	5,497	
73. Business Services	\$ 157,898	0.00%	\$ 0	0.00%	\$ 473,829	0.00%	\$ 450	0.00%	\$ 0	0.00%	631,727	450	632,177	210,784	842,960	6,681	0	851,641	6,099,232	
75. Auto Repair, Services & Parking	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	124,623	
76. Miscellaneous Repair Services	\$ 0	8.620	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	8.620	8,620	0	8,620	0	0	8,620	58,285	
80. Health Services	\$ 0	14.79%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	14.79%	14,790	0	14,790	0	0	14,790	19,796	
81. Legal Services	\$ 148,417	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	148,417	0	148,417	0	148,417	0	0	148,417	1,191,530	
82. Educational Services	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	22,709	
86. Membership Organizations	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0	26,544	
87. Engineering and Management Services	\$ 0	0.00%	\$ 0	0.00%	\$ 92,054	0.00%	\$ 92,054	0.00%	\$ 0	0.00%	92,054	0	92,054	4,305	96,359	0	0	96,359	1,592,976	
95. Environmental Quality and Housing	\$ 0	0.00%	\$ 0	0.00%	\$ 0	0.00%	\$ 5,780	0.00%	\$ 0	0.00%	5,780	0	5,780	0.27%	6,050	0.00%	0	6,050	30,330	
Total	\$ 306,315	8.620	\$ 227	0.00%	\$ 3,294,627	127,595	\$ 127,595	0.41%	\$ 0	0.00%	\$ 3,601,169	136,216	\$ 3,737,384	6,778,970	10,516,354	18,414	2,002,144	12,536,912	31,386,958	
	% 0.98%	0.03%	% 0.00%	0.00%	% 10.50%	0.41%	% 0.00%	0.00%	% 0.00%	0.00%	% 11.47%	% 0.43%	% 11.91%	% 21.60%	% 33.51%	% 0.06%	% 6.38%	% 39.94%	% 6.38%	

SECTION 9.1.3

Summary Of Expenses

DIVERSITY PROGRAM EXPENSES

Expense Category	2015 (Actual)
Wages	\$23,904
Other Employee Expenses	\$17,197
Program Expenses	\$ 8,004
Total	\$49,105

“Our success with the Utility Supplier Diversity Program underscores the commitment to diversity that every employee of Park Water Company and Apple Valley Ranchos Water Company shares.”



Daniel Rodriguez
Diversity Coordinator



SECTION 9.1.4

Description Of Progress In Meeting Or Exceeding Set Goals

COMPARISON OF 2014 AND 2015 RESULTS

Category	2014 Year Results	2015 Year Results	2016 CPUC Year Goals
Minority Men	14.90%	11.47%	N/A
Minority Women	0.45%	0.43%	N/A
Minority Business Enterprise (MBE)	15.35%	11.91%	15.00%
Women Business Enterprise (WBE)	23.71%	21.60%	5.00%
Disabled Veteran Business Enterprise (DVBE)	0.01%	0.06%	1.50%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTBE)		6.38%	TBD
Total WMDVLGBTBE	39.07%	39.94%	21.50%

Park Water and Ranchos Water were successful in exceeding the CPUC goals of 21.5 percent.



40%
*spend with
diverse businesses*



SECTION 9.1.5

Summary Of Prime Contractor Utilization of WMDVLGBTBE Subcontractors

Our procurement documents and potential vendor packages reflect Park Water's and Ranchos Water's commitment to the utilization of women, minority, disabled veteran, lesbian, gay, bisexual and transgender business enterprises. We now have a viable second-tier program. We encourage contractors on large jobs to unbundle the work effort to allow the use of diversity subcontractors and track that spend in a second-tier program.

Second-tier spend is spend reported by primary suppliers of Park Water and Ranchos Water, which have diversity subcontractors working on a contract. Depending upon the contract, primary suppliers may be requested to submit second-tier information with WMDVLGBTBE companies.

We have helped non-minority prime contractors become familiar with second-tier tracking and meet potential diversity suppliers during the "Meet the Primes" events in Southern and Northern California.

SECTION 9.1.6

A List Of Complaints Received And Current Status

Park Water and Ranchos Water received no program complaints during 2015.

SECTION 9.1.7

Summary Of Purchases And/Or Contracts In Excluded Categories

The amount of \$12,310,588, shown on Table 9.1.2 in the "Exclusions" line, is the total of payments made in the categories of Purchased Power, Replenishment Fees (pump taxes) and the cost of obtaining water supply, both surface water and groundwater. Subject to Section 8.9 of GO 156, payments to other utilities, taxes, franchise fees, and postage have not been included in the Gross Procurement.

SECTION 9.1.8

Description Of Efforts To Recruit WMDVLGBTBE Program Suppliers In Low-Utilization Categories

Our efforts to recruit diverse suppliers in low-utilization areas consist of attending specialized events sponsored by the CPUC, Small Business Administration and the California Disabled Veterans Business Enterprise, where we connect with vendors in these areas, specifically Disabled Veterans and professional services.

In 2015 Park Water successfully engaged E-Nor Innovations, a DVBE, to serve as our safety equipment supplier and to provide guidance on traffic-control regulations. In addition, we made Brkich Construction aware of the passage of AB 1678 to add LGBT business enterprises to the diversity supplier resources. As a result, we achieved a 6.4 percent spend in this category.

SECTION 10.1.1

Short-Term, Mid-Term And Long-Term Goals

In 2015, Park Water and Ranchos Water exceeded the overall utilization goals for WMDVLGBTBE suppliers of 21.5 percent. In the next calendar year, as we move forward as part of Liberty Utilities, we strive to meet the individual goals established by the CPUC of:

- | | |
|--|------|
| • Minority Business Enterprise | 15% |
| • Women Business Enterprise | 5% |
| • Disabled Veteran Business Enterprise | 1.5% |
| • Lesbian, Gay, Bisexual and Transgender Business Enterprise | TBD |

In order to improve in the individual categories, these goals have been established:

Short-Term Goals: Make Liberty’s website more transparent for outside vendors to submit job bids. Also make the website more interactive for supplier diversity users. Follow the LGBT guidelines and goals once they are adopted by the CPUC. Continue to grow second-tier spending.

Mid-Term Goals: Direct efforts to increase the use of LGBT firms and diversity firms in under-utilized areas. Become more interactive with community-based organizations. Become more proactive in matchmaking events and assisting with the certification process.

Long-Term Goals: Reach out and effectively involve the community and the businesses we serve in the diversity program.



On left:
Ronnie Jones, President,
E-nor Innovations

SECTION 10.1.2

Description Of WMDVLGBTBE Program Activities Planned— Internal And External

Program activities in 2016 for Liberty Utilities will include:

- a) Introduce the supplier diversity program to the other Liberty Utilities companies. Coordinate supplier diversity activities with Liberty California Utilities Pacific Electric Company.
- b) Meet quarterly with our USDP Committee to analyze procurement needs and processes.
- c) Coordinate and participate in the Seventh Annual Contractors Meetings in Northern and Southern California. Meet and educate prime contractors on second-tier spending.
- d) Focus on our current vendors to determine their eligibility as a WMDVLGBTBE.
- e) Develop more materials and methods to communicate with and support vendors regarding GO 156 and the certification process.
- f) Coach and assist with enrollment in the diversity program.
- g) Continue to request bids from diversity suppliers and non-diverse suppliers (second-tier).
- h) Further streamline our reporting process company- and industry-wide.



SECTION 10.1.3

Plans For Recruiting WMDVLGBTBE Program Suppliers In Low-Utilization Categories

Liberty Utilities has reviewed our activities in low-utilization areas to identify where we can increase utilization of diverse vendors in those areas. We continue to pursue opportunities for suppliers in these under-utilized categories.

SECTION 10.1.4

Plans For Seeking And/Or Recruiting WMDVLGBTBE Program Suppliers In 'Excluded Categories' And Where Suppliers Are Currently Unavailable

Liberty Utilities currently has no plans to recruit suppliers in excluded categories.

SECTION 10.1.5

Plans For Encouraging Both Prime Contractors And Grantees To Engage WMDVLGBTBEs In Subcontracting Opportunities

Our plans for engaging prime contractors in identifying and taking advantage of subcontracting opportunities include bringing together eligible subcontractors with prime contractors through our Annual Contractors Meetings. We will assist in planning and organizing the 2016 CWA's Annual Contractors Meetings and will send company buyers to meet with vendors at the event.

SECTION 10.1.6

Plans For Complying With The WMDVLGBTBE Program Guidelines

Liberty Utilities will work towards compliance with all guidelines required by GO 156.





Building A Team As Diverse As The Communities We Serve



P.O. Box 7002
9750 Washburn Road
Downey, CA 90241
562 923 0711 phone
562 861 5902 fax
parkwater.com

APPLE VALLEY RANCHOS **WATER COMPANY™**

P.O. Box 7005
Apple Valley, CA 92307
760 247 6484 phone
760 247 1654 fax
avrwater.com

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