

Supplier Diversity

Partnering to Build a Better Business



2019
YEAR IN REVIEW

Diverse Business Enterprises 2019 Annual Report • 2020 Annual Plan
March 1, 2020



A  Sempra Energy utility®

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2019 SDG&E Supplier Diversity Annual Report

Letter from SDG&E Chairman and CEO Kevin Sagara



I am pleased to report that in 2019, San Diego Gas & Electric (SDG&E) posted another exceptional year of supporting supplier diversity. SDG&E purchased nearly 41 percent, or over \$635 million of goods and services from diverse suppliers, marking the seventh consecutive year that our supplier diversity spending has been above 40 percent, far exceeding the California Public Utilities Commission's (CPUC) goal of 21.5 percent.

With the unprecedented challenges and changes affecting our industry, we will be depending on our suppliers to identify and engage in innovative practices that will help transform these many challenges into opportunities for success.

A primary area of focus for SDG&E in 2020 is wildfire mitigation, along with maximizing customer and community safety and reliability. We currently lead the way nationwide, and in some cases worldwide, in innovative approaches to engineering, construction and energy infrastructure. We plan to extend our leadership with a wildfire mitigation strategy that includes fire-hardening our electric system, innovating our vegetation management programs and making operational decisions using the forecasting and modeling systems within our state-of-the-art weather center. In 2019, SDG&E demonstrated its commitment to safety and supplier diversity by spending over \$100 million or 50.7 percent with diverse suppliers working on our Fire Risk Management (FiRM) and Cleveland National Forest Master Special Use Permit (CNF MSUP) projects in support our fire risk mitigation strategies.

We will look to our suppliers to help us improve processes and partner to create a culture and environment that fosters continuous improvement and innovation across every area of our business. That means challenging the status quo, embracing supplier diversity and broadening our collaboration efforts with our suppliers and community-based organizations.

I'm confident in our ability to successfully execute our five-year strategic plan which prioritizes delivering clean, safe and reliable energy while building a better business. With so many important and transformative projects taking place across our company, from wildfire mitigation to advancing the adoption of electric vehicles in our region, to our "Envision" initiative which will transform the customer experience, we are positioned to succeed. I look forward to partnering with our diverse suppliers in 2020; they are a critical component to achieving success in the transforming energy industry.

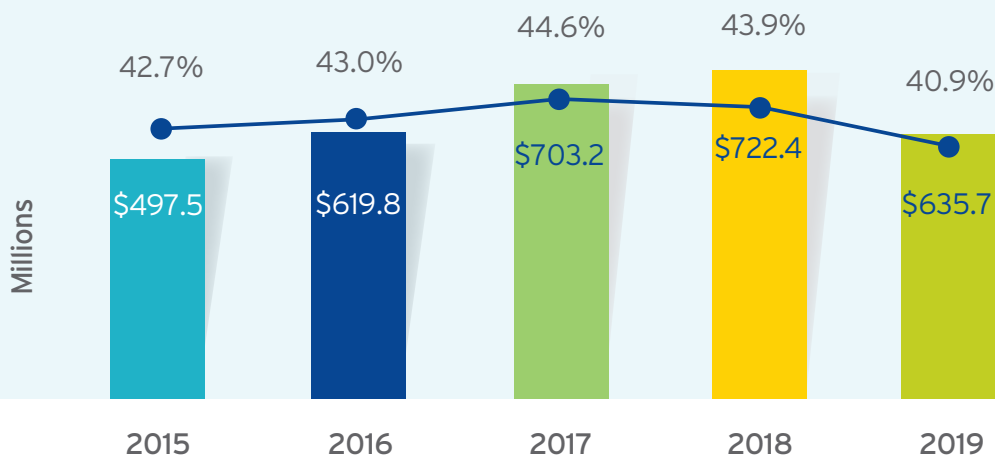
Kevin Sagara
SDG&E Chairman and CEO

Executive Summary

San Diego Gas & Electric (SDG&E) maintained strong supplier diversity spend in 2019 with 40.86 percent or over \$635.7 million. Once again, we exceeded the California Public Utility Commission's (CPUC) General Order 156 goal of 21.5 percent. Our 2019 results were driven by core business areas, such as Electric Engineering & Construction, Gas Operations and Clean Transportation. It is important that we foster these relationships with diverse suppliers because the spending in these core areas is significant. These core business areas contributed nearly \$850 million or 55 percent to our total spend in 2019.



SUPPLIER DIVERSITY SPENDING - 2015 TO 2019 (\$ AND %)



Key spending and accomplishments contributing to 2019 supplier diversity success

Direct spending - Decreased \$60 million, from \$507.3 million to \$447.4 million, representing 28.8 percent in supplier diversity spending.

\$447.4
Million

Subcontracting - Totaled more than \$188.3 million for both core business and capital projects, representing 12.1 percent in supplier diversity spending.

\$188.3
Million

Category highlights

Minority Business Enterprise (MBE)

Spending was \$369.1 million or 23.7 percent.

\$369.1
Million

Women Business Enterprise (WBE)

Spending was \$186.7 million or 12.0 percent.

\$186.7
Million

Minority Women Business Enterprise (MWBE)

Spending was \$39.4 million or 2.5 percent.

\$39.4
Million

Service-Disabled Veteran Business Enterprise (DVBE)

Spending was \$73 million or nearly 4.7 percent.

\$73.0
Million

ALTERNATIVE FUEL VEHICLES



SDG&E Employees EVs and Fleet Services

"It's On to 1,000:" 668 employees driving EVs
Workplace charging stations: 294
Fleet: Electrified 168*
Natural Gas 80 Percent of total fleet: 15%
*Combination of EV, PHEV and E-PTO



Plug-In Electric Vehicles

51,470 total residential PEVs 1794 stations (Comm'l Level 2) 244 stations (DC Fast Charge) 7,786 customers enrolled in EV pricing plans



Mobile Home Utility Upgrade Program

Upgraded service installed at 4,350 homes
Upgraded service 39 parks

POWER YOUR DRIVE
Energized: 254 sites | 3,040 nozzles
Active users: 2,260
\$0.19 average price per kWh

CUSTOMERS



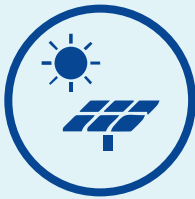
3.6M people served
Total electric accounts: 1.46M
Residential: 1.3M
Commercial: 158K
Total gas accounts: 892K
Residential: 860K
Commercial: 32K

EMPLOYEE WORKFORCE



Employees: 4,250
Female representation: 34 percent
Minority representation: 49 percent
Military representation: 9 percent

SOLAR | RPS | ENERGY STORAGE



Solar Customers
 Residential : 168,583 | 913 MW
 Non-residential: 4,085 | 273 MW

Energy Storage With Solar

Residential: 4,506 | 26 MW
 Non-residential: 86 | 10 MW

Renewable Meter Adapter
 Installed: 9,409
 Customer savings: \$11M

Renewable Portfolio Standard (RPS)

2019 total: ~45 percent
 Operating contracts: ~60



EcoChoice
 Total customers: 3,818 | 50 MW
 Residential: 2,949 | 4 MW
 Commercial/Industrial: 869 | 46 MW

Energy Storage

Existing: 84 MW
 Contracted Utility-owned (not online): 70 MW
 Contracted Non-utility owned (not online): 14 MW
 Customer-owned: 65 MW

WILDFIRE PREPAREDNESS



Aircrane (helitanker)
 Airborne within 15 minutes
 Water or fire suppressant held: 2,650 gallons
 Seconds to refill tank: 45
 223 water drops and 177,174 gallons
 31 dispatches with fire attack

Enhanced Fire Safety Measures

Wood poles converted to steel poles throughout service territory: 21,514 (17,749 in high fire threat district)
 Drones to assess infrastructure: 13
 Fire Coordinators: 5



Black Hawk (helicopter)
 56 water drops and 43,279 gallons
 9 dispatches with fire attack

Wildfire Detection

Monitor over 100 cameras in 20 locations
 Alert SDG&E infrared, pan tilt zoom cameras: 16



Vegetation Management
 Trees pruned annually: 180K
 61 certified arborists, 190 tree trimmers, 20 pole brushers
 460,000 trees and 21,000 wood poles inspected annually
 Brush cleared around 34,000 poles per year

Weather Network

190 weather stations measuring wind speed, temperature and humidity every 10 minutes
 5 meteorologists and 24/7/365 coverage

INTERNAL ACTIVITIES

Executive Support - Supplier diversity is a priority at SDG&E. Our executives, directors and managers are fully committed to supplier diversity and diligently work to achieve the company's supplier diversity goals. Executives meet quarterly with the Supplier Diversity team and the management team actively promotes contract opportunities in strategic planning sessions.

SDG&E Supplier Diversity Executive Champions - The executive champions provide forecasts to establish goals for their divisions, identify key Supplier Diversity Champions, establish strategies to partner with prime suppliers to achieve subcontracting goals and identify new suppliers in under-utilized spend categories.

SDG&E Supplier Diversity Champion and Ambassador Program - Since its formation in 2013, our Supplier Diversity Champions and Ambassadors have grown to over 200 members, representing a broad range of SDG&E departments. Our Ambassadors actively work with the Supplier Diversity team to identify opportunities to include diverse suppliers in contract bids. In addition, they mentor new diverse suppliers to ensure they are competitive and able to grow into prime roles.

Sprint to 500! - The goal is to expand the Ambassador Program from the current 200 to 500 employees by 2022. Since its inception seven years ago, this program has proven to be very effective in helping SDG&E achieve its goals of identifying, developing and sustaining our diverse supplier base.

Diversity & Inclusion Summit and Awards - The 2019 Sempra Energy Diversity & Inclusion Summit recognized employees, diverse suppliers and guests. There were breakout sessions, keynote speakers and an awards ceremony. Employees were honored with awards for outstanding performance in their commitment to supplier and workplace diversity.

Smaller Contractor Opportunity Realization Effort (SCORE) - In 2019, 18 diverse suppliers participated in SCORE with a total direct spend of \$29.5 million. SDG&E had a 93 percent increase in spending over last year largely because of ongoing efforts in coaching and mentoring suppliers.

INTERNAL EVENTS

Joint Utility Supplier Forum - This forum was a joint effort between Pacific Southwest Minority Supplier Development Council and SDG&E to help onboard new suppliers, provide updated information about future projects and share insights about several major capital projects. Over 25 company professionals, 75 diverse businesses and 12 of our largest Prime suppliers participated.

Supplier Diversity Symposiums - This process identifies, pre-qualifies and onboards new diverse suppliers within the supply chain process. In 2019, SDG&E orchestrated symposiums that focused on the areas of: Project Management, Engineering, Fleet, Information Technology (IT), Vegetation Management, Facilities and Traffic Control.

Best In Class Awards and Recognition Ceremony - SDG&E hosted our "Best In Class" (BIC) Awards and Recognition ceremony in December 2019 to recognize the achievements of our suppliers, business partners and company champions who helped us exceed our supplier diversity goals in 2019.



MITCH MITCHELL - EXECUTIVE CHAMPION
SDG&E VP STATE GOVERNMENT AFFAIRS AND EXTERNAL AFFAIRS

"After participating as a panelist for the Supplier Diversity Best in Class technical assistance program, what resonated with me most was the quality of the presenters and panelists, the program structure and execution and the timely and relevant feedback from the suppliers. Their commitment to excellence was obvious and their enthusiasm unparalleled."





**CHRISTY IHRIG, SDG&E VP OPERATIONS SUPPORT
SUPPLIER DIVERSITY AMBASSADOR PROGRAM**



Q: Christy, can you tell us more about the Supplier Diversity Champion & Ambassador Program?

A: Our Supplier Diversity Champions and Ambassadors Program, created in 2013, has grown to over 200 SDG&E employees representing a broad range of functional areas. Our Ambassadors actively work with the Supplier Diversity team to identify opportunities for inclusion of diverse suppliers in contract bids.

Q: How has this program helped supplier diversity?

A: For the past seven years, more than 40 percent of our spend was with diverse suppliers. This significant achievement wouldn't be possible without our employees demonstrating great passion, dedication and leadership. Even more importantly, every time we can share a success from this program with employees, it sparks new ideas within others who quickly become invested and committed to delivering similar results.

Q: Congratulations on your new role as the VP of Operations Support. I understand that you also had a lot of involvement with Supplier Diversity in your previous role as the Director of Marketing and Communications. What type of support were you able to provide this team? And, how will you best support the team in your new role?

A: In my previous role, I worked with the Supplier Diversity team to develop our communication strategy, the annual report, and supported the CPUC Supplier Diversity En Banc, where executives discussed our transformative programs and notable accomplishments. In my current role, as the Vice President of Operations Support, I can now leverage my leadership and communication experience to help expand supplier diversity programs.

Q: What is "Sprint to 500"?

A: As I mentioned earlier, our Ambassadors have played a significant role in our success. Because we have seen the value this program delivers for the communities we serve, we must amplify our efforts and be deliberate about how we are going to grow the program. One of my favorite sayings is that "hope is not a strategy." We can't just "hope" that new employees will want to become leaders in our program. We must make it easy for them to see our vision for making every day better than the last for our communities, and the importance of growing the network of diverse suppliers that will help us achieve our mission. That's why we have set a goal to more than double our current number of Ambassadors and enlist 500 in our program. That's 500 uniquely qualified employees who can help us with our strategic planning to implement better programs and identify more diverse businesses who can support our company.



SUPPLIER DEVELOPMENT AND TECHNICAL ASSISTANCE

SDG&E continues to evaluate its technical assistance programs to ensure the training is relevant to meet the needs of both new and existing suppliers. The utility market continues to evolve, which requires suppliers to adjust their service offerings to stay competitive.

Best In Class (BIC)

BIC was created in 2017 based on feedback from suppliers that indicated a need to have training programs to support unique challenges for companies with revenues greater than \$5 million. This unique program utilizes case studies of successful businesses to guide company executives to evaluate strategies of current and future business trends. In 2019, over 100 industry leaders who provide products and services to SDG&E attended the "Transformation in the Energy Industry" Best In Class event. This event included industry leaders invited who share valuable insights on technology innovations that are transforming the energy industry. Topics included solar, energy storage, LNG and software intelligence for the power grid, including electric vehicle, regulations and utility customer programs.

Financial Capability Series (FCS)

FCS is a technical assistance series designed for existing and potential suppliers who want to strengthen their financial acumen and improve suppliers' capital readiness. Suppliers receive a self-guided action plan/financial roadmap to 1) identify capital needs; 2) strengthen banking relationships; and 3) understand the different types of financial products/services. In 2019, we provided this training to 32 businesses.

Supplier Quick Pay Program (SQPP)

SQPP pays small businesses within 15 days, rather than the standard 45 days, which boosts their access to working capital. This program helps them increase their cashflow to manage their finances more efficiently. In 2019, there were 71 suppliers enrolled in SQPP.

Best Practices for Prompt Payment

In 2019, SDG&E hosted technical assistance classes to increase communication and educate suppliers on optimizing our invoice payment process. Over 60 suppliers received this important information to help improve their effectiveness in invoicing.



CHRIS FARETTA - SDG&E SUPPLIER DIVERSITY AMBASSADOR

"SDG&E is proud of our partnership with the Port of San Diego. The recent forklift project is one step closer toward a greener Port in our region."



Port of San Diego Cruise Ship Terminal Equipped With New Chargers For Electric Equipment

Cruise ship passengers embarking or disembarking at the B Street Cruise Ship Terminal on the Embarcadero in Downtown San Diego enjoy cleaner air these days, thanks to chargers that have come online allowing electric forklifts to operate more efficiently. SDG&E and the Port of San Diego (Port) partnered to bring nine charging stations to the B Street Cruise Ship Terminal as part of a wider effort to electrify equipment and vehicles to help reduce air pollution and greenhouse gas emissions regionwide from Port operations. The Port Electrification Project is one of several projects undertaken by SDG&E to further expand the charging network to help accelerate the adoption of clean vehicles and equipment.

2019 INNOVATION AND TECHNOLOGIES SUCCESS STORIES



EDUCATION: SDG&E'S COMMITMENT TO WILDFIRE SAFETY

SDG&E is committed to provide safe and reliable energy and have proactively addressed fire risk by "hardening" the critical areas within their service area most at risk for wildfires. This effort includes replacing older overhead distribution line elements, using advanced technology and improving our system to adequately handle known weather conditions. Some of the benefits include enhanced safety and reliability of the distribution system, improved electric system performance during extreme weather conditions; reduced cost and environmental impacts for future maintenance activities.



"I'm proud to share that SDG&E continues to lead the industry in fire mitigation and community education efforts. Our use of sophisticated drones equipped with LIDAR (Light Detection and Ranging) capabilities to scan every transmission line and structure in high-risk fire areas allows us to identify potentially hazardous clearance issues. Our ongoing investment in community education and industry-leading methodology to help prevent wildfires allows us to better maintain the integrity of our electric grid and ensure the safety of our communities. Safety and reliability remain at the heart of our every effort."

Caroline Winn, SDG&E Chief Operating Officer



SUSTAINABILITY: COLLABORATING FOR A CLEAN FUTURE

SDG&E is proud to provide resources to nearly 100 environmental non-profit organizations to help advance their mission to improve the environment. SDG&E Environmental All Stars are improving environmental efforts at the neighborhood level and volunteer their time each month for projects that need more boots on the ground. SDG&E Green Team is dedicated to sustainability by helping to organize initiatives such as SDG&E Earth Fair, Bike to Work Day and Ride Share Day.



"SDG&E earned the San Diego Association of Governments (SANDAG) iCommute Diamond Award-Gold Tier for promoting green transportation. The number of employees that choose to carpool, bike to work, use public transit and electric vehicles, underscores our corporate-wide commitment to leadership in sustainability. This is one of many efforts underway at SDG&E to reduce our carbon footprint."

Estela De Ilanos, SDG&E Chief Environmental Officer



INNOVATION: TECHNOLOGY THAT HELPS SDG&E MANAGE SUPPLY AND DEMAND

SDG&E is building a more intelligent, modern electric grid. The new Distribution Communications Reliability Improvement (DCRI) project will improve the wireless communications network used to monitor and control the distribution of electricity. This private, wireless network makes high-speed communications to electric substations, customer meters and other advanced devices a reality and paves the way for expanding devices on SDG&E's smart grid.



"For two years in a row, SDG&E has been in the "Top Ten North American Utilities in Smart Grid" by GreenTech Media and GTM Research. We are so honored to be an industry leader for smart grid deployment efforts."

Ted Reguly, SDG&E Director of Major Projects



COMMUNITY PARTNERSHIPS: SERVING THE LOCAL COMMUNITIES

SDG&E's charitable giving, employee volunteerism and employee giving programs have a common purpose of helping non-profit organizations to reach their goals and improve the communities of San Diego and south Orange County. Inspiring the next generation of leaders in science, technology, engineering and math (STEM) has impacted diverse innovators and leaders within the communities. In addition, SDG&E's Fire Science and Climate Adaptation team works hand-in-hand with regional universities and local, state and national agencies to develop comprehensive wildfire safety programs that help protect our region.



"In partnership with agencies like the American Red Cross, 2-1-1 San Diego, Community Emergency Response Teams (CERTs) and Fire Safe Councils, SDG&E supports nearly 100 local projects and programs focused on wildfire education and preparedness, defensible space, climate adaptation and regional resiliency."

Pedro Villegas, SDG&E Director of Community Relations

SUPPLIER & EMPLOYEE ENGAGEMENT, FEEDBACK AND RECOGNITION

The Supplier Diversity team has developed a strong process of engaging internal champions, ambassadors and prime suppliers to achieve strong results while positively impacting the local community. In 2019, SDG&E leveraged supplier diversity symposiums to provide educational awareness for wildfire preparedness, alternative fuel vehicles and energy storage. Supplier Diversity team solicited feedback to more effectively communicate SDG&E's mission, vision and goals and to gain a better understanding of the suppliers' needs and challenges. 2019 was a year of reflection, communication, partnership and inspiration.

SDG&E Supplier Diversity Best In Class 2nd Annual Awards & Banquet



ERIKA SCHIMMEL-GUILES
SDG&E SUPPLIER DIVERSITY AMBASSADOR AWARD

In Erika Schimmel-Guiles' current role as the Manager of Design, Planning & Project Management, she oversees major projects with contractors. Erika has a successful track record of supporting SDG&E Supplier Diversity by coaching and mentoring diverse suppliers to better align their service offerings with SDG&E's goals, initiatives and supply management process.



GEORGE L. PLA, PRESIDENT & CEO, WWW.CORDOBACORP.COM
BEST IN CLASS AWARD: CORDOBA CORPORATION

Cordoba exemplifies the values of SDG&E's Best in Class award with a company mission to "make a difference where you live and work." Demonstrating their commitment to the community and SDG&E, Cordoba purchased a 38,000 sq. ft. building in San Diego, creating a collaborative workspace for SDG&E's fire hardening program (FiRM). Cordoba has a history of partnering with local and state stakeholders to ensure a balanced approach to energy infrastructure, fire hardening and the importance of diversity. Cordoba believes in "paying it forward," contributing almost \$1 million to local nonprofits.



STEVE GARCIA, CEO, WWW.PATRIOTGEN.COM
PARTNER OF THE YEAR AWARD: PATRIOT GENERAL ENGINEERING, INC.

Patriot General is a service-disabled construction firm that believes in providing the absolute best service and quality in all aspects of civil construction. Patriot General has served SDG&E for over 10 years. They have partnered to ensure safety as their most significant priority. Patriot General is adaptable, innovative and socially responsible - contributing over \$500 thousand to non-profits and community organizations. Recently, Patriot General co-founded the SoCal Utility Safety Alliance which sets standards and leads the industry with progressive techniques for safety policies.

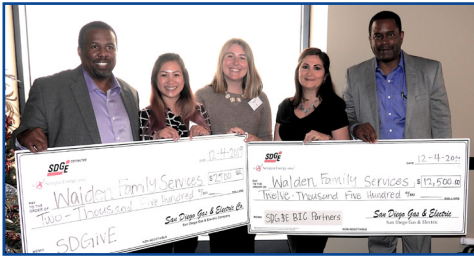


MAURICE ORTEGA, CEO, WWW.AMORTEGA.COM
INNOVATION AWARD: AM ORTEGA CONSTRUCTION, INC. (AMO)

AMO made a major advancement in innovation by establishing the AMO Training Center. This state-of-the-art facility is the first-ever contractor sponsored training center in southern California. AMO celebrated 45 years in business and acknowledges this longevity is due to their ability to remain nimble and adaptable in a changing market. AMO is a premier service provider, offering a wide range of utility installations, including all forms of trenchless technology and battery system installations.



REFLECTION. COMMUNICATION. PARTNERSHIP. INSPIRATION



The Supplier Diversity team hosted their Best In Class Annual Awards and Recognition luncheon to celebrate the achievements of their suppliers, business partners and company champions and ambassadors who helped SDG&E exceed their supplier diversity goals, while promoting sustainability and social responsibility.



**SHARON EVANS, CEO, WWW.BIZRESOURCEGROUP.COM
MENTOR AWARD: BUSINESS RESOURCES GROUP (BRG)**

Sharon Evans provides high levels of services for DBE firms in the utilities sector to improve their financial capacity. The results include strategies that increase company growth, job creation and business optimization. She has developed innovative tools to assess and teach diverse firms how to better manage their business through financial acumen. The skills Sharon provides assist diverse suppliers in growing their business.



**MARK STEINER, CEO/PRINCIPAL, WWW.MASTEINERCONST.COM
PIONEER AWARD: M.A. STEINER CONSTRUCTION, INC.**

Mark Steiner, a certified service-disabled veteran, demonstrates vigilance, consistency and compassion both personally and professionally. He actively participates in networking forums, community events and technical assistance programs to ensure his company meets the requirements to do business with SDG&E. He has a passion to hire and train transitioning veterans and is actively working with the California National Guard to employ America's heroes.



**REBECCA AGUILERA-GARDINER, EXECUTIVE DIRECTOR, WWW.VIBNETWORK.ORG
TRAILBLAZER AWARD: VETERANS IN BUSINESS (VIB)**

Rebecca Aguilera-Gardiner and the VIB Network offer innovative approaches to the veteran business community by providing the Veteran 2 Veteran Business Cohorts Program (V2V) and webinars on complex topics. The concept of the VIB Network is to truly help veteran-owned businesses grow and connect, no matter their size or income level. The VIB Network believes that with shared knowledge and support, all veteran businesses can succeed.



2019 Awards & Nominations

Innovation and inclusion through technology and outreach

The National Veterans Opportunity Coalition

Partner Member of the Year

Veterans In Business

Courage Sponsor

Asian Business Association

CEO's Choice Award

Council for Supplier Diversity, San Diego

*Outstanding Support for the
Council Mission Award*

Central San Diego Black Chamber of Commerce

Platinum Sponsorship Award

California Hispanic Chamber of Commerce

Appreciation Award

Edison Electric Institute (EEI)

Innovation Award

National Elite Disabled Veteran Business Enterprise Network

Leadership Award

Women's Business Enterprise Council - West, California Forum

Corporate Appreciation Award

National Association of Women Business Owners, San Diego

*Special Recognition of the Loyal and Dedicated Support
of NAWBO to Propel Women Entrepreneurs*

Women's Business Enterprise Council - West, California Forum

Corporate Influence and Impact

American Indian Chamber of Commerce of California

Thunderbird Award

Greater Los Angeles African American Chamber of Commerce

Corporation of the Year



Edison Electric Institute (EEI)

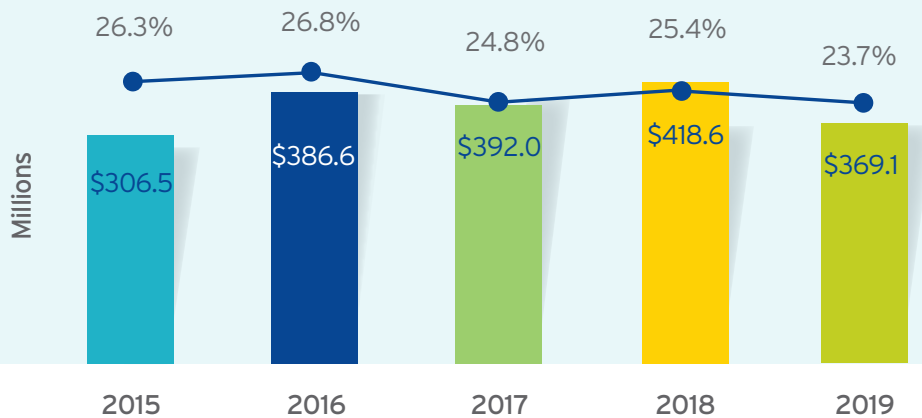
In 2019, SDG&E was presented the Innovation Award by the Edison Electric Institute (EEI) for promoting business diversity through technology and for outreach efforts that resulted in increased business development of our diverse suppliers.

9.1.2 SUMMARY OF WMDVLGBTBE PURCHASES & CONTRACTS

Minority Business Enterprise (MBE) procurement

MBEs remain the largest segment of supplier diversity spending for SDG&E. In 2019, MBE spending exceeded \$369 million or 23.72 percent of our overall results.

MBE - 2015 TO 2019 (\$ AND %)



Kathryn Valdivia
SDG&E SUPPLIER DIVERSITY CHAMPION

Q: How do you believe working with diverse suppliers helps SDG&E reduce risk and bring innovative solutions?

A: SDG&E has benefited from the talents of a diverse pool of suppliers through innovations, creative problem-solving and ingenuity that would not otherwise be present without that diversity. Working with diverse suppliers provides SDG&E with different perspectives of industry trends and best practices that deliver solutions in supporting our projects.



"When people are open to new ideas, benefits often exceed expectations."



Mark Montgomery
CEO BRIDGEWATER CONSULTING GROUP, WWW.BRIDGEWCG.COM

Q: What advice would you give to new diverse suppliers entering the competitive market?

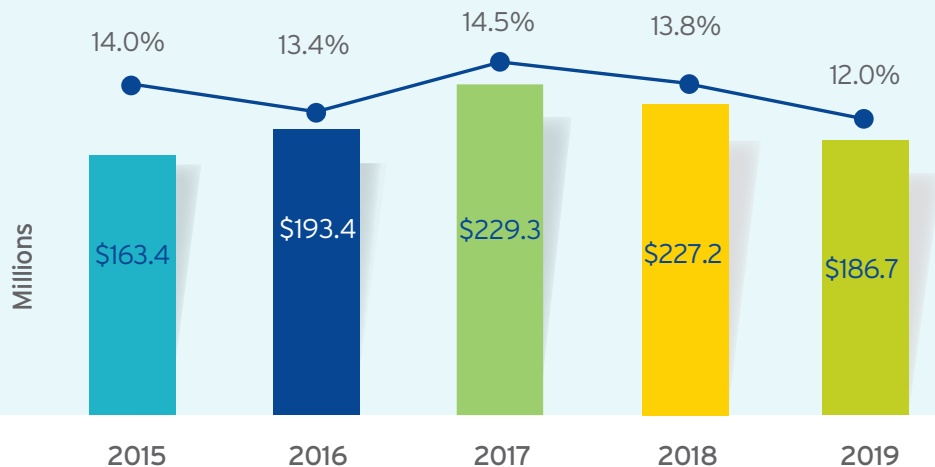
A: Bridgewater advises new diverse suppliers to implement policies and procedures focused on seeking and hiring the best talent. At Bridgewater, we promote investment in our local communities to ensure that we have a presence and can make a positive impact; we encourage other diverse suppliers to do the same.



Women Business Enterprise (WBE) procurement

In 2019, spending with WBEs was \$186.7 million, or 12 percent. This is the ninth consecutive year our spending with WBEs has exceeded \$100 million and the 14th consecutive year we have exceeded the CPUC goal of 5 percent.

WBE - 2015 TO 2019 (\$ AND %)



Minority Women Business Enterprise (MWBE) procurement

Spending with MWBEs was \$39.4 million in 2019. We remain committed to providing opportunities for minority women-owned firms and will continue to focus on identifying new MWBE suppliers as well as providing growth opportunities to current MWBEs.

DESCRIPTION OF WMDVLGBTBE WITH CA MAJORITY WORKFORCE

SDG&E is unable to provide this data as the Supplier Clearinghouse does not collect this information.



Nhu Tran SDG&E SUPPLIER DIVERSITY AMBASSADOR

Q: As one of our strongest ambassadors for supplier diversity, what insight can you share with external suppliers to better align with SDG&E?

A: We seek to partner with suppliers who align with our values and focus on sustainability and innovation. When business partners provide unique products that are sustainable, multi-functional and deliver solutions, then it is a “win-win.”



Robin Ritcher CEO WEARABLE IMAGING, WWW.WEARABLEIMAGING.COM

Q: How has networking in SDG&E’s Supplier Diversity program changed/affected your organization?

A: SDG&E is a strong advocate for women-owned businesses and continues to be a strong partner to the WBEC-West chapter. In my experience, SDG&E’s commitment and support of women-owned businesses provides an avenue for suppliers to better align to the utility’s requirements and qualifications to compete and ultimately win bids.



9.1.3 ITEMIZATION OF WMDVLGBTBE PROGRAM EXPENSES

Expenses for the 2019 Supplier Diversity Program include items such as collateral development, networking events, technical assistance, capacity building, CPUC Supplier Clearinghouse payments, office support services and other program expenses.

Expense Category	Cost (in thousands)
Wages	\$470
Program Expenses	\$234
Consultants	\$75
Total	\$779

9.1.4 SDG&E EXCEEDS ALL WMDVLGBTBE CATEGORY GOALS SET BY THE CPUC

Through carefully managed programs and the full support of management, SDG&E continues to exceed CPUC spending goals in every category.

Category	2019 Results	2019 Goals
Minority Men	21.19%	0.00%
Minority Women	2.53%	0.00%
Minority Business Enterprise (MBE)	23.72%	15.00%
Women Business Enterprise (WBE)	12.00%	5.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0.44%	0.50%
Service-Disabled Veteran- Business Enterprises (DVBE)	4.69%	1.50%
Other 8(a)	0.00%	N/A
Total WMDVLGBTBE	40.86%	22.00%

% - PERCENTAGE OF NET PROCUREMENT



Karen Sedgwick SDG&E SUPPLIER DIVERSITY EXECUTIVE CHAMPION

Q: As an executive champion for supplier diversity, what observations and outcomes have you experienced working with diverse suppliers?

A: Earlier in my career as the Director in Supply Management and Supplier Diversity, I realized that a number of our prime suppliers were diverse and many of those suppliers received their first opportunities through SDG&E Supplier Diversity programs. I am proud that our supplier diversity program is considered best in class by many in California and pleased SDG&E was awarded the supplier diversity Innovation Award by Edison Electric Institute (EEI) for their innovative approaches in building and growing suppliers.



"We strongly believe diverse businesses help SDG&E to stay ahead of the curve, whether in technology, innovation or social media."



Janice Bryant Howroyd CEO, AGILEONE, WWW.AGILE-ONE.COM

Q: What legacy would you like to leave behind as a diverse, woman-owned organization?

A: AgileOne works to build, and to leave, a legacy of empowerment. Every one of us has what we need to be successful. In 1978, I started my business with a \$600 loan from my mother and was the first African American woman to run a billion-dollar business. We leave an entrepreneurial legacy for other suppliers to follow. "If your mind can conceive it AND believe it, you can achieve it."

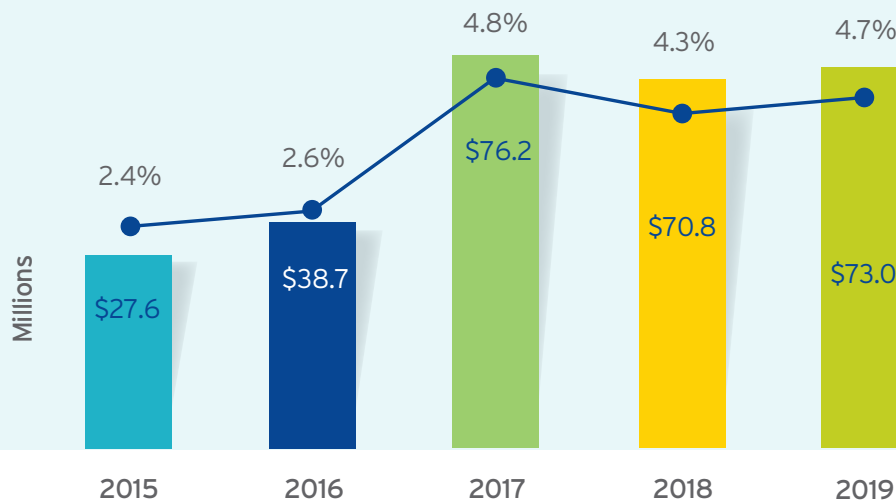


"Whatever you do in life, do enough to bless someone besides yourself."

Service-Disabled Business Enterprise (DVBE) procurement

DVBE spending continues to remain strong, with 4.7 percent, or \$73 million. 2019 marks the eleventh consecutive year in which SDG&E has exceeded the 1.5 percent goal. SDG&E continues to focus efforts on incorporating DVBEs in our core business spending as well as emerging projects.

DVBE - 2015 TO 2019 (\$ AND %)



Brian Burns SDG&E SUPPLIER DIVERSITY AMBASSADOR

Q: All suppliers have core competencies. What core competencies does SDG&E regard as most critical when selecting a diverse business supplier?

A: Working in the electric construction commodity, safety is our top priority and is core to our foundation. Additionally, "Commitment to Excellence" is another key competency that we seek in all our suppliers.



Teena Deering CEO, TEEDEEUSA LLC

Q: Your partnership with SDG&E has enabled you to become a valued diverse supplier. What skills did you acquire during your active military career that helped you gain an edge in the SDG&E competitive market?

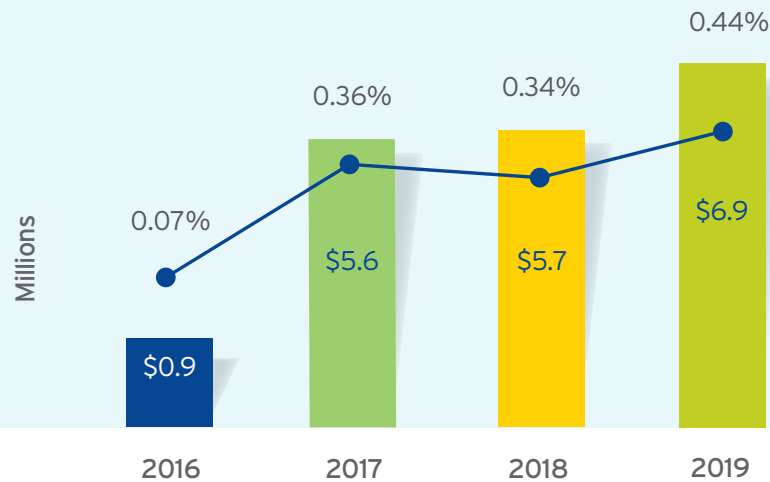
A: During my service as a U.S. Navy pilot, I was commissioned as the Director of Unmanned Aircraft System (UAS) Operations and Training Officer. While serving, I worked with SDG&E in organizing and handling all aspects of the UAS program startup. My military service provided extensive and invaluable experience which developed, expanded and strengthened my skills in this market sector.



Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) procurement

SDG&E spent more than \$6.9 million or 0.44 percent with LGBTBEs in 2019, just short of our aspirational goal of 0.50 percent. In 2020, we plan to meet or exceed our goal of 0.50 percent spending for LGBTBEs. As part of our outreach efforts, we participated in the NGLCC's conference and local LGBT events and activities.

LGBTBE - 2016 TO 2019 (\$ AND %)



Note: 2016 was the first year that utilities were required to report LGBTBE procurement



Joe Maak
PRESIDENT & CEO PRIDE RESOURCES, WWW.PRIDERESOURCESPARTNERS.COM

Q: What major business improvements have you implemented as a result of participating in the SDG&E technical assistance program?

A: After I received my first contract with SDG&E as a start-up, I attended the SDG&E Technical Assistance Program, "Managing Business Growth." I gained valuable insight and tools to quickly grow my business up to 10 employees. Needing to quickly scale my business, I attended a second technical assistance class, the "Financial Capabilities Series". It helped me build business controls, mitigate risks and enhance my overall professional service capabilities, which allowed me to quickly expand my business to over 50 employees.



San Diego Pride Parade

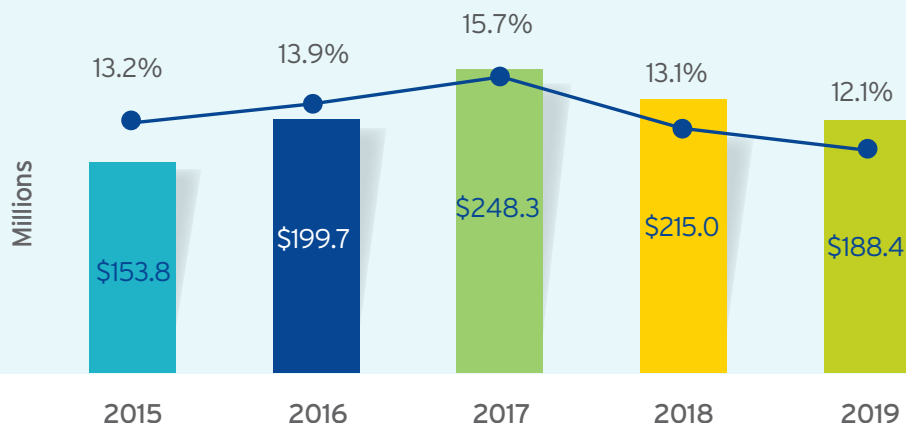
SDG&E believes diversity drives performance and is dedicated to creating an inclusive culture that welcomes LGBTQ perspectives. San Diego Gas & Electric employees marched in the local Pride Parade alongside an SDG&E hybrid bucket truck and an electric vehicle. This support reflects SDG&E's ongoing commitment to our LGBTQ employees and community through our values: champion people, do the right thing and shape the future.

9.1.5 SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS

Supplier diversity subcontracting

We continue to have strong performance in subcontracting with our diverse suppliers. In 2019, we achieved \$188 million or 12.1 percent in supplier diversity spending, and saw an increase subcontracting with Native American and LGBT businesses.

SUBCONTRACTING - 2015 TO 2019 (\$ AND %)



2019 SDG&E	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)*	Total WMDVLGBTBE
Direct \$	\$256,460,966	\$20,473,528	\$276,934,494	\$119,065,728	\$5,623,806	\$45,734,146	\$0	\$447,358,174
Subcontracting \$	\$73,219,778	\$18,906,103	\$92,125,881	\$67,667,044	\$1,296,118	\$27,284,102	\$0	\$188,373,145
Total \$	\$329,680,744	\$39,379,631	\$369,060,375	\$186,732,772	\$6,919,925	\$73,018,248	\$0	\$635,731,320
Direct %	16.48%	1.32%	17.80%	7.65%	0.36%	2.94%	0.00%	28.75%
Subcontracting %	4.71%	1.22%	5.92%	4.35%	0.08%	1.75%	0.00%	12.11%
Total %	21.19%	2.53%	23.72%	12.00%	0.44%	4.69%	0.00%	40.86%

Net Procurement**	\$	1,555,882,744
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* FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE
 ** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS
 Direct - DIRECT PROCUREMENT
 Sub - SUBCONTRACTOR PROCUREMENT
 % - PERCENTAGE OF NET PROCUREMENT

9.1.6 LIST OF WMDVLGBTBE COMPLAINTS

There were no formal complaints filed against SDG&E with the CPUC or lawsuits filed in 2019 in relation to SDG&E's Supplier Diversity program.

9.1.7 SUMMARY OF PURCHASES/CONTRACTS FOR PRODUCTS/SERVICES IN EXCLUDED CATEGORIES

The General Order 156 Ruling issued on November 14, 2003 ended exclusions, resulting in specific categories no longer being deducted from the fundamental procurement amount.



Tobias Wolf
RESOURCES GEOSPATIAL SOLUTIONS DIRECTOR, HDR CORPORATION

Q: As one of SDG&E's newer prime suppliers, what benefits have you experienced working with our supplier diversity programs?

A: SDG&E's supplier diversity programs have enabled us to engage with new suppliers, which allows our team to expand into other service offerings. We have also benefited from participating in the "Best in Class" program to meet SDG&E leaders and suppliers and to discuss new industry trends. HDR believes that the inclusion of a variety of perspectives helps raise the standards on quality, value and innovation.



"HDR focuses on providing our clients innovative solutions using data-driven designs that bring a high return on their investment and withstand the test of time. We recognize that small business partners are integral to our success and believe the best way to add value that inspires positive change is through meaningful collaboration. HDR's culture and values are built on the foundation of our employee owners, in cooperation with our diverse partners, to support our clients and improve the communities in which we live and work."



PARTNERING WITH PRIMES

"As a service-disabled veteran, I am proud that NV5 believes in supporting and mentoring a workforce that reflects the diversity of America. I'm proud of our company's commitment to fostering our staff's growth, helping smaller firms have opportunities to build relationships, and be recognized for their talents."

DOUG TAFT, Senior Vice President / Director of Power Delivery
www.NV5.com



In 2019, NV5 increased its focus on supplier diversity with their key clients at SDG&E. How has this benefited your company?

NV5 has consistently delivered successful projects with diverse suppliers because that commitment closely aligns with our company goals and vision of "delivering solutions, improving lives." We think everyone benefits when we foster new ideas, identify opportunities, and deliver excellent results as a united team. That is one of the reasons why NV5 is committed to nurturing talent and encouraging growth with a robust mentoring program.

What past experiences have helped you get to where you are now and how do you utilize those experiences to help your business and other programs?

NV5 started as a small business. We know how difficult it can be to showcase the talent, big ideas and fresh perspectives of a team when you're competing with larger companies. As our company grew, it became important to help small businesses get opportunities, build relationships, show their abilities to deliver, and be recognized for their skills.



PARTNERING WITH PRIMES



"We could not be happier to be a key service provider for SDG&E and the Sempra Energy utilities. Our shared values, including world-class safety, reliability, diversity and inclusion, set a powerful foundation for continued success."

Karl Miller, CEO Jingoli Power
www.jingolipower.com

As one of our newer prime suppliers, what benefits have you experienced working with SDG&E supplier diversity programs?

Partnering with SDG&E's supplier diversity program has helped us introduce our team to a great source of local diverse talent. It has quickly expanded our network of valuable partner relationships and strengthened our portfolio of suppliers. This allows our team to reinforce one of our core values, which is to give back to the communities where we work. It's also important to ensure our project's dollars remain in the community as a way to build a stronger local economy and a diversified, talented workforce.



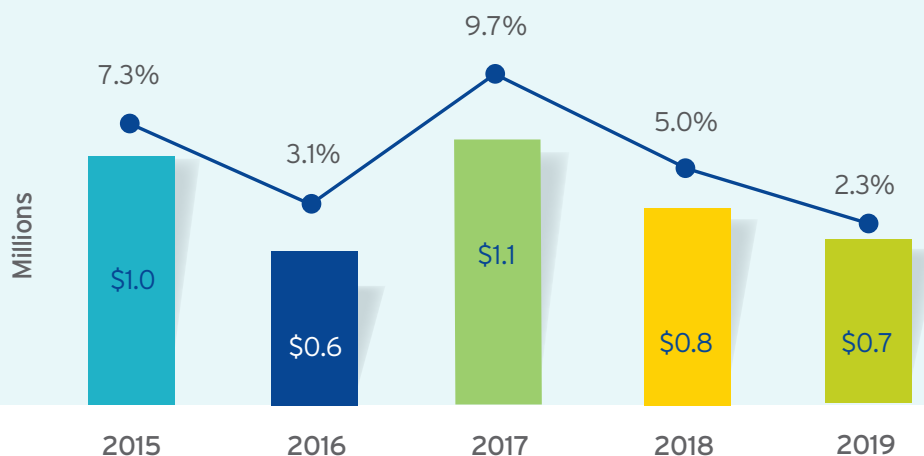
How do you approach diversity within your organization?

We look for talent where others might miss it. Through our "Competitive Edge" program, we provide job training and apprenticeships to local residents and youth who are interested in STEM careers. We also have a long track record of hiring veterans because they have proven leadership abilities and work ethics, and work well in high-performing teams.

9.1.8 DESCRIPTION OF EFFORTS IN UNDERUTILIZED AREAS

SDG&E continues to focus on increasing the number of diverse suppliers as well as the spend in low utilization categories. In the financial services area, \$0.7 million was spent with diverse firms in 2019, or 2.3 percent. In the legal services area, \$1.4 million was spent with diverse firms, or 17.8 percent.

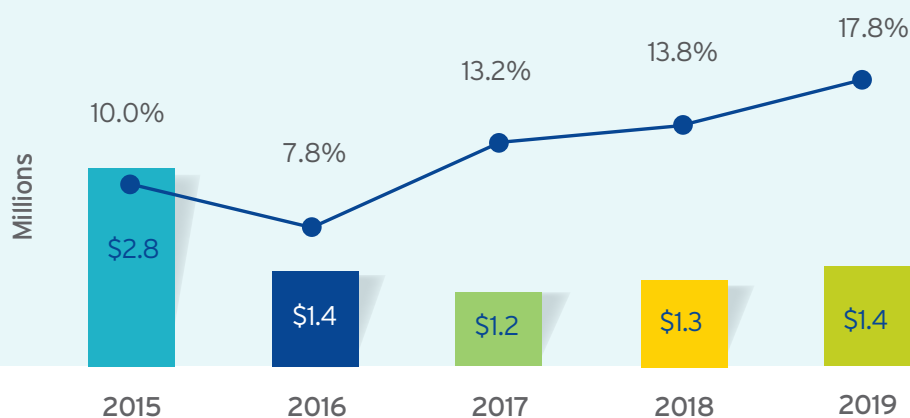
FINANCE - 2015 TO 2019 (\$ AND %)



FINANCIAL SERVICES

Financial services remains an important part of SDG&E's outreach efforts. Our executives and stakeholders are aware of the importance of penetrating this service sector and are assisting in actively seeking out qualified, diverse suppliers for specific financial reviews and audits. Our executives, directors and managers continue to participate in numerous networking events designed to give exposure to diverse suppliers.

LEGAL - 2015 TO 2019 (\$ AND %)



LEGAL SERVICES

SDG&E recognizes the importance of working with diverse legal firms to increase spending. In 2019, spending with diverse firms was \$1.4 million, representing 17.8 percent of our overall legal spend.

SDG&E's Supplier Diversity team works closely with the Supplier Diversity Ambassador from Legal Services to identify qualified diverse firms in the areas of general law, securities, real estate, intellectual property, workers' compensation, venture capital projects, employment law and asset recovery.

SDG&E also sees the value in promoting utilization of diverse attorneys and paralegals at non-diverse firms. In 2019, SDG&E spent \$2.7 million with minority and female attorneys and over \$36,000 with diverse paralegal firms.

2019 SDG&E Legal Spend: Diverse Paralegal Work Within Non-DBE Legal Firms - Paralegal Time Billed in 2019		Total*
Minority Men	African American	\$0
	Asian Pacific American	\$108
	Hispanic American	\$0
	Native American	\$0
	Other	\$0
Total Minority Men		\$108
Minority Women	African American	\$0
	Asian Pacific American	\$5,736
	Hispanic American	\$30,204
	Native American	\$0
	Other	\$215
Total Minority Women		\$36,155
Total Minority Business Enterprise (MBE)		\$36,263
Women Business Enterprise (WBE)		\$343
Service Disabled Veteran Business Enterprise (DVBE)		\$0
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0
Non-DBE		\$402,685
Grand Total: All DBE/Non-DBE		\$439,291

*Note: Figures are estimated

2019 SDG&E Legal Spend: Diverse Attorney Work Within Non-DBE Legal Firms - Attorney Time Billed in 2019		Total*
Minority Men	African American	\$23,649
	Asian Pacific American	\$35,923
	Hispanic American	\$76,376
	Native American	\$0
	Other	\$191,480
Total Minority Men		\$327,428
Minority Women	African American	\$75,320
	Asian Pacific American	\$58,095
	Hispanic American	\$900
	Native American	\$37,765
	Other	\$107,208
Total Minority Women		\$279,288
Total Minority Business Enterprise (MBE)		\$606,716
Women Business Enterprise (WBE)		\$2,154,262
Service Disabled Veteran Business Enterprise (DVBE)		\$0
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0
Non-DBE		\$3,281,653
Grand Total: All DBE/Non-DBE		\$6,042,631

*Note: Figures are estimated

9.1.9 RETENTION OF ALL DOCUMENTS/DATA

SDG&E preserves all documents and data related to its Supplier Diversity annual report for (a) three years or (b) the timeframe that is in compliance with SDG&E's internal document retention policy, whichever comes later. SDG&E will provide these documents and this data to the CPUC upon request.

9.1.10 SUMMARY OF PURCHASES IN PRODUCT AND SERVICE IN ADDITIONAL CATEGORIES

Per General Order 156, this section reports the summary of purchases in product and service categories that include renewable and non-renewable energy, wireless communications, broadband, smart grid and rail projects, in addition to current reporting categories. For our renewable energy-related projects, we have outlined some of our accomplishments below.

- SDG&E continues to outperform California's renewable standards requirements. In fact, in 2019, around 45 percent of the energy delivered to our customers came from renewable energy-related projects.

ELECTRIC PROGRAM INVESTMENT CHART (EPIC)

EPIC was previously established by the CPUC in D.11-12-035 to provide public interest investments in applied research and development technology demonstration and deployment, market support and market facilitation of clean energy technologies and approaches for the benefit of ratepayers of California investor-owned utilities (IOUs). D.12-05-037 established the purposes and governance structure for EPIC and D.13-11-025 clarified many of the program's regulatory requirements.

EPIC is designed to provide funding for electric utility research, development and demonstration (RD&D). Specific funding allotments are made to four EPIC program administrators, including SDG&E. The EPIC program is intended to run until 2020 and is comprised of three triennial program cycles (i.e., EPIC-1, EPIC-2, EPIC-3).

In compliance with GO 156 requirements, we are incorporating by reference "SDG&E 2019 EPIC Annual Report", which was submitted to the CPUC February 28, 2020. This report provides detailed information about SDG&E's EPIC plans, projects and spend.

2020 Supplier Diversity Annual Plan

10.1.1 GOALS

SDG&E is committed to a 40 percent supplier diversity goal. To achieve this goal, we'll focus on the following initiatives to ensure suppliers build a sustainable business model.

- Achieve 40 percent in spending with diverse suppliers.
- Expand our existing Champions and Ambassadors program to help advance supplier diversity programs.
- Continue to look for opportunities for underutilized suppliers' categories.
- Expand our successful SCORE program.
- Offer a comprehensive set of payment options to improve cash flow.

Diverse supplier annual short-, mid- and long-term goals by product and service categories by percentage of spending

The SDG&E supplier diversity goal is to exceed the requirements of General Order 156, in our short-, mid- and long-term goals. Since the makeup of our diverse suppliers is ever changing, we have not established specific goals within each sub-category.

	Short-Term (2020)					Mid-Term (2022)					Long-Term (2023)				
	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	TOTAL WMDVGLGTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	TOTAL WMDVGLGTBE	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Service Disabled Veteran Business Enterprise (DVBE)	TOTAL WMDVGLGTBE
PRODUCTS	15.00%	5.00%	0.50%	1.50%	22.00%	15.00%	5.00%	0.50%	1.50%	22.00%	15.00%	5.00%	0.50%	1.50%	22.00%
SERVICES	15.00%	5.00%	0.50%	1.50%	22.00%	15.00%	5.00%	0.50%	1.50%	22.00%	15.00%	5.00%	0.50%	1.50%	22.00%
TOTAL	15.00%	5.00%	0.50%	1.50%	22.00%	15.00%	5.00%	0.50%	1.50%	22.00%	15.00%	5.00%	0.50%	1.50%	22.00%

It's On to 1,000!

Sempra Energy and SDG&E are committed to go above and beyond for employees while taking a leadership position to support statewide goals to reduce transportation-related air pollution and greenhouse gas emissions.

After a successful "Race to 500," the initiative is now working toward a new goal of 1,000 employees driving plug-in vehicles by 2023. At the end of 2019, 668 employees had committed to making a cleaner commute to work by driving electric. Special pricing plans are available to EV owners in San Diego, which offer Super Off-Peak rates for charging plug-in vehicles.



10.1.2 DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES

INTERNAL

SDG&E will review and augment the internal activities detailed in Section 9.1.1 of this report to build upon the success of our program, with continued focus on working capital accessibility. We are identifying strategies to increase diverse supplier participation for each portfolio, major project and department.

EXTERNAL

SDG&E will continue to build upon the successful external strategies described in Section 9.1.1 of this report. The SCORE program continues to be successful at developing new diverse suppliers and we will continue to offer additional opportunities to our SCORE suppliers. The success of SDG&E's technical assistance program will continue in 2020 through the efforts of our staff and community partners.

10.1.3 PLANS FOR RECRUITING WMDVLGBTBE WHERE WMDVLGBTBE UTILIZATION HAS BEEN LOW

In legal and financial services, we plan to continue our outreach and mentoring activities with the goal of engaging our legal and financial teams early in the process to promote inclusion.

10.1.4 PLANS FOR RECRUITING WMDVLGBTBE IN ANY EXCLUDED CATEGORY

SDG&E has eliminated all excludable items in compliance with General Order 156.

10.1.5 SUBCONTRACTING ACTIVITIES

Expanding on our past success of having prime contractors engage diverse subcontractors, we will continue to enhance activities outlined in Section 9.1.5 of this report. We will continue to improve upon processes for tracking and comparing subcontracting commitments to actual prime contractor subcontracting spending.

SDG&E assigns a supplier diversity professional to every major prime contractor with a subcontracting commitment. These efforts enable the Supplier Diversity team to better manage the prime contractors' performance and identify opportunities for continuous improvements.

10.1.6 PROGRAM COMPLIANCE

SDG&E will continue its efforts to meet or exceed all requirements established by General Order 156.



2019 Supplier Diversity
Power Procurement annual report

POWER Procurement

SDG&E continues to support the procurement of electric and fuel resources with diverse suppliers, spending \$40 million or 8.5 percent in electric and gas purchases, to support the California Public Utility Commission (CPUC) General Order 156 goal of 21.5 percent.

In addition, SDG&E was the first utility to achieve California's renewables goal of 33 percent five years ahead of target. In 2019, around 45 percent of the energy delivered to our customers came from renewable energy-related projects.

9.1.1 DESCRIPTION OF WMDVLGBTBE PROGRAM ACTIVITIES

INTERNAL ACTIVITIES

Champions and Ambassadors

SDG&E Champions and Ambassadors are a tremendous asset to our initiatives. They work closely with the Supplier Diversity team promoting creativity, developing strategic proposals and participating in matchmaking events. This year, we developed a new Champion for Electric and Fuel Procurement who helped suppliers secure access to capital to fund transactions.

EXTERNAL/OUTREACH ACTIVITIES

Mentoring

Our mentoring efforts continue to be very important in the power procurement commodity and we believe they are essential for the success of our diverse suppliers. In 2019, we partnered with a financial institution to provide access to capital for many diverse suppliers. We plan to continue to identify additional financial institutions that will provide technical assistance programs to help diverse suppliers strengthen their readiness and ability to achieve additional sources of capital.

9.1.2 SUMMARY OF WMDVLGBTBE PURCHASES AND/OR CONTRACTS

Natural gas

SDG&E remains committed to creating opportunities for diverse natural gas suppliers and we are proud to report in 2019, SDG&E procured nearly \$33 million or 15.8 percent of our natural gas purchases, used for our natural gas-fired electric generation plants, from diverse suppliers.

Goal Progress

SDG&E attained 8.5 percent supplier diversity spending in energy products for 2019.

Subcontractors - PRE-Commercial Development (COD)

SDG&E encourages partnering and teaming arrangements between developers and diverse suppliers. In 2019, nearly \$96 thousand was spent with diverse suppliers during pre-commercial development and construction phases. The pre-commercial development (COD) spending cannot be counted toward General Order 156 requirements. SDG&E will continue to identify significant opportunities for diverse supplier participation for subcontracting spending in electric power plant construction.

9.1.3 ITEMIZATION OF WMDVLGBTBE EXPENSES

Program expenses are included in Section 9.1.3 in the 2019 Supplier Diversity Products and Services Section.

9.1.4 GOAL PROGRESS

In procuring natural gas for our electric generation plants, SDG&E purchased over \$33 million, or 15.8 percent, of all our natural gas from diverse suppliers in 2019. Overall, SDG&E achieved spend of 8.5 percent or \$40 million for power procurement.

9.1.5 SUBCONTRACTORS

SDG&E encourages partnering and teaming arrangements between developers and diverse suppliers. In 2019, nearly \$96 thousand was spent with diverse suppliers during pre-commercial development and construction phases. The pre-commercial development spending cannot be counted towards General Order 156 requirements. SDG&E will continue to identify significant opportunities for diverse suppliers for subcontracting spending in electric power plant construction.

9.1.6 COMPLAINTS

There were no formal complaints filed in 2019.

9.1.7 SUMMARY OF PURCHASES/CONTRACTS FOR PRODUCTS/SERVICES IN EXCLUDED CATEGORIES

Per the CPUC's decision to end excludable categories for gas procurement, SDG&E no longer reduces the procurement base with Canadian and offshore volumes.

For electric procurement, purchases excluded from reporting are: physical or financial purchase transactions with the California Independent System Operator (CAISO), other investor-owned utilities, utilities, federal entities, state entities, municipalities and cooperatives.

9.1.8 DIVERSE SUPPLIERS IN UNDERUTILIZED AREAS

The electric commodity market is an underutilized area for diverse supplier participation; through SDG&E's efforts outlined in Section 9.1.1, we continue to inform and educate diverse suppliers about potential opportunities.

9.1.9 RETENTION OF ALL DOCUMENTS/DATA

SDG&E will comply with all regulations.

9.1.10(A) PARTICIPATION RESULTS BY FUEL CATEGORY

Please see chart in Appendix G for the summary of results by fuel category.

9.1.10(B) MARKET CONDITIONS AND OUTREACH

SDG&E's obligation to procure least-cost, best-fit electricity from suppliers and to manage risk exposure by finding and vetting suppliers who meet SDG&E's credit requirements presents very specific challenges in power procurement. It is often difficult for diverse suppliers with limited access to credit to mount a plausible case for their proposals against large electric generators financed by investment firms or commercial banks. SDG&E continues to work with individual diverse suppliers on credit requirements and access to credit strategies in order to foster their participation in the electricity market.

SDG&E and other utility buyers use a specialized credit instrument, the Funds Transfer Agency Agreement (FTAA), to assist small suppliers in short-term procurement opportunities. The FTAA facilitates entry into a capital-intensive portion of our power procurement process for diverse suppliers without having to utilize their available lines of credit.

2019 Supplier Diversity Power Procurement Annual Plan

10.1.1 GOALS

Category	2019 Goals
Minority Owned (MBE)	15.0%
Woman Owned (WBE)	5.0%
Service-Disabled Veteran (DVBE)	1.5%
Total	21.5%

10.1.2 DESCRIPTIONS OF WMDVLGBTBE PROGRAM ACTIVITIES

In 2020, SDG&E plans to continue its successful program for including diverse suppliers in gas procurement and the electric commodity market as outlined in Section 9.1.1.

10.1.3 RECRUITMENT PLANS FOR SUPPLIERS IN UNDERUTILIZED AREAS

Refer to Sections 9.1.10(B) and 10.1.2 of this report for analysis and corresponding planned activities to recruit diverse suppliers in all of the areas considered underutilized.

10.1.4 PLANS FOR RECRUITING WMDVLGBTBES IN ANY EXCLUDED CATEGORY

Due to the nature of the excluded categories mentioned in Section 9.1.7, SDG&E will not plan any specific activities for these excluded categories.

10.1.5 SUBCONTRACTING ACTIVITIES

SDG&E will work together with other market participants to help expand the interpretation of General Order 156 for electric procurement, such that all related costs will become opportunities for diverse suppliers. SDG&E will work closely with the other utilities and the CPUC to incorporate diverse suppliers prior to the COD of a project as this represents significant opportunities with fewer barriers to entry. SDG&E will work with developers and their engineering, procurement and construction (EPC) contractors to utilize diverse suppliers in the development phase of a project.

10.1.6 PROGRAM COMPLIANCE

SDG&E will continue its efforts to meet or exceed all requirements established by General Order 156.

AREAS OF FOCUS FOR 2020

Mentoring

In 2020, Power Procurement will continue our very successful mentoring efforts for diverse suppliers and expand our online workshops. These workshops will continue to share insight needed into requirements for upcoming RFOs.

Training

SDG&E will continue to help diverse suppliers develop their potential through participation in our technical assistance programs that offer specific training to overcome the barriers identified such as access to capital and financial acumen. Through this training they will learn the steps to qualifying for access to the levels of capital required to compete for our sizable contracts.

Subcontracting

SDG&E strongly supports the incorporation of diverse suppliers into our developers' strategies through subcontracting opportunities. We have made it a priority to track the progress of both new diverse suppliers we have introduced to our developers and the developers' sub-contracting efforts for pre-COD opportunities.

Collaborating

SDG&E will continue to develop programs specifically to address the unique challenges of participation in the power commodity. Our participation in joint utility meetings to discuss strategies, exchange best practices and lessons learned will enable a broader base of diverse suppliers in our power supply chain.

Organizations & events

American Association of Blacks in Energy

- National Conference

Asian Business Association

- Digital Marketing Tools Workshops

Asian Business Association Orange County (ABA-OC)

- Annual Recognition and Achievement

Asian Business Association San Diego (ABA-SD)

- Annual Lunar New Year Celebration
- Rice Club Luncheons
- Talk Series

American Indian Chamber of Commerce, California (AICC)

- Annual Scholarship & Awards Luncheon
- Annual Native American Heritage Luncheon
- Annual Conference Business Expo

Black Business Association (BBA)

- Awards Dinner in Recognition of African American Heritage
- Awards Dinner Gala
- Procurement Exchange Summit

Burns & McDonnell

- Diversity and Inclusion Summit

Cal Asian Chamber of Commerce

- California Asian Business Summit

California Black Chamber of Commerce (CBCC)

- Legislative "Welcome" Reception and Capital Policy Luncheon
- Foundation Youth Scholarship
- Ron Brown Summit and Conference

California DVBE Alliance (CADVBE)

- Keeping the Promise Business Expo
- Salute to Veterans Day Breakfast

California Hispanic Chamber of Commerce (CAHCC)

- Annual Conference

Central San Diego Black Chamber of Commerce (CSDBCC)

- Annual Awards Gala
- Underrepresented Contractor's Workshops
- Talk Series - Business Bytes

CPUC/Joint Utilities

Diversity Professional Connect

- Diversity Forum & Sharing of Best Practices

Edison Electric Institute (EEI)

- Annual Supplier Diversity Conference

Elite Service Disabled Veteran Owned Business (SDVOB)

- Annual National Convention of Service Disabled Veterans & Small Businesses Conference
- Sponsorship & Appreciation Luncheon

Greater LA African American Chamber of Commerce (GLAAACC)

- Economic Awards Dinner

Greenlining

- Annual Economic Summit
- Greenlining Annual Report Card

Jackie Robinson YMCA Breakfast

National Association of Regulatory Utility Commissioners

- Gaining the Competitive Advantage

National Association of Women Business Owners-LA (NAWBO-LA)

- NAWBO Awards Luncheon

National Association of Women Business Owners-SD (NAWBO-SD)

- NAWBO-SD Bravo Awards
- Networking Conference

National Gay & Lesbian Chamber of Commerce (NGLCC)

- Annual Gala Leadership Conference
- National International Business & Leadership Conference

National Minority Supplier Development Council (NMSDC)

- National Council Conference and Business Opportunity Fair

Pacific Southwest Council

San Diego Business Journal

- Diversity and Inclusion Workshop

Southern California Economic Summit

Southern California Minority Business Development Council (SCMBDC)

- Minority Business Opportunity Day
- Supplier of The Year (SOTY) Awards Gala
- Leadership Excellence Awards Dinner

Veterans In Business (VIB)

Women's Business Enterprise Council - West (WBEC-WEST)

- San Diego & LA Corporate Connection Dine Around
- Procurement Opportunity Conference and Platinum Supplier Program
- WBEC - West & SDG&E collaborative Strategic Roundtable

Women's Business Enterprise National Council (WBENC)

- National Conference

SDG&E WMDVLGBTBE annual results by ethnicity

		2019			
		Direct	Sub	Total \$	%
Minority Male	African American	\$39,106,306	\$8,642,949	\$47,749,255	3.07%
	Asian Pacific American	\$30,900,420	\$8,889,947	\$39,790,367	2.56%
	Hispanic American	\$141,758,065	\$48,299,874	\$190,057,939	12.22%
	Native American	\$44,696,175	\$7,387,007	\$52,083,182	3.35%
	Total Minority Male	\$256,460,966	\$73,219,778	\$329,680,744	21.19%
Minority Female	African American	\$6,666,312	\$901,528	\$7,567,840	0.49%
	Asian Pacific American	\$6,802,045	\$7,865,419	\$14,667,463	0.94%
	Hispanic American	\$7,002,575	\$10,068,887	\$17,071,462	1.10%
	Native American	\$2,596	\$70,269	\$72,865	0.00%
	Total Minority Female	\$20,473,528	\$18,906,103	\$39,379,631	2.53%
Total Minority Business Enterprise (MBE)		\$276,934,494	\$92,125,881	\$369,060,375	23.72%
Women Business Enterprise (WBE)		\$119,065,728	\$67,667,044	\$186,732,772	12.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$5,623,806	\$1,296,118	\$6,919,925	0.44%
Disabled Veteran Business Enterprise (DVBE)		\$45,734,146	\$27,284,102	\$73,018,248	4.69%
Other 8(a)*		-	-	-	0.00%
TOTAL WMDVLGBTBE		\$447,358,174	\$188,373,145	\$635,731,320	40.86%

Net Procurement**	\$1,555,882,744
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NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE

** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS

Direct - DIRECT PROCUREMENT

Sub - SUBCONTRACTOR PROCUREMENT

% - PERCENTAGE OF NET PROCUREMENT

SDG&E WMDVLGBTBE procurement by product and service categories - direct

			Products		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	African American	Direct	\$3,948,273	1.21%	\$35,158,033	2.86%	\$39,106,306	2.51%
	African American	Direct	\$8,050,338	2.48%	\$22,850,082	1.86%	\$30,900,420	1.99%
	Hispanic American	Direct	\$57,676,037	17.74%	\$84,082,028	6.83%	\$141,758,065	9.11%
	Native American	Direct	\$1,350,434	0.42%	\$43,345,741	3.52%	\$44,696,175	2.87%
	Total Minority Male	Direct	\$71,025,082	21.84%	\$185,435,884	15.07%	\$256,460,966	16.48%
Minority Female	African American	Direct	\$233,142	0.07%	\$6,433,171	0.52%	\$6,666,312	0.43%
	African American	Direct	\$4,002,663	1.23%	\$2,799,382	0.23%	\$6,802,045	0.44%
	Hispanic American	Direct	\$3,821,026	1.18%	\$3,181,549	0.26%	\$7,002,575	0.45%
	Native American	Direct	-	0.00%	\$2,596	0.00%	\$2,596	0.00%
	Total Minority Female	Direct	\$8,056,831	2.48%	\$12,416,697	1.01%	\$20,473,528	1.32%
Total Minority Business Enterprise (MBE)		Direct	\$79,081,913	24.32%	\$197,852,581	16.08%	\$276,934,494	17.80%
Women Business Enterprise (WBE)		Direct	\$26,723,292	8.22%	\$92,342,436	7.50%	\$119,065,728	7.65%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$8,482	0.00%	\$5,615,324	0.46%	\$5,623,806	0.36%
Disabled Veteran Business Enterprise (DVBE)		Direct	\$1,842,525	0.57%	\$43,891,621	3.57%	\$45,734,146	2.94%
Other 8(a)*		Direct	-	0.00%	-	0.00%	-	0.00%
TOTAL WMDVLGBTBE		Direct	\$107,656,212	33.11%	\$339,701,962	27.61%	\$447,358,174	28.75%

Total Product Procurement \$	\$325,190,685
Total Service Procurement \$	\$1,230,692,059
Net Procurement**	\$1,555,882,744

Total Number of WMDVLGBTBEs That Received Direct Spend	319
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NOTE:

* Firms classified as 8(a) of Small Business Administration includes non-WMDVLGBTBEs

** Net Procurement includes purchase order, non-purchase order and credit card dollars

Direct- Direct Procurement

Sub - Subcontractor Procurement

% - Percentage of Net Procurement

SDG&E WMDVLGBTBE procurement by product and service categories - subcontracting

			Products		Services		Total	
			\$	%	\$	%	\$	%
Minority Male	African American	Sub	\$1,469,536	0.45%	\$7,173,414	0.58%	\$8,642,949	0.56%
	African American	Sub	\$583,579	0.18%	\$8,306,368	0.67%	\$8,889,947	0.57%
	Hispanic American	Sub	\$26,566,736	8.17%	\$21,733,138	1.77%	\$48,299,874	3.10%
	Native American	Sub	\$2,163,274	0.67%	\$5,223,733	0.42%	\$7,387,007	0.47%
	Total Minority Male	Sub	\$30,783,125	9.47%	\$42,436,653	3.45%	\$73,219,778	4.71%
Minority Female	African American	Sub	\$0	0.00%	\$901,528	0.07%	\$901,528	0.06%
	African American	Sub	\$768,030	0.24%	\$7,097,388	0.58%	\$7,865,418	0.51%
	Hispanic American	Sub	\$3,421,085	1.05%	\$6,647,802	0.54%	\$10,068,887	0.65%
	Native American	Sub	\$0	0.00%	\$70,269	0.01%	\$70,269	0.00%
	Total Minority Female	Sub	\$4,189,116	1.29%	\$14,716,987	1.20%	\$18,906,102	1.22%
Total Minority Business Enterprise (MBE)		Sub	\$34,972,241	10.75%	\$57,153,640	4.64%	\$92,125,881	5.92%
Women Business Enterprise (WBE)		Sub	\$14,542,789	4.47%	\$53,124,256	4.32%	\$67,667,045	4.35%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	\$824,603	0.25%	\$471,516	0.04%	\$1,296,118	0.08%
Disabled Veteran Business Enterprise (DVBE)		Sub	\$1,394,493	0.43%	\$25,889,609	2.10%	\$27,284,102	1.75%
Other 8(a)*		Sub	-	0.00%	-	0.00%	-	0.00%
TOTAL WMDVLGBTBE		Sub	\$51,734,126	15.91%	\$136,639,021	11.10%	\$188,373,146	12.11%

Total Product Procurement \$	\$325,190,685
Total Service Procurement \$	\$1,230,692,059
Net Procurement**	\$1,555,882,744

NOTE:

* Firms classified as 8(a) of Small Business Administration includes non-WMDVLGBTBEs
 ** Net Procurement includes purchase order, non-purchase order and credit card dollars
 Direct- Direct Procurement
 Sub - Subcontractor Procurement
 % - Percentage of Net Procurement

SDG&E WMDVLGBTBE procurement by product category detail

SIC Category	African American		Asian American		Hispanic American	
	Male	Female	Male	Female	Male	Female
23 - Apparel & Oth Finished Prods Made From Fabric	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
26 - Paper & Allied Prods	\$ -	-	-	-	387,619	-
	% 0.00%	0.00%	0.00%	0.00%	98.41%	0.00%
28 - Chemicals & Allied Prods	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29 - Petroleum Refining & Related Industries	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 - Rubber & Misc Plastics Prods	\$ -	-	403	-	-	-
	% 0.00%	0.00%	0.15%	0.00%	0.00%	0.00%
32 - Stone, Clay, Glass & Concrete Prods	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
33 - Primary Metal Industries	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
34 - Fabricated Metal Prods, Exc Machinery	\$ -	-	135,115	-	3,571,115	-
	% 0.00%	0.00%	0.76%	0.00%	20.01%	0.00%
35 - Industrial & Commercial Machinery & Computer Equip	\$ 3,853,439	-	-	-	-	367,743
	% 33.76%	0.00%	0.00%	0.00%	0.00%	3.22%
36 - Electronic & Oth Elec Equip & Components	\$ -	-	8,236,763	-	3,436,235	-
	% 0.00%	0.00%	9.28%	0.00%	3.87%	0.00%
37 - Transportation Equip	\$ -	-	188,840	144,640	9,692	-
	% 0.00%	0.00%	2.18%	1.67%	0.11%	0.00%
38 - Measuring, Analyzing & Controlling Instruments	\$ -	-	-	-	21,051	-
	% 0.00%	0.00%	0.00%	0.00%	0.09%	0.00%
39 - Misc Manufacturing Industries	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
50 - Wholesale Trade; Durable Goods	\$ 294,110	-	72,797	4,601,945	74,271,506	6,874,369
	% 0.23%	0.00%	0.06%	3.57%	57.63%	5.33%
51 - Wholesale Trade; Nondurable Goods	\$ 161,579	233,142	-	21,559	534,379	-
	% 0.66%	0.96%	0.00%	0.09%	2.19%	0.00%
52 - Bldg Matls, Hardware, Garden Supply	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
55 - Automotive Dlr & Gasoline Service Stations	\$ 1,108,681	-	-	-	2,011,176	-
	% 12.72%	0.00%	0.00%	0.00%	23.08%	0.00%
57 - Home Furniture, Furnishings & Equip Stores	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
58 - Eating & Drinking Places	\$ -	-	-	2,550	-	-
	% 0.00%	0.00%	0.00%	0.09%	0.00%	0.00%
59 - Misc Retail	\$ -	-	-	-	-	-
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Products Procurement	\$ 5,417,809	233,142	8,633,917	4,770,693	84,242,773	7,242,111
	% 1.67%	0.07%	2.66%	1.47%	25.91%	2.23%

Total Product Procurement \$	325,190,685
Total Service Procurement \$	1,230,692,059
Net Procurement**	1,555,882,744

NOTE:

* Firms classified as 8(a) of Small Business Administration includes non-WMDVLGBTBEs
** Net Procurement includes purchase order, non-purchase order and credit card dollars
Direct- Direct Procurement
Sub - Subcontractor Procurement
% - Percentage of Net Procurement

Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
Male	Female							
-	-	-	874,904	-	-	-	874,904	1,098,819
0.00%	0.00%	0.00%	79.62%	0.00%	0.00%	0.00%	79.62%	
-	-	387,619	3,892	-	2,372	-	393,883	393,883
0.00%	0.00%	98.41%	0.99%	0.00%	0.60%	0.00%	39.41%	
-	-	-	91,743	-	-	-	91,743	837,536
0.00%	0.00%	0.00%	10.95%	0.00%	0.00%	0.00%	39.41%	
-	-	-	34,930	-	-	-	34,930	98,445
0.00%	0.00%	0.00%	35.48%	0.00%	0.00%	0.00%	39.41%	
-	-	403	-	-	-	-	403	274,424
0.00%	0.00%	0.15%	0.00%	0.00%	0.00%	0.00%	39.41%	
-	-	-	-	-	-	-	-	1,220,922
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	39.41%	
-	-	-	20,325	-	-	-	20,325	3,517,994
0.00%	0.00%	0.00%	0.58%	0.00%	0.00%	0.00%	0.58%	
27,956	-	3,734,185	349,438	-	-	-	4,083,623	17,846,854
0.16%	0.00%	20.92%	1.96%	0.00%	0.00%	0.00%	22.88%	
-	-	4,221,182	776,126	-	-	-	4,997,307	11,412,690
0.00%	0.00%	36.99%	6.80%	0.00%	0.00%	0.00%	43.79%	
1,350,490	-	13,023,488	3,781,518	-	1,842,525	-	18,647,530	88,766,080
1.52%	0.00%	14.67%	4.26%	0.00%	2.08%	0.00%	21.01%	
-	-	343,172	209,219	-	-	-	552,391	8,666,458
0.00%	0.00%	3.96%	2.41%	0.00%	0.00%	0.00%	6.37%	
-	-	21,051	2,674,419	-	-	-	2,695,470	24,705,722
0.00%	0.00%	0.09%	10.83%	0.00%	0.00%	0.00%	10.91%	
-	-	-	20,099	-	-	-	20,099	752,774
0.00%	0.00%	0.00%	2.67%	0.00%	0.00%	0.00%	2.67%	
1,350,697	-	87,465,424	12,571,887	824,603	1,343,970	-	102,205,884	128,878,972
1.05%	0.00%	67.87%	9.75%	0.64%	1.04%	0.00%	79.30%	
481,120	-	1,431,779	19,533,379	-	48,151	-	21,013,308	24,397,242
1.97%	0.00%	5.87%	80.06%	0.00%	0.20%	0.00%	86.13%	
-	-	-	-	-	-	-	-	139,886
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
303,445	-	3,423,302	11,119	-	-	-	3,434,421	8,714,668
3.48%	0.00%	39.28%	0.13%	0.00%	0.00%	0.00%	39.41%	
-	-	-	-	-	-	-	-	314,784
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
-	-	2,550	300,545	8,482	-	-	311,577	2,902,571
0.00%	0.00%	0.09%	10.35%	0.29%	0.00%	0.00%	10.73%	
-	-	-	12,540	-	-	-	12,540	249,961
0.00%	0.00%	0.00%	5.02%	0.00%	0.00%	0.00%	5.02%	
3,513,708	-	114,054,154	41,266,081	833,085	3,237,018	-	159,390,338	325,190,685
1.08%	0.00%	35.07%	12.69%	0.26%	1.00%	0.00%	49.01%	

SDG&E WMDVLGBTBE procurement by service category detail

SIC Category		African American		Asian American		Hispanic American	
		Male	Female	Male	Female	Male	Female
07 - Agricultural Svcs	\$	767,251	-	1,246,205	-	479,250	107,543
	%	1.93%	0.00%	3.13%	0.00%	1.20%	0.27%
13 - Oil & Gas Extraction	\$	-	-	-	-	-	55,881
	%	0.00%	0.00%	0.00%	0.00%	0.00%	1.97%
15 - Bldg Const-General Contractors	\$	-	-	-	980,000	7,373,195	-
	%	0.00%	0.00%	0.00%	3.31%	24.89%	0.00%
16 - Heavy Const Oth Than Bldg Construction	\$	-	-	76,126	-	44,762,653	-
	%	0.00%	0.00%	0.02%	0.00%	12.88%	0.00%
17 - Const-Special Trade Contractors	\$	6,937,438	-	1,145,756	587,804	5,291,675	3,141,297
	%	5.49%	0.00%	0.91%	0.47%	4.19%	2.49%
27 - Printing, Publishing & Allied Industries	\$	-	-	93,669	-	4,933	1,515
	%	0.00%	0.00%	7.40%	0.00%	0.39%	0.12%
42 - Motor Freight Transportation & Warehousing	\$	2,342,288	143	-	-	177,676	3,794,477
	%	10.33%	0.00%	0.00%	0.00%	0.78%	16.73%
45 - Transportation By Air	\$	347,792	-	-	-	-	-
	%	34.41%	0.00%	0.00%	0.00%	0.00%	0.00%
47 - Transportation Svcs	\$	-	-	-	-	-	-
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
48 - Communications	\$	-	-	-	-	-	-
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
49 - Electric, Gas & Sanitary Svcs	\$	14,697	-	-	730,660	292,827	585,534
	%	0.35%	0.00%	0.00%	17.34%	6.95%	13.89%
60 - Depository Institutions	\$	-	-	-	-	-	-
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
61 - Nondepository Credit Institutions	\$	-	-	-	-	-	-
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
62 - Security & Commodity Brokers, Dirs, Exchanges	\$	350,000	-	-	-	122,500	-
	%	2.74%	0.00%	0.00%	0.00%	0.96%	0.00%
64 - Insurance Agents, Brokers & Svcs	\$	-	11,663	-	-	-	-
	%	0.00%	0.81%	0.00%	0.00%	0.00%	0.00%
65 - Real Estate	\$	2,612,838	-	-	-	116,256	-
	%	67.83%	0.00%	0.00%	0.00%	3.02%	0.00%
73 - Business Svcs	\$	27,623,931	6,265,616	6,798,936	789,439	4,826,805	1,115,110
	%	9.72%	2.20%	2.39%	0.28%	1.70%	0.39%
75 - Automotive Repair, Svcs & Parking	\$	-	-	-	-	745,693	9
	%	0.00%	0.00%	0.00%	0.00%	26.54%	0.00%
76 - Misc Repair Svcs	\$	-	-	-	-	786,246	-
	%	0.00%	0.00%	0.00%	0.00%	22.65%	0.00%
80 - Health Svcs	\$	-	-	-	206,406	-	-
	%	0.00%	0.00%	0.00%	31.67%	0.00%	0.00%
81 - Legal Svcs	\$	676	-	-	67,133	1,621	-
	%	0.01%	0.00%	0.00%	0.83%	0.02%	0.00%
87 - Engrg, Accounting, Research, Mgmt & Related Svcs	\$	973,350	1,057,276	21,734,554	6,535,329	38,119,378	1,017,289
	%	0.34%	0.37%	7.53%	2.27%	13.22%	0.35%
89 - Svcs, Not Elsewhere Classified	\$	361,184	-	61,204	-	2,714,458	10,696
	%	0.82%	0.00%	0.14%	0.00%	6.14%	0.02%
Total Services Procurement	\$	42,331,446	7,334,698	31,156,450	9,896,770	105,815,166	9,829,350
	%	3.44%	0.60%	2.53%	0.80%	8.60%	0.80%

Total Product Procurement \$	325,190,685
Total Service Procurement \$	1,230,692,059
Net Procurement**	1,555,882,744

NOTE:

* Firms classified as 8(a) of Small Business Administration includes non-WMDVLGBTBEs

** Net Procurement includes purchase order, non-purchase order and credit card dollars

Direct - Direct Procurement

Sub - Subcontractor Procurement

% - Percentage of Net Procurement

Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
Male	Female							
-	-	2,600,249	1,520,869	-	-	-	4,121,118	39,776,061
0.00%	0.00%	6.54%	3.82%	0.00%	0.00%	0.00%	10.36%	
-	-	55,881	-	-	-	-	55,881	2,834,941
0.00%	0.00%	1.97%	0.00%	0.00%	0.00%	0.00%	1.97%	
268,513	-	8,621,708	3,503,436	-	7,952,630	-	20,077,774	29,619,102
0.91%	0.00%	29.11%	11.83%	0.00%	26.85%	0.00%	67.79%	
33,137,657	-	77,976,437	10,735,627	-	18,924,805	-	107,636,869	347,509,612
9.54%	0.00%	22.44%	3.09%	0.00%	5.45%	0.00%	30.97%	
176,398	-	17,280,368	41,436,845	-	14,206,642	-	72,923,855	126,315,850
0.14%	0.00%	13.68%	32.80%	0.00%	11.25%	0.00%	57.73%	
-	-	100,117	139,935	-	3,687	-	243,739	1,265,135
0.00%	0.00%	7.91%	11.06%	0.00%	0.29%	0.00%	19.27%	
-	-	6,314,584	1,138,457	-	13,984,116	-	21,437,156	22,684,708
0.00%	0.00%	27.84%	5.02%	0.00%	61.65%	0.00%	94.50%	
-	-	347,792	40,513	-	-	-	388,305	1,010,862
0.00%	0.00%	34.41%	4.01%	0.00%	0.00%	0.00%	38.41%	
-	-	-	-	-	-	-	-	1,428,237
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
-	-	-	11,255	-	-	-	11,255	1,603,728
0.00%	0.00%	0.00%	0.70%	0.00%	0.00%	0.00%	0.70%	
-	-	1,623,718	143	-	-	-	1,623,861	4,214,800
0.00%	0.00%	38.52%	0.00%	0.00%	0.00%	0.00%	38.53%	
-	-	-	-	-	-	-	-	2,298,996
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
-	-	-	-	-	-	-	-	105,513
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
-	-	472,500	-	-	-	-	472,500	12,773,298
0.00%	0.00%	3.70%	0.00%	0.00%	0.00%	0.00%	3.70%	
-	-	11,663	-	-	-	-	11,663	1,441,085
0.00%	0.00%	0.81%	0.00%	0.00%	0.00%	0.00%	0.81%	
-	-	2,729,094	721,408	-	-	-	3,450,502	3,852,147
0.00%	0.00%	70.85%	18.73%	0.00%	0.00%	0.00%	89.57%	
14,362,010	72,865	61,854,712	47,940,438	4,565	4,851,896	-	114,651,611	284,240,131
5.05%	0.03%	21.76%	16.87%	0.00%	1.71%	0.00%	40.34%	
-	-	745,702	-	-	-	-	745,702	2,809,532
0.00%	0.00%	26.54%	0.00%	0.00%	0.00%	0.00%	26.54%	
-	-	786,246	554	-	-	-	786,800	3,471,921
0.00%	0.00%	22.65%	0.02%	0.00%	0.00%	0.00%	22.66%	
-	-	206,406	-	-	-	-	206,406	651,720
0.00%	0.00%	31.67%	0.00%	0.00%	0.00%	0.00%	31.67%	
-	-	69,430	1,378,845	-	-	-	1,448,275	8,130,862
0.00%	0.00%	0.85%	16.96%	0.00%	0.00%	0.00%	17.81%	
536,095	-	69,973,271	16,566,517	6,082,275	9,620,538	-	102,242,601	288,451,774
0.19%	0.00%	24.27%	5.73%	2.11%	3.34%	0.00%	35.45%	
88,801	-	3,236,344	20,331,851	-	236,916	-	23,805,111	44,202,041
0.20%	0.00%	7.32%	46.00%	0.00%	0.54%	0.00%	53.86%	
48,569,474	72,865	255,006,219	145,466,692	6,086,840	69,781,231	-	476,340,982	1,230,692,059
3.95%	0.01%	20.72%	11.82%	0.49%	5.67%	0.00%	38.71%	

Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse

Data on Number of Suppliers												
Revenue Reported to CHS							Utility-Specific 2019 Summary					
# WMDVLGBTBEs	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1M or Unknown	91	68	5	37	0	201	235	188	5	26	0	454
Under \$5 million	56	61	0	0	0	117	36	23	0	9	0	68
Under \$10 million	30	36	1	1	0	68	5	7	1	1	0	14
Above \$10 million	106	57	0	1	0	164	7	4	0	3	0	14
Total	283	222	6	39	0	550	283	222	6	39	0	550

Revenue and Payment Data												
Revenue Reported to CHS							Utility-Specific 2019 Summary					
\$ WMDVLGBTBEs	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total
Under \$1M or Unknown	26.3	26.7	1.4	0.0	0.0	54.4	42.2	31.2	0.9	2.7	0.0	77.0
Under \$5 million	150.1	153.0	0.0	0.0	0.0	303.1	79.0	52.1	0.0	18.9	0.0	149.9
Under \$10 million	209.1	249.7	5.3	5.6	0.0	469.7	29.4	46.0	6.0	5.6	0.0	87.1
Above \$10 million	36,919.7	9,425.4	0.0	391.9	0.0	46,737.1	218.5	57.4	0.0	45.8	0.0	321.7
Total	37,305.2	9,854.8	6.7	397.5	0.0	47,564.2	369.1	186.7	6.9	73.0	0.0	635.7

NOTE: CHS - Supplier Clearinghouse

*Firms classified as 8(a) by the Small Business Administration includes non-WMDVLGBTBE

Major SDG&E WMDVLGBTBE purchase categories

CATEGORY	PRIMARY PRODUCTS AND SERVICES UTILIZED	2019 Total \$ (In Millions)	2019 DBE Percentage of Total Spend
Electric Operations	Engineering, Procurement and Construction (EPC), Engineering Services, Smart Grid, Electric Construction Services, Vegetation Management, Cable/Wire, Transformers, Equipment Rental, Aviation Services, Wildfire Mitigation Support, Traffic Control, Grading/Paving/Civil Services, Substation Site Development, Foundations	\$833.2	44.7%
Gas Operations	Engineering, Materials, Construction, Welding Inspection, Locating and Testing Services	\$132.2	46.8%
Customer Services and Operations	Energy Efficiency, Advertising and Marketing, Fulfillment and Distribution Services, Appliance Recycling, EV Charging Station Maintenance	\$113.1	27.6%
Information Technology	PC Equipment, Hardware/Software, Licensing, Application Development, Network/Telecommunication Equipment and Support, Helpdesk, Consulting	\$98.4	32.7%
Clean Transportation and Sustainability	Environmental Services, Clean Transportation Initiatives	\$61.8	48.0%
Operations Support	Facilities Operations and Maintenance, Building Leases, Capital Construction Management, Land Services and Surveys, Relocation and Furniture Services, Landscaping, Security Systems, and Catering Services, Supply Management Services	\$59.1	43.9%
Professional Services	Legal, Tax Consulting, Audit Services, Insurance and Benefits, Bond Issuances	\$41.0	5.8%
Energy Supply	Electricity and Gas Commodity, Power Plant Maintenance, Turbine Maintenance	\$32.3	12.2%
Fleet Services	Trucks, Vehicles and Equipment, Fuel and Oils, Tires, Auto Parts and Services, Vehicle Disposal	\$21.1	48.7%

Supplier diversity glossary of terms

CBO

Community based organization

DBE

Diverse Business Enterprise, SDG&E's term for WMDVLGBTBE

DVBE

Service Disabled Veteran-owned Business Enterprise

GO 156

In May 1988, the California Public Utilities Commission (CPUC) issued General Order 156 (GO 156). Under GO 156, all investor-owned electric, gas, water and telecommunication utility companies with gross annual revenues in excess of \$25 million and their regulated subsidiaries and affiliates, were required to develop and implement programs to increase the utilization of woman and minority owned businesses. Voluntary procurement goals are 5% for women, 15% for minorities and 1.5% for service-disabled veterans.

JOINT UTILITY SUPPLIER FORUM

This forum was a joint effort between Southern California Gas Company (SoCal Gas) and SDG&E to help onboard new suppliers, provide updated information about future projects and share insights about several major capital projects.

LGBTBE

In Decision 15-06-007, the CPUC required that Lesbian, Gay, Bisexual or Transgender Business Enterprises (LGBTBE) be included in General Order 156 reporting.

MBE

Minority-owned Business Enterprise (African American, Asian Pacific American, Hispanic American, Native American)

MWBE

Minority female-owned Business Enterprise (African American, Asian Pacific American, Hispanic American, Native American)

Other 8(a)

Other groups or individuals found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of Small Business Act. Other 8(a) may include non-WMDVLGBTBE firms.

QuickPay

This initiative requires federal agencies to speed up payments to small business contractors, with the goal of paying within 15 days. SDG&E's Supplier Quick Pay Program is based upon this federal initiative.

SCORE

Small Contractor Opportunity Realization Effort provides opportunities for new and growing diverse suppliers to demonstrate their abilities to work with utilities through low dollar, short term agreements, typically under \$75,000.

SQPP

Supplier Quick Pay Program - Helps small businesses by increasing their working capital, so they can grow their businesses and hire more workers. In the SQPP initiative, SDG&E commits to pay qualified small suppliers faster with payment terms of net 15 days with no discount.

SUBCONTRACTING

Subcontracting refers to any agreement or arrangement between a contractor and any party or person (in which the parties do not stand in the relationship of an employer and an employee).

- 1) For the furnishing of supplies or services, which, in whole or in part, are necessary to the performance of any one or more contracts; or
- 2) Under which any portion of the contractor's obligation under any one or more contracts is performed, undertaken or assumed.

SUPPLIER DIVERSITY SYMPOSIUMS

This process identifies, pre-qualifies and onboards new diverse suppliers within the supply chain process.

TECHNICAL ASSISTANCE

Technical Assistance - Provides well rounded and comprehensive programs to increase business acumen for diverse business owners at all levels and across functional business areas.

Tier 1 - Supplier Objectives: Identify core capabilities and develop metrics for supporting growth. Address business challenges and risk. Develop an action plan and a toolkit to overcome barriers.

Tier 2 - Supplier Objectives: Focus on capacity expansion and increasing revenue. Establish a strategic growth plan and identify methods to maximize profits.

Tier 3 - Supplier Objectives: Focus on key areas of expertise and leveraging subcontractors for areas that are not part of a supplier's core competency. Create value-added and innovative products and services. Proactively anticipate and prepare for future change. Develop a sustainable business model.

WBE

Women-owned Business Enterprise

WMBE

Women and Minority-owned Business Enterprise

WMDVBE

Women, Minority and Service Disabled Veteran-owned Business Enterprise

WMDVLGBTBE

Women, Minority, Service Disabled Veteran and Lesbian, Gay, Bisexual or Transgender Business Enterprise



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