



Powered By Diversity Interview with

CHARLES TWAMUGABO

Senior Director, Supply Chain



Charles is responsible for the company's materials and services procurement, supplier diversity initiatives, materials warehousing, logistics and distribution services. Charles has over 15 years of experience in supply chain management, strategic sourcing and manufacturing operations. He has been recognized for his leadership in supply chain strategy development and execution, transformation efforts and the deployment of **Six Sigma** activities across many business lines. Prior to PG&E, Charles worked for **Tyco Plastics and Adhesives**

where he was Vice President, Global Sourcing and Operations Excellence. He also held senior leadership positions at **General Electric** within supply chain operations and Six Sigma Quality. Charles has extensive experience with and passion about Six Sigma methodology and is certified as a Six Sigma Master Black Belt.

Q: What is your assessment in regards to gauging strengths and areas to improve the effectiveness of our supplier diversity program?

A: An obvious strength for our program is the commitment from PG&E leadership to recognize supplier diversity provides economic vitality within our communities. I consider that the direct alignment our Supplier Diversity team has with the Sourcing staff and Line of Business (LOB) champions to be crucial to helping us identify and capture diverse business opportunities. As we continue to diligently seek ways to improve our business practices, when it comes to supplier diversity, continued accountability throughout the organization must be achieved. A component for PG&E to incorporate in our strategic endeavors is supplier development. Establishing a more extensive and well-structured approach would both develop new suppliers and build additional capacity with our existing diverse suppliers.

Q: PG&E has achieved two consecutive years in exceeding the CPUC diverse spend goal of 21.5 percent. Is it realistic to expect the company to achieve a thirty percent diverse spend by the year 2010?

A: As our Supplier Diversity team, Sourcing staff and LOB champions become more efficient and fluent as a working unit, our ability to recruit and develop diverse vendors will significantly impact our efforts to increase diverse spend. If we are successful in capturing the opportunities we have identified, we could reach 25 percent by 2009. However, reaching 30 percent in diverse spend by 2010 is a quantum leap and will require extensive supplier development.

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VISIT OUR Website

P G&E's Web site design has been updated to include enhanced supplier registration forms and processes. PG&E requests all vendors complete a new supplier profile at www.pge.com. Businesses interested in applying for CPUC Clearinghouse certification should contact the program administrator Asian Inc. at (800) 359-7998. An application may be accessed directly from their Web site at www.asianinc.org. Service disabled-owned businesses may contact: the State of California's Department of General Services (DGS) at (916) 376-5000. Information is available at the DGS Web site at DGS.ca.gov

Diverse suppliers who are not certified as a Women- and Minority-owned Business Enterprise (WMBE) or a Disabled Veteran Business Enterprise (DVBE) may also visit our Supplier Diversity site for information and links to these certification agencies.

PG&E will continue to post contractual opportunities for suppliers to review. As always, PG&E's Supplier Diversity team is available to assist you. We can be reached at 415-973-8800 or electronically at supplierdiversityteam@pge.com. ■



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is presented by the PG&E Supplier Diversity Team.

This edition was produced by Al "Skip" Solorzano and designed by William Mar Design.

On the Move

Steve Coleman has been named as the new Director of Sourcing. Having served as the Director of Purchasing, Materials and Corporate Real Estate, Steve brings a strong operational background to the Supply Chain organization to lead PG&E's quest for continuous improvement in the Sourcing department.



Former Diablo Canyon Site Services Director, **Mike Meko** joins the Supply Chain organization as the Director of Generation Supply Chain.

Mike will lead a team responsible for planning, sourcing, procurement and materials management of all Generation, including nuclear, hydro, fossil operations, and PG&E's new generation facilities.

Newest Supplier Diversity Team Member

PG&E is pleased to introduce the newest member of our Supplier Diversity Team, **Joycelyn Ong**.



Joy formerly supported various aspects of supplier diversity programs within the telecommunications sector for MCI, Verizon, PacBell and SBC.

Joy has been assigned to support energy delivery services, which includes engineering and construction services. She is also responsible for the certification process and reporting governance.

Last year, the Northern California Supplier Development Council recognized Joy for her devotion and service as a board member to the organization. ■

Northern California Supplier Development Council Recognizes PG&E As Corporation Of The Year

PG&E's leading supplier diversity practices received several awards, including **Corporation of the Year**, from the **Northern California Supplier Development Council (NCSDC)** during their annual awards gala, held in San Francisco on March 28th. At this event, Supplier Diversity team members **Tita Gray** and **Tanya Nixon** were



From left, Tanya Nixon, Senior Supplier Diversity Consultant, Carl Banks, Chairman of the NCSDC's Minority Business Input Committee, Tita Gray, Supplier Diversity Manager, Vice President and Chief Diversity Officer Bill Harper and Vice President Shared Services and Chief Procurement Officer Des Bell at the Awards Gala.

respectively recognized as the **Corporate Coordinator of the Year** and **Minority Business Enterprise Advocate of the Year**.

"PG&E is committed to providing diverse suppliers with economic opportunities to supply products and services required by PG&E," said **Bill Harper**, Vice President and Chief Diversity Officer. "These awards recognize our efforts to fully integrate our dedication to foster and celebrate diversity and partner and support the diverse communities the company serves."

In 2007, PG&E achieved its highest level of diverse spending at \$598.8 million. The prior year, PG&E met the target established by the **California Public Utilities Commission** for procurement

from diverse firms. PG&E met this goal both through contracting directly with diverse firms and through the company's prime contractors subcontracting with diverse firms.

The NCSDC is one of the 39 regional councils of the National Minority Supplier Development Council with a combined constituency of over 3,600 corporate members and 16,500 certified minority business enterprise suppliers. Their mission is to facilitate access to contracting opportunities between certified minority business enterprises and corporate purchasers. ■



Yonnie Leung, Manager, Supply Chain Strategy & Performance Management, **Charles Twamugabo**, Senior Director Supply Chain Manager and **Jerilyn Gleaves**, Supplier Diversity Manager enjoy a moment celebrating PG&E's recognition at the recent NCSDC Annual Awards Gala.

All American Logistics

Identified as a potential resource last year, the Supplier Diversity team referred All American Logistics to the Transportation group.

Led by their CEO Debra Silver, All American Logistics is a woman-owned and operated logistics company based in Stockton, California. As a freight brokerage supplier, All American Logistics provides transportation and logistics services for planning, implementation and control of the transit and storage of materials and supplies.

Last year, Supplier Diversity team member Skip Solorzano encouraged Silver to consider applying for Clearinghouse certification and, as a result, All American Logistics was verified last summer.

According to Transportation Sourcing Lead Ron Schoenfeld, "All American Logistics has been instrumental in streamlining the company freight handlings, as well as increasing supplier diversity spend."

The financial success of this business partnership is evident, as forecasted business with this supplier will reach approximately \$8 million this year. According to Silver, "the PG&E team has been a pleasure to work with and we hope to continue to grow this business relationship."

For more information on All American Logistics, visit www.allamericanlogistics.com or call 866-577-3311. ■



PG&E's Ron Schoenfeld with Debra Silver, CEO of All American Logistics.

As a freight brokerage supplier, All American Logistics provides transportation and logistics services for planning, implementation and control of the transit and storage of materials and supplies.

PG&E's Supplier Diversity Team

Our Supplier Diversity team is at your service. The following lists our team members and their assigned business portfolios and diverse market segments.

Team Contact	E-mail	Assigned Business Portfolio	Business Segment
Jerilyn Gleaves	j1gi@pge.com	Corporate Services, Customer Care, Energy Efficiency, Consulting Services, Legal, Finance, Human Resources	African-American
Tita Gray	txgo@pge.com	Generation — Diablo Nuclear Power Plant	Native American
Steve Machado	spm4@pge.com	Energy Delivery Materials (Equipment, Wire & Cable, Poles, Pipes, etc.)	Hispanic-American
Tanya Nixon	tnn7@pge.com	IT/Telecom, Transportation, Environmental Services	Asian-American Women's Network
Joy Ong	jaoj@pge.com	Energy Delivery Services (Construction Engineering)	
Al "Skip" Solorzano	aas6@pge.com	Generation — Hydro Facilities, New Generation Facilities	Service Disabled
Perry Bumanlag	pvb1@pge.com	Direct and Sub-contracting Reporting	

If your type of business is not listed above, contact the Supplier Diversity Team at supplierdiversityteam@pge.com or call 415-973-8800.

Q: Last summer you introduced weekly meetings to discuss supplier diversity trends. What is discussed, who attends, and how effective are these meetings?

A: As with any other business aspect, supplier diversity needs to be operationally managed. The Supplier Diversity team, Sourcing managers and selected representatives from the LOBs meet weekly to review performance trends and project execution. This is an opportunity for my directors and me to meet with the team to address the issues, barriers, threats and constraints that are preventing us from executing. Last year, we used this venue to reverse the negative trend and successfully finished the year with our diverse spend results. This year, we are using these meetings to identify and drive the implementation of new opportunities. In addition to focusing on implementation, these meeting provide an opportunity to create greater teamwork and establish an accountability culture.

As the process evolves, to ensure effectiveness and reach higher levels of execution and accountability, we will be required to revisit the agenda, frequency and structure of these meetings. It is projected that during the second half of the year, a significant amount of time will be devoted to planning for 2009 and beyond.

Q: Are PG&E's prime suppliers engaged in supporting our supplier diversity initiatives?

A: We have made significant progress to engage our prime suppliers to support our supplier diversity initiatives. In comparison to 2006, last year we significantly increased our subcontracting by 32 percent. However, we still have a long way to go. We will continue to promote supplier diversity awareness, encourage partnership with diverse suppliers and monitor business commitments with our prime suppliers.

Supplier Diversity Promotes Economic Vitality with Stakeholders by Utilizing Suppliers Who Mirror the Communities We Serve

Upcoming Events

The Supplier Diversity team is on the move, and we invite you to join us in our support of the following organizations and activities

July – August

July 4-10	4th Annual National Veteran Small Business Conference and Expo www.nationalveteransconference.com	Las Vegas, NV
July 12-15	40th Annual NCLR Conference National Council of La Raza www.nclr.org	San Diego, CA
July 21	Northern California Supplier Diversity Council Business Expo 8:00 am – 4:30 pm www.ncsdc.org	San Francisco, CA
Aug 1	2nd Annual Business Match-making & Networking Event City of Fresno Economic Development Department www.fresnostartup.com/matchmaking.asp	Fresno, CA
Aug 13-16	29th Annual Convention & Business Expo California Hispanic Chambers of Commerce www.cahcc.com	San Francisco, CA
Aug 20-22	5th Annual National Convention of Small Disabled Veteran Owned Businesses Elite SDVOB Network Annual Conference http://www.elitesdvob.org	Annapolis, MD
Aug 21-23	13th Annual Ron Brown Commerce Summit & Awards Gala California Black Chamber of Commerce www.calbcc.org	Los Angeles, CA
Sept 24-27	29th Annual National Convention & Business Expo United States Hispanic Chamber of Commerce www.usfcc.com	Sacramento, CA