

Powered by Diversity

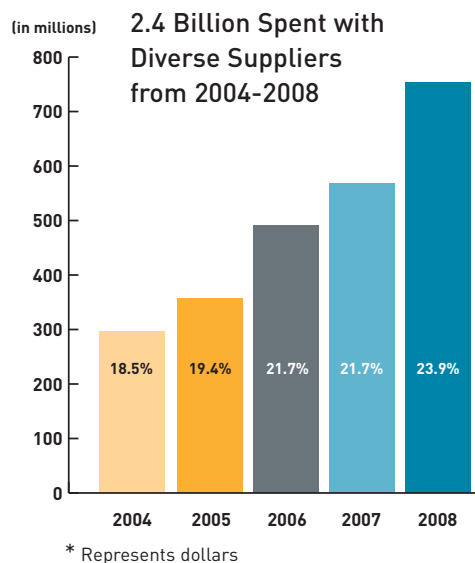


PG&E REPORTS RECORD SUPPLIER DIVERSITY SPENDING FOR 2008

Over 754 Million Dollars Spent with Women, Minority and Service Disabled Veteran Owned Companies

For a third consecutive year, PG&E exceeded the California Public Utilities Commission's (CPUC) cumulative percentage diverse spend goal of 21.5%, achieving a 23.9% mark in spending with women, minority and service disabled veteran business enterprises (WMDVBE). The company spent \$754 million dollars with WMDVBEs, the highest level in diverse spending in the 28-year history of its Supplier Diversity program. This milestone represents \$156 million in additional diverse spending over 2007.

According to Jerilyn Gleaves, Supplier Diversity Manager, "We are so proud and excited to have reached such a milestone. This accomplishment was achieved by the collective efforts of many individuals who helped to identify opportunities for diverse suppliers to do business with PG&E."



Highlights of PG&E's 2008 Successes:

- > Spent almost \$755 million, or nearly 24 percent, with diverse supplies in 2008, an all-time high.

- > Overall, PG&E's total purchase base increased by \$400 million, almost a 15 percent increase year over year.
- > Diverse spend increased \$157 million, or 26 percent more than in 2007.
- > Exceeded the CPUC minority business enterprise (MBE) goal of 15 percent by spending \$496 million with MBEs, or 15.7 percent of total purchases—also an all-time high. This is about a 24 percent increase over last year.
- > Made a focused effort to increase women, minority business enterprise (WMBE) spend in 2008, resulting in expenditures of almost \$122 million, or 3.9 percent with minority, women-owned suppliers. This is a 57 percent increase over 2007.

continued on page 2

PG&E Recognized by DiversityInc. Magazine

PG&E's dedication to diversity has never been higher. And now that commitment is starting to garner some attention of its own. PG&E 2008 diverse spending achievement of \$755 million with women-, minority- and service-disabled veteran business enterprises, exceeding the California Public Utilities Commission's (CPUC) 21.5 percent spend goal for the third straight year. This remarkable achievement has earned PG&E the no. 8 spot in DiversityInc's prestigious list of Top 10 companies for supplier diversity. The company also ranked no. 3 on The DiversityInc. Top Regional Utilities list. "PG&E has strong supplier-diversity best practices, including auditing its supplier-diversity numbers and linking compensation to supplier-diversity results," said Luke Visconti, Chief Operating Officer of DiversityInc.

A total of 401 companies—an increase of 14 percent from last year—participated in the DiversityInc. competition this year, underscoring the increasing emphasis on diversity management among progressive companies like PG&E. ■





A member of the PG&E family for 38 years

Supplier Diversity Team Member Retirement — Steve Machado

The Supplier Diversity team announces the retirement of colleague, respected employee and friend **Steve Machado**.

A member of the PG&E family for 38 years, Steve retires as a senior supplier diversity consultant with the Supplier Diversity team. He joined the team in **January 2007** and during this assignment was instrumental in contributing to the success of PG&E's supplier diversity accomplishments, including representing the company as a liaison to the **Hispanic** business community. Upon learning of Steve's announcement, **Joel Ayala, President and CEO** of the **California Hispanic Chambers** of

Commerce, expressed the following: "PG&E's commitment to supplier diversity and procurement opportunities is exemplified by the presence of Steve Machado. Not one to simply provide access and opportunities, Steve's character and loyalty emphasized preparedness and collaboration. He will be missed."

"Besides Steve's commitment to diversity, which is well known both internally and externally, I've always been impressed with his service to the community."

According to **Ophelia Basgal, Vice President of PG&E's Civic Partnerships and Community Initiatives**, "Besides Steve's commitment to diversity, which is well known both internally and

externally, I've always been impressed with his service to the community.

Whether it's organizing, fundraising for and leading a breast cancer walk or serving on a community board in San Francisco's Mission District, he always emphasizes the importance of giving back."

Steve began his PG&E career as a meter reader in **1971** and during his tenure was promoted to various managerial positions and involved with multiple community activities. He is a dedicated advocate in support of **Campaign for the Community** and the **American Cancer Society**.

On behalf of his many friends, co-workers and the Supplier Diversity team, we congratulate and extend our best wishes to Steve, his wife **Jenny** and his entire family for a "job well done." ■

PG&E Reports Record Supplier Diversity Spending *continued from page 1*

- > Women business enterprise (WBE) spend exceeded the CPUC WBE goal of 5 percent, reaching the highest level in six years, at 7.3 percent or \$231 million.
- > Disabled veteran business enterprise (DVBE) spend continues to rise, reaching the highest dollar level ever of \$27.4 million. PG&E continues to search for competitive DVBE suppliers in areas where current opportunities exist, such as construction and engineering.
- > PG&E increased dollar spend in every ethnic category and increased spend percentage in four of the five ethnic categories.
- > Subcontracting by prime contractors (Primes) had significant growth in 2008 at 38 percent, or \$72 million, over 2007.

In order for PG&E to report spending with diverse suppliers, businesses must be certified as diverse through the **CPUC Clearinghouse** managed by **Asian Inc.** (Links to the Clearinghouse may be accessed at PG&E's Web site.) An electronic version of **PG&E's 2008 Supplier Diversity Annual Report** is now available. To obtain a copy, send an e-mail request to supplierdiversityteam@PGE.com. Please write "Annual Report Request" in the subject line. ■



PG&E's 2008 Supplier Diversity Annual Report



Richard Heath and Associates, Inc. (RHA)

In this issue we profile one of PG&E's leading diverse companies, **Richard Heath and Associates, Inc. (RHA)**.

Recognized as one of the premier program management companies of income-qualified programs and services for Customer Energy Efficiency, RHA has partnered with PG&E to weatherize, educate and improve the energy management of thousands of customers through our customer program and services.

This clearinghouse-certified diverse supplier was established in 1978 by **Dr. Jim O'Bannon** and **Richard Heath**. From humble beginnings, this minority-owned business enterprise has become a multi-million dollar company with statewide offices in **Alameda, Chico, Fresno, Los Angeles, Sacramento** and **San Diego**. RHA has become a nationally recognized, competitive force in designing and managing projects in a variety of areas, including social marketing, large-scale public outreach, education, technical training, curriculum development, engineering, weatherization, inspection and auditing.

RHA has built a reputation of excellence in service to its clients and their customers. RHA is recognized for leading public outreach programs with innovative techniques focused on mainstream and hard-to-reach audiences. RHA is a prime contractor to both private companies and the public sector, including the **State of California**, local governmental agencies, public utilities, housing authorities and the **U.S. Department of Energy**. On behalf of federal, state and private sector clients, RHA has managed programs serving more than **10 million** people.



According to **CEE Director Duane Larson**, "I have had the privilege of working with RHA for over 25 years. I always look forward to working with RHA when new, challenging opportunities arise, because they deliver ideas and services with an understanding of our customers."

PG&E's partnership with RHA will continue for the next three years, as RHA was the successful bidder for our **Energy Partners** program. ■



RHA's Board of Directors, (L-R): Joe Williams; David Wear, CEO; Richard Heath; and Dr. Jim O'Bannon.

Networking Tips

Here are tips to help you network with PG&E and other companies at trade fairs and other outreach events.

- > Be prepared and efficient when introducing your company's products and services. Practice your two-minute introduction. If possible, prior to the event, spend time researching the companies you are planning to meet.
- > Does your business card list current information, and does it state the services or products offered by your company? In this technology age, it is of value to have electronic versions of your brochure or company materials available. In addition, if you have a Web site, is your site current?
- > After your initial meetings, follow up with contacts by e-mail or telephone in a timely manner.
- > If you are a diverse (woman-, minority-, service disabled veteran-owned) supplier, be sure to apply for certification with the California Public Utilities Commission Clearinghouse. If your business is certified, keep your certification current.
- > Complete a PG&E supplier profile online, at www.pge.com/b2b/purchasing/supplierdiversity. ■



PG&E's Supplier Diversity Team

Our Supplier Diversity team is at your service. The following section lists our team members and their assigned business portfolios. The team is in the process of adding new members who will be introduced in our next edition. We encourage you to visit our pages on the PG&E Web site for the most current updates and information.

PG&E's Supplier Diversity Team Members



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Diverse suppliers interested in doing business with PG&E should send an e-mail message with attachment(s) of their company's business materials to the appropriate Supplier Diversity team member. If you have any questions, please contact the Supplier Diversity team at 415-973-8800 or via e-mail at supplierdiversityteam@pge.com.

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.

April - July 2009

April 14-16	Annual Veteran and Small Business Conference US Army Corp of Engineers	Sparks, NV	www.implanners.com/veterans/index.html
April 30	CPUC Small Business Expo California Public Utilities Commission	San Bernardino, CA	smallbiz@cpuc (email address to register)
May 18-19	Keeping the Promise Conference / CPUC Small Business Expo California DVBE Alliance	Irvine, CA	www.ca.dvbe.org
June 9-11	WBENC Conference / CPUC Small Business Expo Women Business Enterprise National Council	San Francisco, CA	www.wbenc.org/eventsandprograms
July 12-14	AICC Annual Business Expo/CPUC Small Business Expo American Indian Chamber of Commerce California	Rancho Mirage, CA	www-aiccal.org

Visit our Web site

The Supplier Diversity section of PG&E's Web site offers invaluable information on how to do business with PG&E. Please access our site at the following address: www.pge.com/b2b/purchasing/supplierdiversity. Our site provides direct links to the CPUC Clearinghouse and Department of General Services. In addition, you may complete a supplier profile; access our quarterly newsletter, **Powered by Diversity**; view contract opportunity announcements; and more. ■

