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Dear Supplier,

For four decades, Pacific Gas and Electric Company (PG&E) has been committed to creating a robust Supplier Diversity Program — one that supports California's people, planet, and prosperity.

Through this program, PG&E helps provide vital opportunities for a growing number of businesses owned by small businesses (SBE), women, minorities, service-disabled veterans, persons with disabilities, and lesbian, gay, bisexual and transgender (LGBT) individuals, collectively known as Diverse Business Enterprises ("DBE"). PG&E first broke the \$2 billion barrier in 2012 by achieving \$2.1 billion spend with DBEs. In 2021, we achieved a new record and spent more than \$4.01 billion with DBEs. We continue to work hard to achieve these tremendous results today.

Our prime suppliers' shared commitment to supplier diversity and small businesses (SBE), helps us to achieve our results each year; results we are required to report annually to the California Public Utilities Commission (CPUC). For this reason, PG&E's Prime Supplier Program is a key Supplier Diversity initiative that ensures our prime suppliers are developing robust supplier diversity plans and are accurately reporting DBE subcontracting.

PG&E continues to commit to aggressive spend targets with DBEs and SBEs and strives to sustain strong supplier diversity performance every year. PG&E's Prime Supplier Program supports our prime suppliers, including your company, in doing three things:

- 1) Establishing or enhancing your own Supplier Diversity Program to include DBEs in your business with PG&E through subcontracting and Business Solution Partnership (BSP) arrangements,
- 2) Developing a Supplier Diversity Plan that sets goals and describes how your company can provide better business solutions to PG&E by working with DBE Business Solution Partners and subcontractors, and
- 3) Reporting your monthly DBE subcontracting results accurately.

We know you are committed to participating with us in this important initiative. In support of our commitment to you, we have developed the enclosed booklet "Pacific Gas and Electric Company's Prime Supplier Program Guide." This guide is designed to provide you with the tools to successfully complete the basic program expectations. Note that PG&E also holds Prime Supplier Program Training Webinars on the first Tuesday of each month to enhance your understanding of the Prime Supplier Program. You can register for a training course at [Events \(pge.com\)](https://events.pge.com)

If you have not been a part of our program before, congratulations on taking this important first step with us. Should you have any questions, need further information, or if you would like to attend an upcoming Prime Supplier Program Training Webinar, please reach out to our team at SupplierDiversityTeam@pge.com.



Sincerely,

Jerilyn Gleaves
Senior Manager, Supply Chain Responsibility
Pacific Gas and Electric Company

Enclosure

Pacific Gas and Electric Company Prime Supplier Program Guide

A How-to Manual for Creating a
Robust Supplier Diversity Program



Table of Contents

1	PG&E Prime Supplier Program.....	6
1.1	Overview.....	6
1.2	PG&E's Commitment to Supplier Diversity.....	7
1.3	Prime Supplier's Role	7
1.4	What Does "Supplier Diversity" Mean?	7
1.5	What is Subcontracting?	8
2	Establishing Your Supplier Diversity Program.....	11
2.1	Introduction.....	11
2.2	What Constitutes a Supplier Diversity Program?.....	11
2.3	Internal Roles and Responsibilities	11
2.4	Document Internal Policies, System and Programs.....	12
2.5	Value-Chain Analysis.....	13
3	Preparing Your Annual Supplier Diversity Plan.....	18
3.1	Introduction	18
3.2	Supplier Diversity Program Goals by Category	19
3.3	Select Action Plan Methodologies.....	19
3.4	Submit Your Annual Supplier Diversity Plan to PG&E.....	21
3.5	Internal Research	21
4	Submitting Your Monthly Results.....	22
4.1	Introduction.....	22
4.2	Reporting	22
4.3	Who must file a Monthly Report?	23
4.4	When are Monthly Reports Due?.....	23
4.5	What is the Reporting Process?.....	24
4.6	Calculating Your Participation Achievement for the Month.....	24
4.7	Accuracy and Documentation of Reported Subcontracting:	25
4.8	Where to Get Assistance	25
5	APPENDICES	26
	Appendix A - DBE Certification Agencies.....	26
	Appendix B - How to Locate Diverse Suppliers.....	27
	Appendix C – Frequently Asked Questions.....	27
	Appendix D – PG&E Contract form Exhibit 1-A: List of Subcontractors.....	30
	Appendix E – Reporting Diverse Dollars in the supplier.IO Unitier Platform t	31

Table of Figures

Figure 1: Subcontracting Levels or Tiers	9
Figure 2 – Establishing a PG&E Annual Supplier Diversity Goal	18
Figure 3: Components of Supplier Diversity Results	22
Figure 4: supplier.IO Uniter Platform Reporting Adjustment Examples.....	23

1 PG&E Prime Supplier Program

1.1 Overview

PG&E's 40-year-old Supplier Diversity Program integrates the best practices of many world-class companies and is designed to meet the needs of our hometowns, our customers and our suppliers.

One very important part of our Supplier Diversity Program is the Prime Supplier Program, which focuses on the role that you, our direct suppliers, fulfill in creating competitive advantage through utilization of a diversified subcontractor supplier base.

Prime suppliers are those companies who have a contract or purchase agreement to provide goods or services directly to PG&E, who are directly paid by PG&E, and who hire subcontractors in the execution of contractual obligations to PG&E.

PG&E expects all of our prime suppliers to participate in this important initiative. As your customer, we expect nothing less than high quality goods and services, delivered on time, at the lowest cost, and that our suppliers support our business purpose. We believe that our Supplier Diversity Program is an important business initiative that provides PG&E with a competitive advantage in the increasingly competitive energy marketplace.

In this guide, we have included the information you will need to fulfill your role as one of our suppliers. We hope you will take the time to read this important information and, most importantly, that you will use it as a guide to create, maintain, and grow your own Supplier Diversity Program. We look forward to seeing your progress as we continue to grow our business relationship together.

"Goods" may include items such as power transformer equipment or components, gas pipe & valves, wire & cable, fabricated metals & structures, computer equipment or software, office supplies, furniture, and vehicles. Goods include every type of product that PG&E purchases from another company.

"Services" may include activities such as consultant services, training, architecture, surveying, legal, medical, accounting, transportation, delivery, courier, landscaping and maintenance, building maintenance, engineering, testing, repairs, and installation. Services include every type of work that is performed by another company at PG&E's request.



1.2 PG&E's Commitment to Supplier Diversity

PG&E is committed to a robust and effective Supplier Diversity Program. We have a long history of program growth based on the increased business value that DBEs have added to PG&E products and services, on PG&E's increasingly diverse customer base, and on PG&E's commitment to grow together with the hometowns we serve.

1.3 Prime Supplier's Role

Our Prime Suppliers fulfill a key role in our continued success. This guide is designed to provide you with the tools, tips and techniques to complete these three responsibilities.

- 1) Implement a Supplier Diversity Program
- 2) Submit an Annual Supplier Diversity Plan to PG&E
- 3) Submit Accurate, Monthly Subcontracting Results to PG&E

1.4 What Does "Supplier Diversity" Mean?

Supplier Diversity means providing qualified and certified diverse (defined below) and small businesses with the maximum possible opportunity to participate in every segment of your business and in every possible purchasing opportunity.

Diverse businesses are both owned and managed by qualifying persons (defined below). These persons must own a minimum of 51% of the business and be responsible for directly managing or controlling at least 51% of the business. Businesses owners must be U.S. citizens or have official resident status.

Businesses are not required to be certified by any agency in order to conduct business with PG&E. Each year, PG&E is required to file a report with the CPUC in which PG&E details the previous year's Supplier Diversity results (in dollars and percent of total expenditures), and current and future year plans for PG&E's Supplier Diversity Program. Only dollars spent with direct or subcontractor suppliers certified by the CPUC Clearinghouse as Diverse Business Entities (DBEs) are included in this reporting.

Below are the major categories of diverse and small businesses.

Minority Business Enterprises (MBE) include U.S.-based businesses or joint ventures which have been certified by the CPUC Clearinghouse (CHS), or a CPUC CHS comparable agency, to be at least 51% owned, operated and controlled by a minority individual or group. Minority includes, but is not limited to: Asian Americans, African Americans, Hispanic Americans, and Native Americans. Foreign-owned firms operating in the U.S. are not included in these definitions.

Women Business Enterprises (WBE) include U.S.-based businesses or joint ventures which have been certified by the CPUC Clearinghouse, or a CPUC CHS comparable agency, to be at least 51% owned, operated and controlled by a woman or women.

Disabled Veteran Business Enterprises (DVBE) include California-based businesses which have been certified by the California State Department of General Services and who own and manage at least 51% of the company or joint venture in which at least 51% of the joint venture's management and control and earnings are held by one or more service-disabled veterans. A service-disabled veteran is a veteran of the land, naval or air services of the United States with a service-connected disability.

LGBT Business Enterprises (LGBTBE) include businesses which have been certified by the CPUC Clearinghouse, or a CPUC CHS comparable agency, to be at least 51% owned and managed by one or more members of the LGBT community; or a joint venture in which at least 51% of the joint venture's management and control and earnings are held by one or more members of the LGBT community.

Persons with Disabilities Business Enterprises (PDBE) include businesses which have been certified by the CPUC Clearinghouse, or a CPUC CHS comparable agency, to be at least 51% owned by a person or persons with a disability, and whose management and daily business operations are controlled by one or more of those individuals.

Section 8(a) Small Business Enterprises (8(a) SBE) include businesses which have been certified by the U.S. Small Business Administration as a Section 8(a) Business Development entity, are within the active term of that program, and that are at least 51% owned, operated and controlled by one or more socially and economically disadvantaged individuals.

Small Business Enterprises (SBE) include businesses which have registered in the U.S. Small Business Administration's (SBA) System for Award Management (SAM) database and either been overtly designated as an SBE according to SBA guidelines, or that self-certify as an SBE in accordance with SBA regulations; or that are certified as a Small or Micro Business Enterprise by the California State Department of General Services.

Certification with the CPUC CHS may be obtained by direct application to the CHS, or thru submission of a current and valid certification from a Comparable Agency ("CA") to the CHS. The generally accepted CA's are listed in **Appendix A**. The resulting CHS CA certification will expire when the underlying CA certification expires (typically in 1 -2 years). Normal CHS certification from a direct application expires after a three-year term. There is no cost to apply for CPUC CHS certification directly or via CA certification.

Diverse businesses may be owned and managed by various combinations of qualifying persons. For example, a diverse firm may be equally owned and managed by a Caucasian woman, an Asian American male and a Caucasian male. The Caucasian woman and Asian American male together own and manage 66.6% of the business and so could be certified by the CPUC Clearinghouse as a combined-category diverse business.

1.5 What is Subcontracting?

Subcontracting is the general term used when your company either outsources a part of your contract with PG&E to another firm or when your company purchases products/services that will be used in fulfilling your contract with PG&E.

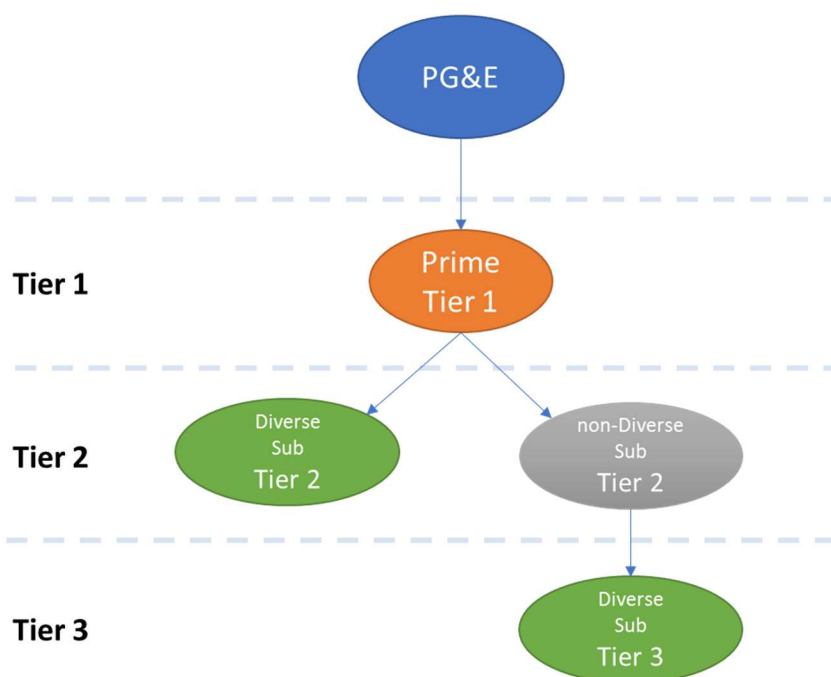
For example, if your company purchases a connector from a DBE and uses that connector in the

manufacturing of widgets sold to PG&E, you are subcontracting. In this example, if the connector is 10% of the price of the widget, your Subcontracting Plan could set a goal of 10% DBE.

It is important to remember that only purchases which can be directly connected to the products or services requested by and sold to PG&E can be reported. We call this “contract-specific” subcontracting.

For instance, if your company hires an DBE firm to conduct market research on the stock market for your firm’s general investments, no portion of that service can be reported to PG&E since the service was not specifically connected to your contract with PG&E.

Figure 1: Subcontracting Levels or Tiers



It is also important to note that contract-specific subcontracting can occur in the **third, and possibly, fourth tier (level) of the supply chain**. Second, third and fourth tier Supplier Diversity subcontracting reporting allows PG&E to track diversity spending at all levels of PG&E’s supply chain. Prime Supplier participation in this process can contribute to the economic development of DBEs across the country.

For example, if your company purchases a product from a **non-diverse company**, who has outsourced the manufacturing of the product to an DBE, then you may obtain a report from the non-diverse company and report the value of the DBE tier-three subcontracting to PG&E.

There are additional reporting requirements for documenting subcontracting spend below second tier. Should they be selected as part of the annual subcontractor audit population, the intervening non-diverse subcontractors must provide the invoice, payment and contract documents required by PG&E’s annual subcontractor audit process. Additional webinar training is available for reporting Tier 3 spend. Contact the PG&E Prime Supplier Program Manager listed on this Guide’s

cover letter page for more information.

There are many, many ways to subcontract with DBEs. If your firm is providing goods to PG&E, here are just some of the ways you can fulfill your goals through subcontracting:

- purchase parts that go into the widgets from a DBE
- hire a DBE firm to assemble part of the widgets
- outsource the printing of widget labels to a DBE firm
- hire a DBE firm to deliver the widgets to PG&E,
- hire a DBE firm to write and document your product support information and user's guide
- hire a DBE to perform product testing on the widgets

If your firm is providing services to PG&E, you might find subcontracting opportunities in other areas, such as:

- hire a DBE firm to perform some part of the project's research
- outsource the printing of the report to a DBE firm
- purchase supplies to be used on the project from a DBE
- outsource the report reproduction and assembly work
- hire the services of a DBE professional to support the services you provide (for example, architect, attorney, surveyor, medical, accounting)
- hire a DBE business consultant for a portion of your contract

2 Establishing Your Supplier Diversity Program

2.1 Introduction

A Supplier Diversity Program (“Program”) is the visible commitment your company makes to incorporate the products and services of qualified vendors, including small, women, minority, service-disabled veteran, LGBT, and persons with disability owned businesses in the delivery of goods and services to your customers. Well-designed programs are extensions of your company’s mission statement or purpose, and should reflect company-specific conditions, limitations, opportunities, operations, size, market, competition, availability of qualified subcontractors, level of program maturity, etc.

For example, a well-designed and executed safety program would enable your employees to produce your products and services without the disruption and cost of lost time due to on-the-job accidents. An effective training program would provide the knowledge and skills your employees need to effectively meet your customer’s expectations and increase sales.

Similarly, an effective Supplier Diversity Program would provide the tools and resources to enable your employees to work with a diverse group of subcontractors, business solution partners, or value-added resellers to deliver some of the goods and services you provide to PG&E. The Program should be documented and approved by appropriate senior level management. The Program document should be considered a ‘living’ document and be reviewed and updated on a regular basis, as needed.

2.2 What Constitutes a Supplier Diversity Program?

Supplier Diversity Programs typically have at least 8 key elements, but there may be other components. These define the who, what, when, where, why and how of your program.

1. Internal Roles and Responsibilities
2. Document internal policies, system and programs
3. Value chain analysis and subcontractor opportunities
4. Subcontracting goals (DBE and SBE)
5. Supplier engagement and outreach process
6. Subcontractor mentoring and management
7. Reporting and Audit response process
8. Continuous improvement process

In the following sections, we will explore each of these key program elements as it applies to establishing your Supplier Diversity Program.

2.3 Internal Roles and Responsibilities

This section describes the organizational structure of the program. This starts with identifying executive sponsorship and ownership. It should list all individuals and teams (by name or function) involved in implementing and managing the program activities, engaging with suppliers, and reporting and review cadence.

Every business has multiple priority items to manage. The objectives that are set and the activities

that get over-looked depend on the level of commitment demonstrated by the company's leadership. Business owners, corporate officers and senior management must communicate to their employees the commitment to and value of your Supplier Diversity Program.

Here are some basic ways in which your leadership can demonstrate its commitment:

- Include Supplier Diversity Program goals in your company's mission statement
- Review your progress, both successes and areas for improvement, during internal performance reviews and annual corporate-wide meetings
- Get involved - demonstrate your understanding of the Supplier Diversity Program by engaging in brainstorming sessions with your supplier managers to stimulate improved results
- Ensure that you do not discriminate against any qualified supplier, diverse or not.
- Publicize your Supplier Diversity Program results within your company along with other important results such as sales goals, profit levels, revenue targets, etc.
- Publicly recognize individuals who have contributed to the success of your Supplier Diversity Program
- Publicly recognize DBEs, and other small suppliers, for their contributions to your company's success
- Include articles in your company newsletters about your Supplier Diversity Program and link it to the expectations of your customers
- Identify a prominent executive level champion to be accountable for the success of your company's program
- Dedicate time on your calendar for review of Supplier Diversity Program issues, both successes and areas for improvement

2.4 Document Internal Policies, System and Programs

This section captures the internal structure of the program, departments involved, implementation guidelines, program goals, and defines and creates the internal documentation structure of the program. It might include:

- Titles and functions of the personnel implementing the program
- Document titles and locations of related written policies that guide employee actions
- List any synergies with other policies or initiatives
- High-level block-diagram representation of the data systems that will house your supplier diversity information

- Detailed description of what data is used, how formatted, protected, from where the data is obtained, how it's managed and reporting frequency and venue
- Description of internal and external activities that are the outward manifestation of your program.

2.5 Value-Chain Analysis

In creating a Supplier Diversity Program, having a complete understanding of your entire business process (in-flows, out-flows and stakeholders) is essential in evaluating potential opportunities for subcontracting. This analysis may reveal a non-core competency or activity that could be outsourced or identify new opportunities to partner with subcontractors. The value-chain analysis is the detailed description of all company inputs and outputs, and the internal processes and personnel that convert one into the other. This may involve converting raw materials into a finished good, testing material properties, or evaluating the suitability of a site or process.

All successful companies create or add value to a product or service to then sell to customers. Not all of this value-add need be provided by your employees, and could potentially be performed by subcontractors; freeing up your employees for other value creation. Talk to your accounting department to find out what companies are receiving payments from your company for the products and services you are delivering to PG&E.

Non-core expertise opportunities discovered through a Value-Chain analysis might include:

- Materials testing
- Data analysis
- Warehousing and transportation
- Systems configuration and testing
- Tools and trade supplies management
- Rental equipment and capital leasing
- Project auditing
- Training
- Installation
- Professional services

Not all opportunities may result in reportable diverse spend but would still meet the explicit goal of increasing economic access to small and diverse suppliers.

2.5.1 Subcontracting Goals

Setting goals help focus attention and direct action. A Supplier Diversity goal should be framed as a percentage of monthly, quarterly or annual spend with small or diverse businesses, compared to your firm's total spend for the same period.

PG&E Supplier Diversity goals are neither a requirement nor a quota, but the reflection of a good faith effort to incorporate small and diverse firms into your business, and to support PG&E's efforts to do the same. As required in all PG&E contracts, diverse suppliers should be provided with the maximum practicable opportunity to participate in bidding for this work. There are no set-asides

or minimum requirements for utilizing diverse firms. All subcontractors, diverse or not, must meet minimum safety, quality, experience, insurance, and all other performance-based requirements specified in the relevant PG&E contract documentation.

Goals may be an annual forecast or a per RFP target depending on the type of product or service offered. Having a numerical goal enables tracking of performance over time.

A plan to work towards your goals can be quite complex or relatively simple. Either way, for a plan to be effective, at a minimum, it should:

- be linked to clear objectives with a stated timetable. You need to know where you are going and when you need to be there
- provide a credible means to work towards the stated goal
- contain specific action steps
- be linked to specific measurements that can be used to evaluate success, in other words, how you can measure your progress
- have the endorsement and approval of senior management to commit the necessary resources and time

2.5.2 Supplier Engagement and Outreach

While the *Documenting Internal Policies, Systems and Programs* section of your Supplier Diversity (SD) Program may describe the general case of interacting with subcontractors, this section should focus on specific activities, organizations, dates, and events that will be involved in the implementation of your program. Having multiple people at various levels in the company (the higher up the better) attending some of these events provides a great cross-functional opportunity to engage with diverse suppliers, and helps senior management better understand the benefits and impact of their SD Program.

Many diversity organizations (minority-based local chambers of commerce, national organizations, government agencies, etc.) host annual conferences, frequent regional/local networking events and typically maintain mailing lists and industry codes of their members. Some offer more targeted diversity training. Supporting a local chamber of commerce provides ready insight into their members and increases access to potential partners.

Review your existing supplier list. Find out if some of the suppliers you are already doing business with are certified as diverse business enterprises. Compare the list of your suppliers with the list of certified suppliers from the CPUC Clearinghouse or other national comparable agency (Women's Business Enterprise National Council, National Minority Supplier Development Council, National Gay Lesbian Chamber of Commerce, DisabilityIN, etc.)

Contact potential suppliers. Once you have identified a few suppliers that seem to provide what you need, take some time to contact them and better understand their potential contribution. You will most often find DBEs are eager to do business with you and can meet your requirements. In addition, many times you will find using a small business can increase the quality of your product or service, decrease turnaround time, and assist you in achieving your Supplier Diversity Program

goals. See **Appendix B - How to Locate Diverse Suppliers**, for further assistance in contacting potential suppliers.

These activities contribute to your program's maturity and development.

2.5.3 Subcontractor Mentoring and Management

This section describes who should perform which actions once a subcontractor has been selected. Relationships take time to develop and refine. Incorporating another company into your business processes, financial practices, safety culture and quality regimen takes focused effort and time.

This is where you identify who in the company is responsible for determining what mentoring activities should be undertaken with the new subcontractor, and how you would go about working with them. Once they're employed on a contract, identify which mentoring practices might be employed to support a successful outcome.

Mentoring areas might include:

- Safety program development
- Cash flow management
- Management succession planning
- Capital allocation and management
- Labor practices and personnel development
- Technical competency development
- Quality program development
- Legal training
- Finance systems
- Growth strategies
- Marketing and sales processes
- Conformance to Customer's Supplier Code of Conduct
- Environmental sustainability

Not all potential subcontractors will be a 100% match with your firm's financial processes, workflow checklists, safety procedures, quality standards, etc. Taking the time to mentor your subcontractors provides long term benefits for them, as well as you. Positioning your subcontractors for growth provides you with a strong partner as you expand your business.

Here are several suggestions for a mentoring engagement:

- Be realistic and clear about your requirements and time frames
- Be realistic about your opportunities
- Be flexible whenever possible
- Look for purchases which match the supplier's current capabilities
- Clarify whether you can offer a sustainable, long-term business partnership
- Assist in the development of new processes
- Introduce and share your financial network with your potential partner
- Support your diversity partner during the implementation phase

2.5.4 Reporting and Audits

The efforts to identify, recruit and hire diverse subcontractors should be recognized. In order to receive credit for these efforts, you must report to PG&E any monthly payments to diverse suppliers, via PG&E's **Supplier Diversity Management System (SDMS)**, hosted at the Supplier.io website (<https://report.unifiedtier2.com/Account/UnifiedTier2Login>).

For more detailed instruction on reporting, attend any of the monthly Prime Supplier Program (PSP) training webinars (the first Tuesday of each month, 10:00AM PT). Visit the [PG&E Events](#) webpage to register.

Keeping track of your purchases from DBEs is one part of an effective results system. Using the results to achieve your goals is another part. We have found through years of program development that employees want to achieve the company's goals. The challenge is keeping the goals in front of them, as they perform their job, in order to maximize every opportunity for success.

Business success depends upon tracking and reporting the results of your business initiatives. Results tracking and reporting can help attain goals and celebrate successes. In order to report your Supplier Diversity Program key results, your company must collect the following Supplier Information each month:

- Total amount of actual, not invoiced, payments from PG&E
- Total amount of actual, not invoiced, payments made by your company to each DBE subcontractor
- Information on suppliers (subcontractors) and business solution partners your business used in providing goods and services to PG&E
 - name, address and telephone number
 - diverse category of each supplier (obtained from supplier)
 - verification of CPUC certification status (obtained from supplier)

Here are some of the ways companies have used tracking and results processes to achieve their goals and promote the program:

- Publish your program results monthly
- Discuss your results with your team and staff
- Integrate your Supplier Diversity Program plan with your internal training program and with your Purchasing or Supply Chain department
- Analyze your results to identify areas in which your business needs the most improvement
- Compare your results with other companies to stimulate new and creative ideas
- Discuss your results with your PG&E contract manager and Supply Chain Responsibility Consultant

In addition to the internal tracking and results reporting that bring value to your company; as a prime supplier of PG&E, you are required to submit monthly results outlining your accomplishments.

Detailed information on results reporting to PG&E via the SDMS portal is presented below in **Appendix E – Reporting Diverse Dollars in the SDMS Platform**.

All dollar amounts reported to PG&E through the SDMS portal are subject to audit. A general notice, with no action or response required, explaining the high-level concepts is emailed to all of PG&E's direct suppliers in September of each year.

A follow-on letter is emailed to the specific direct suppliers explicitly selected to participate in that year's subcontractor payment audit. This second email will trigger a series of detailed requests for documentation regarding reported payments to selected subcontractors, and which are detailed in mandatory training webinars a month in advance of the audit response due date.

The audit seeks to verify payments reported in the SDMS and works to match Contracts to Invoices to Payment documents (i.e. establish documentary linkage), and then explicitly link that document stream to PG&E. Electronic copies of original documents (contracts, invoices, checks, etc.) are required. No physical files, media or emails are accepted as audit documentation.

Your SD Program Plan should include a strategy for quickly and efficiently producing electronic copies of these documents to minimize the impact to your financial team should your firm be selected for audit.

2.5.5 Continuous Improvement

Every program should include a plan to monitor and improve its effectiveness. Your continuous improvement measures need to include a way to assess how effective your program is. Although not the focus of this booklet, here are some of the ways to perform this important task:

- Set up a tracking report which monitors your results each month. Are you getting closer to achieving your goals?
- Ask your suppliers for feedback on their experiences with your Supplier Diversity Program. Do they find it easy to work with?
- Ask your customers if your Supplier Diversity Program is meeting their expectations
- Network with other companies to get new ideas on program development
- Look at your most successful results and try to replicate the process in other areas of your business
- Look at your data to spot trends and take action before a serious problem emerges
- Are your purchasing and marketing personnel trained in Supplier Diversity Program management?
- Have you implemented brainstorming sessions to proactively look for ways to improve your results?

3 Preparing Your Annual Supplier Diversity Plan

3.1 Introduction

The Annual Supplier Diversity Plan (SD Plan) is a condensed, activities and goal-oriented version of the formal Supplier Diversity Program document. In general, these plans are developed to focus efforts and map good faith strategies to achieve specific subcontracting goals for the year. These plans should be distributed and available to all internal stakeholders.

The SD Plan should also reflect that year's company-specific attributes considered in preparing the Supplier Diversity Program (see section 2.1). Having a written plan, including many of the headings discussed in the previous section, provides clear guidance for employees in their daily activities. Annual Supplier Diversity goals are typically achieved or missed one day at a time. Detailing the monthly or quarterly activities helps to maintain awareness of and movement towards the goal throughout the year.

3.1.1 Establish Your Annual Goal

Your Supplier Diversity annual goal is a percentage; the quotient of estimated total annual spend with diverse subcontractors hired explicitly for PG&E-specific tasks/projects/locations/benefit, over the estimated total annual sales to PG&E. This goal should be set early in the calendar year and communicated internally to all stakeholders.

Figure 2 – Establishing a PG&E Annual Supplier Diversity Goal

$$\text{Your PG\&E Supplier Diversity Annual Goal} = \frac{\text{Estimated Total Annual Spend with DBEs for PG\&E specific work}}{\text{Total Annual Sales to PG\&E}}$$

3.1.2 Estimate Diverse Spend

After reviewing your firm's Value Chain (see **Section 2.5**) to see which activities and tasks might be outsourced to a subcontractor, the next step is identifying companies who might successfully perform the work. As required in all PG&E contracts, Diverse suppliers should be provided with the maximum practicable opportunity to participate in bidding for work. With a general estimate of the kinds of work to be performed, the next step is estimating the cost of that work. As a reflection of the variables involved in the calculations, these costs should be rounded-off estimates and not attempts to get to an exact dollar amount.

For example, if you were to outsource materials testing, which accounts for 10% of a typical PG&E project bid and you wanted to split the work between two subcontractors, one of whom is diverse; a starting point for a diverse goal could 5% of the total project materials dollars. This analysis could be repeated across multiple work categories and projects for the year and aggregated into the numerator for determining the annual Supplier Diversity goal.

3.1.3 Estimate Total Spend

With the numerator determined, the denominator is the estimated total of projected sales you anticipate you will make to PG&E during the upcoming year. To identify this figure, could assess your market position relative to competitors or your company's historic bid success rate.

For example, based on discussion with the customer and previous sales history, you project selling 1,000 widgets at \$100 each. Your projected annual sales are \$100,000 for the upcoming year.

3.1.4 Calculate Supplier Diversity Goal

If the nature of your business relationship with PG&E is such that there are significant variations in sales, year over year; an alternative methodology may be used to create standardized units of work - in dollars, number of widgets, time, or any other metric that can be quantified in dollars for various types of work and then extrapolated to a contract of any size.

For example, if a typical contract size is \$1M, then estimate the amount of that \$1M that could be performed by a small or diverse subcontractor. The resulting DBE percentage could then be applied to any sized scope of work throughout the year. Assuming the commitment to growing DBE suppliers scales appropriately, the DBE percentage goal might, within reason, be similar for a \$10M sales year or a \$100M sales year.

Finally, derive an annual percentage or goal. This number can be adjusted based on various commitments, competitive pressures, or opportunities. Once approved by senior management, this commitment should be shared with internal or external stakeholders and included in the Annual Supplier Diversity Plan.

If the goal calculations are complex or unusual, it might be useful to include the thought process, calculations, assumptions and the decision inputs in the Annual Supplier Diversity Plan document. It might be instructive to check in on those assumptions during the year and in the following year's goal setting process.

3.2 Supplier Diversity Program Goals by Category

PG&E does not require Supplier Diversity goals for individual categories of small or diverse suppliers (WBE, MBE, DVBE, LGBTBE, PDBE). Each company, location and industry have unique distributions of suppliers of various subcontractor categories. However, some suppliers do this level of analysis and then aggregate these subgoals to their company goal.

3.3 Select Action Plan Methodologies

Now that you have estimated your Supplier Diversity goals, you need to determine how you will achieve those goals. You can achieve Supplier Diversity Program results in two ways:

- By purchasing from qualified, certified diverse subcontractors
- By selling your product to or through a qualified, certified DBE who adds value to your product and then sells that product to PG&E (Value Added Reseller relationship or other Business Solution Partnership)

In this step, you will decide how much of each goal will be achieved through subcontracting and how much through a Business Solution Partner relationship.

3.3.1 Certified diverse subcontractors

Certified DBE subcontractors may be researched and validated by checking the CPUC Supplier Clearinghouse certified diverse supplier database:

<https://sch.thesupplierclearinghouse.com/FrontEnd/SearchCertifiedDirectory.asp>

All California diversity categories are tracked in the Supplier Clearinghouse database, even those certified by non-CPUC agencies. Suppliers marked as 'Verified' have certification expiration dates in the future. If a supplier fails to recertify prior to the certification expiration date the supplier's certification is expired. You may, of course, still do business with them, but can no longer report payments to that supplier as diverse spend. The SDMS portal will fail to validate any reported payments to subcontractors with expired certifications.

A supplier with an expired certification, may reapply for Supplier Clearinghouse certification and if successful, any missed payments may then be reported to SDMS. Be sure that the year-to-date dollars are accurately captured in the the SDMS. For more information on reporting diverse subcontracting dollars see **Appendix E – Reporting Diverse Dollars in the SDMS Platform**

Help your suppliers become certified. If some of your suppliers are owned by minority, women, service-disabled veteran, LGBT, or persons with disability, encourage them to complete the certification processes by contacting the applicable organizations listed in **Appendix A - DBE Certification Agencies**.

3.3.2 What is a Value Added Reseller Arrangement?

Value Added Reseller (VAR) Arrangement is the term used to describe a strategic business relationship with another company that will add value to your products or services and then resell those products or services directly to PG&E. Many companies already have VARs as business solution providers or another channel of product marketing and distribution.

A VAR relationship could exist where your firm manufactures 80% of the widget and sells the product to a DBE firm who completes the manufacturing (20%), packages the product, and ships to PG&E. As you might imagine, this can be complex to initially set up, and your company, the VAR you select and PG&E must all agree that a valuable and viable business solution is produced by this relationship. A key assessment is the level of independence from your firm and the extensibility of the independent business – can the VAR perform the same function for another firm.

A second type of VAR arrangement is one where your firm completes the entire manufacturing process of widgets and sells them to a DBE distributor who handles the warehousing, manages fulfillment and logistics services and sells directly to PG&E.

A third type of VAR arrangement is one where your firm completes the entire manufacturing process of widgets and sells them to a DBE who performs the site preparation services, installs and tests the widgets and also trains PG&E personnel on its usage.

Many prime suppliers use a VAR for 100% of their business with PG&E because they have found that partnering with a smaller supplier in these ways adds significant value to their business proposition.

Examine your product/service development and delivery flow. Start with aspects of that flow where there might be an opportunity to improve business processes. Could a smaller firm help deliver goods or services for you faster, cheaper or better customized for PG&E? Would it improve your business to have a local partner who could handle logistics and delivery? To do this, you will need to do some research to identify the specific purchase areas that you will focus on during the year.

Take another look at the suggestions for subcontracting some of the widget work. Look for similar products that you can purchase from qualified DBEs in your processes. Look for similar services that a qualified DBE can provide.

Your business is unique and will have its special opportunities for subcontracting or VAR arrangements. Remember, the more time you spend on the planning phase, the easier it will be to implement your plan later on.

3.4 Submit Your Annual Supplier Diversity Plan to PG&E

Your initial detailed Annual SD Plan should be included as an exhibit in your contract with PG&E. All subsequent Annual Plans for upcoming years are due to PG&E's Supply Chain Responsibility team by March 1st of each year.

Completed SD Plans for PG&E should be emailed to your PG&E Sourcing and Supply Chain Responsibility partners at SupplierDiversityTeam@pge.com.

3.5 Internal Research

Review your existing supplier list. Find out if any of the suppliers you are already doing business with are certified as diverse business enterprises. Compare the list of your suppliers with the list of certified suppliers from the CPUC Clearinghouse or other national comparable agency (WBENC, NMSDC, etc.)

4 Submitting Your Monthly Results

4.1 Introduction

The PG&E Supply Chain Responsibility staff and Functional Area officers and stakeholders monitor subcontracting and VAR results each month. These reports provide vital information on our mutual efforts to diversify our supplier base. We use this information to plan our Supplier Diversity Program activities for the remaining months of the year in order to maximize purchasing opportunities.

In addition, each year, we submit reports to various regulatory and oversight agencies outlining our annual results for the preceding year. We include the sum of the monthly results that have been reported to us by PG&E's prime suppliers. Tracking results each month allows for more accurate end-of-year forecasting against PG&E Corporate and Functional Area Supplier Diversity goals. **Figure 3: Components of Supplier Diversity Results** provides a top-level view of the sources of PG&E's Supplier Diversity results.

Figure 3: Components of Supplier Diversity Results

PG&E Direct Purchases from DBEs	+	Prime Supplier's DBE Subcontracting Results	+	Prime Supplier's DBE VAR Results	=	PG&E Total Supplier Diversity Program Results
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4.2 Reporting

The only way PG&E will know about your Supplier Diversity performance is to gather and submit your monthly results.

PG&E's direct prime suppliers must use the hosted SDMS website or portal to report their small and certified diverse subcontractor payments. See **Appendix E – Reporting Diverse Dollars in the SDMS Platform** for screen shot detail of the SDMS website. Primes must obtain a login name and password from SupplierDiversityTeam@pge.com and then login to the Supplier.io portal to report completed payments for PG&E-specific scopes of work.

The SDMS portal is open for reporting for the previous month's results only (e.g. reporting in April for March's payments). The portal is only open during the first ten (10) calendar days of each month. If you realize you've over- or under-reported any part of your results; contact SupplierDiversityTeam@pge.com immediately. In some instances, we may be able to correct it before it finalizes in the system. There is no need to report zero dollars in a given month, and very small monthly dollar amounts can be aggregated into one future month.

Any previously missed, or mis-entered under-reporting dollars can be pulled forward and entered along with the current month's numbers. If you've over-reported payments that the Supply Chain Responsibility team was not able to correct, you will need to subtract the overage from subsequent month's reporting. The goal is for the YTD verified values to be correct.

Figure 4: SDMS Reporting Adjustment Examples

provides a sample reporting sequence, over several months, that includes reporting errors. The over-reporting in May of April's results (double-entered a '1' instead of the first '0'), must be offset by under-reporting May's results in June (\$900 is reported, instead of the usual \$1,000). The under-reporting in July (left off a '0') must be corrected in August's reporting of July's results (\$1,900 should be reported instead of \$1,000).

If the over-reporting of a previous period's results is more than is being reported this month; this month's results should be zero. Keep track of when you can go back to reporting once the YTD value is correct (net of the earlier over-reporting mistake). In some instances, the over-reporting is too large to correct in the current year. In that case, PG&E will need to take a write-down of the unresolved overage amounts in our reporting to the CPUC.

Figure 4: SDMS Reporting Adjustment Examples

Reporting Month	Reporting Period	Actual Results	Reported Results	+Over / -Under Reported
April	March	\$1,000	\$1,000	\$0
May	April	\$1,000	\$1,100	+\$100
June	May	\$1,000	\$900	\$0
July	June	\$1,000	\$100	-\$900
August	July	\$1,000	\$1,900	\$0
Sept	August	\$1,000	\$1,000	\$0

IMPORTANT: PLEASE DOUBLE CHECK ALL DOLLAR AMOUNTS ENTERED IN THE SDMS PORTAL FOR ACCURACY BEFORE SUBMITTING YOUR RESULTS.

The list of subcontractors reported in the SDMS portal, should approximately match the list of subcontractors named in the required Exhibit 1-A form submitted with the original contract bid during the Request for Proposal (RFP) process. The Exhibit 1-A form captures the names, certification status and estimated dollar amounts to be spent with subcontractors. A copy of this form is included in **Appendix D – PG&E Contract form Exhibit 1-A: List of Subcontractors**.

4.3 Who must file a Monthly Report?

All prime suppliers who have a contract(s) over \$500,000 for goods or services with PG&E are expected to submit monthly reports identifying your Supplier Diversity Program performance.

4.4 When are Monthly Reports Due?

The monthly reports are to be submitted to the PG&E Supplier Diversity Program ***no later than the tenth calendar day of the month following the month you wish to report. (Example: March data should be reported no later than April 10th)***. PG&E recognizes that not all ERP / financial system are in sync with this timeline, therefore, if your company cannot meet this schedule, notify the PG&E Supply Chain Responsibility contact in order to discuss a schedule that is mutually agreeable.

4.5 What is the Reporting Process?

Supplier Data Management System (SDMS) is a web-based portal in which prime suppliers report their completed payments to CPUC-certified diverse **subcontractors**. Diverse subcontractors reported must be CPUC-certified in order to count towards PG&E's subcontracting goals.

Report subcontracting on PG&E's external SDMS website at:

- <https://report.unifiedtier2.com/Account/UnifiedTier2Login>
- Supply Chain Responsibility team at 510-898-0310 / SupplierDiversityTeam@pge.com

Payment data to diverse subcontractors is due to PG&E on a monthly basis – no later than the tenth calendar day of the month following the month you wish to report. Subcontracting results reported are subject to annual audits to ensure accuracy

4.6 Calculating Your Participation Achievement for the Month

Remember, only suppliers who have been certified by the CPUC Clearinghouse or a comparable agency are to be included in your reported results.

If you have collected your Supplier Information, as described in Section 2 Establishing Your Supplier Diversity Program, calculating your Monthly Results should be straightforward.

4.6.1 Calculate Your Actual Subcontracting Dollars Paid:

For the specified period, what is the total dollar amount of purchases you made from certified DBEs for goods or services in direct support of your sales to PG&E? Only report subcontracting that can be directly traced to the specific product and services sold to PG&E. List the spend by subcontractor.

4.6.2 Submit Your Monthly Results:

Report your spend with individual subcontractors on PG&E's external SDMS website at:

<https://report.unifiedtier2.com/Account/UnifiedTier2Login>

- Contact Supplier Diversity Team at 510-898-0310 / SupplierDiversityTeam@pge.com to request login name and password
- For a step-by-step process on how to report your subcontracting payments please refer to **Appendix E – Reporting Diverse Dollars in the SDMS Platform** Appendix E – Reporting Diverse Dollars in the SDMS Platform

4.7 Accuracy and Documentation of Reported Subcontracting:

Accuracy of reported DBE subcontracting dollars is critical.

Payments should be reported into SDMS only after you have paid your subcontractors, and in the year the PG&E work was done. If PG&E pays you in the last quarter of the calendar year, please make every effort to pay your subcontractors during that same calendar year so you can report those dollars in the same year. Otherwise those payments will not be reportable in that year and will need to be reported in February of the following year (for January payments).

In preparing your reports, please make sure to adhere to the following guidelines:

- Reported subcontracting dollars must be directly related to PG&E work.
- Reported subcontracting dollars must reflect payments made to suppliers, net of any voided transactions, estimates, early payment discounts, markups, etc.
- Records to document your subcontracting dollars must be kept for a period of three years. These records should clearly document that the work performed was for PG&E and that payment was made to the subcontractor.

4.8 Where to Get Assistance

If you have questions about completing your Monthly Results Forms, please contact SupplierDiversityTeam@pge.com.

5 APPENDICES

Appendix A - DBE Certification Agencies

1. California Public Utilities Commission (CPUC) Supplier Clearinghouse (for Women, Minorities and LGBT owned firms) - [The Supplier Clearinghouse](#)
2. California Department of General Services (for DVBE owned firms headquartered in California) - [SB/DVBE Certification](#)
3. National Minority Supplier Development Council (for Minority owned firms - national) - [Home - National Minority Supplier Development Council \(nmsdc.org\)](#)
4. Women's Business Enterprise National Council (for Women owned firms - national) - [WBENC Women's Business Enterprise National Council - WBENC.org : WBENC](#)
5. National Gay & Lesbian Chamber of Commerce (for LGBT owned firms – national) - [National LGBT Chamber of Commerce - NGLCC](#)
6. U.S. Small Business Association (for small businesses - national) - [SBA Certify - Small Business Administration | SBA Certify - Small](#)
7. WEConnect International (WCI) (for Woman owned firms - international) - [weconnectinternational.org](#)
8. DisabilityIN (for Persons with Disabilities owned firms – national) - [Homepage - Disability:IN \(disabilityin.org\)](#)

Appendix B - How to Locate Diverse Suppliers

There are a number of public organizations that either certify, track certification, or provide services and programs to diverse businesses. Each organization maintains lists of members or databases of directly searchable companies. Some hold regular events and meetings, with business networking and member development as a primary goal.

Prime suppliers are encouraged to join one or more of these organizations to increase awareness of the business opportunities there; and to cultivate a better understanding of the challenges and advantages of its members.

1. California Public Utilities Commission Supplier Clearinghouse
2. Minority-Owned Businesses
 - National Minority Supplier Development Council (NMSDC)
 - Western Regional Minority Supplier Development Council (WRMSDC)
 - National Center for American Indian Enterprise Development
3. Women-Owned Businesses
 - Women's Business Enterprise National Council (WBENC)
 - WEConnect International (WCI) for international suppliers
 - National Association of Women Business Owners
4. Service-Disabled Veteran-Owned Businesses
 - Association for Service Disabled Veterans
 - California Disabled Veteran Business Alliance
 - The Elite SDVOB Network
5. LGBT-Owned Businesses
 - National Gay & Lesbian Chamber of Commerce (NGLCC)
 - Golden Gate Business Association
6. Local Chambers of Commerce:
 - California American Indian Chamber of Commerce
 - California Asian Pacific Chamber of Commerce
 - California Black Chamber of Commerce
 - California Hispanic Chamber of Commerce
 - Various Purchasing Councils

Benchmark with other companies in your industry to increase your Supplier Diversity Program maturity, and share supplier lists and best practices.

Appendix C – Frequently Asked Questions

1. *What is the Prime Supplier Program?*

The Prime Supplier Program (PSP) is an integral component of PG&E's ability to achieve upwards of 40% DBE diversity participation. Only with the support and cooperation of our prime suppliers will PG&E be able to meet and exceed its goals. Moreover, the PSP is a way to assist other corporations in meeting their supplier diversity goals.

2. *Does my company have to participate in the PSP? If so, how do we participate?*

If your company has one or more contracts with PG&E which **cumulatively** are worth at least \$500,000, you should participate in the PSP.

Companies participating in the PSP should submit to PG&E at the beginning of each calendar year an annual plan which identifies how they will contribute to meeting their established diversity achievement goal. Moreover, companies participating in the PSP should submit monthly reports to PG&E *no later than the tenth of the month following the month they wish to report.*

For assistance with developing your company's annual plan or submitting monthly reports, please refer to **Section 3 Preparing Your Annual Supplier Diversity Plan.**

3. *How does the PSP assist my company?*

When you submit your annual plan to PG&E for review, we can help identify potential suppliers who may be able to act as Value-Added Resellers (VARs) or Subcontractors for your business. By using VARs and/or Subcontractors to assist in the execution of your contract (with manufacturing, delivery, service, etc.), your company can provide better, faster and more cost-efficient service to PG&E. Thus, by utilizing VARs and/or Subcontractors, your company not only helps PG&E achieve its business objectives, but moreover, your company derives the benefit of improved contract performance, as well as, achieving your own diversity goals.

4. *What is the difference between a VAR and a Subcontractor?*

As an example, say your company manufactures widgets in Ohio and the product is to be shipped to PG&E in California. Let us also say that the manufacturing of those widgets has a ten-step process. It may take your company more time to complete those 10 steps and then deliver the product to PG&E than it would if you completed 7 of those steps and then utilized a VAR in California to complete the final 3 steps and deliver the product. The value-add in this case is faster product manufacturing, faster delivery, and perhaps reduced shipping costs to PG&E.

Because VARs are direct service or product providers to PG&E, PG&E pays VARs directly.

Subcontractors, are companies that help our prime suppliers in meeting contract-specific goals, but do not provide direct service or goods to PG&E, and therefore are paid directly by your company (the prime supplier) and not PG&E. For example, let us say that your company has a contract to do construction work for PG&E. For you to meet the terms of the contract, you may need to hire a trucking firm to haul goods and supplies for you. Since your company pays the trucking firm directly, you are

subcontracting some of the work to be able to deliver on your original contract with PG&E.

5. *What constitutes a diverse company that will help to meet PG&E's DBE goals? Will any VARs or Subcontractors my company utilizes count toward DBE Prime Supplier Participation goals?*

To ensure the integrity of our diversity reporting, only VARs and Subcontractors whose diversity status can be verified via the CPUC Clearinghouse or CPUC CHS Comparable Agency will be able to be counted toward diversity achievement. To find a list of comparable Agencies, see **Appendix A - DBE Certification Agencies**

Please note that due to variations in state regulations, PG&E requires that diversity certification be verified by specific entities. For example, in California, for a diverse company to count towards PG&E's DBE participation goals, that company must be certified by the CPUC. Therefore, even if that diverse company was certified by the NMSDC, we would not be able to count those results at PG&E, unless that company was certified by the CPUC as well.

NOTE: Effective 2009, the CPUC now acknowledges NMSDC, WBENC, The California Department of General Services (for DVBE), DisabilityIn, and NGLCC, as "comparable agencies" to the Clearinghouse. However, the DBE firm would still need to apply to the CPUC Clearinghouse for 'Comparable Agency' certification in order for PG&E to include their spend in PG&E's annual reporting.

6. *Should my company be submitting CUMULATIVE data on our monthly reports?*

No. PG&E needs to track results by individual month, and therefore, all numbers and figures in the monthly reports should be for the reporting month in question only (plus any unreported dollars from previous months).

7. *My company has a contract with PG&E to provide widgets, yet we can't find any DBEs who can act as VARs or Subcontractors. If my company utilizes a diverse-owned janitorial company, and if PG&E represents 30% of my overall revenues, can I report 30% of my business with the janitorial company toward DBE participation goals?*

No. PG&E only counts "contract-specific" diversity achievement, that is, diversity achievement that contributes to a direct service or good for which PG&E has contracted with your company. "Indirect costs" DO NOT count toward diversity achievement.

8. *What information should the monthly reports contain?*

Your monthly reports should name the certified subcontractors you utilized directly for PG&E work during the month and the net dollars paid to the subcontractor

9. *How will PG&E verify and validate the numbers my company submits on monthly reports?*

In the case of the amount of revenue your company claims to have received from PG&E during the month, we will verify that data against our accounts payable system reports. Similarly, we will follow the same procedure for verifying VAR spend, since PG&E pays VARs directly.

In the case of subcontracting spend, PG&E Supplier Diversity conducts annual audits to verify the information reported on monthly reports.

10. *My company is already a certified DBE. Do we still have to submit an annual plan and monthly reports?*

If your company has one or more contracts with PG&E which equal at least \$500,000, then YES, you should submit an annual plan and monthly reports. PG&E believes in and encourages further diversity participation from all of our prime suppliers, even if your company is already a diverse-certified firm.

11. *It can be time-consuming and expensive to get re-certified. Can these expenses be charged back to PG&E?*

No. We do recognize that re-certification entails some administrative overhead. Getting certified with the CPUC Clearinghouse, however, **is free and is valid for three years**. PG&E is one of several California companies who pay for the administration of the CPUC Clearinghouse. PG&E's commitment is that 100% of the dollars that we include in our results are certified by the CPUC or a CPUC CHS comparable agency. Comparable agency verification process often expedites any additional certification requirements. It is recommended that suppliers opting for a second certification consider the CPUC CHS since there is no additional application fee involved and certification is valid for up to three years.

Appendix D – PG&E Contract form Exhibit 1-A: List of Subcontractors



EXHIBIT 1A

[illegible]

I hereby certify that the information listed is true to the best of my knowledge.

Appendix E – Reporting Diverse Dollars in the SDMS Platform

1. Reporting site:
<https://report.unifiedtier2.com/Account/UnifiedTier2Login>
2. Contact Supplier Diversity Team at 510-898-0310 / SupplierDiversityTeam@pge.com to request login name and password

Appendix E – Reporting Diverse Dollars in supplier.IO’s Unitier Platform

1. At the beginning of each reporting period, you will receive an Invitation to Report email from supplier.IO. In this email, there will be a link to the supplier.IO Unitier Platform.


Note: you can also access the reporting site here: <https://pge.supplierone.co/>

2. **Account Login.** Login by using your email and password. Check your spam folder if you did not receive an email or contact Unitier@supplier.io. If you do not remember your password, click 'Forgot your password' and the system will email you with a link to reset it.



SIGN IN

Login to access your account.

 Email

 Password

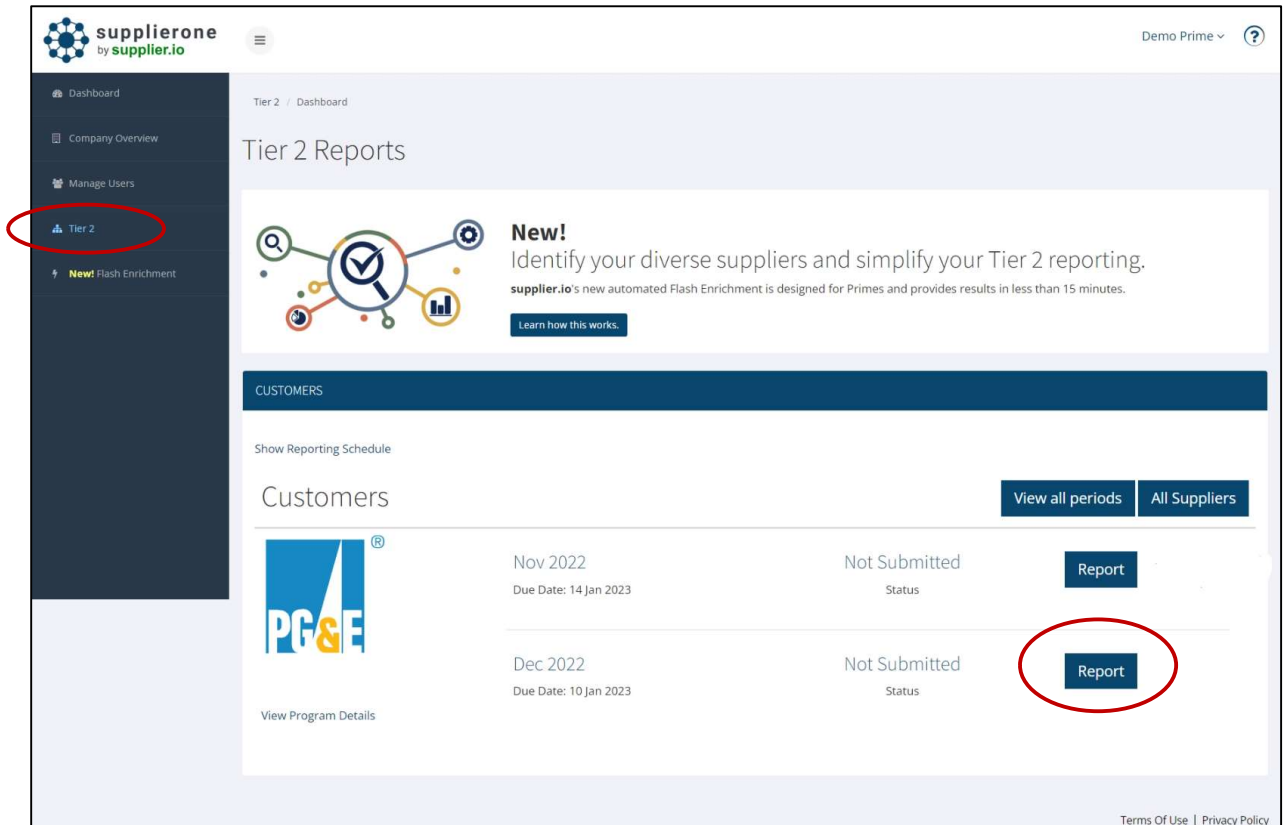
[Forgot your password?](#)

Sign in

[Terms Of Use](#) | [Privacy Policy](#)
For technical support, please email:
unitier@supplier.io

3. Once you have logged in, navigate to the Tier 2 dashboard (left panel) and select the current PG&E reporting period.

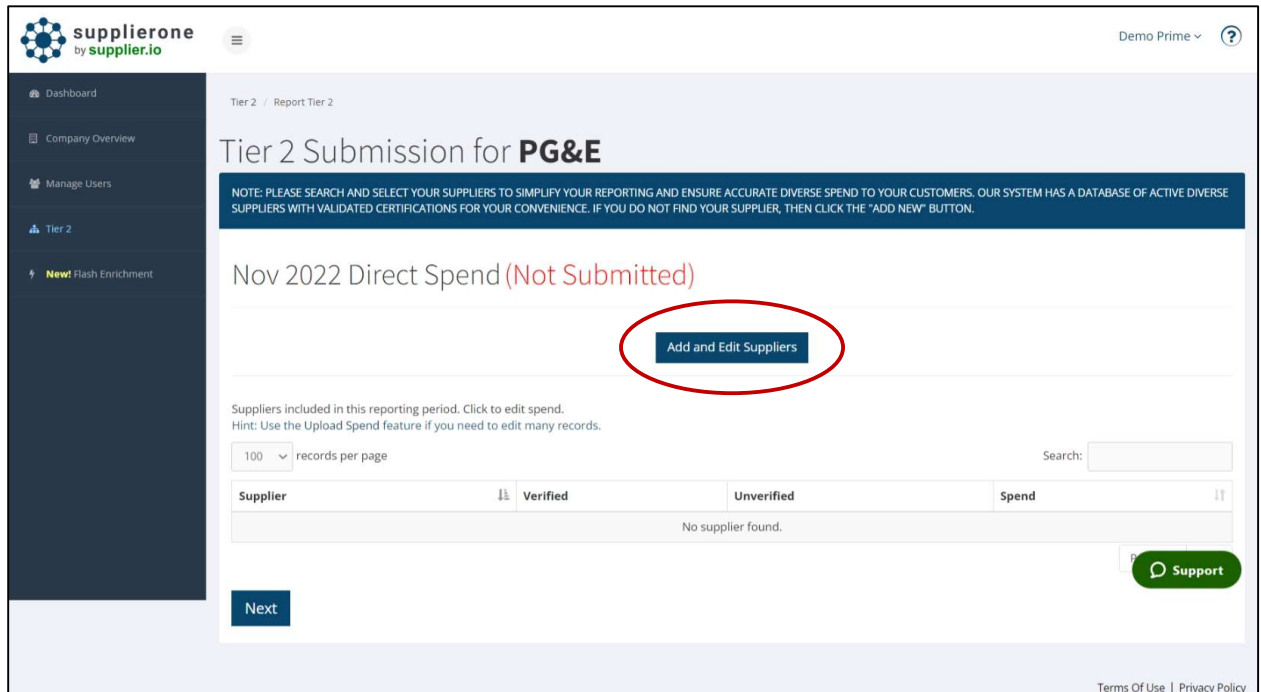
Note: You may see other customer logos that are also using the supplier.IO Unitier Platform.



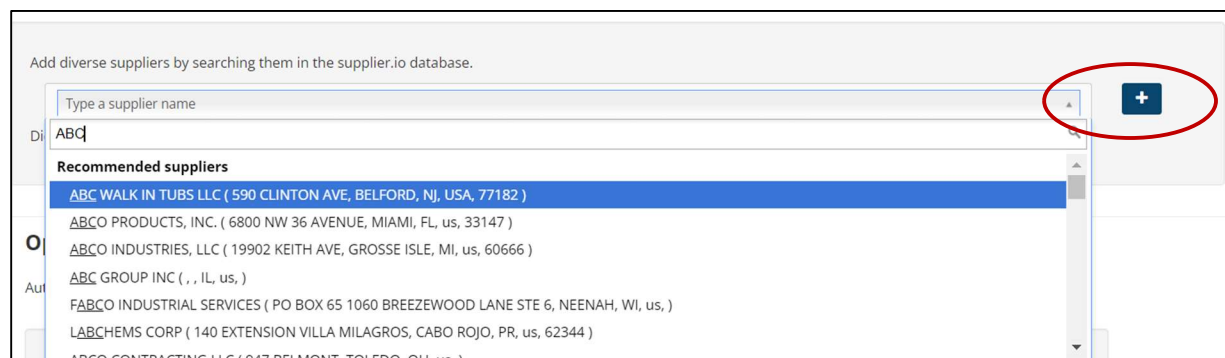
4. PG&E Business Rules & Other Tips

- a. PG&E Reporting period is open between the 1st and the 10th of each month
- b. Check subcontractor CPUC certification status (DVBES must be DGS certified)
- c. Reported dollars must be associated with specific PG&E work, w/o amortization
- d. Entries are included in PG&E's annual prime supplier subcontracting audit
- e. Previous reporting periods are locked and cannot be changed. If you miss a reporting period, add that month to your next reporting period.
- f. If you over-report in a month contact SupplierDiversityTeam@pge.com immediately. You may need to withhold future reporting dollars to cancel out any previously over-reported dollars.
- g. Assign a designated person to report subcontracting.
- h. Ensure knowledge transfer if duties are reassigned.

5. **Report your Direct Spend.** Purchase made by you, through your subcontractor, for PG&E specifically. Prior to reporting, it may be helpful to develop a spreadsheet with the company name of each diverse subcontractor and amount paid during the reporting period.
6. **Add suppliers and Upload Spend.** Click Add and Edit Suppliers.



- a. **Searching for Suppliers.** Enter the first few characters of the company's name and a list of suppliers will appear. Select the company and click the plus (+) sign and it is automatically added to your list of suppliers.



Note: If the subcontractor you are looking for is not listed, do not click the 'Add New' button. Contact SupplierDiversityTeam@pge.com.

- b. **Copy Direct Spend Suppliers.** You can copy your list of subcontractors from previous reporting periods.

[Add and Edit Suppliers](#)[Copy Last Reporting Period Subcontractors](#)[Copy All Subcontractors](#)

- c. **Upload a List of Suppliers.** Upload suppliers and spend information by downloading the excel file and uploading it back to the system. To download the file, click the **'Download'** button. This file may request information for some categories that your customer does not require and ignore those columns. Provide name, address, city, state and at least one diverse category to upload the list properly, otherwise, the system will give you an error. You may add spend on the last column.

Once the file is complete, save it as a .csv file and do not make any format changes to the file. Upload the file by clicking Upload button on step 3.

Automate the entry of your report by uploading your supplier information and spend information.

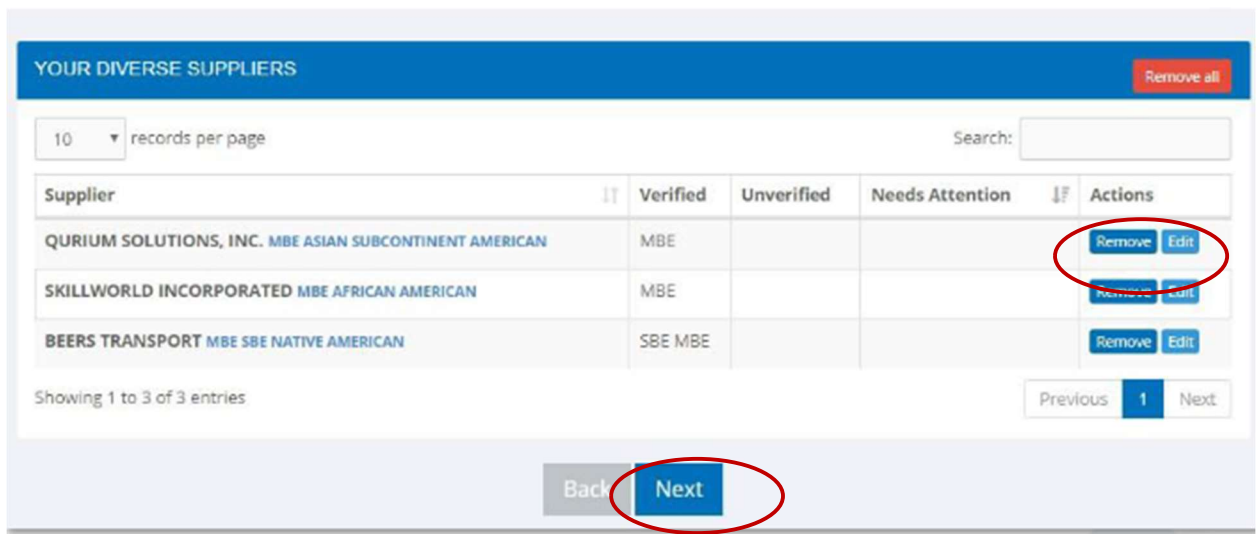


- Review and Edit Suppliers.** Once your suppliers are added, they will be displayed in the Supplier List at the bottom of the screen.

You can **remove** suppliers or **edit** their information to provide details about their certifications or request that the supplier upload their certificate.

Once all updates have been made, click the **Next** button below the list of your diverse suppliers to begin entering spend data.

IMPORTANT: Check that all suppliers are “Verified”. If the Sub is no longer be certified as diverse by CPUC Clearinghouse (or SIO), contact SupplierDiversityTeam@pge.com.



YOUR DIVERSE SUPPLIERS Remove all

10 records per page Search:

Supplier	Verified	Unverified	Needs Attention	Actions
QURIUM SOLUTIONS, INC. MBE ASIAN SUBCONTINENT AMERICAN	MBE			Remove Edit
SKILLWORLD INCORPORATED MBE AFRICAN AMERICAN	MBE			Remove Edit
BEERS TRANSPORT MBE SBE NATIVE AMERICAN	SBE MBE			Remove Edit

Showing 1 to 3 of 3 entries Previous 1 Next

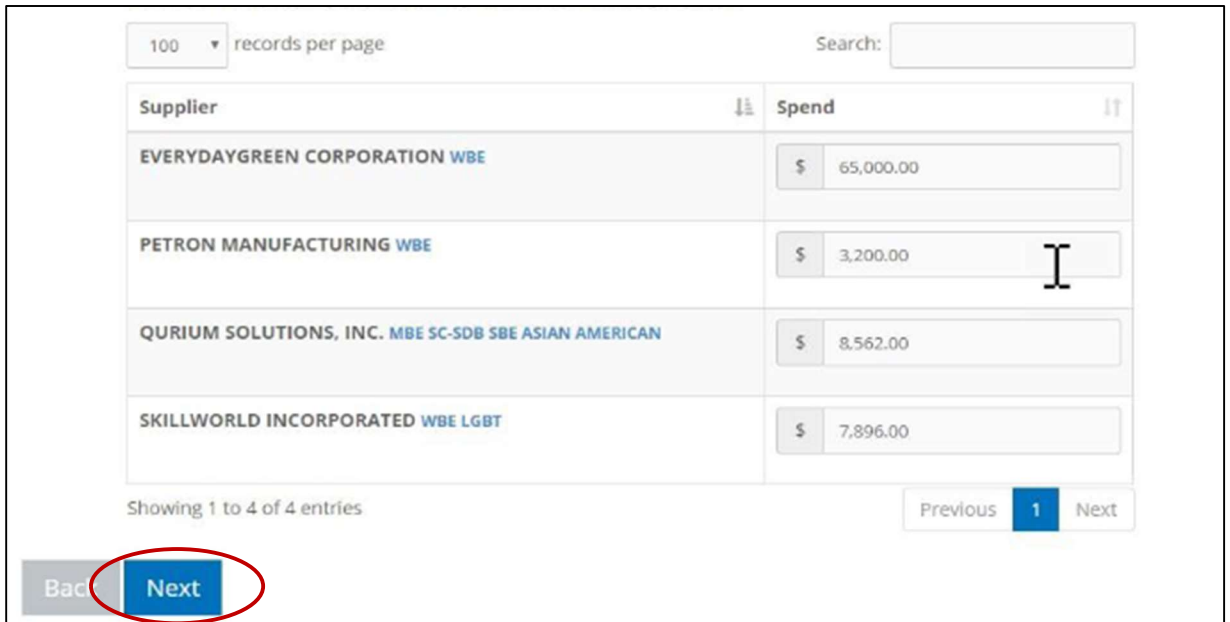
Back Next

8. **Add Spend information.** Enter spend information for each supplier. Click **Next** to review your report.

Enter 'Net' (after discounts, holdbacks, payment terms are applied) whole dollar amounts (or \$0) for each listed subcontractor.

Only enter amounts directly attributable to specific PG&E scopes of work (contract, program, project, or site)

Negative amounts cannot be entered.



100 records per page Search:

Supplier	Spend
EVERYDAYGREEN CORPORATION WBE	\$ 65,000.00
PETRON MANUFACTURING WBE	\$ 3,200.00
QURIUM SOLUTIONS, INC. MBE SC-SDB SBE ASIAN AMERICAN	\$ 8,562.00
SKILLWORLD INCORPORATED WBE LGBT	\$ 7,896.00

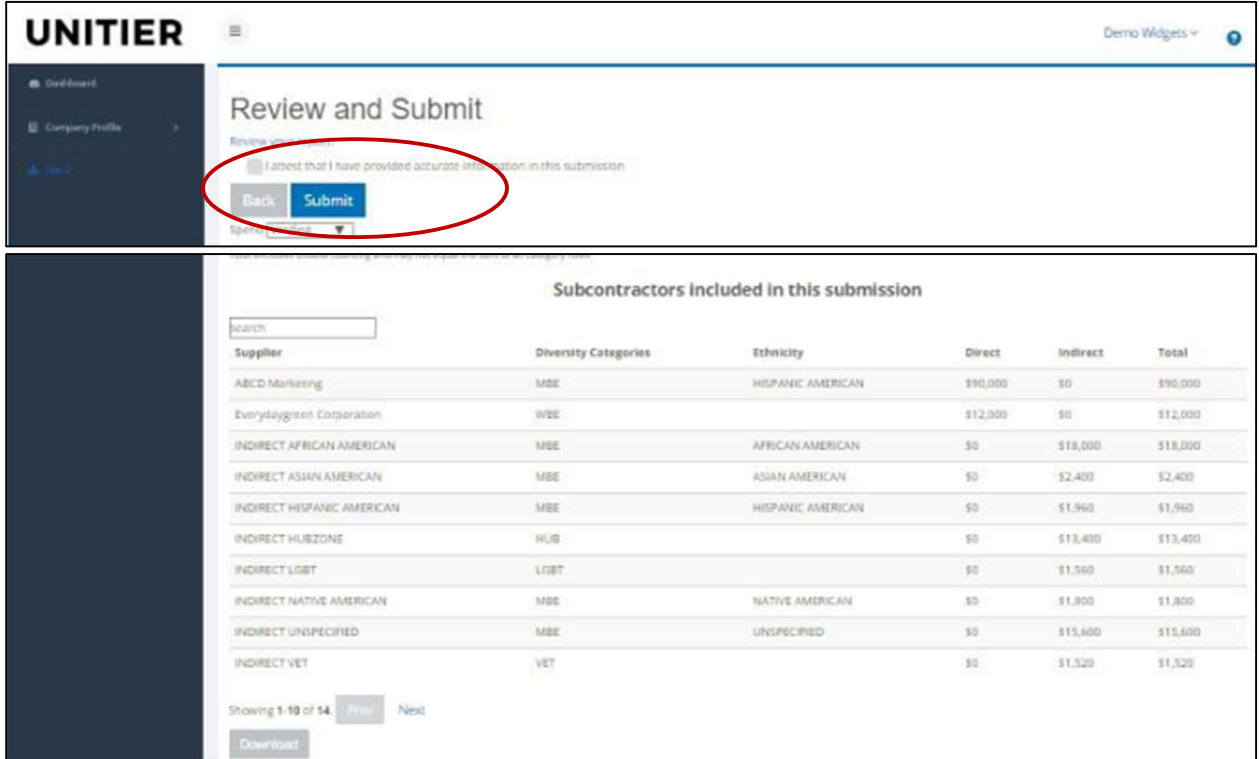
Showing 1 to 4 of 4 entries

Previous **1** Next

Back **Next**

9. **Review and Submit.** After entering your spend data, you will be shown a summary of the data you entered in the system. Review your data and verify by clicking the checkbox and click Submit to complete your submission.

Download the data by clicking Download at the bottom of the page.



UNITIER Demo Widgets

Review and Submit

☐ I attest that I have provided accurate information in this submission

[Back](#) [Submit](#)

Subcontractors Included in this submission

Supplier	Diversity Categories	Ethnicity	Direct	Indirect	Total
ABCD Marketing	MBE	HISPANIC AMERICAN	\$90,000	\$0	\$90,000
Everydaygreen Corporation	WBE		\$12,000	\$0	\$12,000
INDIRECT AFRICAN AMERICAN	MBE	AFRICAN AMERICAN	\$0	\$18,000	\$18,000
INDIRECT ASIAN AMERICAN	MBE	ASIAN AMERICAN	\$0	\$2,400	\$2,400
INDIRECT HISPANIC AMERICAN	MBE	HISPANIC AMERICAN	\$0	\$1,960	\$1,960
INDIRECT HUBZONE	HUB		\$0	\$13,400	\$13,400
INDIRECT LGBT	LGBT		\$0	\$1,560	\$1,560
INDIRECT NATIVE AMERICAN	MBE	NATIVE AMERICAN	\$0	\$1,800	\$1,800
INDIRECT UNSPECIFIED	MBE	UNSPECIFIED	\$0	\$15,600	\$15,600
INDIRECT VET	VET		\$0	\$1,520	\$1,520

Showing 1-10 of 14 [Prev](#) [Next](#)

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Note: Once the report is 'submitted' the names and dollar amounts can still be altered until the end of the 10th calendar day of the month.

UNITIER

SIGN IN

Login to access your account.

Email

Password

[Forgot your password?](#)

Sign in

Don't have access

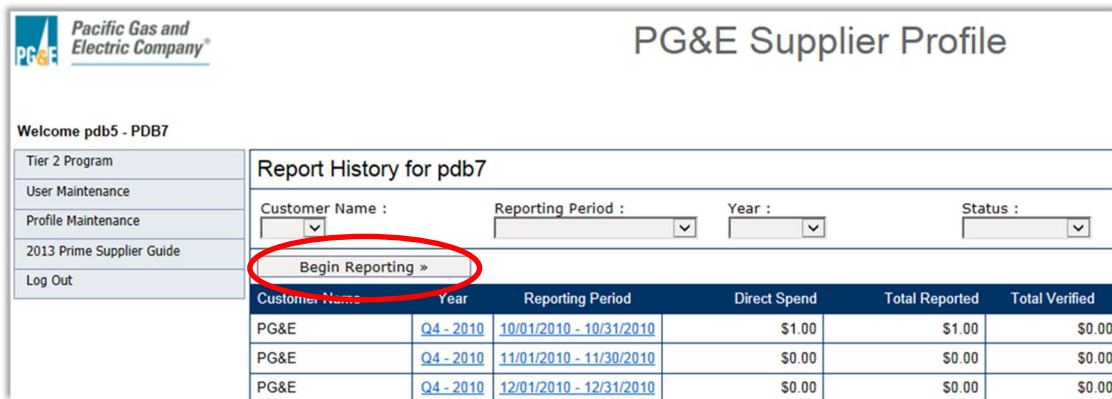
[Terms Of Use](#) | [Privacy Policy](#)
For technical support, please
email: unitier@supplier.io

[Support](#)

- Supplier Diversity Management System (SDMS) is open between the 1st and the 10th of each month
- Check subcontractor CPUC certification status (DVBES must be DGS certified)
- Reported dollars must be associated with specific PG&E work, w/o amortization
- Entries are included in PG&E's annual prime supplier subcontracting audit
- If you miss a reporting period, add that month to your next reporting period

- For a detailed review of the SDMS platform and its capabilities please read the UniTier Users Guide at:

https://www.unifiedtier2.com/uploads/1/1/7/8/117859705/unitier_user_guide_suppliers.pdf



PG&E Supplier Profile

Welcome pdb5 - PDB7

Tier 2 Program
User Maintenance
Profile Maintenance
2013 Prime Supplier Guide
Log Out

Report History for pdb7

Customer Name : Reporting Period : Year : Status :

Begin Reporting »

Customer Name	Year	Reporting Period	Direct Spend	Total Reported	Total Verified
PG&E	Q4 - 2010	10/01/2010 - 10/31/2010	\$1.00	\$1.00	\$0.00
PG&E	Q4 - 2010	11/01/2010 - 11/30/2010	\$0.00	\$0.00	\$0.00
PG&E	Q4 - 2010	12/01/2010 - 12/31/2010	\$0.00	\$0.00	\$0.00

- Select "Edit" to go to the reporting screen for this reporting period

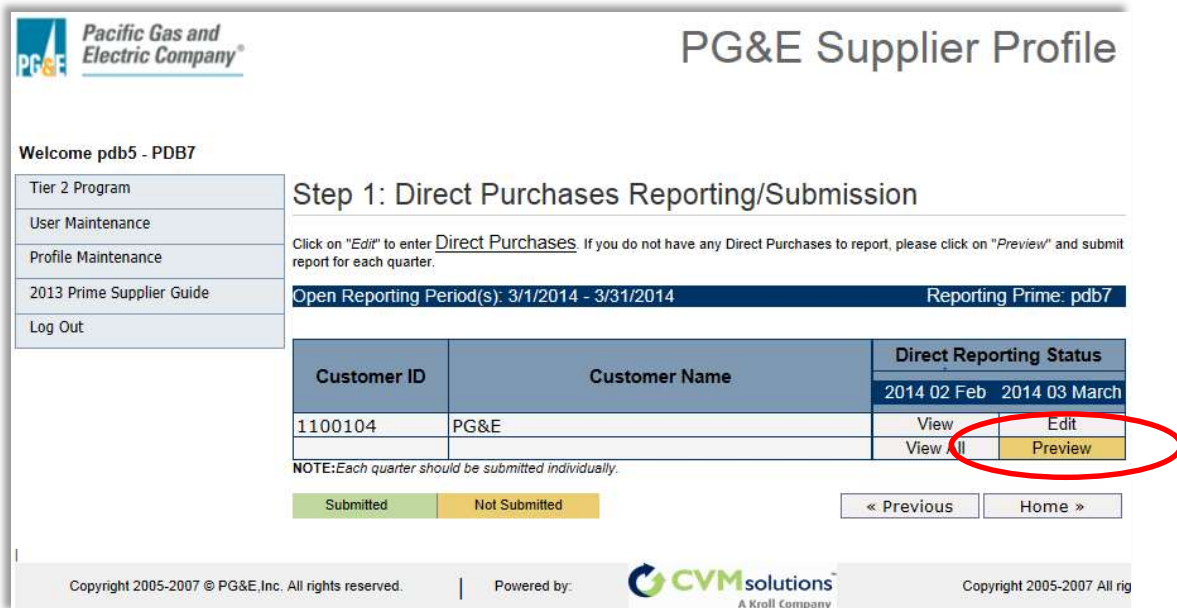
08/2022

2023 PG&E Prime Supplier Program Guide

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5. Direct Purchases: Purchase made by you, through your subcontractor, for PG&E specifically.

Prior to reporting, it may be helpful to develop a spreadsheet with the company name of each diverse subcontractor and amount paid during the reporting period.



PG&E Supplier Profile

Welcome pdb5 - PDB7

Step 1: Direct Purchases Reporting/Submission


Click on "Edit" to enter Direct Purchases. If you do not have any Direct Purchases to report, please click on "Preview" and submit report for each quarter.

Open Reporting Period(s): 3/1/2014 - 3/31/2014 Reporting Prime: pdb7


Customer ID	Customer Name	Direct Reporting Status	
		2014 02 Feb	2014 03 March
1100104	PG&E	View	Edit
		View All	Preview

NOTE: Each quarter should be submitted individually.

Submitted Not Submitted « Previous Home »

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6. Use search function to locate suppliers. If you cannot find a supplier contact, do not click the 'Add New Supplier', contact Supplier Diversity Team at 510-898-0310 or email SupplierDiversityTeam@pge.com.
7. Select "Remove" to no longer report a supplier.
8. Select "Add" to add a new supplier to report.
Only have to do this step once unless you are adding or removing a supplier.
9. Periodically check to be sure you are choosing the correct suppliers.
10. After selecting all suppliers to report for the month, click 'Select Contract' to continue.



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Welcome pdb5 - PDB7

- Tier 2 Program
- User Maintenance
- Profile Maintenance
- 2013 Prime Supplier Guide
- Log Out

Step 2: Choose Suppliers for Direct Purchases

Select suppliers to report Direct Purchases to this customer. Direct Purchases are defined as payments made for a product or service that are attributable to a single customer.

Open Reporting Period(s): 3/1/2014 - 3/31/2014
Reporting Prime: pdb7

Customer Name: PG&E


Previously Identified Suppliers

Search:


- ENERGY AND POWER SOLUTIONS INC
- ETIC INC.
- G&G Risk Management Consultants, I
- JETA CORPORATION
- LOCKSMITHING ENTERPRISES
- MOBILE LUBE & OIL
- ONESOURCE DISTRIBUTORS INC
- Preferred Power Solutions
- RAMOS OIL CO INC
- Ramos Oil Co., Inc.

Selected Suppliers

Suppliers marked in **Red** cannot be removed as they have spend reported in the current open period.

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11. Select appropriate listed contract or "NULL CONTRACT" for this spend.
12. Select "Save & Next" to continue.



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Welcome pdb5 - PDB7

- Tier 2 Program
- User Maintenance
- Profile Maintenance
- 2013 Prime Supplier Guide
- Log Out


Step 2: Choose Suppliers for Direct Purchases

Open Reporting Period(s): 3/1/2014 - 3/31/2014 Reporting Prime: pdb7

Customer Name: PG&E

Selected Contract:

- ☐ 1234567 - Engineering
- ☒ NULL CONTRACT

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13. Enter 'Net' (after discounts, holdbacks, payment terms are applied) whole dollar amounts (or \$0) for each listed subcontractor.
14. Only enter amounts directly attributable to specific PG&E scopes of work (contract, program, project, or site).
15. Click "Save & Next" to go to the next screen.

PG&E Supplier Profile

Welcome pdb5 - PDB7

Tier 2 Program

- [My Contracts](#)
- [Manage Reports](#)
- [My Diverse Suppliers](#)
- [User Maintenance](#)
- [Profile Maintenance](#)
- [2013 Prime Supplier Guide](#)
- [Log Out](#)

Step 3: Create/Modify Direct Purchases Report

Report Direct Purchases for each supplier. 100% of Direct Purchases will be reported to PG&E.

Open Reporting Period(s): 3/1/2014 - 3/31/2014 Reporting Prime: pdb7

Customer Name: PG&E « Select Another Contract « Previous Save Save & Next » Next »

Selected Contract: NULL CONTRACT

Supplier Name	2014 02 Feb	2014 03 March	Total
	Spend	Spend	
Onesource Distribut ...	0	0	0
Ramos Oil Co Inc	0	0	0
Grand Total =			0

« Select Another Contract « Previous Save Save & Next » Next »

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16. Select "Preview" to verify names and dollar amounts entered, and 'Verified'
17. Once the report is 'submitted' the names and dollar amounts can still be altered until the end of the 10th calendar day of the month.

PG&E Supplier Profile

Welcome pdb5 - PDB7

Tier 2 Program

- [My Contracts](#)
- [Manage Reports](#)
- [My Diverse Suppliers](#)
- [User Maintenance](#)
- [Profile Maintenance](#)
- [2013 Prime Supplier Guide](#)
- [Log Out](#)

Step 1: Direct Purchases Reporting/Submission


Click on "Edit" to enter Direct Purchases. If you do not have any Direct Purchases to report, please click on "Preview" and submit report for each quarter.

Open Reporting Period(s): 3/1/2014 - 3/31/2014 Reporting Prime: pdb7

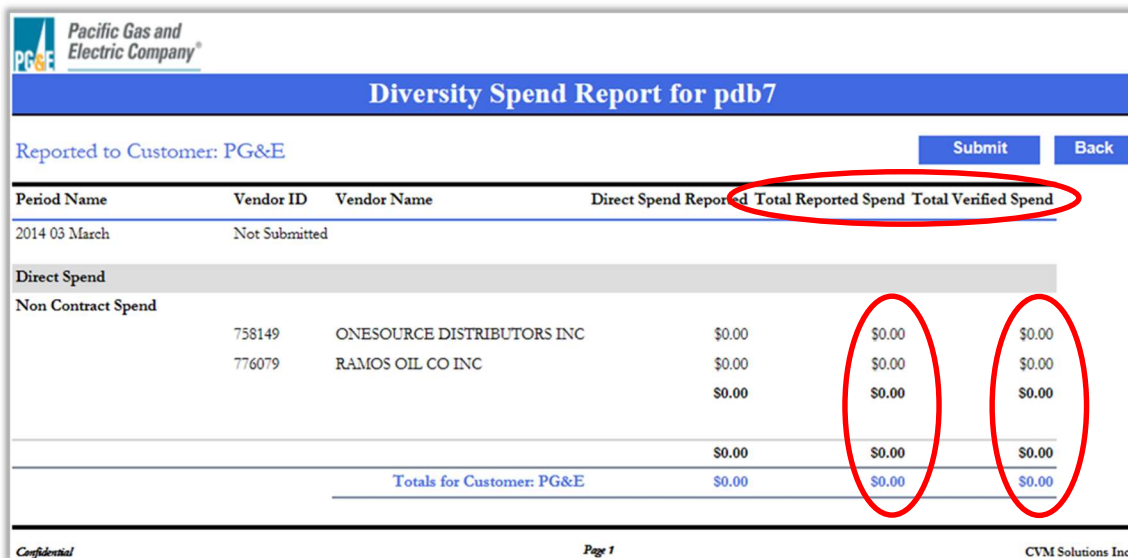
Customer ID	Customer Name	Direct Reporting Status	
		2014 02 Feb	2014 03 March
1100104	PG&E	View	Edit
		View All	Preview

NOTE: Each quarter should be submitted individually.

Submitted Not Submitted « Previous Home »

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18. **IMPORTANT:** Check that “Verified Spend” equals “Total Reported Spend”, if there’s a variance, the Sub may no longer be certified as diverse by CPUC Clearinghouse (or CVM) – contact Supplier Diversity Team at 510-898-0310 or email SupplierDiversityTeam@pge.com
19. Select “Submit” to report results, after ensuring all data is correct and accurate.
20. Other Tips
 - Assign a designated person to report subcontracting.
 - Ensure knowledge transfer if duties are reassigned.
 - If a reporting period is missed, add the missed dollars to the next reporting period.
 - If you over-report in a month contact SupplierDiversityTeam@pge.com immediately. You may need to withhold future reporting dollars to cancel out any previously over-reported dollars.
 - Negative amounts cannot be entered in CVM.
 - Previous reporting periods are locked and cannot be changed.
 - Periodically check to ensure diverse subcontractors are CPUC certified.



Diversity Spend Report for pdb7

Reported to Customer: PG&E Submit Back

Period Name	Vendor ID	Vendor Name	Direct Spend Reported	Total Reported Spend	Total Verified Spend
2014 03 March	Not Submitted				
Direct Spend					
Non Contract Spend					
	758149	ONESOURCE DISTRIBUTORS INC	\$0.00	\$0.00	\$0.00
	776079	RAMOS OIL CO INC	\$0.00	\$0.00	\$0.00
			\$0.00	\$0.00	\$0.00
			\$0.00	\$0.00	\$0.00
Totals for Customer: PG&E			\$0.00	\$0.00	\$0.00

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21. Verify ‘Green’ background in “Preview” box on next screen to confirm successful report submission.
22. Log out.