

Introduction to the California Public Utilities Commission



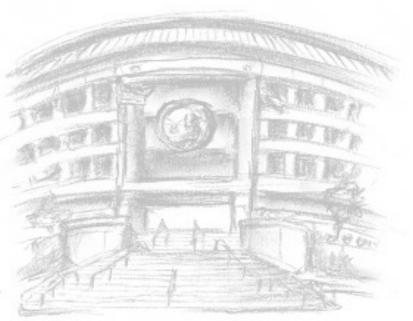




About the CPUC

- The CPUC is the California state agency that regulates essential services including:
- Electricity

- Water
- 。Natural Gas
- Rail and
- Telecommunications
- Transportation
- Headquartered in San Francisco with offices in Los Angeles and Sacramento
- Five Governor-appointed Commissioners serve staggered six-year terms
- Meet publicly at least once a month to decide on important policies, such as energy rates and procurement, renewable energy goals, and improvements to infrastructure





Utility Regulation

Californians spend more than \$50 billion annually for services from industries regulated by the CPUC.

Our regulation includes:

- Rates and services of energy companies like Edison, SoCalGas,
 SDG&E, and PG&E
- Rates and services of water companies like California-American,
 Golden State, and San Gabriel Valley
- Consumer protection and public programs for telecommunication companies such as AT&T and Verizon
- Safety regarding rail companies such as Los Angeles Metropolitan Transportation Authority, San Diego Trolley, and BART, and independent transportation companies like movers, limousines, shuttles, etc.



Policies & Programs that Impact Your Community

Key CPUC Policies

- Energy Efficiency
- Demand Response
- Renewable Energy
- Dynamic Pricing / Time Varying Rates
- Electric Vehicles
- Smart Grid
- Transmission Planning and Permitting
- Energy Generation and Infrastructure Safety

Public Programs & Assistance

- California Alternate Rates for Energy
- California Lifeline
- Deaf and Disabled Telecommunications Program
- Low Income Energy Efficiency Program
- Telecommunications scam and fraud protection
- Assistance with formal consumer complaints
- Safety inspection

The CPUC is increasing outreach to all customers in order to better educate them about these policies and programs and to learn more about their concerns and issues.





Business & Community Outreach

Our office leads CPUC's effort to help **educate and inform our communities, local government, and businesses to make smart energy and telecommunication choices**. We also promote CPUC's policies of diversity and the State's policy of encouraging the involvement of small business in utility and State procurement.

Our goal is to create and foster sound relationships with our customers in order to allow **two way communication enabling us to implement the CPUC's policies externally and help shape policy internally**.

To achieve this goal, our Outreach Officers partner with:

- Community Based Organizations (CBOs)
 - Local Government
- Local Business Groups (e.g. Chambers of Commerce)
 - Diverse Organizations





Utility Supplier Diversity Program



Utility Supplier Diversity Program

General Order (GO) 156 sets forth rules and regulations for California utilities' WMBE programs. GO 156 encourages participating utilities to inform, recruit, and obtain at least 20% of their products and services from WMBEs. A subsequent CPUC decision, D. 95-12-045, established a 1.5% goal for Disabled Veteran Business Enterprises (DVBEs) bringing the overall Supplier Diversity goal to 21.5%.

The Commission reports annually to the California Legislature on the results of the utilities' procurement diversity programs subject to GO 156.In the report, significant developments are highlighted and relevant trends are analyzed. Results are provided for MBE, WBE, and DVBE procurement, in both large and small utility company categories. The report includes an extensive set of tables providing detailed statistical information for comparison purposes among utilities.



Utility Subcontracting Program

- CPUC General Order 156 also governs the Subcontracting Program for all energy, telephone and water company utilities.
- "Each Utility shall establish and maintain a subcontracting program for the purpose of encouraging its prime contractors to utilize Women, Minority, Disabled Veteran Business Enterprise (WMDVBE) Subcontractors. Each Utility shall include in its annual report to the Commission a summary of Prime contractor progress in increasing the participation of WMDVBE subcontractors."



Get Certified

The CPUC encourages businesses owned by women, minorities, and disabled veterans to get certified. Certification is free and there is no fee to apply or participate in the verification process. Qualified applicants are entered in a supplier database accessed by participating utilities throughout the state. Generally, certification is granted within 30 days of receiving the application and is valid for three years.



Why is Certification Important?

- Utilities can only include purchases with CPUC certified MWDVBE suppliers in its annual filings.
- Provides third party verification of ownership/control of businesses and protects both the supplier and the utility
- All Utilities utilize the CPUC Clearinghouse database when searching for diversity suppliers to include in bid opportunities
- Local, regional and national referrals of minority, women and disabled veteran owned businesses among utilities
- Access to utility sponsored educational/business development seminars, workshops, business development training.



SUPPLIER CLEARINGHOUSE

Suppliers need to be certified by the Clearinghouse (CHS) to participate in the Supplier Diversity Program

 Eligibility criteria: At least 51% owned and controlled by women and/or minorities

For applications and more information contact the clearinghouse at:

www.thesupplierclearinghouse.com

or

Call (800) 359-7998



How to get a Utility Contract?



Utility Procurement & Small Business

- Visit the company's website
 - ✓ Do they buy the product or service that you provide?
 - ✓ How are those products or services procured?
 - ✓ What are the purchasing strategies and processes of the particular corporation?
- Register in company's database if applicable
 - ✓ Update profile at least annually
- Make sure applicable certification is current
 - ✓ Small Business Association, Minority—owned business, Women-owned business and Disabled veteran-owned Business.



Typical Selection Criteria for Utilities

- Responsiveness to Request for Proposals
- Competitive pricing and value added capabilities
- Good references and financial stability
- Core competency in the supplier's line of business
- Quality processes
- Clean Occupational Safety and Health Records
- Certification by diversity or small business organization



Prepare Your Bid

- Be concise
- Be different
- Be patient
- Be a **networker**
 - -with compatible businesses
 - -with businesses already doing business with utility and state agencies



Participating Utilities

- AT&T
- California Water Service Company
- California American Water
- Citizens Communications/Frontier
- Golden State Water
- Pacific Gas & Electric
- PacificCorp
- San Gabriel Water Company
- San Jose Water Company
- San Diego Gas & Electric
- Sierra Pacific Power Company
- Southern California Gas
- Southern California Edison
- Southwest Gas Corp
- Sprint Nextel
- Suburban Water Systems
- Surewest Company
- Verizon/Verizon Wireless



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