

Commissioners

ROBERT S. KENNEY Chairman

STEPHEN M. STOLL

WILLIAM P. KENNEY

DANIEL Y. HALL

SCOTT T. RUPP

# Missouri Public Service Commission

POST OFFICE BOX 360 JEFFERSON CITY, MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number) http://www.psc.mo.gov JOSHUA HARDEN General Counsel

MORRIS WOODRUFF Secretary

WESS A. HENDERSON Director of Administration and Regulatory Policy

CHERLYN D. VOSS Director of Regulatory Review

KEVIN A. THOMPSON Chief Staff Counsel

September 4, 2014

Laurie Dowling
Executive Director
National Utilities Diversity Council

Re: Procurement Diversity Information

Dear Ms. Dowling,

FILED

SEP 22 2014

Missouri Public Service Commission

The Missouri Public Service Commission obtained information regarding procurement diversity in Missouri's regulated electric, natural gas, and telecommunications companies. These efforts were in response to a request made by the National Association of Regulatory Commissioners Subcommittee on Utility Marketplace Access (UMA) for assistance in collecting data for a report on trends in procurement diversity in the utility and telecommunications industries.

In response to our request, we received information from the Missouri Energy Development Association, (MEDA), whose membership includes some of Missouri's regulated industries. Only two of Missouri's major telecom companies responded, and the information they provided was not Missouri specific, but national data.

I have attached the documents for your review. Please contact the following people with any additional questions:

Robert Boone, NARUC UMA Staff Subcommittee member Missouri Public Service Commission (573) 522-8708 Robert.Boone@psc.mo.gov

Annette Slack, Assistant General Counsel & Chief Diversity Officer Missouri Public Service Commission (573) 751-7510 Annette.Slack@psc.mo.gov As a member of the Utility Marketplace Access Subcommittee, I would like to thank you for working on this project.

Sincerely,

Robert S. Kenney

Chairman



## Missouri Energy Development Association

326 East Capitol Avenue • Jefferson City, MO 65101 • (573) 634-8678 • Fax (573) 634-4691

Ameren Missouri

August 14, 2014

The Empire District Electric Company

Kansas City Power & Light

Mr. Robert Boone Legislative Coordinator

Missouri Public Service Commission

The Laclede Group, Inc. P O Box 360

Jefferson City, MO 65102

Liberty Utilities

Missouri American Water Company Dear Mr. Boone,

Summit Natural Gas of Missouti In response to your letter of July 23, 2014, we have spoken with our MEDA Supplier Diversity Task Force members to obtain the information available to meet your request. At your recommendation, we are providing the information in the percentage format, rather than as dollar amounts. Accordingly, for the years 2011, 2012, and 2013, our member companies who track supplier diversity spend provided the following information:

# Total Spend with Women Owned Business Enterprises (WBE):

2011	5.6%	
2012	4.2%	
2013	5.0%	

### Total Spend with Minority Owned Business Enterprises (MBE):

2011	2.5%	
2012	3.7%	
2013	4.0%	

#### Total Spend with Service Disabled Veteran Owned Business Enterprises (SDVBE):

2011	1.7%	
2012	1.3%	
2013	1.0%	

### Sum of WBE/MBE/SDVBE Spend as a % of Total Procurement Spend (excluding fuel):

2011 2012	9.8% 9.2%	

The MEDA Supplier Diversity Task Force is comprised of the seven investor-owned utilities in the State of Missouri. The Task Force was formed to promote supplier diversity among the utilities and share best practices. Some highlights from the Task Force's member companies with regards to best practices and accomplishments are as follows:

- Hosted a series of Diverse Supplier Summits focused on specific business segments invitations
  are sent to the diverse supplier community to participate in the Summit to learn about;
  - o Business requirements
  - o Upcoming opportunities
  - Meet prime supplier partners for partnership opportunities
  - o Upcoming Summit is scheduled for October 1
- Established business segment engagement meetings that provide, in part, the opportunity for
  Diverse Suppliers to present their goods and/or services directly to the business segment prior
  to bid events. This promotes the kind of relationship with the business that increases the
  likelihood of bid success among competing diverse suppliers;
- Offered a \$100,000 program to diverse suppliers, where applicable, for development opportunities to gain experience with member companies
  - Provides annual scholarships to the Dartmouth Tuck School of Business Minority
     Business program in Hanover, NH for 2-3 incumbent diverse suppliers
- Implemented a light source mentoring program that supports diverse suppliers in the community;
- Hosted an annual reception in support of MBE, WBE and Veteran owned businesses each year
  - Recognize internal employees for their support of supplier diversity
- Started an in-house supplier diversity committee to see how the Supplier Diversity Program can be taken to the next level;
- Developed and implemented the MEDA Supplier Diversity Task Force website –
   <u>supplierdiversitytaskforce.com</u> to provide an avenue for companies and diverse suppliers to
   share information;
- Held Procurement One-on-One events to introduce suppliers to business units;
- Sponsored a Kansas City Procurement Round Table with 6 corporate members in KC to introduce our top three diverse suppliers to other corporations;
- Assisted the Greater Kansas City Chamber of Commerce with starting up the Power Connections mentoring program; and
- Participated and presented Supplier Diversity Best Practices at the NARUC –UMA in February 2014.

Mr. Robert Boone August 14, 2014 Page 3

As you can see, our Supplier Diversity Task Force has been very active in participating in diverse programs across the state. We continue to work with each other and encourage suppliers to register on the MEDA Supplier Diversity Task Force website.

Please do not hesitate to contact our office if you have any questions.

Sincerely,

Trey Davis President

/llr

cc: Chairman Robert S. Kenney Docket File AO-2011-0332

r

# **AT&T Supplier Diversity National Results**

(Calendar Year 2011, 2012 & 2013)

AT&T Supplier Diversity Corporate Goal	1 Supplier Diversity Na 2011 Supplier Diversity Spend	2011 Supplier Diversity % of Total Spend
MBE: 15%	\$8.7 Billion	16.7%
WBE: 5%	\$3.2 Billion	6.1%
DVBE: 1.5%	\$176 Million	.34%
Corp. Goal: 21.5%	\$12.04 Billion	23%

AT&T Supplier Diversity Corporate Goal	2012 Supplier Diversity Spend	2012 Supplier Diversity % of Total Spend
MBE: 15%	\$9.4 Billion	17.69%
WBE: 5%	\$3.2 Billion	5.91%
DVBE: 1.5%	\$191 Million	.36%
Corp. Goal: 21.5%	\$12.8 Billion	23.96%

AT&T 2013 Supplier Diversity National Results		
AT&T Supplier Diversity Corporate Goal	2013 Supplier Diversity Spend	2013 Supplier Diversity % of Total Spend
MBE: 15%	\$11.9 Billion	21.52%
WBE: 5%	\$3.4 Billion	6.12%
DVBE: 1.5%	\$232 Million	.42%
Corp. Goal: 21.5%	\$15.5 Billion	28.05%

## **AT&T Supplier Diversity National Facts**

- AT&T has been a longstanding leader in supplier diversity by identifying and promoting diverse businesses for contract opportunities.
  - Our company surpassed our corporate goal one year ahead of schedule spending \$12 billion with certified diverse suppliers in 2011, \$12.8 billion in 2012 and 15.5 billion in 2013.



August 21, 2014

Mr. Robert Boone Legislative Coordinator Missouri Public Service Commission PO Box 360 Jefferson City, MO 65102

Dear Mr. Boone,

I am writing in response to a letter you sent to Richard Telthorst on July 24, 2014 asking for information from MTIA member companies regarding procurement diversity. Below you will find data responsive to your request from CenturyLink as a multistate company.

2011 Minority, Woman and Disabled Veteran-owned Business Enterprises % = 12.15 (legacy Quest only; legacy CenturyLink did not track)

2012 Minority, Woman and Disabled Veteran-owned Business Enterprises % = 13.56

- Woman-owned Business Enterprises = 8.09%
- Minority-owned Business Enterprises = 5.09%
- Disabled Veteran-owned Business Enterprises = .28%

2013 Minority, Woman and Disabled Veteran-owned Business Enterprises % = 13.97

- Woman-owned Business Enterprises = 7.09%
- Minority-owned Business Enterprises = 6.33%
- Disabled Veteran-owned Business Enterprises = .55%

If you have any questions or if I may be of any assistance please let me know.

Richard W. Moore .

Missouri Regulatory & Legislative Affairs

319 Madison St. Jefferson City, MO 65101

Tel: 573,636,7196 Fax: 573,634,1550 www.centurylink.com