



BETTY T. YEE
California State Controller

February 28, 2022

The Honorable Alice Reynolds, President
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

**SUBJECT: Establishing a Minimum of 1.5 percent Procurement Goal for LGBTBEs
(R 21-010-03)**

Dear President Reynolds:

I write to urge you and your California Public Utilities Commission (CPUC) colleagues to approve the proposed February 9 Proposed Decision, which establishes a 1.5 percent procurement goal for lesbian, gay, bisexual, or transgender business enterprises (LGBTBEs) in your Utility Supplier Diversity Program (Program). As I initially stated in my April 20, 2021, letter, setting this specific aspirational goal would put the LGBTBE community on more equal footing with other groups in your Program.

As you may know, in 1986, the California Legislature enacted a series of statutes to encourage awarding fairer proportions of total utility contracts and subcontracts for products and services to women-owned, minority-owned, and disabled veteran-owned business enterprises. This and subsequent legislation created the CPUC's Program, requiring every electric, gas, and telephone utility (Utilities) — with gross annual revenues exceeding \$25 million — to implement a program to encourage, recruit, and utilize minority business enterprises. The Program has successfully encouraged the utilities to meet and exceed procurement goals for diverse business enterprises.

In 2014, then-Governor Jerry Brown signed Assembly Bill 1678 (Gordon), which added LGBTBEs to the Program. The utilities had no LGBTBE procurement goal to meet for nearly eight years until the proposed decision was issued earlier this month.

The proposed decision's phased approach establishes an immediate goal for utilities to achieve. It also allows the utilities time to adjust procurement policies to be more inclusive of LGBTBEs as the goal ramps from 0.5 percent in 2022 to 1.0 percent in 2023 to 1.5 percent in 2024. At the same time, the LGBTBE procurement goal reaches 1.5 percent, which is equal to other groups in your Program.

The Honorable Alice Reynolds

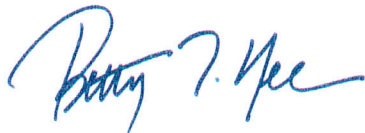
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While some may view this goal as ambitious, it is achievable. According to the National LGBT Chamber of Commerce (NGLCC), more than 1.4 million LGBTQ businesses contribute more than \$1.7 trillion to the national economy. Unfortunately, biases within some industry sectors create barriers to entry. With this new aspirational goal, the walls impeding progress are being torn down.

For decades, the LGBTQ community has faced discrimination. This proposed decision creates a 1.5 percent goal, which more effectively rewards and encourages the Utilities to work with the LGBTQ community, establishes some equality, and avoids ongoing unintended discrimination. Please take the next step towards the inclusion of all Californians by approving this proposed decision.

Sincerely,

A handwritten signature in blue ink that reads "Betty T. Yee". The signature is fluid and cursive, with the first name "Betty" being the most prominent.

BETTY T. YEE