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September 10, 2021

The Honorable Marybel Batjer  
President  
California Public Utilities Report  
505 Van Ness Avenue  
San Francisco, CA 94102

**RE: California Public Utilities Commission General Order 156 Modification in Accordance with Assembly Bill 1678 (Chapter 633, September 26, 2014) Establishing the LGBTE Procurement Goal for California Utilities – SUPPORT A MINIMUM OF 1.5% GOAL FOR LGBTE**

Dear President Batjer:

We are writing to inform you that since our last letter, the California LGBTQ Caucus has continued to push for fair and equitable treatment of LGBTQ-owned businesses, which we believe should be part of the California Public Utilities Commission (CPUC) Utility Supplier Diversity Program.

In 2014, the California Legislature passed Assembly Bill 1678 to expand the CPUC Utility Supplier Diversity Program. The intent of that bill — authored by then-Assemblymember Rich Gordon — was to grant LGBTQ-owned businesses the same opportunities afforded to women-owned, ethnic minority-owned, and disabled veteran-owned businesses. The CPUC Utility Supplier Diversity Program has established procurement goals ranging between 1.5% and 15% for the other groups.

But the Commission is now holding a regulatory proceeding to implement AB 1678, and it faces this question: “Whether the utility proposed target procurement percentage goal for LGBT-Owned business enterprises of 0.5% for LGBT-Owned business enterprises should be included in the Supplier Diversity Program set forth in General Order 156 or whether a different percentage should be included?”

In the time between our last letter on April 12 and now, the LGBTQ Caucus, which is comprised of LGBTQ legislators and statewide officeholders, has met with stakeholders in the regulatory process as well as governmental affairs staff of the CPUC. Based on these conversations and records we have obtained from the CPUC, we are very confident there are more than enough LGBTQ businesses to justify a 1.5% procurement goal.

As you know, there is no penalty for failing to meet this goal. It is also important to note that these procurement goals are more than a matter of diversity — they are a statement of the CPUC’s values. Setting the procurement goal for LGBTQ business so far below other participants sends a message that the CPUC does not value our community.

Integrity is one of the CPUC's core values, as the Commission has vowed to "place the public interest above personal interest." The public is best served when everyone has an equal seat at the table to affect change and champion causes that keep this great state at the forefront of progress. Setting a lower goal for LGBTQ businesses would be a disservice to these people, who are very much impacted by the CPUC's decisions, as well as to corporations that routinely fail to include LGBTQ businesses in their contract work.

We understand there are fewer LGBTQ-owned businesses than other minority-owned business, so meeting a goal of 1.5% could be more complex than it is for other groups. But, we strongly believe that setting a goal of less than 1.5% would only further discourage LGBTQ-owned businesses to register with the state. This also compounds the problem by putting further stress on the CPUC to meet even a 0.5% goal in the future.

Despite significant advances in recent years, the LGBTQ community remains an economically disadvantaged group. The pandemic has only made the situation more difficult. The CPUC has the opportunity to help lead the effort for a more equitable recovery and do its part to bridge the gap. The first and most important step would be putting the LGBTQ community on a more level playing field with other groups in the Utility Supplier Diversity Program. We firmly believe that a 1.5% minimum is a necessary step to inclusion.

The LGBTQ Caucus stands as a willing partner for the CPUC in the years to come, and we are eager to help the Commission build a more robust and diverse network of LGBTQ businesses. We have been working for many years to increase diversity and inclusion — from board rooms to the break rooms throughout the state — and we are deeply committed to helping the CPUC meet its procurement goals.

In the CPUC states that its mission is to "empower California," so we simply ask you to include us by setting a 1.5% procurement goal for LGBTQ businesses and give our community a more accessible path to success.

Sincerely,



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**Assemblymember Evan Low, Chair**



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**Senator Susan Talamantes Eggman, Vice Chair**