



**BETTY T. YEE**  
California State Controller

April 20, 2021

The Honorable Marybel Batjer, 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**

Dear President Batjer:

I write to urge you and your California Public Utilities Commission (CPUC) colleagues to effectively complete the work and goals of AB 1678 (Ch. 633, statutes of 2014) and its progeny by adopting a 1.5 percent participation procurement goal for lesbian, gay, bisexual, or transgender business enterprises (LGBTBEs) in your Utility Supplier Diversity Program (Program). 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. Once the CPUC's additional aspirational procurement goals were adopted to expand this Program's applicability to the LGBTBE community and were later codified by statute, qualifying utilities were required to submit annual reports and plans (including goals and timetables, not quotas) for increasing procurement from the LGBTBEs for renewable energy, wireless telecommunications, broadband, smart grid, and rail projects.

The CPUC had previously established voluntary procurement goals for each covered utility of 15 percent for minority-owned, 5 percent for woman-owned, and 1.5 percent for disabled veteran-owned business enterprises. Although the CPUC has been working on establishing similar goals for the LGBTBE community, it did not establish a numerical goal. The Utilities are instead recommending that the numerically based percentage target goal for procurement of LGBTBE procurement be set at 0.5 percent.

Changing the percentage to 0.5 percent, as recommended by the Utilities, would be a mistake and will simply not increase participation from the LGBTBEs. More importantly, it would

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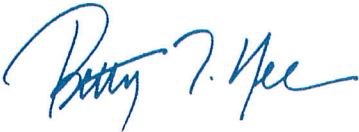
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send the wrong message to the LGBTBEs that they are a less deserving group for awards. The Utilities' proposed 0.5 percent is simply not equal to the smallest percentage that has been adopted by the CPUC to date for the other Program participants.

For decades, the LGBTQ community has faced discrimination. A 1.5 percent goal would more effectively reward and encourage the Utilities to work with the LGBTQ community, establish some equality, and avoid ongoing unintended discrimination. I stand with the LGBTQ Legislative Caucus and BuildOUT California in their belief that a 1.5 percent minimum is an important step to inclusion of all Californians by all CPUC regulated utilities.

Sincerely,

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

BETTY T. YEE

cc: Martha Guzman Aceves, Commissioner, California Public Utilities Commission  
Clifford Rechtschaffen, Commissioner, California Public Utilities Commission  
Genevieve Shiroma, Commissioner, California Public Utilities Commission  
Darcie L. Houck, Commissioner, California Public Utilities Commission  
Paul Pendergast, President, BuildOUT California  
Rick Hobbs Seeley, Vice-President, BuildOUT California  
Sandra Escalante, Secretary, BuildOUT California