

# SUPPLIER DIVERSITY REPORT

## 2024



Central Coast  
**Community  
Energy**

# Table of Contents

<b>Introduction</b>	Chief Executive Officer’s Message	4
	Executive Summary	5
	Investments and Activities Highlights of 2024	7

<b>2024 Annual Report</b>	9.1.1	Description of Supplier Diversity Program Activities During 2024	10
	9.1.2	Supplier Diversity Results of Goods and Services (non-power purchases) if Procured	23
	9.1.2	Description of Diverse Suppliers with CA Majority Workforce	25
	9.1.3	Supplier Diversity Program Expenses	26
	9.1.5	Prime Contractor Utilization of Diverse Subcontractors	26
	9.1.5	New Diverse Prime and Subcontractor Utilization	27
	9.1.6	List of Supplier Diversity Complaints Received and Current Status	27
	9.1.9	Description of Supplier Diversity Activities and Progress in Power (Energy) Procurement	28
	9.1.9	Supplier Diversity Results in Power (Energy) Procurement	30

<b>2025 Annual Plan</b>	10.1	Business Spotlight: Clean Energy Regulatory Research, LLC	32
	10.2	Description of Supplier Diversity Program Activities Planned for 2025	33
	10.2	Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses	40

<b>Appendix</b>	9.1.1	Outreach and Sponsorship Organizations Full List	42
-----------------	-------	--	----

## **BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking into Implementation of Public Utilities Code Sections 8281- 8286 Relating to Woman, Minority, Service-Disabled Veteran and Lesbian, Gay, Bisexual and Transgender Business Enterprises  
R. 91-02-011

## **CENTRAL COAST COMMUNITY ENERGY (3CE)**

Woman, Minority, Service-Disabled Veteran and Lesbian, Gay, Bisexual and Transgender Business Enterprises (WMDVLGBTBE) used interchangeably with Disadvantaged Business

Report for Calendar Year 2024

## **Central Coast Community Energy**

70 Garden Court, Suite 300  
Monterey, CA 93940  
1-877-455-2223

March 1, 2025



# Chief Executive Officer's Message

As this report looks back on our 2024 accomplishments, valuing economic development has never been more important. 2025 has started with a devastating reminder of the realities of climate change. In the wake of the deadly wildfires that began in Southern California on January 7, the challenges of the past year are even more amplified.

The full economic impact of the wildfires is still unclear, but it is evident that they have profoundly affected individuals, communities, and businesses, highlighting the growing frequency and severity of natural disasters driven by climate change. This, in turn, exacerbates the financial strain on households and businesses across California.

In response to these challenges, Governor Newsom's recent executive order on energy affordability emphasizes the importance of ensuring that Californians have access to reliable and affordable energy. As we face these tough times, 3CE remains committed to alleviating the harm caused by greenhouse gas emissions and supporting our communities in their efforts to thrive.

3CE's mission goes beyond providing reliable and renewable energy. It is rooted in a larger vision of empowering our communities, supporting local businesses, and driving economic development in the Central Coast region. In the face of an affordability crisis and the escalating impacts of climate change, we remain steadfast in our commitment to the communities we serve, ensuring that our programs and initiatives not only provide relief, but also create long-term, sustainable solutions for greenhouse gas reductions.

One way that 3CE supports our communities is through our supplier diversity program. I am proud to share that 20.1% of our total non-energy procurement—amounting to \$2.13 million—has gone to local businesses within 3CE's service area, a 30% increase from the previous year. In fact,

over half of the vendors that 3CE contracted with in 2024 are located directly within our service territory. This is just one example of 3CE's commitment to equitable economic growth, ensuring that the funds we manage stay within our communities and help foster a more inclusive, resilient economy.

In 2024, we expanded our paid internship program to offer local college students and recent graduates valuable work experience in the clean energy sector. We also increased our engagement in community outreach, attending and sponsoring nearly 160 local events, and contributing approximately \$105,000 to local and diverse organizations through memberships, sponsorships, and events.

In our plans for 2025, we remain focused on providing competitively priced energy and impactful programs that drive sustainability in sectors like transportation, agriculture, and building electrification. We are committed to reducing greenhouse gas emissions, building relationships with local business partners, and ensuring that our programs are accessible to all residents, particularly those who need them most.

In closing, I want to express my gratitude for the ongoing support of our communities, partners, and stakeholders. At 3CE, we are more than an energy provider—we are a catalyst for positive change, actively working to build a more equitable and sustainable future for all. I look forward to continuing this journey with you as we come together to tackle climate change and build a cleaner, more inclusive tomorrow.

Thank you.



Robert M. Shaw  
Chief Executive Officer



# Executive Summary

This Executive Summary provides a condensed overview of 3CE's Annual Report for the year 2024. Throughout the report, we delve into key initiatives and accomplishments that underscore our commitment to sustainability, economic growth, and diversity. Though constrained by Proposition 209's amendment to the California Constitution, which prevents public agencies from providing preferences to bidders based on race, sex, color, ethnicity, or national origin, 3CE is proud to report that in 2024, \$2.13 million was spent with small, local, or diverse businesses within our service area, fostering economic growth within the communities we serve.

The supplier spending in the data tables throughout the report is limited to vendors who, in response to an annual survey sent to all vendors under contract with the agency, self-identified as eligible and were verified for enrollment in the California Public Utilities Commission (CPUC)'s Supplier Diversity Program. In compliance with Proposition 209, 3CE does not collect any identifiable information about race, sex, color, ethnicity, or national origin prior to signing a contract with a vendor. While operating in compliance with Proposition 209, 3CE spent a total of \$450,912 with businesses who self-identified as minority-owned, woman-owned, LGBTQ-owned, or disabled veteran-owned. Of that total, \$7,373 was spent with GO 156 Supplier Clearinghouse certified businesses. One business 3CE contracted with reported utilizing a GO 156 Supplier Clearinghouse certified subcontractor for an amount of \$65,017.

While not all qualified vendors in contract with 3CE are officially certified in the Supplier Clearinghouse, survey responses from this year reflect 3CE's emphasis on supporting local and diverse communities, as seven vendors self-identified as minority-owned or woman-owned and many indicated use of local labor, a majority California workforce, and prevailing wages.

Beyond our energy services, 3CE has continued to support our local and diverse economy through our community outreach. 3CE is a current member of 41 small, local, and diverse community, business, and economic development organizations. These groups allow us to promote resources like our small, local, and diverse vendor registry, where participants receive business opportunity notifications. In total, 3CE staff did outreach at nearly 160 different events held in the past year. 3CE is also focused on creating a company culture of diversity, equity, and inclusion.

The Community Advisory Council has continued to provide guidance on how to engage with our disadvantaged communities. 3CE's governing boards practice informed policy decision making, like the adopted 2024 Underserved Community Outreach and Engagement Action Plan, allowing the agency to identify current community needs and partnership opportunities. Additionally, 3CE has continued to successfully promote recruitment through diverse recruiting platforms. Spanning five counties, 3CE strives to reflect the vibrant and diverse communities we serve.

2025 will be an exciting year for the agency, as 3CE is expanding to the unincorporated areas of San Luis Obispo County and the City of Atascadero. In preparing for the expansion, 3CE has

## Executive Summary (cont.)

developed a thorough plan to engage with its new communities, including targeted outreach to financially vulnerable, hard-to-reach, and/or underserved customers. Looking forward, our 2025 Plan outlines initiatives such as the New Construction Electrification Program, Electrify Your Home Program, Agricultural Electrification Program, and more, which will bring community-centered benefits to our new and existing customers. These programs align with state goals, emphasizing our dedication to reducing greenhouse gases and supporting small, local, and diverse businesses. The plan also highlights new external initiatives by 3CE to assist the growth of these businesses.



## Investments & Activities Highlights of 2024

**~160**

Outreach events

**41**

Memberships with small, local, and diverse community business and economic development organizations

**~\$105K**

Spent on local events, sponsorships, and memberships

**\$2.13M**

Total 3CE spend in service area with local businesses

**16**

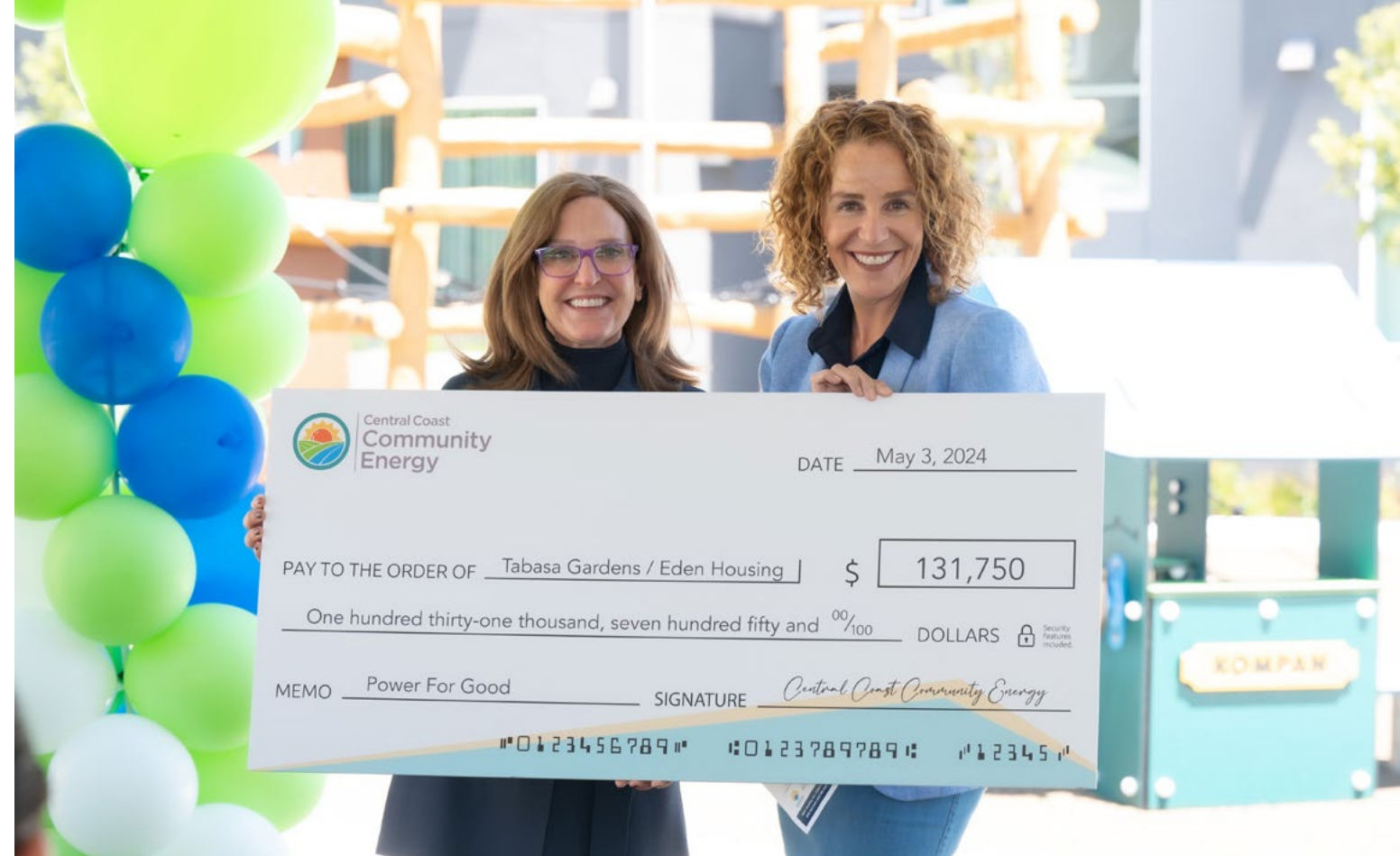
New employees hired

**\$14.8M**

Allocated for Energy Programs



Central Coast Community Energy (3CE) is a public agency that sources competitively priced electricity from clean and renewable energy resources.



#### CENTRAL COAST COMMUNITY ENERGY (3CE)

3CE is locally controlled and governed by board members representing our constituent communities. Revenue generated by 3CE stays local and helps keep electricity rates affordable for customers, while funding innovative Energy Programs designed to lower greenhouse gas emissions and stimulate local economic development. 3CE serves more than 1.2 million customers throughout the Central Coast, including residential, commercial, and agricultural customers in the counties of Monterey, San Benito, San Luis Obispo, Santa Barbara, and Santa Cruz.

#### SENATE BILL 255

SB 255 (Bradford 2019) expands the Commission's Supplier Diversity Program by lowering the annual revenue threshold for participation from \$25 million to \$15 million and requiring Community Choice Aggregators (CCAs) to report specified information.

#### CALIFORNIA PROPOSITION 209

In compliance with Proposition 209, CCAs do not give preferential treatment to bidders based on race, sex, color, ethnicity, or national origin. To comply with Proposition 209, CCAs may collect this information only after contracts are signed, and responses are kept separate from procurement decision makers, so that this information does not influence any current or future solicitation or selection processes. 3CE is committed to encouraging participation of small, local, and diverse businesses in all phases of procurement and contracting activity within the scope of the current law.

# 9.1.1 Description of Supplier Diversity Program Activities During 2024

## INTERNAL ACTIVITIES

As a public agency established by communities in one of the most diverse regions of California, 3CE is committed to supporting small, local, and diverse businesses while ensuring a fair and transparent procurement process.

While Proposition 209 limits 3CE to retroactively collecting information about disadvantaged business status, 3CE has developed an internal vendor database to support our effort to contract with small and local vendors. The registry collects information aligned with SB 255 and will allow 3CE to track how many contracts are made with these vendors and where they are located.

### Diversity, Equity, and Inclusion Activities

In addition to ensuring a fair and transparent procurement process, 3CE recognizes that the diversity of its workforce contributes to how 3CE (1) engages with disadvantaged communities; (2) understands the unique barriers that preclude disadvantaged businesses from securing contracting opportunities with 3CE; and (3) reduces unintended bias in the selection and contracting processes.

3CE is committed to diversity and inclusion in its recruitment, selection, workforce development, and internal personnel policies. 3CE's contract, vendor registry, and career opportunities can be found on our solicitations webpage: <https://3cenergy.org/about-us/work-with-us/>. If additional resources are needed, 3CE has Local Customer Service Energy Advisors ready to help connect business enterprises and potential job applicants with the appropriate staff via phone (1-877-455-2223) or email ([info@3ce.org](mailto:info@3ce.org)).

3CE promotes equity in candidate recruitment and selection by critically examining minimum job qualifications, posting open positions within professional groups geared towards women and other minority candidates, and applying rigorous candidate selection processes including utilizing diverse selection committees and removing personal identifying information during the screening process. 3CE has also continued to successfully recruit candidates via diversity websites to increase a diverse applicant pool and to attract a nationwide diverse applicant search.

3CE routinely evaluates internal policies and practices, including compensation, benefits, workplace accommodations, and training, to ensure practices are aligned with a diverse and inclusive workplace. 3CE provides access to employee training via the Pryor Learning platform on topics including, but not limited to, Diversity, Equity, and Inclusion; anti-racism; cultural diversity; LGBTQ issues; and Inclusive Communication. In 2024, all 3CE staff members received training on preventing workplace harassment and discrimination.

2024 brought a unique set of priorities for the agency, which include working to fill open positions within the organization and rolling out a new process that streamlines staff onboarding. This year, 3CE was able to utilize the new onboarding processes for 16 new team members, including nine women, hired from diverse applicant pools.



### Future Leadership Development Program

In 2024, 3CE successfully launched a paid internship program that brought on board five college students from across our communities. 3CE's Future Leadership Development program provides a unique opportunity for current students and recent graduates in 3CE's service area to learn about clean energy and gain work experience in a professional environment. The recruitment for the internship program was successful, with a diverse applicant pool and an array of options to enable interns to explore specific interests within various departments at 3CE.

"During my internship at 3CE, I had the incredible opportunity to work alongside the data team, gaining valuable insights into the real-world role of someone working in data and analytics. A standout moment for me was collaborating with the data team on a project for the Energy Programs team, where I delved into Tableau and explored powerful insights that enriched my understanding of data visualization. Beyond the data team, I found that everyone I interacted with was incredibly supportive and knowledgeable, fostering a culture that made me feel truly valued. I also enjoyed participating in the quarterly all-staff meeting, which provided a great opportunity for me to learn about the initiatives and achievements of other departments. I am deeply grateful for this experience and highly recommend 3CE to anyone looking to advance their career in data analytics."

- Sophia Dannucci, Data Analytics Team Intern

### 3CE Board Diversity

Decision (D.) 24-09-035, issued by the CPUC on October 2, 2024, updated the GO 156 Supplier Diversity Program and directed GO 156 entities to provide a brief description of their board diversity data and any publicly available board data in annual GO 156 report submissions. At this time, 3CE does not publicly disclose board diversity data; however, we are proud to have a diverse board that reflects the broad representation of our five-county service area.

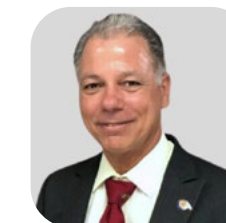
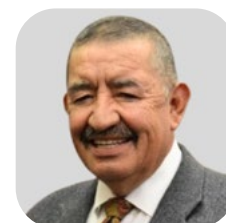
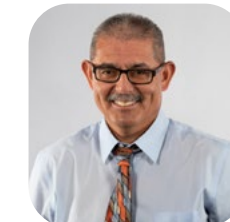
3CE is governed by a Policy Board and an Operations Board, each composed of 19 seats, representing our 35 Member Agencies. The Policy Board of Directors is composed of local elected officials appointed by their respective agencies. The Policy Board oversees the strategic direction of 3CE, sets the budget and customer rates, and approves large capital expenses. The Operations Board of Directors is made up of City Managers, County Administrative Officers, and other Member Agency leadership executives appointed by their respective agencies. The Operations Board approves contracts and agreements not reserved by the Policy Board, or not otherwise delegated, and oversees policy implementation to ensure the successful administration of 3CE. Importantly, 3CE is not involved in the selection process and does not influence the outcome of board appointments.

3CE's Member Agencies are responsible for appointing directors to serve on its governing bodies. The five counties that 3CE serves have permanent seats on our governing boards, along with cities with a population of 50,000 and above. Cities with a population below 50,000 are allocated a shared board seat on a sub-regional basis, set to rotate every two years. This structure enables Member Agencies to make informed decisions and identify the best candidates to represent the needs of their local communities.

This governing structure ensures that the voices from each city and county served by 3CE have a seat at the table when important decisions regarding 3CE policies and operations are being made. 3CE's boards are made up of individuals with diverse identities, backgrounds, and experiences, reflecting the diversity of 3CE's service area. More on 3CE's Policy Board and Operations Board can be found on our website.

# 3CE's 2024 Governing Boards

## Policy Board



## Operations Board



### Board Approved Underserved Community Action Plan

In 2024, 3CE staff gathered feedback from other CCAs, key stakeholders, and nine community-based organizations across San Benito, Santa Cruz, Monterey, San Luis Obispo, and Santa Barbara Counties. This feedback identified community needs, partnership opportunities, and priority actions for FY 2024-25. Informed by this feedback, 3CE's Policy Board adopted the Underserved Communities Outreach and Engagement Action Plan, which focuses on supporting underserved communities, increasing awareness and access to 3CE services, improving customer satisfaction through feedback collection and barrier removal, and launching a reenrollment and customer awareness outreach campaign.

### Workforce Diversity

D.24-09-035 also directed GO 156 entities to include in their annual reports narrative or data describing non-confidential workforce data that is already reported to other state and federal agencies such as the Equal Employment Opportunities Commission (EEOC) on the EEO-1. The EEOC collects workforce data from private sector employers with 100 or more employees. 3CE does not meet the criteria associated with the mandated workforce data collection and thus does not currently report workforce data to any state or federal agencies.

### Additional Internal Supplier Diversity Program Activities

3CE staff have developed a robust internal approach to preparing and submitting annual supplier diversity plans and progress reports. Through this process, an employee from each department receives an educational presentation outlining the history and intent of the CPUC's Supplier Diversity program and clear guidance on their responsibilities and expectations in developing the annual report. In 2024, the coalition of staff responsible for developing 3CE's supplier diversity report, spanning several departments within the organization, engaged in collaborative and productive conversations related to 3CE's internal strategies for enhancing its Supplier Diversity program. 3CE staff also participated in quarterly Joint CCA Supplier Diversity meetings with CPUC staff members to share best practices for promoting supplier diversity, receive guidance on reporting, and engage in discussions on improving the implementation of GO-156.

## EXTERNAL ACTIVITIES

3CE supports a diverse range of community, business, and trade organizations that foster the growth of small and diverse businesses while uplifting underserved communities. This support includes participating in local events hosted by these organizations. At these events, 3CE staff share information about our programs, bill payment assistance, clean and renewable energy, and other initiatives.

### Outreach by the Numbers:

- Attended, hosted, and/or sponsored nearly 160 local events
- Spent ~105k on sponsorships and memberships
- Maintained memberships with 41 organizations
- Hosted four webinars in English
- Hosted three webinars in Spanish



## KEY OUTREACH ACTIVITIES

### The CPUC's Small and Diverse Business Expo

In April 2024, 3CE staff attended and tabled at the California Public Utilities Commission's Small and Diverse Business Expo. This event provided an opportunity to engage with hundreds of diverse businesses across California, share information about 3CE's work, and promote opportunities for collaboration. During the expo, 3CE also highlighted its 2024 webinar, "Unlocking Business Opportunities through 3CE's Vendor Registry & the CPUC's Supplier Clearinghouse," encouraging attendees to participate and learn more about accessing business opportunities.

### Community Workshops

In November, 3CE hosted workshops in Goleta and Watsonville to engage communities and gather input on advancing building electrification. Contractors, builders, affordable housing developers, and advocates for low-income communities were invited to share their experiences, challenges, and questions about transitioning to all-electric home appliances. Discussions focused on 3CE's Electrify Your Home program, addressing barriers to adoption, and exploring enhanced support through rebates and incentives. 3CE provided English-to-Spanish interpretation, children's activities, and dinner.



## Webinars

In 2024, 3CE leveraged webinars to connect with communities, ensuring accessibility and promoting open dialogue. These virtual events addressed a range of topics, including program updates, vendor registry opportunities, and the advantages of renewable energy. One notable webinar, hosted in partnership with the CPUC and the Veterans in Business Network, provided guidance for businesses on registering with the CPUC's Supplier Clearinghouse, empowering diverse and small businesses. Through these webinars, 3CE reached a wide audience, gathered valuable feedback, and enhanced outreach strategies, underscoring our commitment to transparency, collaboration, and equitable energy solutions.

## Farmworker Outreach

In 2024, 3CE delivered 16 farmworker outreach events in collaboration with three local radio stations. To engage hard-to-reach communities, the partnership between the stations and 3CE secured casual conversations with farmworkers at their place of work. Farmworkers throughout 3CE's service area learned about 3CE's programs, billing facts, and financial assistance opportunities available to income-qualified customers. Over 551 Spanish-speaking community members were reached, and most participants reported not knowing about 3CE before the events.

## California Green Business Network

Through a partnership with CGBN, 3CE engaged businesses interested in becoming Green Certified by discussing opting for 3Cprime service, which supports 100% clean and renewable energy.

## Solar Installer Outreach

3CE staff met with several local solar installers to inform the development of new solar tariffs and the new Residential Battery Rebate Program. This effort strengthened our relationships with several local businesses.

## MEMBERSHIPS

3CE actively supports the diverse economy of our service area through strategic community outreach and engagement. A key component of this effort is our memberships with local community, business, and economic development organizations. These memberships enable 3CE to build strong partnerships, connect with local leaders, and support initiatives that align with our mission. For a complete list of organizations 3CE has supported through memberships, please refer to Appendix A.

## MEMBERSHIP HIGHLIGHTS

### The Association of Women in Water, Energy, and Environment (AWWEE)

AWWEE is a 501(c)(3) nonprofit fostering a community dedicated to advancing women in these vital fields. Through educational events, AWWEE promotes learning, leadership, and connection, creating a supportive network that celebrates and empowers its members.

### Hispanic Business Association of the Central Coast (HBACC)

The HBACC serves the Hispanic business community in the North San Luis Obispo County. 3CE was a pioneer partner in helping the association reactivate after the COVID pandemic.

### The Rainbow Chamber of Silicon Valley

The Rainbow Chamber of Commerce Silicon Valley, founded in 1999, is the largest LGBTQ+ business nonprofit in the region, uniting over 100 LGBTQ+ and supportive professionals. Members benefit from a vibrant network and resources tailored to empower the LGBTQ+ business community.

## SPONSORSHIPS

In 2024, 3CE continued our commitment to supporting local communities by sponsoring a variety of events that align with our mission to foster economic and environmental sustainability. By partnering with organizations throughout our service area, we supported events that brought communities together, celebrated diversity, and provided opportunities for education and engagement.

These sponsorships not only enhanced community programs but also allowed us to connect directly with residents, businesses, and local leaders. Through these efforts, we reinforced our dedication to creating meaningful local economic impact while promoting equity and inclusion across the region. For a complete list of organizations 3CE has supported through sponsorships, please refer to Appendix A.

## SPONSORSHIP HIGHLIGHTS

### Building Healthy Communities' Ciclovía Event

The Ciclovía event brings the community together with engaging activities and games designed to promote physical wellness. It also supports local small businesses by encouraging attendees to explore and shop at establishments along the event route, fostering both health and economic growth within the community.

### Ecology Action's EV Ride and Drive Event

The Watsonville EV Ride and Drive event promotes education about EV electrification. This event is held by Ecology Action, one of 3CE's GO 156 Supplier Clearinghouse certified vendors.

### Green Wave Media's Santa Maria Day in the Park

For the second year, 3CE proudly sponsored and hosted a booth at this vibrant, family-oriented event, which drew nearly 10,000 attendees. The day featured an exciting mix of local business displays, live music, and a car show, offering something for everyone. Recognizing the large Hispanic population in the Santa Maria Valley, 3CE distributed bilingual flyers in Spanish and English to maximize the reach and effectiveness of our outreach efforts. This event continues to be a valuable opportunity for meaningful community engagement and connection.

### Hartnell Community College's Party in the Library

The Party in the Library event supports Hartnell College students, many of whom are low-income and first-generation, by helping them overcome critical challenges such as food and housing insecurity, transportation barriers, and medical expenses.

### **The Hartnell Foundation's WELI Soirée**

The Women's Education & Leadership Institute (WELI) Soirée united business and community leaders in support of WELI's mission to empower women through higher education. This impactful event helps fund the WELI endowment, securing resources to promote women's economic prosperity and creating lasting opportunities for future generations in our community.

### **Rancho Cielo's Veggie Box Event**

Rancho Cielo plays a vital role in supporting vocational training programs for students while providing essential food to families in need. Participants can purchase boxes of fresh, local produce for themselves or donate them to local families through partnerships with the Boys & Girls Clubs of Monterey County, Salvation Army Salinas, The Food Bank for Monterey County, and Second Harvest Food Bank.

### **The Arts Council of Monterey County's Red Dress Day**

Red Dress Day is an annual event dedicated to raising awareness and honoring the lives of missing and murdered Indigenous women, shining a light on this critical issue and advocating for justice and remembrance.

### **The Center for Community Advocacy's De Colores Annual Celebration**

"De Colores" celebrated the Center for Community Advocacy (CCA)'s 35-year journey of farmworker advocacy, showcasing the rich traditions and diversity of our community. The event honored the organization's mission to improve housing and health conditions in Monterey County while featuring the vibrant folkloric design, music, and dance inspired by past Día de los Muertos celebrations. Special recognition was given to the heroes, community partners, and sponsors who have supported CCA's work over the decades.

### **The Community Foundation's Siembra Latinos Celebration**

The Siembra Latinos Fund (SLF) was established by a group of local Latino leaders to foster a culture of philanthropy within and for the Latino community. Rooted in the spirit of its name, "Siembra," which means "to sow," the fund aims to cultivate opportunities and enhance the quality of life for Latinos in Monterey County.

### **Santa Barbara County's Food Bank Event**

Empty Bowls is a signature community celebration that benefits the Foodbank and its mission to end hunger and transform the health of Santa Barbara County. Attendees are served soup in a bowl made by a local artisan.

### **The Small Business Development Center's Santa Cruz County Small Business Summit**

The Santa Cruz County Small Business Summit supports small local businesses by providing networking opportunities, educational sessions, and resources.



### **ENERGY PROGRAMS OUTREACH**

3CE's focus on local control, clean energy, and community investment uniquely positions us to equitably deploy GHG emission-reducing Energy Programs in collaboration with Member Agencies, regional partners, our Community Advisory Council, and community-based organizations (CBOs). We strategically target electrification of the transportation, building, and agriculture sectors — the biggest contributors to regional GHG emissions — and are expanding our Demand Response offerings to further empower customers to optimize their energy use in a way that is more environmentally and economically beneficial. We design programs that meet community priorities while simultaneously offering solutions across 3CE's entire service area. Our expansive and continual community engagement is key to gathering valuable feedback that allows us to design programs that meet our diverse community's needs.

- **Building Electrification** – Supporting customers in the transition from fossil fuels to electricity for various end uses in new and existing residential and commercial buildings, including domestic hot water heating and space conditioning.
- **Transportation Electrification** – Supporting customers in the transition from fossil fuels to electricity for light-, medium-, and heavy-duty vehicles, including support for electric vehicle (EV) charging infrastructure.
- **Agricultural Sector Electrification** – Supporting the agricultural industry in the transition from fossil fuels to electricity for various agricultural applications including irrigation pumping, tractors, forklifts, boilers and chillers, etc.
- **Demand Response** – Supporting grid stability and customer resiliency through battery storage and distributed energy resource management systems for optimized operation.

## KEY ENERGY PROGRAMS OUTREACH ACTIVITIES

### Community Advisory Council Meetings and Activity

3CE's 15-member Community Advisory Council (CAC) provides a direct point of engagement with the communities and the customers we serve. The CAC includes representatives with experience in organized labor, local environmental groups, sustainable planning, affordable housing development, the agricultural and tourism industries, energy efficiency, and low-income customer assistance, as well as a current Air Pollution Control Officer. The trusted network, experience, and perspectives that the CAC members bring to 3CE help maintain the agency's capacity to connect with diverse businesses and help disadvantaged communities.

### Communications & Outreach Activity and Events

In 2024, Communications staff drove Energy Program engagement among our diverse local communities through a variety of information channels, tailoring messages for both English- and Spanish-speaking audiences. A sophisticated digital advertising strategy also allowed staff to target certain customers based on language preference, income level, and geography. Staff placed paid advertising across digital and legacy media including social media, print, radio, and television. Communications staff also earned media coverage in English and Spanish publications by participating in public events celebrating new power generation and storage facilities, new electric vehicle charging infrastructure, and new construction electrification projects focused on affordable housing. Further outreach to underserved communities and 3CE's diverse customer base was conducted via direct mail, public meetings, word of mouth, and through our network of CBO partners. Staff also spread news and information through the communications channels of our Member Agencies with 3CE's monthly newsletter.

In addition to broad-reaching communication efforts designed to inform all customers about Energy Program resources, 3CE's Account Services staff connected with customers and the general public on a more personal level. This engagement included phone calls, meetings, event tabling, presentations to Chambers of Commerce and community-based organizations, and virtual informational webinars on topics of significant public interest. A key focus during these interactions was sharing details about Energy Program rebates, with special emphasis on the enhanced rebates available to income-eligible customers. All of these efforts enhance brand awareness for 3CE and foster connections with local businesses.

## TRANSPORTATION ELECTRIFICATION ENERGY PROGRAMS ACTIVITIES

### Electrify Your Ride Program

3CE's Electrify Your Ride (EYR) program incentivizes residential and commercial electrification through rebates for the purchase or lease of an electric vehicle (EV), for purchase of Level 2 and Direct Current Fast Chargers, and for electrical work necessary to install chargers. In addition, EYR provides technical assistance for EV infrastructure build-out at publicly accessible commercial sites and at multifamily residential properties. Technical assistance includes remote or in-person property assessments, feasibility findings and charging installation designs, facilitation of bids, guidance through construction, and 3CE incentive application assistance. 3CE budgeted \$4 million for this program, which was spent across 1,436 unique applicants.

### Electric School Bus Program

3CE's Electric Bus program provides public schools/school districts, farmworker transit organizations, and public transit agencies enrolled in 3CE service the opportunity to receive incentives to support the purchase of up to five all-electric buses. 3CE budgeted \$2 million for this program and funded 18 E-buses.

### Plan Your Fleet Program

3CE's Plan Your Fleet (PYF) Program provided planning, design, and engineering consulting to Member Agencies to accelerate fleet electrification and EV charging infrastructure development across the Central Coast. 3CE budgeted \$250,000 for this program and supported over 9 Member Agencies.

### Charge Your Fleet Program

3CE's Charge Your Fleet (CYF) program provides rebates for the purchase and installation of Level 2 or Direct Current Fast Chargers. 3CE budgeted \$1.25 million for this program and funded 60 EV chargers.

### Electrify Your Fleet Program

The Electrify Your Fleet Program (EYF) provides 3CE Member Agencies with incentives for the purchase or lease of light-, medium-, and heavy-duty battery electric fleet vehicles. 3CE budgeted \$2.1 million for this program and funded 44 electric vehicles.

## BUILDING ELECTRIFICATION ENERGY PROGRAMS ACTIVITIES

### New Construction Electrification Program

The New Construction Electrification Program (NCEP) provides housing developers and homeowners with incentives to build all-electric single and multifamily housing, including market-rate, affordable, farmworker, and disaster-rebuild housing types as well as Accessory Dwelling Units (ADUs). Qualifying projects must be fully electric, including appliances for space heating, water heating, and cooking. The program budget was \$1.1 million and funded over 460 units.

### Electrify Your Home Program

3CE's Electrify Your Home (EYH) Program provides incentives to contractors and installers who install all-electric heat pump water heating and space conditioning technologies in existing single-family homes and multifamily properties. EYH reduces purchase costs to 3CE customers, incentivizing the switch to all-electric heat pump technology. Additionally, the program offered enhanced incentives to income-qualified customers or those impacted by governor proclaimed natural disasters. This program had a \$1.1 million budget and funded almost 400 heat pump water heaters and HVAC units.

### Reach Code Program

3CE's Reach Code Program provides no-cost technical assistance to help local cities and counties adopt and implement reach codes, including stakeholder outreach support. Services include presenting to key stakeholders, answering technical questions, attending meetings, developing customized ordinances, reviewing staff presentations and reports, and developing implementation tools to help Member Agencies enforce reach codes. This program had a \$100,000 budget and supported the adoption of four reach codes.



## 9.1.2 Supplier Diversity Results of Goods and Services (non-power purchases) if Procured

3CE is proud to report that 20.1% of our total procurement on non-energy funds, \$2.13 million, has been used locally. This represents an increase in local spending of almost 30% since last year's report, showing our commitment to fostering economic growth within the communities we serve.

Complying with Proposition 209, 3CE collects information on ethnicity and any other protected characteristics after contracts are signed, and responses are kept separate from procurement decision makers, so that this information does not influence the agency's solicitation or selection processes. This year, 3CE had a response rate of 15.5% to the survey, resulting in limited data to report regarding minority owned, but not certified, businesses.

From the responses received, 3CE spent a total of \$450,912 with businesses that self-identified as a minority-owned, woman-owned, LGBTQ-owned, or disabled veteran-owned business. Of that total, \$7,373 was spent with three GO 156 Supplier Clearinghouse certified businesses. One non-diverse business also reported utilizing a GO 156 Supplier Clearinghouse certified subcontractor for an amount of \$65,017.

To improve survey response rates and our ability to promote the Clearinghouse, 3CE has identified a more efficient method for gathering GO 156-related information from vendors upon execution of a contract. As reported last year, 3CE is in the process of scoping and implementing a new finance system that will automate the survey as a follow-up to the contracting process. This will reduce the delay in survey data collection by making it an ongoing process, giving our vendors plenty of time to respond and allowing 3CE to review responses as they are received and assess our progress towards our supplier diversity goals throughout the year. 3CE will continue outreach to encourage eligible suppliers to enroll with the Clearinghouse.

### AGRICULTURAL ELECTRIFICATION ENERGY PROGRAMS ACTIVITIES

#### Agricultural Electrification Program

3CE's Agricultural Electrification program provides rebates to agricultural customers for replacing fossil fuel powered equipment with electric powered alternatives including farm tools, irrigation pumps, vehicles, and more. Enhanced incentives are available for small businesses and for businesses replacing equipment damaged or destroyed by a declared natural disaster. The program also offers technical assistance for EV infrastructure buildout at agricultural customer sites. This program had a \$1.8 million budget and funded 18 agricultural electrification projects.

### LOAD SHIFTING/DEMAND RESPONSE ENERGY PROGRAMS ACTIVITIES

#### Residential Battery Rebate Program

Launched in July 2024, 3CE's Residential Battery Rebate Program provides incentives for the purchase and installation of residential, behind-the-meter battery systems. Rebates are provided for purchase of eligible batteries, qualifying installation hardware, and labor directly related to the battery system's installation. To promote adoption in disadvantaged and low-income communities, the program also offers enhanced incentives for customers enrolled in CARE or FERA payment assistance programs. Additionally, the program offers enhanced incentives for customers who are enrolled in the Medical Baseline program and are reliant on electricity to power medical devices. This program has a \$2 million annual budget, and to date has resulted more than 9 kWh of load shifted daily during peak hours.



2024 ANNUAL SUPPLIER DIVERSITY RESULTS OF GOODS AND SERVICES									
		Direct Spend <sup>1</sup>	Sub Spend <sup>2</sup>	Total \$	% of Net Procurement	Product Spend \$	Service Spend \$	Total \$	% of Net Procurement
Minority Male	African American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	Asian Pacific American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	Hispanic American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	Native American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	<b>Total Minority Male</b>	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
Minority Female	African American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	Asian Pacific American	\$1,402.50	\$65,017.28	\$66,419.78	0.63%	\$0	\$66,419.78	\$66,419.78	0.63%
	Hispanic American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	Native American	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
	<b>Total Minority Female</b>	\$1,402.50	\$65,017.28	\$66,419.78	0.63%	\$0	\$66,419.78	\$66,419.78	0.63%
<b>Total Minority Business Enterprise (MBE)</b>		\$1,402.50	\$65,017.28	\$66,419.78	0.63%	\$0	\$66,419.78	\$66,419.78	0.63%
<b>Women Business Enterprise (WBE)</b>		\$ 5,970	\$0	\$5,970	0.06%	\$0	\$5,970	\$5,970	0.06%
<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>		0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Disabled Veteran Business Enterprise (DVBE)</b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Persons with Disabilities Business Enterprise (DBE)</b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Other 8(a)*</b>		\$0	\$0	\$0	.0%	\$0	\$0	\$0	0%
<b>Total Supplier Diversity Spend</b>		<b>\$7,372.50</b>	<b>\$65,017.28</b>	<b>\$72,389.78</b>	<b>0.68%</b>	<b>0</b>	<b>\$72,389.78</b>	<b>\$72,389.78</b>	<b>0.68%</b>
<b>Net Procurement**</b>		\$10,601,912.80							
<b>Net Product Procurement</b>		\$20,610.68							
<b>Net Service Procurement</b>		\$10,581,302.12							
<b>Total Number of Diverse Suppliers that Received Direct Spend</b>		3							

\* 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).

\*\* Net Procurement includes purchase orders, non-purchase orders, and credit card dollars.

<sup>1</sup> Direct - Means Direct Procurement: when a CCA directly procures from a supplier.

<sup>2</sup> Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfil its contractual obligation(s).

## 9.1.2 Description of Diverse Suppliers with Majority Workforce in California

All three of 3CE's GO 156 Clearinghouse certified suppliers are located in California. Information on the percentage of their workforces that reside in California is not currently available on the Supplier Clearinghouse, so 3CE included a question in its vendor survey requesting 2024 vendors to voluntarily disclose the percentage of their workforce that resides in California, and followed up with direct outreach to 3CE's certified suppliers.

### AVERAGE PERCENTAGE OF TOTAL DIVERSE SUPPLIER WORKFORCE IN CALIFORNIA

To calculate the average percentage of the total (direct and subcontracted) diverse supplier workforce that resides in California, 3CE sought information from each supplier on their average percentage by including this question in the vendor survey. Based on responses provided by 22 non-certified vendors and 1 certified vendor that self-disclosed the percentage of their workforce residing in California, the average percentage of the workforce that resides in California is 73.4%. 3CE will continue to refine its approach to collecting this data from its vendors for future Supplier Diversity reports.



## 9.1.3 Supplier Diversity Program Expenses

EXPENSE CATEGORY	2024 ESTIMATED ACTUALS
Wages	\$25,000
Other Employee Expenses	\$0
Program Expenses	\$0
Reporting Expenses	\$6,000
Training Expenses	\$0
Consultant Expenses	\$0
Other Expenses	\$0
<b>Total</b>	<b>\$31,000</b>

3CE's Disadvantaged Supplier reporting expenses are, and will likely remain, minimal. This reality reflects the limitations of Prop 209 that restrict local government agencies from collecting information on disadvantaged businesses until after contracting or selection decisions have been made. The limited dollars spent on reporting activities in no way reflect 3CE's commitment to spurring the local economy and fostering contracting opportunities for small, local, and diverse businesses.

As detailed in other sections, 3CE invests heavily in community outreach, advertising, and training to serve as a partner in economic development for diverse businesses and ensure local communities are aware of energy program offerings and contracting opportunities. For example, 3CE collaborated with school districts and transit authorities to support bus electrification through the E-bus Program, distributing 89% of the program's incentives to Title 1 schools.

Similarly, 3CE has worked closely with its Community Advisory Council and conducted four community listening sessions this year to enhance the accessibility and equity of its Electrify Your Home program. These efforts included brainstorming potential program improvements such as home assessments, income-qualified direct install assistance, and emergency replacements.

## 9.1.5 Prime Contractor Utilization of Diverse Subcontractors

3CE requested survey responses from all contracted vendors to gather data on the utilization of subcontractors and information on hiring practices. In response, one Prime Contractor, California

Community Power (CC Power), reported subcontracting with a diverse subcontractor, Clean Energy Regulatory Research (CERR). CC Power is a Joint Powers Authority comprising nine member CCAs. CERR is a majority woman- and minority-owned business that provides regulatory consulting services in the electric and gas utility sector. CC Power reported having a contract for the amount of \$65,017.28 with CERR for services related to 3CE's initiatives.

Although few of 3CE's Prime Contractors report utilizing subcontractors, 3CE actively encourages the use of diverse subcontractors. To support this effort, 3CE sends an email to vendors who report utilizing certified diverse subcontractors, recognizing their efforts to support local, diverse businesses and aligning with 3CE's goals and board directives.

## 9.1.5 New Diverse Prime and Subcontractor Utilization

Pursuant to new reporting requirements from recent legislation (Senate Bill 1177, 2024) and incorporated within the most recent CPUC reporting template for the CCA Supplier Diversity Annual Report and Annual Plan, the table below reflects the number of new Prime Contractors and Subcontractors 3CE has worked with in 2024 that are certified with the CPUC Clearinghouse.

Category	New Prime Contractors #	New Subcontractors
Minority Male Business Enterprise		
Minority Female Business Enterprise	1	
<b>Total Minority Business Enterprises (MBEs)</b>	<b>1</b>	
Women Business Enterprise (WBE)	1	1
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		
Disabled Veteran Business Enterprise (DVBE)		
Persons with Disabilities Business Enterprise (DBE)		
8(a)		
<b>Total New Certified Vendors</b>	<b>2</b>	<b>1</b>

## 9.1.6 List of Supplier Diversity Complaints Received and Current Status

3CE has not received any formal complaints related to its supplier diversity program.

## 9.1.9 Description of Supplier Diversity Activities and Progress in Power (Energy) Procurement

### 3CE's Project Selection Methodology

On June 21, 2023, 3CE's Policy Board approved the 3CE Project Selection Methodology, a structure through which 3CE evaluates, prioritizes, and selects projects that meet its goals of providing clean renewable energy at competitive rates while also maximizing the positive impacts of new generation and storage resources.

The Project Selection Methodology implements defined qualitative criteria for the meaningful and structured assessment of potential projects based on their ability to cost effectively meet 3CE's regulatory obligations and 100% clean and renewable energy goal, commitment to workforce development, potential for innovation, location, environmental impacts, and benefits to underserved communities. Importantly, this methodology emphasizes 3CE's commitment to its local economy and workforce by prioritizing projects that commit to meaningful community engagement and demonstrate having established contacts with local organizations and diverse stakeholders to ensure that benefits are communicated and accessible to the community.

The Project Selection Methodology extends 3CE's commitment to its low-income, historically marginalized, and disadvantaged communities to its project development by incorporating 3CE's local and targeted hire objectives into a project's evaluation. In accordance with the selection criteria, 3CE prioritizes projects that commit to a goal of 30% of all project labor hours performed by local hires and 10% of all project labor hours performed by targeted hires from historically marginalized populations. To further prioritize local and disadvantaged communities, 3CE incentivizes project contractors and developers to achieve a minimum of 60% of all project labor hours performed by local hires and a minimum of 30% of all project labor hours performed by targeted hires.

Since its adoption, 3CE's Project Selection Methodology has resulted in the approval of three power purchase agreements (PPAs) that received high rankings from 3CE in their demonstrated ability for workforce development and environmental stewardship. Important to 3CE's consideration of these projects was the developers' represented commitment to a project labor agreement and meeting the wage and apprenticeship requirements set forth in the Inflation Reduction Act (IRA). Furthermore, by employing this methodology, 3CE was able to conduct a thorough assessment of these projects' benefits to underserved communities and identified that one of the projects plans to hire approximately 75% of their workers from its local area, located in community designated by the CalEnviroScreen 4.0 (CES 4.0) tool as disadvantaged. Another project, with which 3CE executed a PPA in March of 2024, demonstrated a commitment to paying local prevailing wages, targeting at least 60% of their construction workers to be local hires, and implementing a proactive, bilingual outreach strategy to inform the local community about the project. 3CE's Project Selection Methodology provides a beneficial structure for 3CE's project evaluation process and has already demonstrated its ability to produce meaningful consideration of impacts to local and underserved communities in 3CE's approval and development of energy projects.

In 2024, 3CE issued a Request for Proposals (RFPs) that incorporated the Project Selection Methodology. 3CE is in the process of evaluating responses to the RFP, utilizing the selection criteria to assess projects' demonstrated ability for local workforce development, engagement with underserved and low-income communities, and other criteria within the selection criteria to identify projects that will provide the most benefits to 3CE customers.

### POWER PROCUREMENT ACTIVITIES

3CE's estimated 2024 retail sales are 4,862 GWh with an approximate peak capacity of 892.4 MW. In order to meet growing demand, 3CE to date has executed a total of 24 utility-scale long term PPAs and Energy Storage Agreements (ESAs).

3CE's Cal Flats Battery Energy Storage System (BESS) project became operational on August 31, 2021. Cal Flats BESS provides 3CE's customers with 60 MW of cost-effective four hour added energy storage capacity for reliability purposes. 3CE executed a 10-year agreement with Cal Flats BESS, LLC, for a new construction energy storage system added to an existing solar farm, California Flats Solar, located in Monterey County.

On November 13, 2024, 3CE's Operations Board approved the execution of an Energy Storage Exclusivity Agreement with a developer actively engaged in the design and permitting of a battery energy storage system in Monterey County. While the project is anticipated to come online in 2032, this agreement facilitates the developer's progress through the interconnection process. This initiative underscores 3CE's commitment to innovation and support for local projects, particularly those with a proven capacity for local contracting.

Another initiative that 3CE has pursued to support small, local developers is participation in the CPUC's Bioenergy Market Adjusting Tariff (BioMAT) program, which was initiated to encourage the development of small bioenergy projects in California. BioMAT is a feed-in tariff program that offers fixed-price standard contracts to bioenergy renewable generators less than 5MW in nameplate capacity. While the program was initially only available to investor-owned utilities, 3CE and other CCAs successfully lobbied legislators to reverse the exclusion of CCAs from BioMAT with the passage of Assembly Bill 843 in 2021. On August 14, 2024, 3CE's Operations Board approved 3CE to execute BioMAT PPAs with eligible generators who apply to participate in 3CE's BioMAT program. 3CE is now one of four CCAs participating in the program.

3CE's interest in participating in BioMAT was driven by the program's potential benefits to 3CE's communities and its ability to create contracting opportunities for local bioenergy generators. The development of bioenergy creates employment opportunities, stimulates economic growth, and plays a crucial role in safeguarding disadvantaged communities by mitigating power plant emissions, minimizing odors, and reducing other harmful pollutants. Further, bioenergy presents a viable pathway for assisting 3CE's member agencies in meeting compliance with Senate Bill (SB) 1383, which mandates the reduction of short-lived climate pollutants like methane and black carbon.

# 9.1.9 Supplier Diversity Results in Power (Energy) Procurement

Despite 3CE's effort to promote larger Requests for Proposals in Energy Procurement through various channels, the agency did not procure fuel or electricity from GO 156 certified WMDVLGBTBEs in calendar year 2024. This is in no way reflective of the desire of 3CE to procure these resources from WMDVLGBTBEs, but descriptive of the energy market landscape and rarity of diverse vendors in California. The following reporting table reflects this.



2024 ANNUAL SUPPLIER DIVERSITY RESULTS IN POWER (ENERGY) PROCUREMENT									
		DIRECT POWER PURCHASES \$	DIRECT FUELS FOR GENERATION \$			TOTALS \$ <sup>1</sup>			% <sup>2</sup>
		Renewable and Non-Renewable Power Products	Diesel	Nuclear	Natural Gas	Direct <sup>3</sup>	Sub <sup>4</sup>	Total \$ <sup>5</sup>	% of Net Procurement
<b>Minority Male</b>	African American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Asian Pacific American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Hispanic American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Native American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	<b>Total Minority Male</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
<b>Minority Female</b>	African American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Asian Pacific American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Hispanic American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	Native American	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
	<b>Total Minority Female</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
<b>Total Minority Business Enterprise (MBE)</b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Women Business Enterprise (WBE)</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Disabled Veteran Business Enterprise (DVBE)</b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Persons with Disabilities Business Enterprise (DBE)</b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Other 8(a)<sup>6</sup></b>		\$0	\$0	\$0	0%	\$0	\$0	\$0	0%
<b>Total Supplier Diversity</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>
<b>Net Power Procurement</b>	<b>\$300,422,194.00</b>								fulfill its contractual obligation(s).
<b>Net Direct Power Purchases</b>	<b>\$300,422,194.00</b>								<sup>5</sup> "Total" does not include pre-commercial development (COD) subcontracting values.
<b>Net Direct Fuels for Generation</b>	<b>\$0</b>								<sup>2</sup> % - Percentage of Net Procurement.
<b>Total Number of Diverse Suppliers</b>	<b>0</b>								<sup>3</sup> Includes Direct Power Purchases and Direct Fuels for Generation. Direct - Means Direct Procurement: when a CCA directly procures from a supplier.
									<sup>4</sup> Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to
									<sup>6</sup> 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended (15 U.S.C. 637 (a)) or the U.S. Secretary of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Section 1.3.13).



# 2025 ANNUAL PLAN



## 10.1 Business Spotlight: Clean Energy Regulatory Research, LLC

3CE is proud to highlight Clean Energy Regulatory Research (CERR), LLC, one of 3CE's certified diverse suppliers. Established in San Francisco, CERR has been providing regulatory consulting services to companies in the electricity and gas utility sector since 2017. CERR's areas of focus include regulatory and policy engagement with state regulatory agencies focused primarily in California, research and case management support, and project and compliance management support. The CERR team has extensive experience and functional background in clean energy programs such as demand response and energy efficiency, resource planning, wholesale electricity and capacity markets, program design and implementation, and regulatory project management. CERR is a majority woman- and minority-owned business and received certifications of eligibility as a Minority Business Enterprise (MBE) and Woman Business Enterprise (WBE) under the Supplier Clearinghouse pursuant to CPUC General Order 156 since May 26, 2021. "CERR appreciates the opportunity to partner with businesses such as 3CE who help advance clean energy and customer choice" as shared by Shagun Tougas, principal consultant and owner.

## 10.2 Description of Supplier Diversity Program Activities Planned for 2025

### 2025 PLANNED INTERNAL ACTIVITIES

3CE is committed to expanding our database of small and local vendors, providing staff training, and reinforcing the organization's commitment to inclusivity and increasing contracting opportunities for small and local diverse businesses.

To identify and facilitate increased communication with small and local diverse suppliers, 3CE is refining how we engage with the business community and continues to expand our internal vendor database.

#### Supplier Clearinghouse and Local Vendor Registry

- 3CE will continue to encourage eligible businesses in our service area to become Supplier Clearinghouse Certified. In addition to this, 3CE will continue to promote our local vendor registry, which further expands our database of small and local businesses.
- 3CE will continue to reinforce our commitment to increasing contracting opportunities for small and local diverse businesses.
- 3CE staff will again participate in the California Public Utilities Commission's Small and Diverse Business Expo.
- 3CE will host our Annual Supplier Clearinghouse and Vendor Registry Webinar.

#### Bilingual Outreach

3CE remains committed to supporting our diverse community by hosting webinars in both English and Spanish. We are continuing to work on translating program applications into Spanish, ensuring that Spanish-speaking customers can more easily access our incentives and rebates.

#### Diverse Business Engagement

3CE will continue to nurture collaborations with local economic development partnerships and various business chambers, aiming to enhance relationships and generate more contracting opportunities for small, locally owned, diverse businesses.

**Workforce and Hiring Practices** – 3CE is committed to ensuring a diverse and inclusive workforce supportive of small and local businesses that reflect the suppliers in the communities we serve. 3CE's recruitment and hiring practices support the agency's goal to promote an inclusive and diverse workplace culture:

- **Hiring Practices and Diverse Talent Pipelines** – Within the limits of current law, 3CE seeks to develop diverse talent pipelines that reach traditionally unrepresented professional groups and educational institutions.

- **Compensation and Job Classifications** – 3CE conducts a biennial compensation study to ensure our compensation and benefits are competitive with the relevant job market for comparable positions. Additionally, 3CE reviews job classifications and job descriptions to promote a vibrant and effective organization, which includes ensuring educational requirements are appropriate for the job, or that relevant experience can substitute for formal education.
- **WMDVLGBTBE Employment** – On September 27, 2024, the Governor signed into law Senate Bill (SB) 1177, which requires the CPUC to direct each GO 156 CCA to annually submit a report describing the employment of women, minority, disabled veteran, and LGBT individuals at all levels of employment within its organization. 3CE awaits the CPUC's implementation of SB 1177 reporting requirements and will incorporate it within future reports upon Commission direction.
- **Annual Diversity and Unconscious Bias Training** – 3CE is committed to providing employee training, including diversity and unconscious bias training, to further recognize and address barriers, stigmas, and systemic institutions that limit small and local diverse businesses' participation in 3CE contracting opportunities.

**Internship Program** – 3CE will continue to offer internship opportunities for students and recent graduates from local colleges and universities that serve traditionally underserved communities. 3CE will introduce interns to meaningful learning opportunities in both local government and the electric procurement industry while helping to develop future talent for our clean energy economy.

**Intentional Policy Setting** – 3CE's Policy and Operations Boards, Community Advisory Council, and staff are committed to establishing comprehensive policies reconfirming 3CE's commitment to small, local, and diverse businesses. Policies include local preference policies and selection criteria for power procurement contracting and economic development.



## 2025 PLANNED EXTERNAL ACTIVITIES

3CE's 2025 external activities will build on our internal efforts to identify, support, and encourage the participation of small and diverse local businesses in 3CE contracting opportunities. The agency will continue engaging with diverse business chambers and community-based organizations through networking events and activities that provide technical assistance or capacity-building support to suppliers in the small and local business community.

Looking ahead, 3CE's Communications & Outreach team will continue implementing strategic initiatives guided by the agency's Underserved Communities Outreach and Engagement Plan and our commitment to expanding opportunities for small, local, and diverse businesses.

### Underserved Communities Outreach and Engagement

On June 26, 2024, 3CE's Policy Board adopted the Underserved Communities Outreach and Engagement Action Plan for fiscal year 2024-25. The action plan was informed by extensive community engagement to identify needs, partnership opportunities, and priority actions, and prioritizes specific outcomes and goals to ensure 3CE services and programs are accessible to all members of the community. These planned action items include deepening relationships with local social service agencies and community-based organizations, expanding bilingual customer resources, and exploring opportunities to support workforce development within 3CE's service area.

### The Small and Local Vendor Registry

3CE is committed to growing our Small and Local Vendor Registry, a dedicated database enabling direct outreach to small and local suppliers about contracting opportunities with 3CE. This registry enhances 3CE's ability to understand vendor engagement with contracting opportunities, evaluate vendor success, and identify potential barriers to participation in 3CE's contracting process. In 2025, 3CE will continue promoting the Registry through agency channels including 3CE's monthly newsletter and posts on social media. The preference for small and local vendors is also reflected in the text of every Request for Proposals and Request for Offers that 3CE issues.



Other planned external activities include, but will not be limited to:

- Hosting a virtual registration event to train small, local, and diverse businesses on how to register with 3CE to receive information about contracting opportunities and support and participating in the CPUC Annual Supplier Diversity events as applicable.
- Targeted outreach focused on highlighting the work of small, local, and diverse businesses through social media and our newsletter.
- Partnering with advocacy and community-based organizations to grant small and local businesses platform opportunities for greater visibility.

### **Community Engagement Plan for 2025 Expansion**

In 2025, 3CE is expanding to the unincorporated areas of San Luis Obispo County and the City of Atascadero. Throughout the enrollment process, 3CE has provided information and held webinars in both English and Spanish to inform new customers of Energy Programs and income-based payment assistance that will be available to them under 3CE service. In preparation for the expansion, 3CE developed a robust community engagement plan that includes focused outreach for financially vulnerable, hard-to-reach, and underserved customers as well as key community groups. 3CE will continue to follow this community engagement plan and conduct thoughtful outreach with its new and existing customers to promote community-centered benefits.

### **Prioritization of Local Power Projects**

3CE includes preference criteria for local projects as part of our standard power procurement processes. As part of that effort, 3CE developed our Project Selection Methodology to value a project's impact on the local economy. 3CE will continue to incorporate the Project Selection Methodology within its RFPs and use it to inform the evaluation of projects in 2025.

## **FUTURE ENERGY PROGRAM DEVELOPMENT**

3CE's extensive portfolio of Energy Programs represent a significant opportunity to address several State goals, including reducing greenhouse gases, accelerating the transition to electrification, and increasing contracting opportunities for small and local diverse businesses. 3CE's 2025 Energy Programs will continue to address barriers to contracting by encouraging coordination with Member Agencies' programming, advertising procurement opportunities, and increasing access to workforce training and development.

Ongoing program evaluation and performance measurement is important to ensuring that 3CE's Energy Programs are achieving their goals and objectives while identifying areas for potential improvement. 3CE staff will evaluate and provide a report on previous fiscal year energy program activities and performance to inform future program design, implementation, budgeting, and marketing and outreach.

## **2025 ENERGY PROGRAMS**

3CE is dedicated to investing in its local communities through a portfolio of Energy Programs. The incentives offered through these programs support all 3CE customers to transition their homes, workplaces, and transportation from fossil-fuel power to clean-energy solutions. In 2025, 3CE intends to continue existing programs while exploring additional opportunities to empower customers on their energy journey.

### **TRANSPORTATION ELECTRIFICATION ENERGY PROGRAMS**

#### **Electrify Your Ride Program**

3CE's Electrify Your Ride program will continue to incentivize residential and commercial electrification through rebates for the purchase or lease of an electric vehicle, for purchase of Level 2 and Direct Current Fast Chargers, and for electrical work necessary to install chargers. In addition, EYR provides technical assistance for EV infrastructure build-out at publicly accessible commercial sites and at multifamily residential properties. Technical assistance includes remote or in-person property assessments, feasibility findings and charging installation designs, facilitation of bids, guidance through construction, and 3CE incentive application assistance. 3CE has budgeted \$4.1 million for this program.

#### **Electric School Bus Program**

3CE's Electric School Bus program will continue to provide public schools/school districts, farmworker transit organizations, and public transit agencies enrolled in 3CE service the opportunity to receive incentives to support the purchase of up to five all-electric buses. 3CE has budgeted \$1.4 million for this program and will offer enhanced incentives for Title 1 schools.

#### **Plan Your Fleet Program**

3CE's Plan Your Fleet Program will continue to provide planning, design, and engineering consulting to Member Agencies to accelerate fleet electrification and EV charging infrastructure development across the Central Coast. 3CE has budgeted \$650,000 for this program.

#### **Charge Your Fleet Program**

3CE's Charge Your Fleet program will continue to provide rebates for the purchase and installation of Level 2 or Direct Current Fast Chargers. 3CE has budgeted \$1.1 million for this program.

#### **Electrify Your Fleet Program**

The Electrify Your Fleet Program will continue to provide 3CE Member Agencies with incentives for the purchase or lease of light duty, medium duty, and heavy-duty battery electric fleet vehicles. 3CE has budgeted \$1 million for this program.

### **BUILDING ELECTRIFICATION ENERGY PROGRAMS ACTIVITIES**

#### **New Construction Electrification Program**

The New Construction Electrification Program (NCEP) will continue to provide housing developers and homeowners with incentives to build all-electric single and multifamily housing, including market-rate, affordable, farmworker, and disaster-rebuild housing types as well as Accessory

Dwelling Units (ADUs). Qualifying projects must be fully electric including appliances for space heating, water heating, and cooking. The program budget is \$1 million.

### **Electrify Your Home Program**

3CE's Electrify Your Home Program will continue to provide incentives to contractors and installers who install all-electric heat pump water heating and space conditioning technologies in existing single-family homes and multifamily properties. EYH reduces purchase costs to 3CE customers, incentivizing the switch to all-electric heat pump technology. Additionally, the program offers enhanced incentives to income-qualified customers or those impacted by governor-proclaimed natural disasters. This program has a \$720,000 budget and is currently under review with 3CE's Community Advisory Council for improvements.

### **Reach Code Program**

3CE's Reach Code Program will continue to provide no-cost technical assistance to help local cities and counties adopt and implement reach codes, including stakeholder outreach support. Services include presenting to key stakeholders, answering technical questions, attending meetings, developing customized ordinances, reviewing staff presentations and reports, and developing implementation tools to help Member Agencies enforce reach codes. This program has a \$150,000 budget.

## **AGRICULTURAL ELECTRIFICATION ENERGY PROGRAMS**

### **Agricultural Electrification Program**

3CE's Agricultural Electrification program will continue to provide rebates to agricultural customers for replacing fossil fuel powered equipment with electric powered alternatives including farm tools, irrigation pumps, vehicles, and more. Enhanced incentives are available for small businesses and for businesses replacing equipment damaged or destroyed by a declared natural disaster. The program also offers technical assistance for EV infrastructure buildout at agricultural customer sites. This program has an \$800,000 budget.

## **LOAD SHIFTING/DEMAND RESPONSE ENERGY PROGRAMS**

### **Residential Battery Rebate Program**

3CE's Residential Battery Rebate Program will continue to provide incentives to 3CE's customers for the purchase and installation of residential, behind-the-meter battery systems. Rebates are provided for purchase of eligible batteries, qualifying installation hardware, and labor directly related to the battery system's installation. To promote adoption in disadvantaged and low-income communities, the program also offers enhanced incentives for customers enrolled in CARE or FERA payment assistance programs. Additionally, the program offers enhanced incentives for customers who are enrolled in the Medical Baseline program and are reliant on electricity to power medical devices. This program has a \$2 million budget.



## **3CE PILOTS**

### **EV Charger Asset Pilot**

3CE's EV Charger Asset Pilot will deploy a phased ownership program that enables 3CE-owned Level 2 and DC Fast Charger operations across 3CE community resilience hubs, corridor charging, and Member Agency sites. The scope and goals will be refined as 3CE further develops the pilot. The pilot has a \$700,000 budget.

### **Hourly Flex Pricing Pilot**

3CE's Hourly Flex Pricing Pilot will provide opportunities for savings on customers' energy bills through proactively shifting operations away from times with high grid stress through real time pricing and hourly forecasts. The pilot will be administered to agricultural, residential, and commercial customers. The scope and goals will be refined as 3CE further develops the pilot. The pilot has a \$100,000 budget.

### **Demand Response Pilot**

3CE's Demand Response Pilot will reduce energy usage during periods of high grid stress and improve grid stability by rewarding 3CE customers for modifying their energy consumption. The pilot will include incentivizing battery storage at a commercial scale with a distributed Energy Response Management System (DERMS) for optimized operation. The pilot has a \$200,000 budget.

## 10.2 Plans to Encourage Prime Contractors to Subcontract Small, Local, and Diverse Businesses

As the majority of 3CE's budget is reserved for power supply purchases, and due to the limited nature of the work 3CE contracts for non-energy procurement operational spend, there are few opportunities for sub-contracting. Despite this, in 2025 3CE will continue to work to create internal goals for tracking and sharing sub-contracting opportunities of contracted vendors to our small, local, and diverse businesses. Although undetermined at this time, some ways 3CE could accomplish this are:

- Upon execution of contracts with vendors, provide educational collateral to vendors on how to utilize the Supplier Clearinghouse.
- Hold an annual vendor webinar for 3CE contracted vendors on Supplier Clearinghouse Certification, Job Posting, and Search Functions.
- Reshare sub-contracting opportunities through our Small, Local, and Diverse Business Registry.



Through our Electric Bus Rebate Program, 3CE partnered with Santa Cruz City Schools to fund an electric school bus and two electric shuttle vans. These vehicles provide vital transportation for vulnerable students, including children from migrant farmworker families, foster youth, and those living in shelters or with disabilities.

Transportation Supervisor Kris Sihler emphasized how the program ensures "*stability, security, and equal opportunities*" for students who need it most. This initiative highlights how clean energy solutions can foster equity, support underserved communities, and advance sustainability.



New Construction Electrification Program, in partnership with Habitat for Humanity, helped electrify nine newly built homes in Paso Robles. This initiative supports underserved families with affordable, all-electric homes while reducing greenhouse gas emissions and promoting sustainability.

At the ribbon-cutting ceremony in November 2024, 16-year-old Christian Serna, an advocate for renewable energy, shared his excitement about living in a safer, cleaner, all-electric home:

"It's great that we're able to have such a newer style home. Having not the traditional gas and everything making it safer for the environment and safer for us. This is showing that we're working towards it. This is a huge thing we're having – a nice community built just for us and build it from the ground up. And it being a milestone for all of Paso Robles and anyone who sees us. Seeing it be all electric is just great. People see it and they think about how that's the main thing going on. This is actually happening and it's a huge milestone for everything."

This project reflects the transformative power of clean energy in creating safe, sustainable homes and empowering local families.

# Appendix

## 9.1.1 Outreach and Sponsorship Organizations Full List

### Full List of Sponsorships

- Arroyo Grande's Harvest Festival
- Atascadero Chamber of Commerce's Membership Event
- Atascadero Chamber's Hispanic Business Association
- Atascadero's Holiday Lighting of the Sunken Garden
- Atascadero's Movies in the Park
- Atascadero's Oktoberfest
- Atascadero's Summer Concert Series
- Central Coast Home Builders Association Event
- Clean Energy Coalition's Multi Family Housing Event
- Coalition for Clean Air's Clean Air Day
- Econ Alliance's Ag Forum
- Greenfield's Earth Day
- Hartnell Foundation's Party in the Library
- Hartnell Foundation's WELI Soirée
- Marina's Earth Day
- Marine Sanctuary Foundation's Sea Stars Celebration
- Monterey Bay Economic Partnership's State of the Region
- Monterey Peninsula Chamber of Commerce's Annual Leadership Luncheon
- Morro Bay Chamber of Commerce's Breakfast on the Bay
- Morro Bay High School's Football Banner
- Pajaro Valley Chamber of Commerce's Annual Awards
- Paso Robles & Templeton Chamber of Commerce's Women in Business
- Paso Robles Bearcat Boosters' Sports Banner
- Rancho Cielo's Jazz at the Ranch
- Salinas' Ciclovía
- San Benito's Earth Day
- San Benito's Harvest Moon Gala
- San Luis Obispo Chamber of Commerce's Good Morning San Luis Obispo Event
- San Luis Obispo City Farm's Sheep Shearing Shindig
- Santa Barbara's Earth Day
- Santa Cruz Chamber of Commerce's Annual Community Recognition Gala
- Santa Cruz Small Business Development Center's Small Business Summit
- Santa Cruz' Earth Day
- Santa Maria's Day in the Park
- Santa Maria's Foodbank
- Seaside's Earth Day
- Siembra Latinos Fund's Annual Celebration
- South County Chamber of Commerce's Friendsgiving
- South County Chamber of Commerce's Rise and Shine Event
- Supporting Indigenous Communities Group's Red Dress Day
- Templeton Eagle Boosters' Field Banner
- UC Santa Barbara's Sustainability Summit

### Full List of Memberships

1. Association of Women in Water, Energy, and Environment
2. Buellton Chamber of Commerce
3. Capitola Soquel Chamber of Commerce
4. Carmel Chamber of Commerce
5. Central Coast Builders Association
6. Downtown Hollister Association
7. EconAlliance
8. Grower Shipper Association of Central California
9. Grower Shipper Association of San Luis Obispo and Santa Barbara
10. Hispanic Business Association of North San Luis Obispo County
11. Home Builders Association of the Central Coast
12. Monterey Bay Economic Partnership
13. Monterey County Business Council
14. Monterey County Farm Bureau
15. Monterey County Hospitality Association
16. Monterey Peninsula Chamber of Commerce
17. Morro Bay Chamber of Commerce
18. Pacific Grove Chamber of Commerce
19. Pajaro Valley Chamber of Commerce and Agriculture
20. Paso Robles Chamber of Commerce
21. Paso Robles Wine Country Association
22. Rainbow Chamber of Silicon Valley
23. Regional Economic Action Coalition
24. Salinas Valley Chamber of Commerce
25. San Benito County Business Council
26. San Benito County Chamber of Commerce
27. San Benito County Farm Bureau
28. San Luis Obispo Chamber of Commerce
29. San Luis Obispo Coast Wine Collective
30. San Luis Obispo County Builders Exchange
31. Santa Barbara Contractors Association
32. Santa Barbara County Farm Bureau Association
33. Santa Barbara South Coast Chambers of Commerce
34. Santa Barbara Vintners Association
35. Santa Cruz Area Chamber of Commerce
36. Santa Cruz County Farm Bureau Association
37. Santa Maria Valley Chamber of Commerce
38. Santa Maria Valley Contractors Association
39. Santa Ynez Valley Chamber of Commerce
40. Solvang Chamber of Commerce
41. South County Chambers of Commerce



