

2025 SUPPLIER DIVERSITY REPORT



March 1, 2026

Revised June 2026

Presented to the California Public Utilities Commission

2024-2025

Key Highlights and Metrics

Desert Community Energy Achievements

Greenhouse gas emissions reduced by
60,954 metric tons

64 MW of battery storage in
development

131,277 MWh of local wind energy
generated

39,837 customers served in 2025

28,122 customers receiving carbon-
free energy

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Introduction

Desert Community Energy (DCE) is a local government, not-for-profit Joint Powers Authority established in 2017 to provide member agencies with a Community Choice Aggregation (CCA) program. The current members are cities of Palm Springs and Palm Desert. DCE began serving the City of Palm Springs in April 2020 and, as of December 2025, serves approximately 32,684 residential, commercial, industrial, and agricultural accounts.

DCE's goals are to:

1. Reduce greenhouse gas emissions relating to electricity use;
2. Provide electric generation at competitive, stable rates;
3. Offer programs to reduce energy consumption;
4. Stimulate the local economy by developing local jobs in renewable energy; and,
5. Promote long-term energy security, and reliability for customers through local control of electric generation resources.

The California Public Utilities Commission (CPUC) General Order 156 (GO 156) emphasizes preferential purchasing for diverse business enterprises. In compliance with Proposition 209, CCAs, as local government entities, do not explicitly give preferential treatment to bidders based on race, sex, color, ethnicity, or national origin. Proposition 209 limits CCAs as public agencies from engaging

in several of the activities associated with supplier diversity under GO 156. However, DCE acknowledges that additional efforts are needed to support small, local, and diverse businesses.

Consistent with the requirements of Senate Bill 255, this report describes DCE's continued efforts to plan for and implement practices to increase procurement from small, local, and diverse businesses. It also reports to the Commission on its procurement from these sources.

DCE is committed to expanding equal access to economic opportunities for minority business enterprises (MBE), women-business enterprises (WBE), Lesbian, Gay, Bisexual, and Transgender business enterprises (LGBTBE), persons with disability business enterprises (PDBE), and disabled veteran business enterprises (DVBE). DCE is also committed to involving local and small businesses in our procurement efforts whenever possible. Nonetheless, most of DCE's expenditures are focused on power contracts.

The Coachella Valley is a small region, which presents challenges for local and small businesses seeking to act as prime contractors in grid-scale energy projects, as securing project capital requires proof of financial stability. However, there are opportunities for these businesses to serve as subcontractors or consultants on such projects. One of DCE's goals is to ensure profits are retained within our communities, supporting local businesses and residents.

9.1.1 Supplier Diversity Program Activities

In 2025, DCE engaged in the following activities oriented toward increasing supplier diversity:

- Reviewed information provided by CPUC staff regarding updated compliance with GO 156.
- Conducted outreach to diverse businesses at three community events and provided information on supplier diversity and the Supplier Clearinghouse.
- Continued educating consultants on GO 156 and providing supplier diversity informational flyers at outreach events.
- Created a user profile for the new Supplier Clearinghouse website, and posted one Request-for-Proposal for mailing and printing services on the website.
- Continued working with other CCAs as members of CalCCA to learn best practices in maximizing supplier diversity in our communities, given the constraints of Proposition 209.

DCE did not receive any requests for technical assistance from any eligible vendors in 2025. In 2026, DCE will continue to dedicate resources to working with our existing and future suppliers on opportunities to expand institutional diversity and inclusion. The Coachella Valley is a diverse region with many business owners who meet the GO 156 parameters but may not be aware of the Clearinghouse or realize their eligibility for certification.

Hiring Practices

DCE staffing is provided by the Coachella Valley Association of Governments (CVAG) through a management services agreement approved by the DCE Board. Thus, DCE does not directly employ staff. However, CVAG is an equal opportunity employer, and recruiting and hiring practices are established to strive for diversity, consistent with the requirements of Proposition 209. Recruitment outreach opportunities to access a diverse pool of potential job applicants are utilized.

Community Advisory Committee

In March 2019, the DCE Board established a Community Advisory Committee (CAC) to create a structured opportunity for community members to engage with DCE and to help ensure that efforts to educate and inform member communities about DCE's initiatives and programs are broad and inclusive. The CAC remained active until 2022, after which its activities stalled because of membership challenges. As a result, DCE sought ways to reconnect with its members and compile a list of candidates for 2024.

DCE convened its first CAC meeting for the 2024-2026 membership term on December 9, 2024, featuring eight appointed members. As of January 2026, the CAC has six active members. The CAC convened again on January 15, 2026, to provide feedback on a new customer program for small businesses.

Strategic Initiatives



Since its launch in April 2020, DCE has released multiple requests for offers (RFOs) and requests for proposals (RFPs), resulting in various agreements such as renewable energy agreements, energy storage agreements (ESAs), and power purchase agreements (PPAs) for procuring power and electric capacity.

As part of its forecasting and procurement processes, DCE considers the overall diversity and reliability of its renewable portfolio. DCE also reviews the respective risks associated with short and long-term purchases as part of its forecasting and procurement processes. These efforts will lead to a more diverse resource mix, address grid integration issues, and provide value to the local community.

Beyond the state's minimum renewable procurement requirements, the DCE Board has established additional green and renewable energy goals. Specifically, the DCE Board has directed that DCE acquire a portfolio consisting of 100 percent carbon-free generation for its Carbon Free product. All new DCE customers in the City of Palm Springs are automatically enrolled in this Carbon Free product as the default. The vast majority of DCE's customers have chosen to remain with this premium product rather than opting down to the Desert Saver product, which provides cost savings while still meeting Renewables Portfolio Standard (RPS) compliance requirements.

DCE also continues efforts to include small, local, and diverse businesses in non-energy procurement opportunities. To this end, DCE's Board adopted an amended procurement policy at its meeting on June 17, 2024. This policy includes a section on supplier diversity, in line with the CPUC's Supplier Diversity Program. Since promoting local job creation is one of the core benefits of DCE, the procurement policy also includes a local preference that is substantially based on the Local Business Preference Program in both Palm Desert and Palm Springs.

Workforce and Board Diversity

In August 2025, DCE submitted its annual RPS Workforce Development data report to the CPUC, highlighting the diversity of its staff. The report indicated that DCE has five full-time employees, four of whom are women, and three are minorities.

The DCE Board is made of two members, one from the City of Palm Springs and the City of Palm Desert. Both Board members were women in 2024. In 2025, the diversity of the Board changed.

Current DCE Board Members

City of Palm Springs:



Councilmember
Jeffrey Bernstein

City of Palm Desert:



Finance Director
Veronica Chavez

Public information on DCE's Board members can also be found at:
<https://desertcommunityenergy.org/about/board-agendas/>

DCE's Supplier Diversity Program

weblink: <https://desertcommunityenergy.org/about-go156-supplier-diversity/>

Phone: (855) 357-9240

Email: info@desertcommunityenergy.org

9.1.2 Summary of Purchases

DCE commits to purchasing from small, local, diverse businesses within our region to the extent possible. This section summarizes the 2025 results of DCE's procurement in the requested categories. It should be noted that the majority of DCE's procurement is through wholesale power contracts. As a result, opportunities to directly engage with local and small businesses are more limited. Many of the electric generation resources are developed, owned, and operated by large corporations with sufficient capital to manage these projects. Still, DCE has been successful in procuring wind energy from projects within the local community from the local developer, Terra-Gen.

Despite the difficulties in finding diverse procurement opportunities for power purchases, DCE engages with one registered diverse supplier for its services and products. Its current marketing and outreach provider is a Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE) that has been working with DCE since 2023.

Moving into 2025 and beyond, DCE aims to raise the proportion of its diverse vendors. DCE has reviewed its current contracts and created a procurement schedule for the products and services that are soon due for a new procurement cycle.

The table for 9.1.2 is on the next page.

Description of Suppliers with Majority Workforce in California

In 2025, DCE received non-power services and products from ten vendors. DCE sent out a survey to its vendors to inquire about their workforce diversity and location distribution in November 2025. Only two of its vendors responded by the deadline. From the vendors that responded, the average percentage of the workforce in California is 87%.

At Best, Best, & Krieger, the workforce is 61.6% female and 38.4% male. Among them, 40.7% identify as a minority (non-white) race or ethnicity. Donald B. Dame Consulting is operated by a single individual who identifies as a white male.

Responses Received from the following vendors:

Supplier	Percentage of CA workforce
Best, Best, & Krieger	0.74
Donald B Dame Consulting	1.00

**9.1.2 Table for 2025 Supplier Diversity Procurement Results by Product and Service Categories
(non-power purchases)**

		Direct Spend \$	Sub Spend \$	%	Product Spend \$	Service Spend \$	Total \$	%
Minority Male	African American	--	--		--	--	--	
	Asian Pacific American	--	--		--	--	--	
	Hispanic American	--	--		--	--	--	
	Native American	--	--		--	--	--	
Minority Female	African American	--	--		--	--	--	
	Asian Pacific American	--	--		--	--	--	
	Hispanic American	--	--		--	--	--	
	Native American	--	--		--	--	--	
Total Minority Business Enterprise		--	--		--	--	--	
Women Business Enterprise		--	--		--	--	--	
LGBT Business Enterprise		30,940.66	0	1.4	6,035.66	24,905	30,940.66	1.4
Disabled Veteran Business Enterprise		--	--		--	--	--	
Persons with Disabilities Enterprise		--	--		--	--	--	
8(a) Businesses*		--	--		--	--	--	
Total Supplier Diversity Spend		30,940.66	0	1.4	6,035.66	24,905	30,940.66	1.4
Net Procurement**		\$2,226,308.23		<p>NOTE: * 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. 1 Direct - Means Direct Procurement: when a CCA directly procures from a supplier. 2 Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfil its contractual obligation(s). % - Percentage of Net Procurement.</p>				
Net Product Procurement		\$17,649.06						
Net Service Procurement		\$2,208,659.17						
Total Number of Diverse Suppliers that Received Direct Spend		1						

9.1.3 Diverse Supplier Program Expenses

Expense Category	2025
Wages	\$0
Other Employee Expenses	\$0
Program Expenses	\$3,897.48
Reporting Expenses	\$0
Consultant Expenses	\$27,353.45
Total	\$31,250.93

DCE has spent \$31,250.93 to implement a supplier diversity program in accordance with GO 156. The chart above includes expenses related to marketing and outreach for events, salaries for staff engaged in supplier diversity programs, as well as costs associated with training personnel on supplier diversity initiatives and reporting.

In 2025, there were no designated trainings for GO 156, leaving nothing to report. However, in 2026, DCE intends to partner with MCE for their annual workshop to encourage participation from local businesses in the Coachella Valley.

In accordance with the California Public Utilities Code and the policy objectives of the California Public Utilities Commission (CPUC) as outlined in CPUC General Order 156, DCE encourages businesses to become certified by the CPUC as diverse business enterprises in all of its RFPs.

9.1.5 Summary of Prime Contractors Utilization of Diverse Supplier Subcontractors

In 2025, DCE worked with primary contractors to fully utilize diverse suppliers when possible. Efforts included encouraging contractors to subcontract with diverse suppliers in product procurement, if applicable. No prime contractors utilized diverse supplier subcontractors in 2025. No new prime contractors were contracted with DCE in 2025.

DCE continues to work with primary contractors to identify ways to enhance supplier diversity, including subcontracting, and encourage them to have all tiers of subcontractors that are eligible to participate in the certification process.

Category	New Prime Contractors #	New Subcontractors #
Minority Male Business Enterprise	0	0
Minority Female Business Enterprise	0	0
Total Minority Business Enterprise (MBE)	0	0
Women Business Enterprise (WBE)	0	0
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0	0
Disabled Veteran Business Enterprise (DVBE)	0	0
Persons with Disabilities Business Enterprise (DBE)	0	0
8(a)	0	0
Total	0	0



9.1.6 Supplier Diversity Complaints Received

DCE is happy to report it did not receive any formal complaints this reporting cycle.

9.1.9 Supplier Diversity Activities and Progress in Power Procurement

As previously mentioned, DCE has issued several RFOs and RFPs, resulting in various agreements, including renewable energy agreements, ESAs, and PPAs, to purchase power and electric capacity over four years. For example, DCE's Phoenix project, one of the three Terra-Gen wind projects in Palm Springs for which DCE has an active PPA, demonstrates how DCE can fulfill its goal of reinvesting revenues locally to support the community by creating jobs and encouraging the development of additional local renewable energy sources.

In 2025, DCE signed two contracts with California-based battery storage projects, which will provide a combined 64 MW of carbon-free energy to its residents. DCE is also looking into the feasibility of building wind, solar, or battery storage near a CVAG bridge project, the Addressing Climate Change, Emergencies and Sand Storms (ACCESS) project along Indian Canyon Drive in Palm Springs, with the help of a local engineering company and solar/battery installer.

In summary, during the reporting year 2025, DCE did not procure with any CPUC Supplier Diversity Program-certified entities that provide energy storage systems, vegetation management, or renewable and non-renewable energy, nor did DCE own any power plants or PPAs that would necessitate procuring fuel for generation in 2025.

The table for 9.1.9 is on the next page.

9.1.9 Table for Supplier Diversity Results in Power (Energy) Procurement

		Direct Power Purchases	Direct Fuels for Generation			Totals (1)			% (2)
		Renewable & Non-renewable Power Products \$	Diesel \$	Nuclear \$	Natural Gas \$	Direct (3) \$	Sub (4) \$	Total (5) \$	
Minority Male	African American	--	--	--	--	--	--	--	--
	Asian Pacific American	--	--	--	--	--	--	--	--
	Hispanic American	--	--	--	--	--	--	--	--
	Native American	--	--	--	--	--	--	--	--
Minority Female	African American	--	--	--	--	--	--	--	--
	Asian Pacific American	--	--	--	--	--	--	--	--
	Hispanic American	--	--	--	--	--	--	--	--
	Native American	--	--	--	--	--	--	--	--
Total Minority Business Enterprise		--	--	--	--	--	--	--	--
Women Business Enterprise		--	--	--	--	--	--	--	--
LGBT Business Enterprise		--	--	--	--	--	--	--	--
Disabled Veteran Business Enterprise		--	--	--	--	--	--	--	--
Persons with Disabilities Enterprise		--	--	--	--	--	--	--	--
8(a) Businesses*		--	--	--	--	--	--	--	--
Total Supplier Diversity		\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
Net Power Procurement		\$46,842,889	NOTE: (1) Excludes purchases from the California Independent System Operator (CAISO), utilities, federal entities, state entities, municipalities and cooperatives. (2) % - Percentage of Net Procurement. (3) Direct - Means Direct Procurement: when a CCA directly procures from a supplier. Includes Direct Power Purchases and Direct Fuels for Generation. (4) Sub - Means Subcontractor Procurement: when a prime contractor, in contract with a CCA, procures from a subcontractor to fulfil its contractual obligation(s). (5) "Total" does not include pre-commercial development (COD) subcontracting values. * 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 Direct Power Purchases		\$46,842,889							
Net Direct Fuels for Generation		\$0							
Total # of Diverse Suppliers		\$0							

10.2 Supplier Diversity Program Activities Planned for 2026

Planned External Program Activities

1. Increase the visibility of DCE

DCE plans to conduct a thorough review of its educational material and website to make necessary updates. It plans to increase its engagement with local residents within the City of Palm Springs by working with its Community Advisory Committee to promote its new small business customer program.

2. Help local, diverse suppliers get certified

DCE intends to be more proactive in sharing certification opportunities with local businesses. It plans to help promote the annual Supplier Diversity workshop at local community events and on its website, allowing local businesses to learn more about the certification process.

Planned Internal Program Activities

1. Enhance training and knowledge efforts on Supplier Diversity with current and new DCE Staff

DCE is a small agency with limited staff and utilizes consultants for most services. DCE will prioritize attending quarterly trainings provided by CPUC to CCAs, and plans to create a high-level overview Supplier Diversity Program training packet for new DCE Staff.

2. Utilize a new financial system to track DCE's spend

DCE has implemented a new financial software system to monitor vendor invoices, revenue, and payments for fiscal year 2025/2026 and beyond. This system will be tailored to enhance tracking of Supplier Diversity spending for future reports.



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

DCE will work with its current and future contractors to encourage the utilization of small, local, and diverse businesses to engage these business enterprises in all categories that provide subcontracting opportunities. Part of this outreach will include educating contractors on the importance and benefits of engaging the services of Clearinghouse-registered and eligible entities.

In March 2026, the DCE Board will receive the 2025 Supplier Diversity report with DCE's planned goals for 2026. In the short term, DCE aims to train its team to become proficient in supplier diversity requirements and eventually become the go-to resource for local and county business entities. These objectives are reflected in the planned activities for 2026.

In the mid- and long-term, DCE aspires to expand its outreach to diverse local businesses, particularly those in underserved communities, and to increase opportunities to contract with diverse suppliers.

