

3 Phases Renewables Inc.	Calendar
Supplier Diversity Annual Rep	

Annual Report

Description of Covered Entity

Descriptions of Supplier Diversity Program, Diverse Subcontracting Program, and

Supplier Diversity Program Website Address and Contact Information

Supplier Diversity Results of Goods and Services (Exclude Fuel and Power Purcha

Supplier Diversity Results in Power (Energy) Procurement

Supplier Diversity Results in Fuel Procurement

Description of Established Supplier Diversity Goals for the Previous Calendar Year

Supplier Diversity Results Compared to Set Goals

Description of Barriers to Supplier Diversity

NOTE:

*Covered Entity - electrical corporations, gas corporations, water corporations, te
wireless telecommunications service providers with gross annual California reve
and \$25,000,000.

Year 2022	General Order (GO) 156
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Telephone corporations, and
revenues between \$15,000,000

3 Phases Renewables Inc.	Calendar Year 2022
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3 Phases Renewables, Inc. is a California Electricity Service Provider (ESP) located in El Segundo, California and specializes procurement and marketing of electrical energy.

NOTE:

*Covered entities, for the purpose of this reporting template, are electrical corporations, gas corporations, water corporations, telephone corporations, and wireless telecommunications service providers with gross annual California revenues between \$15,000,000 and \$25,000,000 (Public Utilities Code §8283(f)).

3 Phases Renewables Inc.	Calendar Year 2022
Descriptions of Supplier Diversity Program, Diverse Subcontracting Program, and Supplier Diversity related Activities for the Previous Calendar Year	

Commitment to Supplier Diversity

3 Phases Renewables is committed to implement, upholding and improving internal policy as practicable to track, measure, and communicate its commitment to working with diverse firms. 3 Phases was made aware of the importance of the GO 156 through the current reporting requirement expansion to electricity service providers (ESPs) for the calendar year 2022. As a result, this is the first GO 156 report submitted by 3 Phases Renewables and will serve as a baseline for evaluating our internal and external policies and practices as they pertain to diversity.

Internal Program Activities

As a B Certified corporation and a benefit corporation in California, 3 Phases Renewables annually reviews its internal diversity company culture. Although for B Corp certification, the reporting does not include reference to the the Supplier Clearinghouse registered, 3 Phases does report about employee culture and inclusion to the B Lab. As a matter of practice, 3 Phases Renewables is proud to employ a diverse work force that represents multiple genders, cultures, and backgrounds. 3 Phases Renewables continues to be fully committed to the development and adherence of GO 156 Supplier Diversity Program goals.

External Program Activities

As a B Certified corporation and a benefit corporation in California, 3 Phases Renewables also annually reviews its external suppliers and their commitment to diversity and sustainability. Frequently and when the opportunity exists, 3 Phases selects other B Corp certified vendors, which are inherently more committed to diversity and sustainability than non-B Certified companies. 3 Phases Renewables continues to be fully committed to the development and adherence of GO 156 Supplier Diversity Program goals. Additionally, it is worth noting that many of our external activities and procurement takes place with large entities that are not located in California, and while they may have strong and dedicated diversity programs, the "diversity" spend does not always go to entities that are registered in the Supplier Clearinghouse. Therefore, although we may have large dollar spend with such large entities with robust national diversity programs, the dollar spend may not necessarily be reflected in this GO 156 report.

Subcontracting Program and Related Activities

3 Phases Renewables rarely utilizes subcontractors and therefore does not implement any subcontracting programs.

3 Phases Renewables Inc.	Calendar Year 2022
Supplier Diversity Program Website Address and Contact Information	

Provide covered entity's supplier diversity website address and contact information (name, telephone number, and email).

B Corp Community Score is published at the following link. Topics include diversity, equity & inclusion, economic impact, civic engagement, charitable giving, and supply chain management.
<https://www.bcorporation.net/en-us/find-a-b-corp/company/3-phases-renewables>

Reference to being a B Corp certified corporation is made throughout 3 Phases' marketing materials and website. Please visit our website at the following link:
www.3phasesrenewables.com

3 Phases Renewables Inc.
Supplier Diversity Results

1	Minority Male	African American
2		Asian Pacific American
3		Hispanic American
4		Native American
5		Total Minority Male
6	Minority Female	African American
7		Asian Pacific American
8		Hispanic American
9		Native American
10		Total Minority Female
11	Total Minority Business Enterprise (MBE)	
12	Women Business Enterprise (WBE)	
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	
14	Disabled Veteran Business Enterprise (DVBE)	
15	Persons with Disabilities Business Enterprise (DBE)	
16	8(a)*	
17	Total Supplier Diversity Spend	
18	Net Procurement**	
19	Net Product Procurement	
20	Net Service Procurement	
21	Total Number of Diverse Suppliers that Received Direct Spend	

NOTE:

* 8(a) - Businesses owned and controlled by persons found to be disadvantaged by the Small Business Administration pursuant to Section 8(a) of the Small Business Act, as amended, and the Small Business Administration, pursuant to Section 5 of Executive Order 11625 (GO 11625).

** Net Procurement includes purchase orders, non-purchase orders, and subcontracts.

¹ Direct - Means Direct Procurement: when a covered entity directly purchases goods or services from a diverse supplier.

² Sub - Means Subcontractor Procurement: when a prime contractor, subcontractor, or other business entity purchases goods or services from a diverse supplier.

to fulfil its contractual obligation(s).
% - Percentage of Net Procurement.

Supplier Diversity Annual Report

Calendar Year 2022

of Goods and Services (Exclude Fuel and Power Purchases)

2022 of Report					
Direct Spend ¹ \$	Sub Spend ² \$	Total \$	%	Product Spend \$	Service Spend \$
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
105,147	0	105,147	0.16%	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
105,147	0	105,147	0.16%	0	0
64,999,800.00					
59,487,000.00					
5,318,000.00					
1					

disadvantaged by the U.S. Small Business
 amended (15 U.S.C. 637 (a)) or the U.S. Secretary
 156 Section 1.3.13).
 and credit card dollars.
 procures from a supplier.
 in contract with a covered entity, procures from a subcontractor

Total \$	%
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0
0	0

0	0
---	---

0	0
---	---

0	0
---	---

0	0
---	---

0	0
---	---

0	0
---	---

0	0
---	---

BUSINESSES WITH MULTIPLE CERTIFICATIONS CAN ONLY DIVERSE CATEGORY

If a covered entity has spend with a supplier before the supplier is certified, the covered entity may count the spend for the entire calendar year in which the supplier becomes certified.

If a covered entity has spend with a supplier whose certification has expired, the covered entity may count spend for the expired period if the supplier renews its certification in the same calendar year.

Indirect spends are **NOT** included in covered entities' annual reports.

An example of indirect spend would be if a prime contractor, for example, has a contract to provide engineering services, hires a minority business to provide janitorial services, empty wastebaskets and provide general services. This indirect spend would not be reported in the annual report since the janitorial services is not part of the contract between the prime contractor and the engineering firm.

If a covered entity chooses to report diverse supplier procurement beyond the Tier 2 level (Tier 3 and below), it must ensure it will be able to verify such expenditures upon the Commission's request. All subcontracting spend, at any level, must be verified as specifically related to the project for which the prime contractor was hired.

Report the value of early payment discounts utilized. For example, if \$100,000 of a contract has a 2% early payment discount and the covered entity pays only \$98,000, then the covered entity reports the paid amount (\$98K), and not the full contract amount (\$100K).

Percentage amounts should be carried out to two decimal places (for example, 12.34%).

Direct: refers to **Direct Spend** to capture the expenditure a covered entity makes for goods and services directly from diverse suppliers in the previous calendar year.

Sub: refers to **Subcontracting Spend** to capture the expenditure a covered entity spends procuring goods and services from diverse subcontractors in the previous calendar year. Subcontracting spend must be part of the contract a prime contractor has with the covered entity.

Net Procurement = total goods and services procurement spend from diverse suppliers (both direct and sub) for the previous calendar year. It does not include indirect procurements.

% = Spend Percentage of Net Procurement for the row category.

Net Procurement = Total Product Procurement + Total Service Procurement

Total Product Procurement = total products procurement spend from a (and diverse and diverse suppliers) for the previous calendar year.

Total Service Procurement = total services procurement spend from a (and diverse suppliers) for the previous calendar year.

BE COUNTED IN ONE

ied, the covered entity may
nes certified.

ired and is later renewed, the
news their certification within

e, an engineering firm, whose
provide janitorial services to
cannot be included in the
ween the covered entity and

nd the initial subcontracting
enditures upon the
well documented and
ed.

00,000 contract has a
ney should report the

xample, 25.43%).

tity spent procuring goods
ar.

vered entity prime contractor
previous calendar year. The
as with the covered entity.

all suppliers (both non-
ot include Fuel and Power

[Redacted]

urement

all suppliers (both non-

all suppliers (both non-diverse

3 Phases Renewables Inc.
Supplier Diversity

		Direct Power Purchases \$ Renewable and Non- Renewable Power Products
1	Minority Male	African American \$0
2		Asian Pacific American \$0
3		Hispanic American \$0
4		Native American \$0
5		Total Minority Male \$0
6	Minority Female	African American \$0
7		Asian Pacific American \$0
8		Hispanic American \$0
9		Native American \$0
10		Total Minority Female \$0
11	Total Minority Business Enterprise (MBE)	\$0
12	Women Business Enterprise (WBE)	\$0
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	\$0
14	Disabled Veteran Business Enterprise (DVBE)	\$0
15	Persons with Disabilities Business Enterprises (DBE)	\$0
16	8(a) ⁶	\$0
17	Total Supplier Diversity	\$0
18	Net Power Procurement	\$59,487,000
19	Net Direct Power Purchases	\$59,487,000
20	Net Direct Fuels for Generation	\$0
21	Total Number of Diverse Suppliers	0

NOTES:

¹ Excludes purchases from the California Independent System Operator (C/

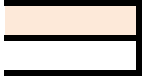
² % - Percentage of Net Procurement.

³ Includes Direct Power Purchases and Direct Fuels for Generation. Direct -
a supplier.

⁴ Sub - Means Subcontractor Procurement: when a prime contractor, in con
contractual obligation(s).

⁵ "Total" does not include pre-commercial development (COD) subcontracti

⁶ 8(a) - Businesses owned and controlled by persons found to be disadvant
Administration pursuant to Section 8(a) of the Small Business Act, as amen
of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Se



BUSINESSES WITH MULTIPLE CERTIFICATIONS CAN ONLY BE COUNTED IN ONE DIVERSE CATEGORY

Percentage amounts should be carried out to two decimal places (for example, 25.43%).

Dollar amounts should be shown as whole dollars only.

If a covered entity has spend with a supplier before the supplier is certified, the covered entity may count the spend for the entire calendar year in which the supplier becomes certified.

If a covered entity has spend with a supplier whose certification has expired and is later renewed, the covered entity may count spend for the expired period if the supplier renews their certification within the same calendar year.

Supplier Diver

	Name of Covered Entity
	Supplier Diversity R

			Natural Gas \$	
			SHORT TERM	LONG TERM
1	Minority Male	African American	\$0	\$0
2		Asian Pacific American	\$0	\$0
3		Hispanic American	\$0	\$0
4		Native American	\$0	\$0
5		Total Minority Male	\$0	\$0
6	Minority Female	African American	\$0	\$0
7		Asian Pacific American	\$0	\$0
8		Hispanic American	\$0	\$0
9		Native American	\$0	\$0
10		Total Minority Female	\$0	\$0
11	Total Minority Business Enterprise (MBE)		\$0	\$0
12	Women Business Enterprise (WBE)		\$0	\$0
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$0	\$0
14	Disabled Veteran Business Enterprise (DVBE)		\$0	\$0
15	Disabled Business Enterprise		\$0	\$0
16	Other 8(a) ⁴		\$0	\$0
17	TOTAL WMDVLGBTBE		\$0	\$0
18	Net Fuel Procurement		\$0	
19	Net Natural Gas Procurement		\$0	
20	Net LPG Procurement		\$0	

NOTES:

Short Term: The term of the deal is no longer than one calendar month.

Long Term: The term of the deal is greater than one calendar month but less th

¹ LPG - Liquefied Petroleum Gas

² Excludes purchases from the CAISO, utilities, federal entities, state entities, n

³ % - Percentage of Net Fuel Procurement

⁴ 8(a) - Businesses owned and controlled by persons found to be disadvantage
Administration pursuant to Section 8(a) of the Small Business Act, as amended
of Commerce, pursuant to Section 5 of Executive Order 11625 (GO 156 Sectio

**ENTITIES WITH MULTIPLE CERTIFICATIONS CAN ONLY BE
COUNTED IN ONE DIVERSE CATEGORY**

Large amounts should be carried out to two decimal places (for example,

amounts should be shown as whole dollars only.

If a covered entity has spend with a supplier before the supplier is certified, the covered entity may count the spend for the entire calendar year in which the supplier becomes certified.

If a covered entity has spend with a supplier whose certification has expired and been renewed, the covered entity may count spend for the expired period if the supplier renews their certification within the same calendar year.

Supplier Diversity Annual Report

3 Phases Renewables Inc.
Description of Established Supplier Diversity Goals for 2023

3 Phases Renewables was first introduced to the importance of GO 156 in 2023, when the state of California passed the law. As a result, no goals or measurement of such goals pertaining to diversity were being measured, and we were not required to report. We look forward to more of our already-diverse counterparties becoming registered under the law. Furthermore, now that 3 Phases has a benchmark metric for diversity suppliers from the state, we are committed to increasing the diversity of our pool of suppliers.

port

	Calendar Year 2022
the Previous Calendar Year	

ie obligation to report was made mandatory for ESPs.
side from the diversity metrics reported for B Corporation certification.
er the respective diversity categories in the Supplier Clearinghouse.
calendar yaer 2022, it is our hope that we can sustain growth while

Supplier Diversity A

3 Phases Renewables Inc.
Supplier Diversity Results C

Category
Minority Business Enterprise (MBE)
Women Business Enterprise (WBE)
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)
Disabled Veteran Business Enterprise (DVBE)
Persons with Disabilities Business Enterprise (DBE)
Total

NOTE:

% - Percentage of Net Procurement.

	Calendar Year 2022
Compared to Set Goals	

2022 Result %	2022 Goal %
0	N/A
0.16	N/A
0	N/A
0	N/A
0	N/A
0.16	

Compares reporting year supplier diversity performance results with the goals a covered entity had established for that reporting year.

(Year) Results: supplier diversity results of a covered entity for the reporting year (previous calendar year).

(Year) Goals: the goals a covered entity had in place for the reporting year.

3 Phases Renewables Inc.	Calendar Year 2022
Description of Barriers to Supplier Diversity	

Some of the barriers to recruit and include diverse supplies in our entity's purchase contracts include being present in a commodity-based marketplace, navigating large contracts with counterparties that have diversity programs but are not registered in California in the Supplier Clearinghouse, and not having access to counterparties' subcontractor diversity information.

Additionally, as an ESP, 3 Phases Renewables just recently became aware of the importance of the GO 156 program through being newly included as an obligated reporting party. Having assessed our baseline this year, we will be able to articulate further the challenges and successes of program participation.

Another example of a barrier is working with non-California based counterparties that do business in California, but are not obligated to register their diversity status in California and/or not obligated to also file a GO 156.

In order to overcome some of these challenges, we have inquired with consultants regarding how to best capture diversity spend. Additionally, we have made ourselves aware of the participants listed in the Supplier Clearinghouse database and reviewed other published GO 156 reports in order to familiarize ourselves with best practices.

Name
Woman Business Enterprises
Minority Business Enterprises
Lesbian, Gay, Bisexual, Transgender (LGBT) Business Enterprise
Persons with Disabilities Business Enterprise
Disabled Veteran Business Enterprises
Disabled Veteran
African American
Asian Pacific American
Hispanic American

Native American
Other Groups (8(a))
Subcontract
Supplier Clearinghouse
Commission
Short-Term Goal
Mid-Term Goal
Long-Term Goal
Product and Service Categories
Supplier Diversity
Diverse Business/Supplier

GO 156 Section 1.3 Definitions*

Definition	Acronym
A business enterprise at least 51% owned by a woman or women, or if a publicly owned business, at least 51% of the stock owned by one or more women; and whose management and daily business operations are controlled by one or more of those individuals (GO 156 Section 1.3.3).	WBE
A business enterprise at least 51% owned by a minority individual or group(s), or if a publicly owned business, at least 51 % of the stock owned by one or more minority groups; and whose management and daily business operations are controlled by one or more of those individuals. Minority includes, but is not limited to, African Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other groups as defined in the GO (GO 156 Section 1.3.4).	MBE
A business enterprise at least 51% owned by a lesbian, gay, bisexual, or transgender person or persons, or if a publicly owned business, at least 51% of the stock owned by one or more lesbian, gay, bisexual, or transgender persons; and whose management and daily business operations are controlled by one or more of those individuals (GO Section 156 1.3.5).	LGBTBE
A business enterprise at least 51% owned by a person or persons with a disability, or if a publicly owned business, at least 51 % of the stock owned by one or more persons with a disability; and whose management and daily business operations are controlled by one or more of those individuals (GO 156 Section 1.3.6)	DBE
1) It is a sole proprietorship at least 51% owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51% of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation, but only if at least 51% of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51% of the joint venture's management and control and earnings are held by one or more disabled veterans. (2) The management and control of the daily business operations are by one or more disabled veterans. (3) It is a sole proprietorship, corporation, or partnership with its home office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business	DVBE
Refers to a veteran of the military, naval or air service of the United States with a service-connected disability and who is a resident of the State of California (GO 156 Section 1.3.7).	
Refers to a person having origins in any black racial groups of Africa (GO 156 Section 1.3.9)	BA
Refers to a person having origin in Asia or the Indian subcontinent, including, but not limited to, persons from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, India, Pakistan, and Bangladesh (GO 156 Section 1.3.12).	APA
Refers to a person of Mexican, Puerto Rican, Cuban, South or Central American, Caribbean, and other Spanish culture or origin (GO 156 Section 1.3.10).	HA

Refers to a person having origin in any of the original peoples of North America or the Hawaiian Islands, in particular, American Indians, Eskimos, Aleuts, and Native Hawaiians (GO 156 Section 1.3.11).	NA
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	8(a)
person (in which the parties do not stand in the relationship of an employer and an employee): for the furnishing of supplies or services for the use of real or personal property, including lease arrangements, which, in whole or in part, is necessary to the performance of any one or more contracts; or under which any portion of the contractor's obligation under any one or more contracts is performed, undertaken or assumed (GO 156 Section 1.3.23).	Sub
A Commission-supervised program or entity that shall conduct certifications/verifications and maintain a database of eligible suppliers for the use of utilities and other covered entities under the Commission's Supplier Diversity Program (GO 156 Section 1.3.22).	
Refers to the California Public Utilities Commission, as provided for in Article XII of the California Constitution (GO 156 Section 1.3.1).	CPUC
A goal applicable to a period of one (1) year (GO 156 Section 1.3.18).	
A goal applicable to a period of three (3) years (GO 156 Section	
A goal applicable to a period of five (5) years (GO 156 Section 1.3.20).	
As defined by the Standard Industrial Classification (SIC) system maintained by the United States Department of Labor, Occupational Safety and Health Administration, as they currently read or as amended or as defined by any other updated classification system that supersedes the SIC system (GO 156 Section 1.3.24).	
Refers to the inclusion of women, minority, disabled veteran, LGBT, and persons with disabilities business enterprises in supply chains and procurement activities	
Refers to women, minority, disabled veteran, LGBT, and persons with disabilities business enterprises	

NOTE:

* These definitions are not proposed amendments to Section 1.3 of GO 156 or the other Sections. The purpose of these definitions is to provide convenient reference in preparing GO 156 reports.

Certification

Supplier Clearinghouse

Supplier Clearinghouse

Supplier Clearinghouse

Supplier Clearinghouse

Department of General
Services (DGS)

