



PILOT POWER GROUP, LLC

Supplier Diversity Annual Report

March 1, 2025

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2024 Annual Report

Pilot Power Group, LLC (PPG) is an Electric Service Provider (ESP) operating in the California deregulated Direct Access (DA) market. PPG is still relatively new to the annual supplier diversity report requirements, as such the report, data, and goals & objectives are still in the formative stages.

The California Public Utilities Commission (CPUC) General Order 156 (GO 156), revised in the Phase Two Decision Update (D.24-09-035), issued on October 2, 2024, emphasizes preferential purchasing for Women, Minority, Disabled Veteran, Lesbian, Gay, Bisexual, and Transgender Business Enterprises (WMDVLGBTBE). Senate Bill 255 of 2019 requires specified LSEs to adopt a plan to increase procurement from small, local, and diverse businesses, and to report to the CPUC on its procurement from these sources.

As discussed with CPUC staff during GO 156 working group sessions, the DA ESP/CCA business model, which in most cases simply involves buying and selling wholesale power on behalf of end-use customers, does not effortlessly align with that of larger energy and utility companies—which seems to be the initial intended target(s) of SB 255.

An excerpt from a recent PPG RPS plan:

The Commission issued D.22-04-035 in April 2022, which adopted certain revisions to General Order (GO) 156 to extend to ESPs the supplier diversity program previously established for the larger utilities as directed by SB 255 (Bradford 2019). As noted in the decision, *“the business model for electric service providers provides fewer opportunities for contracts with suppliers beyond energy procurement and is a sector that historically does not include many eligible suppliers.”* Pilot will consider in future solicitations the direction provided in the newly expanded GO 156.

PPG’s stance and intentions remains unchanged regarding future solicitation and procurement efforts.

This report describes PPG’s current intentions, work, and efforts in support of the Legislature’s objectives in Senate Bill 255.

9.1.1

Description of Supplier Diversity Program Activities During the Previous Calendar Year

PPG is an equal opportunity employer that strives for diversity in its hiring practices, and currently has minorities in many prominent roles within the company, including its CEO.

PPG intends to continue to use its diverse staff as a resource for ways to share, learn, train, create, and implement initiatives targeting minority-focused efforts, both for internal and external programs, as well as its retail energy procurement efforts.

As directed by Commission Staff, since PPG is still in the infancy stages of developing its GO 156 activities and reporting, PPG is reviewing previous and current supplier diversity reports from established reporting companies, as well as other resources provided on The Commissions Supplier Diversity website in an effort to expand its knowledge, understanding, and engagement capabilities in the Supplier Diversity sphere.

PPG has sent representatives to the CPUC's annual *Small and Diverse Business Expo* and *Annual GO 156 Supplier Diversity En Banc* events. PPG intends to continue attending this and similar events for market diversity information, networking, and market retail purposes.

PPG is not a public company and therefore does not currently have applicable board data to report.

9.1.2

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

It should be noted that a significant portion of PPG's procurement is through wholesale power contracts. As a result, opportunities to engage with local, small, and minority-owned businesses is more limited. Many of the electric generation resources are developed, owned and operated by large corporations with sufficient capital to manage these projects. PPG intends to expand efforts to increase supplier diversity endeavors in the coming years.

PPG has sent representatives to the CPUC's annual *Small and Diverse Business Expo* and *Annual GO 156 Supplier Diversity En Banc* events. PPG intends to continue attending this and similar events for market diversity information, networking, and market retail purposes.

9.1.3

Supplier Diversity Results in Power (Energy) Procurement

As PPG is still in the infancy stages of developing and implementing its GO 156 activities and reporting, this section is not applicable to PPG for the current reporting year to the best of PPG's knowledge and understanding.

Supplier Diversity Results in Power (Energy) Procurement

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

NOTES:

¹ Excludes purchases from the California Independent System Operator (CAISO), utilities, federal entities, state entities, municipalities and cooperatives

² % - Percentage of Net Procurement.

³ Includes Direct Power Purchases and Direct Fuels for Generation. Direct - Means Direct Procurement: when an ESP directly procures from a supplier.

⁴ Sub - Means Subcontractor Procurement: when a prime contractor, in contract with an ESP, procures from a subcontractor to fulfil its contractual obligation(s).

⁵ "Total" does not include pre-commercial development (COD) subcontracting values.

⁶ 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).

9.1.4

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

As PPG is still in the infancy stages of developing and implementing its GO 156 activities and reporting, this section is not applicable to PPG for the current reporting year to the best of PPG's knowledge and understanding.

Pilot Power Group, LLC (PPG)		2024 Report				G.O. #156 Sec. 9.1.4			
Supplier Diversity Direct Procurement by Product and Service Categories									
				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
2		African American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
3		Hispanic American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
4		Native American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
5		Total Minority Male	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
6	Minority Female	Asian Pacific American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
7		African American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
8		Hispanic American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
9		Native American	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
10		Total Minority Female	Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
11	Total Minority Business Enterprise (MBE)		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
12	Women Business Enterprise (WBE)		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
14	Disabled Veteran Business Enterprise (DVBE)		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
15	Persons with Disabilities Business Enterprise (DBE)		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
16	Other 8(a)*		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
17	TOTAL WMDVLGBTBE		Direct	\$0	0.0%	\$0	0.0%	\$0	0.0%
18	Total Product Procurement			\$0.00					
19	Total Service Procurement			\$0					
20	Net Procurement**			\$0					
21	Total Number of WMDVLGBTBEs that Received Direct Spend			0					

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 an ESP directly procures from a supplier.
- 2 Sub - Means Subcontractor Procurement: when a prime contractor, in contract with an ESP, procures from a subcontractor to fulfil its contractual obligation(s).
- % - Percentage of Net Procurement.

9.1.5

Description of Supplier Workforce

PPG does not have sufficient information to report on whether the majority of the workforce of its suppliers are working in California.

It is possible that a portion of PPG's counterparties subcontracted with WMDVLGBTBE suppliers. PPG's existing contracts do not explicitly reference the GO 156 Utility Supplier Diversity Program or certification by the Supplier Clearinghouse.

9.1.6

Supplier Diversity Program Expense

PPG did not incur any Supplier Diversity program expenses for 2024.

Pilot Power Group, LLC (PPG)	2024 Report	G.O. #156 Sec. 9.1.6
Supplier Diversity Program Expenses		

	Expense Category	Year (Actual)
	Wages	\$0
	Other Employee Expenses	\$0
	Program Expenses	\$0
	Reporting Expenses	\$0
	Training	\$0
	Consultants	\$0
	Other	\$0
	TOTAL	\$0

9.1.7

Description of Progress in Meeting or Exceeding Set Goals

As PPG is still in the infancy stages of developing and implementing its GO 156 activities and reporting, this section is not applicable to PPG for the current reporting year to the best of PPG's knowledge and understanding. PPG is still determining how its business model, as a relatively small ESP with limited supplier opportunities, fits into GO 156 activities and reporting, and as such, what realistic and attainable goals should look like.

9.1.8

Supplier Diversity Results Compared to Set Goals

As PPG is still in the infancy stages of developing and implementing its GO 156 activities and reporting, this section is not applicable to PPG for the current reporting year to the best of PPG's knowledge and understanding. PPG is still determining how its business model, as a relatively small ESP with limited supplier opportunities, fits into GO 156 activities and reporting, and as such, what realistic and attainable goals should look like.

Supplier Diversity Results Compared to Set Goals

Category	[Year] Result %
Minority Male Business Enterprise	
Minority Female Business Enterprise	
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.

9.1.9

Description of Diverse Contractor Utilization

PPG’s contractors may have utilized diverse supplier subcontractors; however, PPG does not have these records for 2024. PPG will attempt to work with contractors to identify ways to enhance supplier diversity and encourage them to participate in the Clearinghouse certification process., including in-state diverse contractors and subcontractors.

9.1.10

List of Supplier Diversity Complaints Received and Current Status

PPG did not receive any formal Supplier Diversity complaints in 2024.

9.1.11

Description of Efforts to Recruit Diverse Suppliers in Low Utilization Categories

As PPG is still in the infancy stages of developing and implementing its GO 156 activities and reporting, this section is not applicable to PPG for the current reporting year to the best of PPG’s knowledge and understanding.

2025 Annual Plan

10.1.1

Supplier Diversity Short-, Mid-, and Long-Term Procurement Goals for Power and other Goods and Services

This section is not applicable to ESPs to the best of PPG's knowledge and understanding.

10.1.2

Description of Supplier Diversity Program Activities Planned for the Next Calendar Year

PPG does not have specific goals or numeric targets for contracting with diverse suppliers due to limitations associated with public entity procurement regulations. PPG will, however, continue to focus our goals on engagement of our existing prime contractors. PPG will attempt to identify and encourage eligible vendors to complete the certification process as well as ensure our prime contractors are aware of the Supplier Clearinghouse when they source subcontractors.

Internal Activities

- PPG will continue to research and develop means to implement GO 156 supplier diversity reporting aspects and guidelines to its business model
- Participate in supplier diversity information sharing activities among the California LSEs to identify and assess supplier diversity best practices

External Activities

- Work with PPG contractors/vendors
 - Continue to encourage eligible vendors to complete the certification process as well as ensure our prime contractors are aware of the Supplier Clearinghouse as they go out to source subcontractors, where relevant
- Participate in Supplier Diversity Expos, En Bancs, and other related events

10.1.3

Plans for Recruiting Diverse Suppliers in Low Utilization Categories

This section is not applicable to ESPs to the best of PPG's knowledge and understanding.

10.1.4

Plans for Recruiting Diverse Suppliers Where Unavailable

PPG will attempt to identify and encourage eligible vendors to complete the certification process as well as ensure our prime contractors are aware of the Supplier Clearinghouse when they source subcontractors.

10.1.5

Plans for Encouraging Prime Contractors to Subcontract Diverse Suppliers

This section is not applicable to ESPs to the best of PPG's knowledge and understanding.

10.1.6

Plans for Complying with Supplier Diversity Program Guidelines

PPG intends to exhaust all available resources, both internally and externally, in its continuing efforts to engage in and promote supplier diversity advancement in the California energy marketplace. As such, these efforts should align with the Supplier Diversity Program guidelines established by the California Public Utilities Commission as required by the California Public Utilities Code Section 8283 (c).

CONCLUSION

Pilot Power Group, LLC is working towards a more comprehensive effort to promote supplier diversity. PPG recognizes that this program is still in the early stages of development, particularly at the ESP & CCA level; more work needs to be done to align PPG procedures and processes to meet supplier diversity goals. PPG will continue to research independently and collaborate with other California LSEs to identify program best practices and opportunities for information sharing. Pilot Power Group, LLC appreciates the assistance that has been provided by CPUC staff and looks forward to working together to enhance supplier diversity programs in the coming years.