

March 3, 2014

Via Email Only

Paul.Clanon@cpuc.ca.gov

Mr. Paul Clanon
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

Re: General Order 156 Compliance Filing – 2013 Annual Report and Annual Plan

Dear Mr. Clanon,

Golden State Water Company (GSWC) is pleased to submit an electronic copy of its 2013 Annual Report on the Utilization of Women, Minority, and Disabled Veteran Business Enterprises (WMDVBE) and its 2014 Annual Plan. This Annual Report and Annual Plan are filed pursuant to Section 5.2 of Decision No. U-168W and February 10, 2012 direction from the California Public Utilities Commission (CPUC) provided to the utilities submitting WMDVBE reports.

Sincerely,



Keith Switzer

Vice President-Regulatory Affairs



Emma Maxey

Supplier Diversity Manager

cc via email: stephanie.green@cpuc.ca.gov
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Golden State Water Company

A Subsidiary of American States Water Company

2013 Annual Report

on the Utilization of
Women, Minority and Disabled Veteran Business Enterprises



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2013 Annual Report

Message from the President and CEO



Since 2003, Golden State Water Company (GSWC) has been committed to providing opportunities and forming partnerships within the diverse communities we serve. We continue to follow the guidelines established by the California Public Utilities Commission's (CPUC) General Order 156 to increase the inclusion of Women, Minority and Disabled Veteran Business Enterprises (WMDVBE) in procurement opportunities at GSWC.

Our program has grown substantially over the past ten years and that growth is reflected in the results summarized in this Annual Report. I'm pleased to report that our WMDVBE spend has grown from \$7.5M in 2004 to \$30.5M in 2013. We have increased our percentage of spend with WMDVBE vendors from 7.5 percent in 2004 when we started our Supplier Diversity Program to 25.7 percent in 2013. This tremendous progress is a direct result of our employees' commitment to diversity at all levels of the Company.

While our spend metrics indicate progress, I am equally proud of our participation in community outreach, where we are able to interface with diverse suppliers and forge new relationships. Our continuous involvement in business expos, matchmaking opportunities, supplier diversity symposiums, business forums and community-based organization partnerships clearly demonstrates our hands-on, collaborative approach to diversity.

This past year, GSWC launched its first internal Supplier Diversity Council. The purpose of this Council is to collectively support and drive continuous improvement through the application of several Supplier Diversity best practices including education and awareness campaigns and leveraging diversity to build a more competitive Supply Chain.

In all of its endeavors, GSWC continues to work to be a leader among water utilities to advance the goal of WMDVBE inclusion in procurement opportunities. We look forward to the continued growth and success of our Supplier Diversity program.

A handwritten signature in cursive script that reads "Robert J. Sprowls". The ink is dark and the signature is fluid and legible.

Robert J. Sprowls
President & CEO

Golden State Water Company 2013 Annual WMDVBE Report

Introduction

GSWC is proud to have met the overall CPUC GO 156 goal in 2013 for the first time since the inception of our Supplier Diversity program. While this is a great accomplishment, it is viewed at GSWC as a departure point from which we will strive to meet the goals associated with Women, Minority and Disabled Veteran Business Enterprises as well.

At GSWC, we seek to engage with suppliers who reflect the Company's diverse customer base and business community. As a business practice, supplier diversity allows us to cultivate new markets, reach customers in new ways and discover new businesses - all the while promoting economic development in the communities we serve.

Please visit our website at www.gswater.com to get information on how you can be a part of our team.

Overview of Our Supplier Diversity Program

Developing partnerships with WMDVBE helps build the world-class supplier base we need - one built on the wisdom and experience of a broad range of diverse businesses. Through the diversity of our personnel, suppliers and customer communities, we are able to maximize growth, competitiveness and customer satisfaction. Our program focuses on maintaining a balance between high levels of service, quality and competitive pricing, while assisting businesses that have been historically overlooked in the procurement process.

Supplier diversity is successful when it is incorporated into the business planning process of the company and clearly communicated, both internally and externally. Corporate leadership must align thoughtful action with each supplier diversity goal, paying close attention to trends in procurement and how diverse suppliers can meet short and long-term business needs that result from those trends. Through continuous teamwork, dialogue and exchange of information with internal and external stakeholders, GSWC has experienced impressive growth in an area that will always be corporate priority - diversity.

2013 Highlights

Not only does 2013 mark the first year our WMDVBE spend exceeded 21.5 percent of total procurement, it also marks the beginning of two new program components: our Mentor Protégé Program (MPP) and Supplier Diversity Council.

The purpose of MPP is to provide developmental assistance to WMDVBEs that will enhance their capabilities to perform as prime contractors and subcontractors on GSWC contracts. The objective of the MPP is to provide professional guidance and support to the protégé in order to facilitate their growth and development.

2013 also marks GSWC's inaugural Supplier Diversity Council. The purpose of this council is to collectively support and drive continuous improvement through a common set of Supplier Diversity (SD) best practices that include: Supplier Diversity education and awareness, leveraging diversity to build a more competitive Supply Chain, and being an active presence in Supplier Diversity outreach and related activities.

2013 Challenges

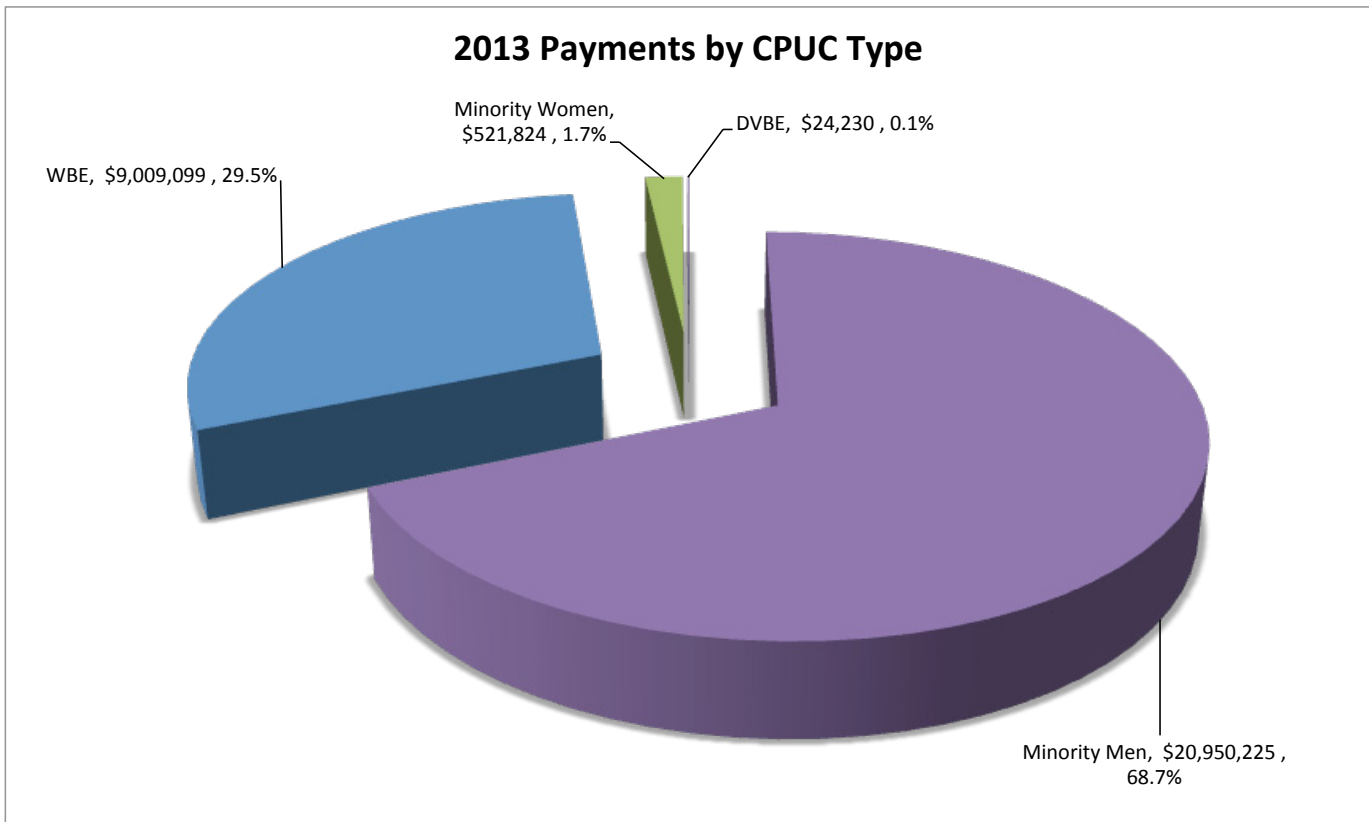
The implementation of an effective Tier 2 program is a challenge we sought to address in 2013. GSWC met with other California utilities in an effort to learn from their successes in this area. We have incorporated language in our bid documentation that encourages the utilization of WMDVBEs and requests annual WMDVBE subcontracting spend reports. Despite these efforts, our Tier 2 spend in 2013 was not as significant as we hoped.

Going forward, we will continue to improve the reporting of Tier 2 spending. The most challenging issue in this area we need to address is improved verification of subcontractor's certification status. Many subcontractors lack the necessary certification because they are unaware of the CPUC's certification process. Because we currently collect our Tier 2 spend data on an annual basis, it is often too late for subcontractors to go through the certification process quickly enough for us to include their subcontracting dollars in this Report.

As with many other California utilities, including the water companies, achieving the GO 156 goal for DVBE spend is an ongoing challenge. Although much of our outreach activity engages DVBEs, we have not been successful providing direct contracts and only managed to create a few subcontracting opportunities.

Similarly, GSWC achieved low spend with Minority Women firms and looks forward to achieving this goal as we continue to build on our existing Supplier Diversity program. Although GSWC met the overall goal of GO 156, we still have significant work to do in order to increase contracting opportunities and, ultimately, spend in both of these underutilized categories.

2013 Payments		
CPUC Type	Payment	%
Minority Men	\$ 20,950,225	68.7%
WBE	\$ 9,009,099	29.5%
Minority Women	\$ 521,824	1.7%
DVBE	\$ 24,230	0.1%
Total	\$ 30,505,378	100%



SEC. 9.1.1 Description of WMDVBE Program Activities - Internal/External

Internal Activities

In 2013, GSWC's WMDVBE spend represented 25.7% of the Company's total procurement. This was the first year the Company met and exceeded the GO 156 goal of 21.5% spend with WMDVBEs. This success is largely due to our CEO continuing to hold managers accountable for diversity efforts at all levels and for making supplier diversity an integral part of the organization's culture.

Internal communication is critical to the success of GSWC's Supplier Diversity program. Important supplier diversity information is shared by providing monthly updates of our WMDVBE spend, comparing each month with the final totals of the previous year. This report also provides a list of the top 15 WMDVBE vendors paid for the month and indicates which of the WMDVBE firms listed are first time contractors with GSWC. Another important component of the report flags whether each WMDVBE's certification is current or nearing expiration. Maintaining a supply base of certified suppliers is crucial to the success of our Supplier Diversity efforts.

In addition to internal reporting, Supplier Diversity information is shared through different channels such as the GSWC company website, staff meetings, conference calls, training opportunities and innovative consulting

services. In particular, regularly scheduled meetings between management as well as the Board of Directors provide a platform for GSWC leadership to share information, updates and new ideas pertinent to GSWC's supplier diversity agenda.

Supplier Database

GSWC continues to update vendor profiles and modify internal processes to begin reporting Standard Industrial Classification (SIC) codes in response to the amendments to GO 156 which require such reporting in 2014. Although we have submitted SIC codes in this year's report, we are still working to make sure future reporting will be as seamless as possible going forward.

Mentorship Protégé Program (MPP)

The California Water Association’s (CWA) Utility Supplier Diversity Program (USDV) committee has contracted with Infinity Business Solutions to implement a Mentor Protégé Program (MPP). As a part of the program, GSWC will mentor a selected WMDVBE to provide developmental assistance and enhance the protégé firm’s ability to perform as a prime contractor or subcontractor on GSWC contracting opportunities. The objective of the MPP is to provide professional guidance and support to the protégé in order to facilitate their growth and development.

The MPP is designed to motivate and encourage CWA member companies to provide mutually beneficial developmental assistance to WMDVBEs as defined by GO 156. The program is designed to:

- > Strengthen subcontracting opportunities for WMDVBE firms
- > Increase the number of opportunities for WMDVBE firms
- > Improve WMDVBE performance on contracts and subcontracts
- > Foster the establishment of long-term business relationships between large prime contractors and WMDVBE firms

Protégés may receive technical, managerial or other mutually agreed upon benefits from mentors including contracting opportunities. The goal is to increase the overall number of diverse business receiving prime contract and subcontract awards, resulting from mentorship and refined business practices. Below is a table highlighting some of the mutual benefits resulting from the MPP:

Water Companies (Mentors)	WMDVBEs (Mentees)
<ul style="list-style-type: none"> • Exposure to emerging talent and pool of WMDVBEs 	<ul style="list-style-type: none"> • Direct access to expert knowledge and leadership resources within various areas of the Class A water companies
<ul style="list-style-type: none"> • Opportunity to leverage personal expertise for procurement opportunity within CWA Water Companies 	<ul style="list-style-type: none"> • Expand support within CWA-Class A water companies
<ul style="list-style-type: none"> • Adopt new perspectives on doing business with WMDVBEs 	<ul style="list-style-type: none"> • Business development and training resources at no cost to the business

Supplier Diversity Council

Excelerate Consulting helped to develop GSWC's Supplier Diversity Council. This council includes representatives from various functional areas of the Company consisting of senior management and executive leadership. GSWC's President serves as the Executive Sponsor of the Supplier Diversity Council, and our Supplier Diversity Manager is the Council Chair. The goal of the council is to:

- > Collectively identify and establish common practices for utilizing prospective capital budgets and GRC expense forecasts to develop capital and O & M planned spending forecasts in order to proactively identify sourcing opportunities for WMDVBE vendors.
- > Create a Master Calendar that is published and updated monthly with a rolling 90 day window to reflect all upcoming Supplier Diversity outreach activities.
- > Support Supplier diversity internally and drive continuous improvement through the implementation of Supplier Diversity best practices.

External Activities

As demonstrated in the calendar of events shown in Table A, GSWC continues to support the communities we serve through a multitude of events and activities. GSWC's Supplier Diversity Manager participated in over 51 outreach events including expos, workshops, tradeshow, matchmaking, speaking engagements and business forums which shows the Company's commitment to identify WMDVBEs for business opportunities.

GSWC views participation in the Supplier Diversity community as an activity of utmost importance, both at the networking and leadership levels. In addition to our active participation in a wide range of outreach events and activities, GSWC Supplier Diversity management collaborated with the following organizations and participation includes:

- > Asian Business Association (Los Angeles Chapter) - Advisory Council
- > American Indian Chamber of Commerce - Advisory Council
- > Elite Service Disabled Veteran-Owned Business Network (Los Angeles Chapter) - Member
- > Sacramento Asian Pacific Chamber of Commerce - Chamber Member
- > Sacramento Black Chamber of Commerce - Chamber Member

California Utilities Diversity Council (CUDC) activities include serving in the following capacities:

- > Co-Chair - Procurement Committee
- > Committee Member - Governance
- > Committee Member - Work Force
- > Committee Member - Philanthropy
- > Coordinated all CUDC data requested for the water utilities on behalf of the CUDC's annual CPUC reporting

The Master Calendar of events identifying all outreach engagements requested by the CPUC, Joint Utilities and CUDC members is updated and distributed monthly by the GSWC's Supplier Diversity Manager.

GSWC's Supplier Diversity Manager attended and participated in two mandatory meetings hosted by the CPUC. The first workshop, "Best Practices Leadership Forum for Small Utilities", was attended by GSWC's CEO and VP of Regulatory Affairs. The focus of this particular workshop was to encourage a competitive marketplace and increase innovation specifically in the area of procurement of goods and services. The second workshop was an in depth overview of GO 156 reporting requirements, including tips on how to standardize annual reports.

In addition to participating in these important CPUC meetings, GSWC's Supplier Diversity manager co-chaired the CUDC Procurement Committee, which was instrumental in the planning of the 2013 Consulting Services Forum sponsored by the CUDC. The forum brought together major multi-disciplinary consulting firms, California utilities and WMDVBEs to advance a collaborative approach to fully include these firms in all consulting services opportunities. These services include business strategy, operations, finance, auditing, and technology. The forum also examined existing best practices and encouraged WMDVBEs and consulting firms to explore both partnership and subcontracting opportunities.

GSWC’s Supplier Diversity Manager also served on the CUDC Customer Service and Marketing Planning Committee to sponsor the 2013 Media & Advertisement Forum. The CUDC brought together major multi-disciplinary advertising and media firms, California utilities and WMDVBEs to address low supplier diversity percentages in advertising and media firms. Together, participants examined best practices, advanced a collaborative approach, and provided a forum for the inclusion of WMDVBEs in advertising and media opportunities.

GSWC Supplier Diversity management was honored to lead a workshop titled “Pitching with a Purpose” during the Black Chamber of Commerce Annual Convention held in Fresno, CA. This workshop was considered a main headliner during the conference that provided the opportunity for over 17 business owners to pitch their business capabilities in front of an audience of business entities and utilities. Delores Thompson and Angela Scott-Ferrell of the California Black Chamber of Commerce, along with the following California utility representatives and several other entities took time to support this event:

Representative - Utility	
Michelle Chieks - The Gas Co.	Dawn Gilbert - Verizon
Jaymee Lomax - Sempra	Jerilyn Gleaves - PG&E
Vincent Craney - SCE	Byrun Reed - Wells Fargo
Ileanna Winterhalter - AT&T	Deane Leavenworth - Time Warner
Douglas Phason - CPUC	



California Water Association (CWA) member utilities hosted two Prime Contractors events, one in Northern California with over seventy (70) attendees and one in Southern California with over ninety (90) attendees. These meetings supported the growing efforts to develop second tier subcontracting programs. They also provided information about our Supplier Diversity program and how Primes can participate in subcontracting through relationships with diverse suppliers. Both meetings were followed by opportunities to meet one-on-one with member company executives, managers of various business units, and sourcing decision makers.



CWA's USDP Committee members participated in an intimate dinner organized by our Committee Chair, Charmaine Jackson during the National Minority Supplier Development Council 2013 Annual Conference in San Antonio, TX. Participants including CWA member company representatives, procurement professionals, suppliers, water industry experts, and CA utility members enjoyed this informal, but focused gathering. The dinner provided networking and



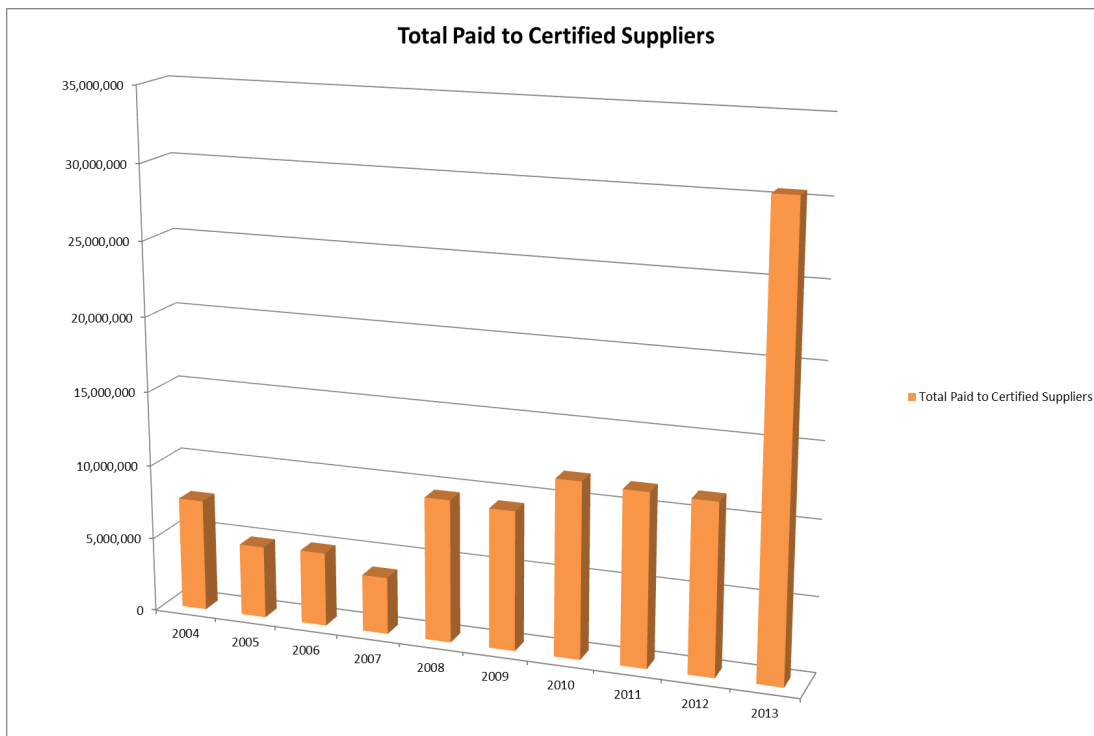
discussion opportunities concerning water industry issues, supplier diversity programs and supply chain initiatives. By bringing together this hand selected group, the dinner was an opportunity to facilitate connections and engage in meaningful dialogue which is often a challenge at a conference of this scale.

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts

Total Payments to Certified Suppliers

The table and bar graph below show the progress GSWC has made since the inception of its Supplier Diversity program. There has been a steady increase towards the goal as set forth in GO 156 up to 2012, with the goal being surpassed in 2013.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Suppliers Paid	\$ 103,251,571	\$ 102,489,858	\$ 89,881,434	\$ 74,481,001	\$ 112,386,450	\$ 107,338,612	\$ 114,157,665	\$ 102,489,858	\$ 85,542,648	\$ 118,744,338
Total Paid to Certified Suppliers	\$ 7,526,553	\$ 4,849,409	\$ 4,955,900	\$ 3,814,767	\$ 9,551,110	\$ 9,324,342	\$ 11,752,428	\$ 11,549,881	\$ 11,425,773	\$ 30,505,378
Percentage Paid to Certified Suppliers	7.3%	5.3%	5.5%	5.1%	8.5%	8.7%	10.3%	11.3%	13.4%	25.7%



The number of WMDVBE suppliers in GSWC's database, verified using CPUC's Supplier Clearinghouse, is 315. This includes 55 new WMDVBEs added in 2013.

Payments to certified suppliers totaled \$30.5M, a 267% increase in spend with WMDVBEs in 2013. The percentage of total spend in 2012 was 13.4% and increased to 25.7% in 2013.

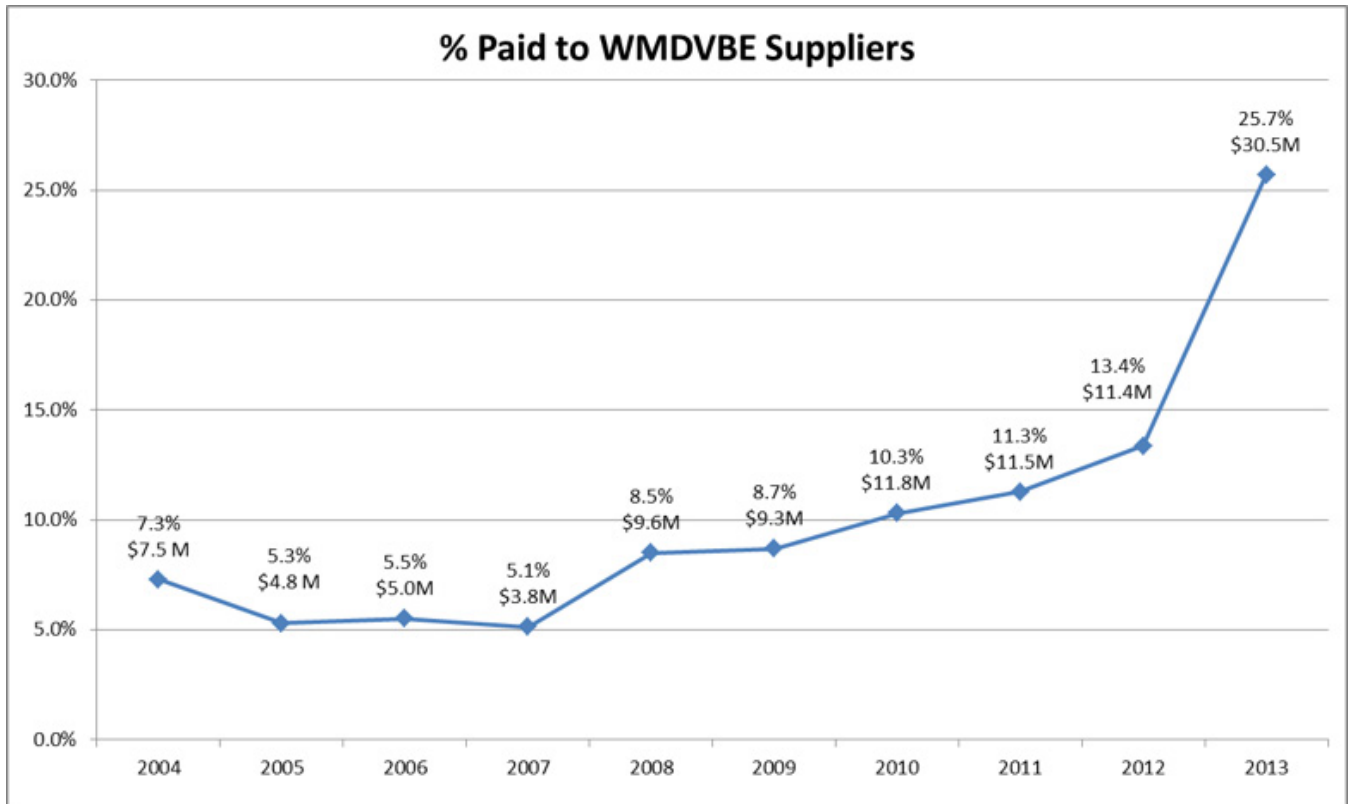
SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts

Utility Supplier Diversity Program Annual Results By Ethnicity 2013

UTILITY SUPPLIER DIVERSITY PROGRAM ANNUAL RESULTS BY ETHNICITY						
2013						
Line No.			Direct \$	Sub \$	Total \$	%
1	Minority Men	Asian/Pacific American	1,286,090	3,275	1,289,365	1.1%
2		Black American	631,922	2,224	634,146	0.5%
3		Hispanic American	18,460,381	198,130	18,658,511	15.7%
4		Native American	368,203	0	368,203	0.3%
5		Other	0	0	0	0.0%
6		Total Minority Men	\$20,746,596	\$203,629	\$20,950,225	17.6%
7	Minority Women	Asian/Pacific American	10,930	0	10,930	0.01%
8		Black American	109,323	0	109,323	0.1%
9		Hispanic American	368,571	33,000	401,571	0.3%
10		Native American	0	0	0	0.0%
11		Other	0	0	0	0.0%
12		Total Minority Women	\$488,825	\$33,000	\$521,825	0.4%
13	Total Minority Business Enterprise (MBE)		\$21,235,420	\$236,629	\$21,472,049	18.1%
14	Women Business Enterprise (WBE)		8,858,199	150,900	9,009,099	7.6%
15	Subtotal Women, Minority Business Enterprise (WMBE)		30,093,619	387,529	30,481,148	25.7%
16	Disabled Veteran Business Enterprise (DVBE)		0	24,230	24,230	0.0%
17	Total Business Enterprise (WMDVBE)		\$30,093,619	\$411,759	\$30,505,378	25.7%
18	Net Procurement				\$118,744,338	
19	Total Procurement				\$178,621,145	
20	Exclusions				\$59,876,807.00	
21	Net Procurement				\$118,744,338	

GSWC exceeded the GO 156 goal of 21.5% WMDVBE spend for the first time in 2013. This is a result of consistent, top-down leadership from our CEO, who mandated a portion of the compensation for all GSWC Executive Officers be tied to the achievement of GO 156 goals. Incentives are also included in managers' compensation. We will focus on increasing procurement opportunities to meet or exceed the goal for the Minority Women and Service Disabled Veteran categories.

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts 2013 Payments to WMDVBE Suppliers



SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts Procurement by Product and Service Categories - Direct

UTILITY SUPPLIER DIVERSITY PROCUREMENT BY DIRECT - PRODUCTS & SERVICES									
			Product			Services		Total	
			Direct	\$	%	\$	%	\$	%
1	Minority Men	Asian-Pacific	Direct	\$ 764,723	0.64%	\$ 521,367	0.44%	\$ 1,286,090	1.1%
2		Black	Direct	\$ 60,063	0.05%	\$ 571,858	0.48%	\$ 631,922	0.5%
3		Hispanic	Direct	\$ 14,974,352	12.61%	\$ 3,486,029	2.94%	\$ 18,460,381	15.6%
4		Native American	Direct	\$ 336,485	0.28%	\$ 31,717	0.03%	\$ 368,203	0.3%
5		Other	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
6		Total Minority Men	Direct	\$ 16,135,623	13.59%	\$ 4,610,972	3.88%	\$ 20,746,596	17.5%
7	Minority Women	Asian-Pacific	Direct	\$ 10,930	0.01%	\$ -	0.00%	\$ 10,930	0.01%
8		Black	Direct	\$ -	0.00%	\$ 109,323	0.09%	\$ 109,323	0.1%
9		Hispanic	Direct	\$ -	0.00%	\$ 368,571	0.31%	\$ 368,571	0.3%
10		Native American	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
11		Other	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
12		Total Minority Women	Direct	\$ 10,930	0.01%	\$ 477,894	0.40%	\$ 488,825	0.4%
13	Total Minority Business Enterprise (MBE)		Direct	\$ 16,146,554	13.60%	\$ 5,088,866	4.29%	\$ 21,235,420	17.9%
14	Women Business Enterprise (WBE)		Direct	\$ 4,839,434	4.08%	\$ 4,018,765	3.38%	\$ 8,858,199	7.5%
15	Subtotal Women, Minority Business Enterprise		Direct	\$ 20,985,988	17.67%	\$ 9,107,631	7.67%	\$ 30,093,619	25.3%
16	Disabled Veteran Business Enterprise		Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
17	TOTAL WMDVBE		Direct	\$ 20,985,988	17.67%	\$ 9,107,631	7.67%	\$ 30,093,619	25.3%
18	Net Procurement							\$ 118,744,338	
19	Total Procurement							\$ 178,621,145	
20	Exclusions							\$ 59,876,807	
21	Net Procurement							\$ 118,744,338	

- > Percentages for “Products” expenditures are WMDVBE compared to “Total Product Procurement”
- > Percentage for “Services” expenditures are WMDVBE compared to “Total Services Procurement”
- > Percentages for “Total” expenditures are WMDVBE compared to “Net Procurement”

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts

Procurement by Product and Service Categories Subcontracting

UTILITY SUPPLIER DIVERSITY PROCUREMENT BY SUB - PRODUCTS & SERVICES									
			Product		Services		Total		
			Sub	\$	%	\$	%	\$	%
1	Minority Men	Asian-Pacific	Sub	\$ 3,275	0.00%	\$ -	0.00%	\$ 3,275	0.0%
2		Black	Sub	\$ -	0.00%	\$ 2,224	0.00%	\$ 2,224	0.0%
3		Hispanic	Sub	\$ -	0.00%	\$ 198,130	0.17%	\$ 198,130	0.2%
4		Native American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
5		Other	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
6		Total Minority Men	Sub	\$ 3,275	0.00%	\$ 200,354	0.17%	\$ 203,629	0.2%
7	Minority Women	Asian-Pacific	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
8		Black	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
9		Hispanic	Sub	\$ -	0.00%	\$ 33,000	0.03%	\$ 33,000	0.0%
10		Native American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
11		Other	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.0%
12		Total Minority Women	Sub	\$ -	0.00%	\$ 33,000	0.03%	\$ 33,000	0.0%
13	Total Minority Business Enterprise (MBE)		Sub	\$ 3,275	0.00%	\$ 233,354	0.20%	\$ 236,629	0.2%
14	Women Business Enterprise (WBE)		Sub	\$ 29,635	0.02%	\$ 121,265	0.10%	\$ 150,900	0.1%
15	Subtotal Women, Minority Business Enterprise		Sub	\$ 32,910	0.03%	\$ 354,619	0.30%	\$ 387,529	0.3%
16	Disabled Veteran Business Enterprise		Sub	\$ -	0.00%	\$ 24,230	0.02%	\$ 24,230	0.0%
17	TOTAL WMDVBE		Sub	\$ 32,910	0.03%	\$ 378,849	0.32%	\$ 411,759	0.4%
18	Net Procurement							\$ 118,744,338	

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts

WMDVBE Procurement by Standard Industrial Classifications

SIC Category		Asian/Pacific American		Black American		Hispanic American		Native American		TOTAL		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Enterprise (WMBE)	Disabled Veteran Enterprise (DVBE)	Expenditure
		Minority Men	Minority Women	Minority Men	Minority Women	Minority Men	Minority Women	Minority Men	Minority Women	Minority Men	Minority Women					
8	08--FORESTRY	0	0	0	0	0	51,545	0	0	0	51,545	51,545	0	51,545	0	51,545
		0.00%	0.00%	0.00%	0.00%	0.00%	0.20%	0.00%	0.00%	0.00%	0.20%	0.20%	0.00%	0.20%	0.00%	0.20%
14	14--CONSTRUCTION SAND AND GRAVEL	0	0	0	0	156,627	0	0	0	156,627	0	156,627	0	156,627	0	156,627
		0.00%	0.00%	0.00%	0.00%	0.50%	0.00%	0.00%	0.00%	0.50%	0.00%	0.50%	0.00%	0.50%	0.00%	0.50%
15	15--GENERAL BUILDING CONTRACTORS	0	0	0	0	0	0	336,485	0	336,485	0	336,485	56,449	392,934	0	392,934
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.10%	0.00%	1.10%	0.00%	1.10%	0.20%	1.30%	0.00%	1.30%
16	16--HEAVY CONSTRUCTION, EXCEPT BUILDING	0	0	0	0	17,600,486	0	0	0	17,600,486	0	17,600,486	4,475,502	22,075,988	0	22,075,988
		0.00%	0.00%	0.00%	0.00%	57.70%	0.00%	0.00%	0.00%	57.70%	0.00%	57.70%	14.70%	72.40%	0.00%	72.40%
17	17--SPECIAL TRADE CONTRACTORS	288,707	0	0	0	719,797	121,074	31,717	0	1,040,222	121,074	1,161,296	473,755	1,635,051	24,230	1,659,281
		0.90%	0.00%	0.00%	0.00%	2.40%	0.40%	0.10%	0.00%	3.40%	0.40%	3.80%	1.60%	5.40%	0.10%	5.40%
24	24--LUMBER AND WOOD PRODUCTS	0	0	0	0	0	0	0	0	0	0	0	106,816	106,816	0	106,816
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.40%	0.40%	0.00%	0.40%
27	27--PRINTING AND PUBLISHING	0	0	0	0	0	0	0	0	0	0	0	43,181	43,181	0	43,181
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.00%	0.10%
28	28--CHEMICALS AND ALLIED PRODUCTS	918,016	0	0	0	0	0	0	0	918,016	0	918,016	228	918,244	0	918,244
		3.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.00%	0.00%	3.00%	0.00%	3.00%	0.00%	3.00%
29	29--PETROLEUM AND COAL PRODUCTS	0	0	0	0	0	0	0	0	0	0	0	6,316	6,316	0	6,316
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
35	35--INDUSTRIAL MACHINERY AND EQUIPMENT	560	0	0	0	0	0	0	0	560	0	560	0	560	0	560
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
36	36--ELECTRONIC & OTHER ELECTRIC EQUIPMENT	0	0	0	0	65,882	0	0	0	65,882	0	65,882	0	65,882	0	65,882
		0.00%	0.00%	0.00%	0.00%	0.20%	0.00%	0.00%	0.00%	0.20%	0.00%	0.20%	0.00%	0.20%	0.00%	0.20%
37	37--TRANSPORTATION EQUIPMENT	0	10,930	0	0	0	0	0	0	0	10,930	10,930	0	10,930	0	10,930
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
38	38--INSTRUMENTS AND RELATED PRODUCTS	0	0	0	0	0	0	0	0	0	0	0	76,591	76,591	0	76,591
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.30%	0.30%	0.00%	0.30%
46	46--PIPELINES, EXCEPT NATURAL GAS	0	0	0	0	0	0	0	0	0	0	0	171,200	171,200	0	171,200
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.60%	0.60%	0.00%	0.60%
47	47--TRANSPORTATION SERVICES	0	0	2,224	0	0	0	0	0	2,224	0	2,224	0	2,224	0	2,224
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
49	49--ELECTRIC, GAS, AND SANITARY SERVICES	0	0	0	0	0	0	0	0	0	0	0	1,146,095	1,146,095	0	1,146,095
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.80%	3.80%	0.00%	3.80%
50	50--WHOLESALE TRADE-DURABLE GOODS	0	0	35,752	0	0	0	0	0	35,752	0	35,752	162,949	198,701	0	198,701
		0.00%	0.00%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.00%	0.10%	0.50%	0.70%	0.00%	0.70%
51	51--WHOLESALE TRADE-NONDURABLE GOODS	0	0	0	0	0	0	0	0	0	0	0	21,135	21,135	0	21,135
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.00%	0.10%
55	55--AUTOMOTIVE DEALERS & SERVICE STATIONS	0	0	24,311	0	0	0	0	0	24,311	0	24,311	191,450	215,761	0	215,761
		0.00%	0.00%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.00%	0.10%	0.60%	0.70%	0.00%	0.70%
59	59--MISCELLANEOUS RETAIL	0	0	0	0	0	0	0	0	0	0	0	2,394	2,394	0	2,394
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
64	64--INSURANCE AGENTS, BROKERS, & SERVICE	0	0	0	0	7,786	0	0	0	7,786	0	7,786	0	7,786	0	7,786
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
65	65--REAL ESTATE	0	0	0	0	0	0	0	0	0	0	0	1,923,610	1,923,610	0	1,923,610
		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.30%	6.30%	0.00%	6.30%
73	73--BUSINESS SERVICES	54,670	0	566,663	10,515	5,875	228,952	0	0	627,208	239,467	866,675	70,069	936,744	0	936,744
		0.20%	0.00%	1.90%	0.00%	0.00%	0.80%	0.00%	0.00%	2.10%	0.80%	2.80%	0.20%	3.10%	0.00%	3.10%
83	83--SOCIAL SERVICES	0	0	0	89,508	0	0	0	0	0	0	89,508	0	89,508	0	89,508
		0.00%	0.00%	0.00%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.30%	0.30%	0.00%	0.30%	0.00%	0.30%
87	87--ENGINEERING & MANAGEMENT SERVICES	27,411	0	5,196	9,300	102,057	0	0	0	134,664	9,300	143,964	81,359	225,323	0	225,323
		0.10%	0.00%	0.00%	0.30%	0.30%	0.00%	0.00%	0.00%	0.40%	0.00%	0.50%	0.30%	0.70%	0.00%	0.70%
	Grand Total	1,289,365	10,930	634,146	109,323	18,658,511	401,571	368,203	0	20,950,225	521,825	21,472,049	9,009,099	30,481,148	24,230	30,505,378
		4.20%	0.00%	2.10%	0.40%	61.20%	1.30%	1.20%	0.00%	68.70%	1.70%	70.40%	29.50%	99.90%	0.10%	100.00%

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts

2 Digit Standard Industrial Classification (SIC) Codes

2 DIGIT STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODES		
<p>AGRICULTURE, FORESTRY AND FISHING</p> <p>07 — AGRICULTURAL SERVICES</p> <p>08 — FORESTRY</p> <p>CONSTRUCTION</p> <p>15 — GENERAL BUILDING CONTRACTORS</p> <p>16 — HEAVY CONSTRUCTION, EXCEPT BUILDING</p> <p>17 — SPECIAL TRADE CONTRACTORS</p> <p>MANUFACTURING</p> <p>24 — LUMBER AND WOOD PRODUCTS</p> <p>25 — FURNITURE AND FIXTURES</p> <p>26 — PAPER AND ALLIED PRODUCTS</p> <p>27 — PRINTING AND PUBLISHING</p> <p>28 — CHEMICALS AND ALLIED PRODUCTS</p> <p>29 — PETROLEUM AND COAL PRODUCTS</p> <p>30 — RUBBER AND MISC. PLASTICS PRODUCTS</p> <p>31 — LEATHER AND LEATHER PRODUCTS</p> <p>32 — STONE, CLAY, AND GLASS PRODUCTS</p> <p>33 — PRIMARY METAL INDUSTRIES</p> <p>34 — FABRICATED METAL PRODUCTS</p> <p>35 — INDUSTRIAL MACHINERY AND EQUIPMENT</p> <p>36 — ELECTRONIC & OTHER ELECTRIC EQUIPMENT</p> <p>37 — TRANSPORTATION EQUIPMENT</p> <p>38 — INSTRUMENTS AND RELATED PRODUCTS</p> <p>39 — MISC. MANUFACTURING INDUSTRIES</p>	<p>TRANSPORTATION, COMMUNICATIONS, ELECTRIC, GAS, AND SANITARY SERVICES</p> <p>42 — TRUCKING AND WAREHOUSING</p> <p>43 — U.S. POSTAL SERVICE</p> <p>44 — WATER TRANSPORTATION</p> <p>45 — TRANSPORTATION BY AIR</p> <p>46 — PIPELINES, EXCEPT NATURAL GAS</p> <p>47 — TRANSPORTATION SERVICES</p> <p>48 — COMMUNICATION</p> <p>49 — ELECTRIC, GAS, AND SANITARY SERVICES</p> <p>WHOLESALE TRADE</p> <p>50 — WHOLESALE TRADE - DURABLE GOODS</p> <p>51 — WHOLESALE TRADE - NONDURABLE GOODS</p> <p>RETAIL TRADE</p> <p>52 — EATING AND DRINKING PLACES</p> <p>53 — GENERAL MERCHANDISE STORES</p> <p>54 — FOOD STORES</p> <p>55 — AUTOMOTIVE DEALERS & SERVICE STATIONS</p> <p>56 — APPAREL AND ACCESSORY STORES</p> <p>57 — FURNITURE AND HOME FURNISHINGS STORES</p> <p>58 — EATING AND DRINKING PLACES</p> <p>59 — MISCELLANEOUS RETAIL</p> <p>FINANCE, INSURANCE, AND REAL ESTATE</p> <p>60 — DEPOSITORY INSTITUTIONS</p> <p>62 — SECURITY AND COMMODITY BROKERS</p>	<p>63 — INSURANCE CARRIERS</p> <p>64 — INSURANCE AGENTS, BROKERS, & SERVICE</p> <p>65 — REAL ESTATE</p> <p>67 — HOLDING AND OTHER INVESTMENT OFFICES</p> <p>SERVICES</p> <p>70 — HOTELS AND OTHER LODGING PLACES</p> <p>72 — PERSONAL SERVICES</p> <p>73 — BUSINESS SERVICES</p> <p>75 — AUTO REPAIR, SERVICES, AND PARKING</p> <p>76 — MISCELLANEOUS REPAIR SERVICES</p> <p>81 — LEGAL SERVICES</p> <p>82 — EDUCATIONAL SERVICES</p> <p>83 — SOCIAL SERVICES</p> <p>84 — MUSEUMS, BOTANICAL, ZOOLOGICAL GARDENS</p> <p>86 — MEMBERSHIP ORGANIZATIONS</p> <p>87 — ENGINEERING & MANAGEMENT SERVICES</p> <p>89 — SERVICES (NOT ELSEWHERE, CLASSIFIED)</p> <p>PUBLIC ADMINISTRATION</p> <p>91 — EXECUTIVE, LEGISLATIVE AND GENERAL</p> <p>92 — JUSTICE PUBLIC ORDER AND SAFETY</p> <p>93 — FINANCE, TAXATION & MONETARY POLICY</p> <p>94 — ADMINISTRATION OF HUMAN RESOURCES</p> <p>95 — ENVIRONMENTAL QUALITY AND HOUSING</p> <p>NONCLASSIFIED ESTABLISHMENTS</p> <p>99 — NONCLASSIFIED ESTABLISHMENT</p>

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts

Attorney Time Billed

GSWC's spend with major law firms as directed by the CPUC is depicted in the tables below. The responses received back from the law firms on the diversity within these firms has decreased from previous years. As we have indicated in the past, we will continue to focus on exploring opportunities with Diverse Law Firms. The chart below reflects data from our majority legal firms, which includes attorney and paralegal, spend within their firm, reported paid in 2013.

ATTORNEY TIME BILLED			
Line No.			TOTAL (\$)
1	All Men		\$4,557,761.00
2	Minority Men	Asian Pacific	\$4,225.00
3		Black	
4		Hispanic	
5		Native American	
6		Multi-Ethnic	
7		Total Minority Men	\$4,225.00
8	All Women		
9	Minority Women	Asian Pacific	\$14,805.00
10		Black	
11		Hispanic	
12		Native American	
13		Multi-Ethnic	
14		Total Minority Women	\$14,805.00
15	Total Minority		\$19,030.00
16	Non-Minority Women		\$177,222.00
17	Disabled Veteran		
18	Total Minority, Non-Minority Women & Veterans		\$215,282.00

SEC. 9.1.2 Summary of WMDVBE Purchases/Contracts
Paralegal Time Billed

PARALEGAL TIME BILLED			
Line No.			TOTAL (\$)
1	All Men		Unknown
2	Minority Men	Asian Pacific	
3		Black	
4		Hispanic	\$648.00
5		Native American	
6		Multi-Ethnic	
7		Total Minority Men	\$648.00
8	All Women		
9	Minority Women	Asian Pacific	\$112.00
10		Black	\$196.00
11		Hispanic	
12		Native American	
13		Multi-Ethnic	
14		Total Minority Women	\$308.00
15	Total Minority		\$956.00
16	Non-Minority Women		\$824.00
17	Disabled Veteran		
18	Total Minority, Non-Minority Women & Veterans		\$1,780.00

SEC. 9.1.3 Itemization of WMDVBE Expenses

9.1.3 PROGRAM EXPENSES	
Expense Category	2013
Wages	\$98,621.00
Other Employment Expenses	\$87,552.00
Program Expenses	\$776.00
Reporting Expenses	\$0
Training	\$3,370.00
*Consultants	\$17,748.00
**Other	\$42,153.00
Total	\$252,233.00

- > Wages: Salary and payroll-related costs of employees working on WMDVBE matters
- > Other Employee Expenses: Office space, travel, and non-wage costs
- > Program Expenses: Printing, postage, supplies, outreach, and other costs directly related to programs
- > Reporting Expenses: Computer, accounting, and other expenses in preparing reports to the CPUC
- > Training: Costs related to training employees (internal) and suppliers (external)
- > Consultants: *GSWC's portion of cost for the CPUC Supplier Diversity Clearinghouse
- > Other: **GSWC's portion of expenses captured and disbursed by CWA for Class A Companies' Utility Supplier Diversity Program

SEC. 9.1.4 Description of Progress in Meeting or Exceeding Set Goals

Category	Current Year Results	CPUC GO 156 Goals
Minority Men	17.6%	12.0%
Minority Women	0.4%	3.0%
Subtotal Minority Business Enterprise (MBE)	18.1%	15.0%
Women Business Enterprise (WBE)	7.6%	5.0%
Subtotal Women, Minority Business Enterprise (WMBE)	25.7%	20.0%
Disabled Veteran Business Enterprises (DVBE)	0.02%	1.5%
Total WMDVBE	25.7%	21.5%

GSWC's overall diversity spend of 25.7% in 2013 exceeded the goal of 21.5% for the first time. Although GSWC was able to exceed the overall goal as established in GO 156, we still fell short with direct spend and subcontracting with Minority Women and Disabled Veteran Business Enterprises. We will continue to focus especially in these areas to enhance procurement opportunities to meet or

Dollars Paid to Certified Suppliers in 2012 \$11,425,773	Dollars Paid to Certified Suppliers in 2013 \$30,505,378
No. of Vendors Paid in 2012 57	No. of Vendors Paid in 2013 74
No. of First time Vendors Paid in 2012 16 Representing 3%	No. of First time Vendors Paid in 2013 22 Representing 3.4 %

SEC. 9.1.5 Summary of Prime Contractor Utilization of WMDVBE Subcontractors

	Minority Men	Minority Women	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women & Minority Business Enterprise (WMBE)	Disabled Veteran Enterprise (DVBE)	Total WMDVBE
Direct \$	\$20,746,596	\$488,825	\$21,235,421	\$8,858,199	\$30,093,620	\$ -	\$30,093,620
Subcontracting \$	\$203,629	\$33,000	\$236,629	\$150,900	\$387,529	\$24,230	\$411,759
Total \$	\$20,950,225	\$521,825	\$21,472,050	\$9,009,099	\$30,481,149	\$24,230	\$30,505,379
Direct %	17.5%	0.4%	17.9%	7.5%	25.3%	0.0%	25.3%
Subcontracting %	0.2%	0.0%	0.2%	0.1%	0.4%	0.0%	0.4%
Total %	17.7%	0.4%	18.1%	7.6%	25.7%	0.0%	25.7%
Net Procurement		\$118,744,338					

GSWC is still developing its Tier 2 subcontracting program. The Primes participating in the program must continue to work with us to make sure the subs they are using, when applicable, are certified. Many of our Primes are using sub-contractors more than ever before. Our primes reported back to us approximately \$2.8M in overall subcontracting dollars. Of that, only \$411.7K could be verified through the CPUC Supplier Clearinghouse.

SEC. 9.1.6 List of WMDVBE Complaints

Golden State Water Company did not receive any complaints, formal or otherwise, in 2013.

SEC. 9.1.7 Description of Excluded Categories

Section 9.1.2 contains a table labeled “Utility Supplier Diversity Program Annual Results by Ethnicity”. In this table, on line 19 the Exclusions total of \$59,876,807 represents payments made in the categories of Costs of Obtaining Water Supply, Purchased Power, and Replenishment Fees (pump taxes). Other categories subject to Section 8.9, Other Utilities, Taxes, Franchise Fees, and Postage, have not been included in the Gross Procurement.

The reporting of these categories as Exclusions in the table by water companies is intended to provide information to staff regarding these categories. This method of procurement reporting for water companies results from workshops convened by the Commission’s USDP Staff, pursuant to Ordering Paragraph No. 4 of D.11-05-019 (in R.09-07-027), and subsequent additional discussions. This approach facilitates the staff and utilities to reach a common understanding of what is to be reported as a result of the amendments to General Order 156 and to address and resolve any confusion regarding adapting water companies’ procurement reporting to the General Order 156 requirements.

SEC. 9.1.8 Description of Efforts to Recruit WMDVBE Suppliers

Golden State Water Company is aware we have low WMDVBE spend in professional services, including minority owned Law Firms, Financial Services, Consulting and Investment Management. Amounts spent on professional services for water utilities are relatively small. The professional services here at GSWC are primarily for audits & tax fees, financing, IT and printing services. Some WMDVBE firms we are working with include:

Macias Consulting Group - engaged to audit GSWC's compliance with the Affiliate Rules.

Team Persona - provides assistance to meet our staffing needs.

Business Economic Analysis and Research - helps us with sales forecast and analysis for rate case applications.

Enterprise Computing Solutions, Inc. - provides IT infrastructure planning and hardware maintenance.

GSWC met with Gonzalez Saggio Harlan, LLP along with our Regulatory and Information Technology Management team to discuss opportunities for future contracting.

In addition, we have over 315 WMDVBEs that have met our approval requirements including Law Firms, Engineering, Accounting, IT Consultants and more waiting to be integrated into the master vendor database to provide more inclusion and RFP opportunities.

GSWC will continue its outreach efforts, and will work diligently to find the opportunities to match the skillsets required with contracting opportunities offered in various fields.

GO 156 OIR Scorecard

GO 156 OIR SCORECARD											
Year	Utility	Capacity Building & Technical Assistance	Mentor Program	Employee Education on Supplier Diversity	Outreach & Comm. on Supplier Diversity	Mandatory requirement of sub-contract	Number of New Vendors (Given Year)	Total value - contracts awarded under \$1M	Number of contracts to vendors who are under \$1M	Number of contracts to vendors who are \$1 - \$5 M	Number of contracts to vendors who are over \$5 M
2011	Golden State Water	No	No	Yes	Yes	No	55	3,465,897	51	4	N/A
2012	Golden State Water	Yes	No	Yes	Yes	No	55	7,238,283	55	2	N/A
2013	Golden State Water	Yes	Yes	Yes	Yes	No	51	7,278,818	66	7	1

To ensure GSWC is fully compliant with all of GO 156 requirements, the information provided in the scorecard above reflects where we are on each of the areas referenced.

2014 Annual Plan

SEC. 10.1.1 WMDVBE Short, Mid and Long Term Goals

Category	2013 Current Goals	2014 Goals	2015 Goals
Minority Owned	18.1%	20.0%	20.0%
Women Owned	7.6%	7.5%	8.0%
Disabled Veteran Owned	0.02%	1.0%	1.5%
Total	25.7%	28.0%	29.5%

Short-Term Goals

GSWC will continue to focus on ensuring the inclusion of WMDVBEs in all sourcing opportunities within the organization. The Company is stepping up subcontracting requirements from its Primes to report their commitment utilizing WMDVBE whenever possible.

Including the Supplier Diversity Manager in the bid preparation stage is being discussed as a method to help to identify additional WMDVBEs that are qualified to participate in an RFP. In addition, GSWC Supplier Diversity management will continue to work with our consultant, Infinity Business Solutions, to develop our MPP program.

Mid and Long Term Goals

GSWC will continue to enhance its ability to report spend by SIC codes. This will require internal training to assure proper data is being captured during the initial approval process. As the user populates required fields within the database with pertinent information, safeguards are in place to require all fields requiring data to be complete before advancing to the next field.

The Company's plan to increase spend with underutilized WMDVBEs includes identification of existing vendors already approved in our database but not yet integrated into the master vendor list used for solicitation of RFP or RFQs. This will provide increased WMDVBE inclusion in the bidding process.

Part of our effort to increase contracting opportunities with Minority Women and DVBEs will require partnerships with groups such as the National Association of Minority Contractors, California Alliance and the Elite Disabled Veteran-Owned Business Network, the National Association of Black Accountants, the American Indian Chamber of Commerce, The Los Angeles Chapter of the Asian Business Association, the California Minority Counsel Program and any other organization that can assist us with this endeavor.

SEC. 10.1.2 WMDVBE Planned Internal/External Activities

Planned Internal/External Activities

GSWC's Supplier Diversity Manager and other company personnel will continue to collaborate with CWA's USDP committee members to participate in business expos, business matchmaking, CUDC forums, community based organization conferences, cross-utility collaboration and training through local and national councils to increase business and procurement opportunities for WMDVBEs.

GSWC will continue to develop its 12-month Mentor Protégé Program and is planning a celebratory ceremony for the participants to be held during CWA's annual conference in Monterey, California. In addition, CWA's USDP committee will sponsor two Prime contractor meetings to be held in Southern and Northern California.

GSWC will also participate in the 2014 En Banc to be held in Los Angeles, California.

SEC. 10.1.3 Plans for Recruiting WMDVBE Suppliers in Low Utilization Areas

Golden State Water Company will continue to identify opportunities in areas where we are showing low utilization of WMDVBEs. Professional services including Legal, Information Technology, Accounting and Consulting are areas of opportunity to recruit and find top talent. The Supplier Diversity Manager will work with internal sourcing professionals to ensure the inclusion of WMDVBEs.

In addition, we will work collectively to enhance our approach to increase awareness of diverse suppliers while creating a climate where procurement professionals are supported and rewarded for diversifying the supply chain. We will continue to support and participate in outreach events throughout the year including the CPUC's Small Business Expos, working with CBOs, CUDC and Joint Utilities.

SEC. 10.1.5 Plans for Encouraging Primes to Engage in Subcontracting

To help encourage our Primes to participate in our Tier 2 program, GSWC will require training and education to share the importance of WMDVBE subcontracting. In doing so, plans for our Annual Prime Contractor Meeting are already

underway. In addition, the USDP committee will host two Prime Contractor's meetings in 2014. The meetings will be held in Northern California on June 19th at a San Jose location and September 18th in a Southern California location to be determined. Each meeting will provide an informative dialogue with our Primes about GO 156, our Tier 2 program, certification requirements and how and when to report subcontracting spend. The Primes will have an opportunity to hear from our company executives and learn just how important WMDVBE subcontracting is to company leadership from each of the water utilities.

Internally, we will continue to work with our prime contractors to improve our performance area of subcontracting and the Tier 2 spend.

SEC. 10.1.6 Program Compliance with WMDVBE Program Guidelines

Golden State Water Company will continue its efforts to meet or exceed requirements as stipulated under General Order 156.

Tables

Table A USDP Calendar of CWA Collective Activities

January 2013

CUDC Monthly Meeting @ Burbank
Joint Utilities Meeting @ WebEx
USDP Utilities Monthly Meeting @ Covina

February 2013

NARUC/UMA Winter Meeting @ Washington, DC
CUDC Monthly Meeting @ WebEx
CWA Director's Meeting @ San Francisco
SCMSDC Minority Business Opportunity Day @ City of Industry

March 2013

CUDC Monthly Meeting @ Los Angeles
CHCC Economic Summit @ Sacramento
WBENC Summit and Salute @ Baltimore
Joint Utilities Meeting @ WebEx
USDP Monthly Meeting @ Ontario
Northern California Regional Business Matchmaking @ San Mateo

April 2013

CPUC/PG&E Small Business Expo @ Bakersfield
CPUC Best Practices Leadership Forum for Small Utilities @ San Francisco
CUDC Monthly Meeting @ WebEx
NCMSDC SD Awards Gala @ San Francisco
Joint Utilities Meeting @ Irvine
USDP Monthly Meeting @ San Jose
CPUC Small Utility Workshop @ Los Angeles

Table A USDP Calendar of CWA Collective Activities

May 2013

CUDC Monthly Meeting @ San Mateo
USDP Monthly Meeting @ Garden Grove
Keeping The Promise DVBE Business Alliance @ Garden Grove
Edison Electric Institute Supplier Diversity @ Santa Clara
CWA Spring Conference @ Sacramento

June 2013

CPUC Small Utility Workshop
AICC-CAL @ Los Angeles
CUDC Monthly Meeting @ WebEx
CPUC/CUDC Consulting Forum @ San Francisco
USDP Monthly Meeting @ San Gabriel
NAMC 44th Annual Conference @ Los Angeles
WBENC Annual Conference @ Minneapolis

July 2013

CUDC Monthly Meeting @ WebEx
Joint Utilities Meeting @ San Jose
CUDC/CS Committee Advertisement & Media Forum @ Irwindale
AICC-CAL Expo 10th Anniversary @ Rancho Mirage
ABA Makeover - Business Edition @ Los Angeles
USDP Monthly Meeting @ San Jose
USDP Inaugural Prime Contractors Meeting @ San Jose
CPUC Small Utility Workshop @ San Francisco

Table A USDP Calendar of CWA Collective Activities

August 2013

NCMSDC Minority Business Opportunity Expo @ Santa Clara
CAHCC Annual Convention @ Oakland
CALBCC Ron Brown Annual Conference @ Fresno
Elite SDVOB Network National Conference @ San Diego
DIR Strategies & Initiatives Seminar @ Atlanta
USDP Monthly Meeting @ Coronado
CUDC Monthly Meeting @ San Diego
The Regalette's Scholarship Fundraiser @ Los Angeles

September 2013

USDP Monthly Meeting @ Ontario
USDP So Cal Prime Contractors Meeting @ Ontario
CUDC Monthly Meeting @ WebEx
WBENC 10th Annual Conference @ Pasadena
CAPCC/ABA Asian Business Summit @ San Diego
San Joaquin County Construction Procurement Expo @ Stockton
ABA Annual Award Banquet @ Los Angeles

October 2013

Joint Utilities Meeting @ Downey
ABA Inland Empire Procurement Expo @ Corona
CPUC Small Business Expo @ Salinas
CUDC Monthly Meeting @ Rosemead
CUDC Employment Committee MESA Student Leadership Conference @ San Diego
USDP Monthly Meeting @ Downey
NMSDC Annual Conference @ San Antonio

Table A USDP Calendar of CWA Collective Activities

November 2013

So Cal Gas/Elite SDVOB Procurement Conference @ Downey
CWA Annual Conference @ Monterey
USDP Monthly Meeting @ San Francisco
CPUC En Banc Hearing @ San Francisco
BBA Procure Exchange Summit @ Los Angeles
SMUD /Sacramento Public Agency Consortium (Sac PAC) @ Citrus Heights

December 2013

Joint Utilities Meeting @ Conference Call
CUDC Monthly Meeting @ Conference Call
USDP Monthly Meeting @ San Jose

Table B Community Organizations and Affiliations

2013 Golden State Water Company Participation

- Los Angeles Chapter of Elite Network Monthly Meeting, *January 31*
- USDP Workshop on Tier 1 Assistance and Capacity Building Workshop, *February 22*
- American Indian Chambers Advisory Council Meeting, *February 12 - 15*
- CPUC Small Utilities Workshop, *April 23*
- Los Angeles Chapter of Elite Network Monthly Meeting, *April 13*
- The LA Chapter Elite SDVOB Network, *May 7*
- ABA Small Business Exchange, City of Industry, *May 10*
- CPUC Small Utilities Workshop, *June 4*
- AICC-CAL Luncheon, *June 5*
- CUDC/Procurement Committee, Consulting /Service Forum, *June 14*
- CUDC/Customer Service Committee, Advertisement & Media Forum, *July 19*
- CWA Annual Winter Meeting, Monterey, CA, *November 30, December 1*
- NAACP 24th Annual State Convention, San Mateo, CA, *October 21*
- ABA Membership Appreciation Night, *December 4*
- Utilities Town Hall Meeting, Los Angeles, CA, *December 10*

Other Affiliation/Membership in 2013

- California Utilities Diversity Council, Procurement/Government Committee
- Asian Business Association, Advisory Council
- American Indian Chambers of Commerce, Advisory Council
- California Small Business Expo, Matchmaking
- Disabled Veteran Business Alliance, Advisory Council
- Sacramento Asian Pacific Chamber of Commerce, Membership
- California Black Chambers of Commerce, Advisory Council
- California Hispanic Chambers of Commerce, Advisory Council

Table C California Water Association USDP Representatives

San Jose Water Company (Program Chair)

Charmaine Jackson
Diversity Manager

Suburban Water Systems (Program Co-Chair)

Stephanie Swenseid
Procurement/Diversity Manager

California American Water

Holley Joy
Diversity Manager

California Water Service Company

Vicky Mount
Manager, Strategic Supplier Outreach

Jose Espinoza
Supplier Diversity Manager

Golden State Water Company

Emma Maxey
Diversity Manager

Park Water Company

Danny Rodriguez
Purchasing Manager/Diversity Rep

San Gabriel Valley Water Company

Jackie Glover
Supplier Diversity Coordinator



2013 Annual Report prepared by Emma E. Maxey

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