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March 1, 2018

**VIA ELECTRONIC FILING**

Ms. Alice Stebbins  
Executive Director, Communications Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102-3288

**Re: Frontier's General Order 156 Compliance Filing - 2017 Annual Report and Annual Plan**

Dear Ms. Stebbins:

Pursuant to General Order 156 ("GO 156"), Frontier California Inc. (U-1002-C), Citizens Telecommunications of California Inc. (U-1024-C) and Frontier Communications of the Southwest Inc. (U-1026-C), (collectively "Frontier") hereby electronically files its 2017 Annual Report and Annual Plan in compliance with GO 156, Sections 9 and 10. This report is available to others upon request.

Please contact me with any questions at [charlie.born@ftr.com](mailto:charlie.born@ftr.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Charlie Born", with a long horizontal flourish extending to the right.

Charlie Born  
Senior Manager, Government and External Affairs

cc: [Stephanie.Green@cpuc.ca.gov](mailto:Stephanie.Green@cpuc.ca.gov)



**2017 ANNUAL REPORT AND ANNUAL PLAN**

**WOMEN, MINORITY, DISABLED VETERAN, AND  
LGBT OWNED BUSINESS ENTERPRISE**

**California Public Utilities Commission  
March 1, 2018**



2017 ANNUAL REPORT AND ANNUAL PLAN

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### INTRODUCTION

Frontier California Inc. (U-1002-C), Citizens Telecommunications of California Inc. (U-1024-C) and Frontier Communications of the Southwest Inc. (U-1026-C), (collectively “Frontier”) submits this consolidated 2017 Annual Report and Annual Plan in compliance with General Order 156 (“GO 156”) of the California Public Utilities Commission (“CPUC”).

This report documents Frontier’s supplier diversity activities and results for 2017, the first full year since Frontier assumed operation of the landline operations of Verizon California Inc. as approved in D.15-12-005. Frontier has made significant progress in achieving GO 156 goals and supplier diversity commitments made in the acquisition, including a 41 percent annual increase in total spend with diverse suppliers – from 25.56 percent in 2016 to 36.09 percent in 2017.

Frontier has made supplier diversity a priority with senior leadership and throughout the organization as a component of an overall corporate commitment to diversity and inclusion. This report describes Frontier’s specific procurement practices, internal program activities, and significant partnerships with external organizations that are driving Frontier’s continued improvement in achieving GO 156 goals. Frontier’s total 2017 spend with minority business enterprises (“MBE”) and women business enterprises (“WBE”) exceeded GO 156 goals. For disabled veteran business enterprises (“DVBE”) and lesbian, gay, bisexual and transgender (“LGBT”) business enterprises, Frontier is making progress and increasing efforts to provide opportunities for DVBE and LGBT suppliers.

Frontier is committed to continuous improvement in its supplier diversity program, including significant initiatives for 2018 described in this report aimed at achieving results to meet or exceed GO 156 goals in all categories.

Frontier discusses each topic required in this report in Sections 9.1.1 through 9.1.11.

**9.0 2017 ANNUAL REPORT**

Frontier Communications	2017	G.O. #156 Sec. 9.1.1
<b>Description of WMDVLGBTBE Program Activities During the Previous Calendar Year</b>		

Frontier is committed to increasing year over year spend with diverse suppliers. In 2017, Frontier continued to focus on total spend improvement to meet its women, minority, disabled veteran, and lesbian, gay, bisexual and transgender business enterprise (“WMDVLGBTBE”) goals. Including diverse suppliers in our sourcing process allows us to provide unsurpassed value to our customers by helping increase the number and types of quality products and services we offer.

**INTERNAL PROGRAM ACTIVITIES**

Below are some of the highlights from 2017:

- In 2017, Frontier’s strategic sourcing team worked to unbundle a master service agreement (“MSA”) in the category of facilities to provide additional access for California WMDVLGBTBEs.
- Frontier continued its commitment to supplier diversity by communicating the importance of and how to include diverse suppliers in the sourcing process to California employees with operations and purchasing responsibilities. Frontier’s senior leadership issued multiple communications outlining the importance of and our commitment to supplier diversity.
- Training sessions were held with our supply chain organization to ensure employees understand supplier diversity as a formal part of our sourcing program and the benefits of involving diverse suppliers in our supply chain.
- Frontier has continued to make significant investments in technology to improve our ability to register and monitor suppliers in our online strategic sourcing portal.
- The Frontier sourcing team performed a detailed evaluation of spend to identify goods and services that are coming up for bid to ensure that we are focused on areas where we can make an impact.
- Frontier has continued to review group and individual diverse spending goals in order to drive utilization of diverse suppliers.
- Frontier reviewed detailed spend analytics that categorize vendors and spend, and allows users to identify top areas of opportunity. We have built out a robust calendar of sourcing opportunities that is reviewed at least quarterly by program leadership to ensure diverse suppliers are included in spend opportunities.

**EXTERNAL PROGRAM ACTIVITIES**

- Frontier continued to encourage its prime suppliers to include WMDVLGBTBEs in their subcontracting activities and report on their results. We encouraged our vendors to report Tier 2 spend on a quarterly basis. The implementation of technology has dramatically increased our visibility and control over the program. As a result, Frontier experienced significant improvements in Tier 2 tracking and reporting.
- In 2017, Frontier hosted supplier sessions in the categories of facilities, marketing and construction. The sessions matched Frontier prime suppliers with 20 pre-vetted MWDVLGBTBE suppliers recommended for participation by local chambers and community based organizations. The sessions included discussions of prime contractor requirements and contracting opportunities for MWDVLGBTBE suppliers.

The following are some of the matchmaking sessions and events Frontier sponsored or participated in across the state.

- Frontier partnered with the Asian Business Association – Los Angeles on its “Power of Effective Negotiations Workshop” designed to provide business owners with the tools needed to become effective negotiators by understanding the needs, concerns and motivations of the other party, providing the tools needed to achieve consensus within their companies and enhancing their powers of persuasion.
- Frontier participated in the American Indian Chamber of Commerce of California’s “Capacity Building Training Program” designed to provide American Indian business owners with practical information and training on starting new businesses, capacity building for existing businesses, and providing technical support for all business sizes once they receive procurement opportunities.
- Frontier partnered with the Black Business Association on its “Procurement Summit Series”. The summit focuses on specific contracting opportunity areas. The summit educated businesses on what is required to compete in these spaces and match prepared, experienced diverse businesses with procurement and business line decision makers.
- Frontier partnered with the California Black Chamber of Commerce on the “2017 Ron Brown Business & Economic Summit.” Frontier’s Director of Strategic Sourcing & Supplier Diversity represented Frontier at the matchmaking session and participated in the panel discussion.
- Frontier partnered with the California Hispanic Chamber of Commerce (“CHCC”) on the “2017 CHCC Convention,” The CHCC annual convention attracted over 3,000 entrepreneurs, small business advocates, corporate representatives, community leaders and government officials. Frontier served as co-presenter of the convention.
- In 2017, Frontier partnered with the Latin Business Association (“LBA”) on its “Women’s Business Luncheon & Expo” Frontier’s Director of Strategic Sourcing &

Supplier Diversity received the Heroic Women in Diversity Award for her outstanding work in supplier diversity. In addition, Frontier partnered with the LBA on its “Supplier Diversity Procurement Boot Camp”. The boot camp is a seven week program that offers hands on training on the key elements of what it takes to develop and sustain a high performance business.

- Frontier partnered with the National Asian American Coalition on its “Small Business Technical Assistance and Micro Lending Programs”. The programs help micro-business owners identify and develop their strategic performance through clear analysis of customer and market requirements.
- Frontier partnered with the National Gay and Lesbian Chamber of Commerce (“NGLCC”) on its “2017 NGLCC International Business & Leadership Conference”. The conference included educational sessions, networking, and special events, and offered exposure and opportunities for lesbian, gay, bisexual and transgender (“LGBT”) owned businesses to build relationships with more than 160 corporations, and federal government agencies.
- Frontier partnered with Veterans in Business on its “Inaugural National Convention”. The convention offered a great opportunity to reintroduce the Frontier brand to the veteran community as well as to show our commitment to supplier diversity. As an inaugural supporter, Frontier was recognized as a “Plank Owner” a historic naval term applied only to crew members that were present at the ship’s first commissioning.

**Frontier Communications**

**9.1.2 WMDVLGBTBE Annual Results by Ethnicity**

Frontier Communications		2017		G.O. #156 Sec. 9.1.2		
WMDVLGBTBE Annual Results by Ethnicity						
		2017				
		Direct	Sub	Total \$	%	
1	Minority Male	Asian Pacific American	\$ 4,357,057	\$ 154,412	\$ 4,511,469	2.01%
2		African American	\$ 13,266	\$ 376,721	\$ 389,987	0.17%
3		Hispanic American	\$ 26,650,241	\$ 4,880,367	\$ 31,530,608	14.08%
4		Native American	\$ 44,557	\$ -	\$ 44,557	0.02%
5		Total Minority Male	\$ 31,065,121	\$ 5,411,500	\$ 36,476,621	16.28%
6	Minority Female	Asian Pacific American	\$ -	\$ 1,302,311	\$ 1,302,311	0.58%
7		African American	\$ -	\$ 79,011	\$ 79,011	0.04%
8		Hispanic American	\$ 6,666,136	\$ 5,918,170	\$ 12,584,306	5.62%
9		Native American	\$ -	\$ 830,844	\$ 830,844	0.37%
10		Total Minority Female	\$ 6,666,136	\$ 8,130,337	\$ 14,796,473	6.61%
11	Total Minority Business Enterprise (MBE)		\$ 37,731,257	\$13,541,836	\$ 51,273,093	22.89%
12	Women Business Enterprise (WBE)		\$ 26,214,111	\$1,551,356	\$ 27,765,467	12.40%
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		\$ -	\$0	\$0	0.00%
14	Disabled Veteran Business Enterprise (DVBE)		\$ 1,496,972	\$288,679	\$1,785,651	0.80%
15	Other 8(a)*		\$0	\$0	\$0	0.00%
16	<b>TOTAL WMDVLGBTBE</b>		<b>\$65,442,340</b>	<b>\$15,381,871</b>	<b>\$80,824,211</b>	<b>36.09%</b>
17	<b>Net Procurement**</b>		<b>\$223,951,305</b>			
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE						
** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS						
Direct - DIRECT PROCUREMENT						
Sub - SUBCONTRACTOR PROCUREMENT						
% - PERCENTAGE OF NET PROCUREMENT						



# Frontier Communications

Frontier Communications		2017				G.O. #156 Sec. 9.1.2			
WMDVLGBTBE Direct Procurement by Product and Service Categories									
				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Direct	\$1,173,988	0.52%	\$3,183,069	1.42%	\$4,357,057	1.94%
2		African American	Direct	\$0	0.00%	\$13,266	0.00%	\$13,266	0.00%
3		Hispanic American	Direct	\$2,380,650	1.06%	\$24,269,591	10.80%	\$26,650,241	11.86%
4		Native American	Direct	\$0	0.00%	\$44,557	0.02%	\$44,557	0.02%
5		Total Minority Male	Direct	\$3,554,638	1.58%	\$27,510,483	12.24%	\$31,065,121	13.82%
6	Minority Female	Asian Pacific American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
7		African American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
8		Hispanic American	Direct	\$0	0.00%	\$6,666,136	2.97%	\$6,666,136	2.97%
9		Native American	Direct	\$0	0.00%	\$0	0.00%	\$0	0.00%
10		Total Minority Female	Direct	\$0	0.00%	\$6,666,136	2.97%	\$6,666,136	2.97%
11	<b>Total Minority Business Enterprise (MBE)</b>		Direct	<b>\$3,554,638</b>	<b>1.58%</b>	<b>\$34,176,619</b>	<b>15.21%</b>	<b>\$37,731,257</b>	<b>16.79%</b>
12	<b>Women Business Enterprise (WBE)</b>		Direct	<b>\$10,207,820</b>	<b>4.56%</b>	<b>\$16,006,291</b>	<b>7.15%</b>	<b>\$26,214,111</b>	<b>11.71%</b>
13	<b>Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)</b>		Direct	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
14	<b>Disabled Veteran Business Enterprise (DVBE)</b>		Direct	<b>\$0</b>	<b>0.00%</b>	<b>\$1,496,972</b>	<b>0.67%</b>	<b>\$1,496,972</b>	<b>0.67%</b>
15	<b>Other 8(a)*</b>		Direct	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
16	<b>TOTAL WMDVLGBTBE</b>		Direct	<b>\$13,762,458</b>	<b>6.15%</b>	<b>\$51,679,882</b>	<b>23.08%</b>	<b>\$65,442,340</b>	<b>29.22%</b>
17	<b>Total Product Procurement</b>			<b>\$13,762,458</b>					
18	<b>Total Service Procurement</b>			<b>\$51,679,882</b>					
19	<b>Net Procurement**</b>			<b>\$223,951,305</b>					
20	<b>Total Number of WMDVLGBTBEs that Received Direct Spend</b>			<b>47</b>					
<p>NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE</p> <p>** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS</p> <p>Direct - DIRECT PROCUREMENT</p> <p>Sub - SUBCONTRACTOR PROCUREMENT</p> <p>% - PERCENTAGE OF NET PROCUREMENT</p>									

# Frontier Communications

Frontier Communications		2017				G.O. #156 Sec. 9.1.2			
WMDVLGBTBE Subcontractor Procurement by Product and Service Categories									
				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Sub	180	0.00%	154,232	0.06%	\$154,412	0.06%
2		African American	Sub	38,683	0.01%	338,038	0.15%	\$376,721	0.16%
3		Hispanic American	Sub	0	0.00%	4,880,367	2.18%	\$4,880,367	2.18%
4		Native American	Sub	0	0.00%	0	0.00%	\$0	0.00%
5		Total Minority Male	Sub	<b>38,863</b>	<b>0.01%</b>	<b>\$5,372,637</b>	<b>2.39%</b>	<b>\$5,411,500</b>	<b>2.40%</b>
6	Minority Female	Asian Pacific American	Sub	60,035	0.02%	1,242,276	0.55%	\$1,302,311	0.57%
7		African American	Sub	73,346	0.03%	5,665	0.00%	\$79,011	0.03%
8		Hispanic American	Sub	56,556	0.02%	5,861,614	2.62%	\$5,918,170	2.64%
9		Native American	Sub	0	0.00%	830,844	0.37%	\$830,844	0.37%
10		Total Minority Female	Sub	<b>189,937</b>	<b>0.07%</b>	<b>7,940,399</b>	<b>3.54%</b>	<b>\$8,130,336</b>	<b>3.61%</b>
11	Total Minority Business Enterprise (MBE)		Sub	<b>\$228,800</b>	<b>0.08%</b>	<b>\$13,313,036</b>	<b>5.93%</b>	<b>\$13,541,836</b>	<b>6.01%</b>
12	Women Business Enterprise (WBE)		Sub	<b>\$317,886</b>	<b>0.14%</b>	<b>\$1,233,470</b>	<b>0.55%</b>	<b>\$1,551,356</b>	<b>0.69%</b>
13	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		Sub	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
14	Disabled Veteran Business Enterprise (DVBE)		Sub	<b>\$0</b>	<b>0.00%</b>	<b>\$288,679</b>	<b>0.13%</b>	<b>\$288,679</b>	<b>0.13%</b>
15	Other 8(a)*		Sub	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
16	TOTAL WMDVLGBTBE		Sub	<b>\$546,686</b>	<b>0.24%</b>	<b>\$14,835,185</b>	<b>6.61%</b>	<b>\$15,381,871</b>	<b>6.87%</b>
17	Total Product Procurement			<b>\$546,686</b>					
18	Total Service Procurement			<b>\$14,835,185</b>					
19	Net Procurement**			<b>\$223,951,305</b>					
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE									
** NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS									
Direct - DIRECT PROCUREMENT									
Sub - SUBCONTRACTOR PROCUREMENT									
% - PERCENTAGE OF NET PROCUREMENT									

# Frontier Communications

Frontier Communications	2017	G. O. #156 Sec 9.1.2
WMDVLGBTBE Procurement by Standard Industrial Categories		

SIC Category	Asian Pacific American		African American		Hispanic American		Native American		Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)**	Total WMDVLGBTBE	Total Dollars
	Male	Female	Male	Female	Male	Female	Male	Female							
<b>15: Building Construction - General Contractors &amp; Operative Builders</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$15,691,069	\$ 0	\$ 0	\$ 0	\$15,691,069	\$11,909,369	\$ 0	\$1,785,651		\$29,386,089	\$29,386,089
%					7%				7.01%	5.31%		0.80%		13.12%	13.12%
<b>47: Transportation Services</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0		\$9,490,916	\$ 0	\$ 0		\$9,490,916	\$9,490,916
%										4.23%				4.23%	4.23%
<b>87: Facilities - Commercial Janitorial</b>	\$ 3,115,858	\$ 0	\$ 0	\$ 0	\$5,632,070	\$1,673,679	\$ 0	\$ 0	\$10,421,607	\$4,694,356	\$ 0	\$ 0	\$ 0	\$15,115,963	\$15,115,963
%	1.4%				2.5%	0.7%			4.65%	2.1%				6.8%	6.90%
<b>75: Automotive Repair and Services</b>	\$ 0.00	\$ 0	\$ 0	\$ 0	\$0.00	\$96,622	\$ 0	\$ 0	\$96,622	\$11,007	\$ 0	\$ 0	\$ 0	\$107,629	\$107,638
%						0.04%			0.04%	0.0%				0.04%	0.04%
<b>73: Business Services</b>	\$ 753,714	\$1,242,276	\$338,038	\$73,346	\$2,161	\$4,984,426	\$44,557	\$830,844	\$ 0	\$ 604,753	\$ 0	\$ 0	\$ 0	\$8,874,115	\$8,874,115
%	0.3%	0.6%	0.15%	0.03%	0.00%	2.22%	0.01%	0.37%		0.28%				3.97%	3.97%
<b>81: Legal Services</b>	\$ 176,931	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$176,931	\$ 176,931	\$ 0	\$ 0	\$ 0	\$176,931	\$ 176,931
%	0.07%								0.07%	0.07%				0.07%	0.07%
<b>48: Communications</b>	\$ 267,349	\$ 0	\$13,266	\$ 0	\$8,552,332	\$ 0	\$ 0	\$ 0	\$8,832,947	\$371,878	\$ 0	\$0.00	\$ 0	\$ 9,204,825	\$ 9,204,825
%	0.12%		0.00%		3.82%	0.00%	0.00%	0.00%	3.82%	0.16%				4.11%	4.11%
<b>36: Electric, Electrical Equipment &amp; Components Network Electronics and Equipment</b>	\$ 197,530	\$60,035	\$38,683	\$5,665	\$1,623,440	\$5,829,579	\$ 0	\$ 0	\$7,754,932	\$482,849	\$ 0	\$ 0	\$ 0	\$8,237,781	\$8,237,781
%		0.0%	0.0%	0.0%	0.72%	2.6%	0.0%	0.0%	3.46%	0.2%				3.67%	3.67%
<b>17: Construction Special Trade</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$26,190	\$ 0	\$ 0	\$ 0	\$26,190	\$18,201	\$ 0	\$ 0	\$ 0	\$44,391	\$44,391
%		0.0%	0.0%	0.0%	0.01%	0.0%	0.0%	0.0%	0.01%	0.0%				0.0%	0.00%
<b>76: Miscellaneous Repair Services</b>	\$ -	\$ 0	\$ 0	\$ 0	\$3346	\$ 0	\$ 0	\$ 0	\$3,346	\$5,217	\$ 0	\$ 0	\$ 0	\$8,563	\$8,563
%		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				0.0%	0.00%
<b>89: Miscellaneous Services</b>	\$ 87	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$87	\$ 0	\$ 0	\$ 0	\$ 0	\$87	\$87
%	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%
<b>TOTAL</b>	\$ 4,511,469	\$1,302,311	\$389,987	\$79,011	\$31,530,608	\$12,584,306	\$44,557	\$830,844	\$51,273,093	\$27,765,467	\$ 0	\$1,785,651	0	\$80,824,211	\$80,824,211
%	2.01%	0.58%	0.17%	0.04%	14.07%	5.62%	0.02%	0.37%	22.89%	12.40%		0.80%		36.09%	36.09%

NOTE: \*FIRMS WITH MULT MINORITY OWNERSHIP STATUS

\*\*FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE

\*\*\*NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS

TOTAL DOLLARS - TOTAL PROCUREMENT DOLLAR AMOUNT IN THE SPECIFIC SIC CATEGORY

% - PERCENTAGE OF TOTAL DOLLARS

# Frontier Communications

Frontier Communications		2017					G. O. #156 Sec 9.1.2 (D.11-05-019 & D.06-11-028)						
Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse													
Data on Number of Suppliers													
Revenue Reported to CHS							Utility-Specific 2017 Summary						
# WMDVLGBTBEs	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	
Under \$1 million	4	4	0	1	0	12	4	4	0	1	0	12	
Under \$5 million	5	6	0	2	0	9	5	6	0	2	0	9	
Under \$10 million	2	8	0	0	0	12	2	8	0	0	0	12	
Above \$10 million	9	6	0	0	0	7	9	6	0	0	0	7	
<b>TOTAL</b>	<b>20</b>	<b>24</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>47</b>	<b>20</b>	<b>24</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>47</b>	
Revenue and Payment Data													
Revenue Reported to CHS							Utility-Specific 2017 Summary						
WMDVLGBTBE \$M	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTBE	DVBE	Other 8(a)*	Grand Total	
Under \$1 million	\$2,253,265	\$4,397,567	\$0	\$6,650,832	\$0	\$6,650,832	\$2,741,577	\$5,890,517	\$0	\$0	\$0	\$8,632,094	
Under \$5 million	\$3,422,286	\$8,330,191	\$0	\$2,876,000	\$0	\$14,628,477	\$14,028,704	\$4,872,414	\$0	\$288,679	\$0	\$19,189,797	
Under \$10 million	\$1,516,440,078	\$554,682	\$0	\$3,253,131	\$0	\$1,520,247,891	\$7,970,967	\$8,417,503	\$0	\$1,496,972	\$0	\$17,885,442	
Above \$10 million	\$56,489,100	\$15,786,508	\$0	\$13,038,000	\$0	\$85,313,608	\$26,938,724	\$8,178,154	\$0	\$0	\$0	\$35,116,878	
<b>TOTAL</b>	<b>\$1,578,604,729</b>	<b>\$29,068,948</b>	<b>\$0</b>	<b>\$19,167,131</b>	<b>\$0</b>	<b>\$1,626,840,808</b>	<b>\$51,679,972</b>	<b>\$27,358,588</b>	<b>\$0</b>	<b>\$1,785,651</b>	<b>\$0</b>	<b>\$80,824,211</b>	
NOTE: * FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE													
CHS: SUPPLIER CLEARINGHOUSE													

Frontier Communications	2017	G.O. #156 Sec. 9.1.2
<b>Description of WMDVLGBTBEs with CA Majority Workforce</b>		

This information is not readily accessible and is not tracked by Frontier.

**Frontier Communications**

<b>Frontier Communications</b>	<b>2017</b>	<b>G.O. #156 Sec. 9.1.3</b>
<b>WMDVLGBTBE Program Expenses</b>		

The following is a summary of Frontier's WMDVLGBTBE program expenses incurred in 2017.

<b>No.</b>	<b>Expense Category</b>	<b>2017</b>
1	Wages	\$250,000
2	Other Employee Expenses	\$10,500
3	Program Expenses	\$4800
4	Community Sponsorships	\$259,000
5	Reporting Expenses	\$87,000
6	Training	\$5,000
7	Consultants	\$0
8	Other – Technology	\$50,000
9		<b>TOTAL</b>
		\$666,300

**9.1.4 A DESCRIPTION OF PROGRESS IN MEETING OR EXCEEDING SET GOALS AND AN EXPLANATION OF ANY CIRCUMSTANCES THAT MAY HAVE CAUSED THE UTILITY TO FALL SHORT OF ITS GOALS**

In 2017, Frontier spent 36.09 percent of its procurement dollars with women, minority, and disabled veteran owned business enterprises. Frontier exceeded the GO 156 diversity spend goals for women and minority owned business enterprises. However, Frontier’s efforts with “DVLGBTBE” fell short due to the lack of DVLGBTBE suppliers supporting next generation technology. In 2018, the supplier diversity team will continue to work closely within the supply chain/strategic sourcing team to identify opportunities for DVLGBTBE to be included in Frontier’s business proposals for various contracts.

Frontier Communications		2017		G.O. #156 Sec. 9.1.4	
WMDVLGBTBE Results and Goals					
Category		2017 Results	2017 Goals		
Minority Men		16.28%	15.00%		
Minority Women		6.61%	5.00%		
Minority Business Enterprise (MBE)		22.89%	0.00%		
Women Business Enterprise (WBE)		12.40%	0.00%		
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		0.00%	0.00%		
Disabled Veteran Business (DVBE)		0.80%	1.50%		
<b>TOTAL WMDVLGBTBE</b>		<b>36.09%</b>	<b>21.50%</b>		
% - PERCENTAGE OF NET PROCUREMENT					

Frontier closely monitored progress and took additional steps to meet its WMDVLGBTBE goals through the procurement opportunities associated with building the infrastructure and platform for our network. Frontier’s supplier diversity team led a strategic cross-functional effort to identify key focus areas. The team targeted large and small Request for Proposals (“RFP”) across the various products/services that had California spend impact. Some of these products and services included facilities, fiber optic cable, inside wire, network construction, and fiber to the premises (“FTTP”) products. The supplier diversity team worked directly with cross-functional teams to ensure that MWDVLGBTBE suppliers were considered for every opportunity.

Frontier’s 2017 results reflect these efforts.

Category	2015	2016	2017
<b>Total MWDVLGBTBE Spend</b>	<b>\$711,231</b>	<b>\$52,510,165</b>	<b>\$80,824,211</b>

## Frontier Communications

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<b>MBE Total</b>	<b>\$17,503</b>	<b>\$34,284,530</b>	<b>\$51,273,093</b>
<b>WBE Total</b>	<b>\$691,292</b>	<b>\$17,535,088</b>	<b>\$27,765,467</b>
<b>DVBE Total</b>	<b>\$2,436</b>	<b>\$661,973</b>	<b>\$1,785,651</b>
<b>LGBT Total</b>	<b>\$0</b>	<b>\$28,574</b>	<b>\$0</b>

The 2017 reported WMDVLGBTBE overall expenditures for Frontier increased by \$28,314,046 over gross procurement in 2016 (\$80,824,211 versus \$52,510,165) year over year. This increase is attributed to significant improvements made by our supplier diversity team.

**9.1.5 DESCRIPTION OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS**

Frontier’s supply chain/strategic sourcing department continued to focus on second tier spend that provided a direct means to increase contracting opportunities for WMDVLGBTBEs through prime supplier engagement.

Frontier’s supply chain/strategic sourcing department continued to ensure clauses are included in applicable supplier agreements. We also requested that new suppliers certify WMDVLGBTBE status during initial registration via our online portal. Frontier’s supply chain/strategic sourcing department also worked with prime suppliers to ensure utilization of diverse suppliers and to ensure they meet their utilization requirements, explored areas of opportunity and expansion.

Frontier Communications	2017							G.O. #156 Sec. 9.1.5
Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors								
	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	TOTAL WMDVLGBTBE
Direct \$	\$ 31,065,121	\$6,666,136	\$ 37,731,257	\$ 26,214,111	\$0	\$1,496,972	\$0	\$65,442,340
Subcontracting \$	\$5,411,500	\$8,130,336	\$13,541,836	\$1,551,356	\$0	\$288,679	\$0	\$15,381,871
<b>Total \$</b>	<b>\$36,476,621</b>	<b>\$14,796,472</b>	<b>\$ 51,273,093</b>	<b>\$27,765,467</b>	<b>\$0</b>	<b>\$1,785,651</b>	<b>\$0</b>	<b>\$80,824,211</b>
Direct %	13.82%	2.97%	16.79%	11.71%	0.00%	0.67%	0.00%	29.22%
Subcontracting %	2.40%	3.61%	6.01%	0.69%	0.00%	0.13%	0.00%	6.87%
<b>Total %</b>	<b>16.22%</b>	<b>6.58%</b>	<b>22.89%</b>	<b>12.40%</b>	<b>0.00%</b>	<b>0.80%</b>	<b>0.00%</b>	<b>36.09%</b>
<b>Net Procurement**</b>	<b>\$223,951,305</b>							
NOTE: *FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE								
**NET PROCUREMENT INCLUDES PURCHASE ORDER, NON-PURCHASE ORDER, AND CREDIT CARD DOLLARS								
% - PERCENTAGE OF NET PROCUREMENT								
Direct - DIRECT PROCUREMENT								
Sub - SUBCONTRACTOR PROCUREMENT								



**9.1.6 A LIST OF WMDVLGBTBE COMPLAINTS RECEIVED DURING THE PAST YEAR, ACCOMPANIED BY A BRIEF DESCRIPTION OF THE NATURE OF EACH COMPLAINT AND ITS RESOLUTION OR CURRENT STATUS:**

Frontier maintained an internal appeals process as outlined in GO 156, Section 7, to accept, review and resolve complaints relating to Frontier’s supplier diversity program. Frontier did not receive any formal complaints filed with the CPUC in connection with its program during the 2017 reporting period.

**9.1.7 A DESCRIPTION OF ANY EFFORTS MADE TO RECRUIT WMDVLGBTBE SUPPLIERS OF PRODUCTS OR SERVICES IN PURCHASING CATEGORIES WHERE WMDVLGBTBE UTILIZATION HAS BEEN LOW, SUCH AS LEGAL AND FINANCIAL SERVICES, FUEL PROCUREMENT, AND AREAS THAT ARE CONSIDERED HIGHLY TECHNICAL IN NATURE.**

Frontier continued to focus on areas of low utilization. To identify diverse suppliers in areas of low utilization, Frontier has:

- Searched for WMDVLGBTBEs within the low utilization categories to make contact and develop relationships that may lead to procurement opportunities.
- Worked actively with other utilities to share ideas on how to identify and solicit new WMDVLGBTBEs.
- Worked with WMDVLGBTBEs that are not certified with the Clearinghouse to complete the necessary documentation to become certified.

**9.1.11 WMDVLGBTBE FUEL PROCUREMENT**

Not Applicable

**10.0 2017 ANNUAL PLAN**

**10.1.1 WMDVLGBTBE SHORT-TERM, MID-TERM AND LONG-TERM GOALS**

GO 156, Section 10.1.1 requires that the annual plan include a discussion of the short-, mid- and long-term goals as required by Section 8. Frontier has provided these goals on the attached spreadsheet, with a breakdown by Standard Industrial Classification (“SIC”) Major Group, and Product category, for the utilization of WMDVLGBTBE vendors. Frontier’s goals recognize our continued commitment to provide WMDVLGBTBEs opportunities.



**10.1.2 A DESCRIPTION OF WMDVLGBTBE PROGRAM INTERNAL AND EXTERNAL ACTIVITIES PLANNED FOR THE NEXT CALENDAR YEAR:**

**PLANNED WMDVLGBTBE PROGRAM ACTIVITIES FOR 2018**

Frontier is committed to continuing to strengthen its supplier diversity results. Frontier's supplier diversity team will lead internal and external activities to further develop our program and increase opportunities for WMDVLGBTBEs. A summary of these activities are described below:

**INTERNAL PROGRAM ACTIVITIES**

- Develop and implement strategic plans to increase commitments to existing diverse suppliers and to provide opportunities for suppliers in low utilization areas based on quarterly review forecasting.
- Maintain supplier diversity's participation on cross-functional teams for RFPs and contracts to drive inclusion of diverse suppliers as subcontractors/2nd tier vendors in Frontier procurement opportunities.
- Partner and collaborate with internal business leaders to develop and implement strategies to increase diverse spend.
- Partner with sourcing and strategic prime suppliers to ensure multi-tier diversity inclusion.
- Communicate Frontier's short and long-term supplier diversity related strategic directions to key internal stakeholders.
- Regularly monitor, review and analyze reports to track progress to ensure diversity initiatives are being executed.
- Continue to collaborate with minority and non-minority advocacy organizations and prime contractors to support doing business with and encourage economic development of MWLGBTDVBE.
- Encourage Frontier's prime suppliers to diversify their base of MWLGBTDVBE suppliers and subcontractors, and develop relationships that will be mutually beneficial.
- Continue to work with local community based organizations to identify suppliers as well as the Supplier Clearinghouse database and National Gay & Lesbian Chamber of Commerce to locate LGBTBE suppliers.

**EXTERNAL PROGRAM ACTIVITIES**

Frontier will continue to develop its supplier diversity program, with an emphasis on outreach to the supplier community, web-based tools to allow effective supplier access,

and the development of best practices. Frontier will also closely monitor opportunities to increase spending results, to promote supplier diversity and to meet its objectives, including:

- Work with various chambers of commerce and business associations to conduct one-on-one meetings between WMDVLGBTBEs and Frontier's sourcing leaders to discuss both current opportunities in California and general Frontier requirements for the applicable product or service.
- Participate in local, regional and national supplier diversity events such as: conferences, forums, symposiums, trade fairs and workshops to build awareness of Frontier's procurement requirements by participating in business matchmaking and one-on-one supplier meetings.
- Work closely with prime suppliers to ensure they meet their 2nd tier utilization requirements and review and expand areas of opportunity for diverse spend.

### **10.1.3 PLANS FOR RECRUITING WMDVLGBTBE VENDORS OF LOW UTILIZED AREAS:**

Frontier will continue to:

- Develop and implement strategic plans to increase commitments to existing diverse suppliers and to provide opportunities for suppliers in low utilization areas.
- Work with community organizations to drive diverse participation in Frontier sourcing opportunities.
- Benchmark with other utilities to identify diverse suppliers in low utilization areas.
- Increase supplier diversity's participation on cross functional teams for RFPs for services that historically have lower levels of diverse spend including alternate sales channels, network electronics and professional services to drive inclusion of diverse suppliers for procurement opportunities.

### **10.1.4 PLANS FOR SEEKING AND/OR RECRUITING WMDVLGBTBE VENDORS IN ANY EXCLUDED CATEGORY AND AREAS WHERE SUPPLIERS ARE CURRENTLY UNAVAILABLE**

The CPUC issued Decision 05-11-024 on November 13, 2005 in which it eliminated the use of exclusions in reporting diversity procurement results. Frontier has not used exclusions in providing this report.

**10.1.5 PLANS FOR ENCOURAGING BOTH PRIME CONTRACTORS AND GRANTEES TO ENGAGE WMDVLGBTBEs IN SUBCONTRACTS IN ALL CATEGORIES WHICH PROVIDE SUBCONTRACTING OPPORTUNITIES**

Frontier will continue to work closely with prime suppliers to encourage them to utilize WMDVLGBTBEs for subcontracting opportunities and review and expand areas of opportunity for diverse spend. In addition, the company's procurement department will make efforts to ensure that a clause asking suppliers to include WMDVLGBTBE subcontractors, as appropriate, and report on resulting WMDVLGBTBE activity is part of future agreements.

**10.1.6 PLANS FOR COMPLYING WITH THE WMDVLGBTBE PROGRAM GUIDELINES ESTABLISHED BY PU CODE 8283.**

Frontier will continue its efforts to identify and include as many WMDVLGBTBEs as possible in its procurement activities and to follow the program guidelines established by the CPUC. Frontier's senior procurement department management will continue to actively communicate to their direct reports the need to positively influence WMDVLGBTBE activity and meet Frontier's goals. In addition, we continued our supplier diversity status updates to the docket of our bi-weekly staff meetings within the sourcing organization. This is a time for employees to share opportunities, recent successes and for our director of supplier diversity to share updates on the program.

**Annual Energy Product Results by Ethnicity and WMDVLGBTBE Certification**

Not applicable.

**Annual Power Product Results by Ethnicity and WMDVLGBTBE Certification**

Not applicable.