



**SOUTHWEST GAS**

**SUPPLIER DIVERSITY PROGRAM**

# 2024 REPORT 2025 PLAN



**FUEL PROCUREMENT  
2024 REPORT | 2025 PLAN**

# A LOOK INSIDE

## 2024 ANNUAL REPORT

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# A LOOK INSIDE

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# A MESSAGE FROM OUR PRESIDENT

I am pleased to introduce Southwest Gas Corporation's (Southwest Gas or Company) 2024 Supplier Diversity Annual Report to update you on our continued efforts to cultivate a diverse and inclusive business procurement process through our Supplier Diversity Program ("Program").

Aligning with our mission of enriching the lives of our employees, customers and communities while cultivating meaningful relationships, we have progressed our efforts to foster meaningful relationships that support the safe delivery of natural gas service to our customers, while ensuring access to supplier opportunities and creating pathways for equity and economic growth in our communities.

In 2024, Southwest Gas spent more than \$227.4M with verified suppliers across our service territories in Arizona, California, and Nevada, representing a 24.4% diverse spend percentage. This investment reflects our commitment to uplifting our neighbors, strengthening our local economies, and supporting strong, sustainable communities for the benefit of future generations.

We also further advanced our Program's efforts through the integration of our new Supplier Registration Portal. This innovative database enables greater

efficiency, expands access to operational resources, and allows us to communicate upcoming opportunities directly to our network of suppliers.

Additional progress during the year included expanding our Diversity, Equity, and Inclusion (DE&I) team with the expertise of a new Senior Analyst to further support our Program; and the launch of two new Employee Resource Groups (ERGs): Adelante, the ERG for Latin American and Hispanic employees and their allies, and STARS, which supports our military veteran employees and their allies. These significant enhancements strengthen the alignment between our DE&I efforts and the Program, ensuring that we continue providing opportunities for education, inclusion, and access for our workforce and all enterprising individuals within the communities we serve.

We have a 30-year history of supporting diverse businesses through our award-winning Program. Working together, we have made substantial progress—we look forward to greater collaboration as we continue Building Relationships to create a brighter energy future for all.

**JUSTIN BROWN**  
President



# EXECUTIVE SUMMARY

As illustrated in the table below, Southwest Gas' 2024 procurement with Clearinghouse-Verified diverse suppliers in California was \$47,350,392. Our commitment to advance supplier diversity stretches beyond our California borders and is demonstrated with the additional spend of \$197,604,586 with Clearinghouse-Verified diverse suppliers in support of Southwest Gas' Arizona and Nevada operations.

Southwest Gas' accomplishments in 2024 reflect its unwavering commitment to offer opportunities for women, minority, lesbian, gay, bisexual, transgender, persons with disabilities, and service-disabled veteran-owned business enterprises.

## 2024 PROCUREMENT WITH CLEARINGHOUSE-VERIFIED DIVERSE SUPPLIERS

	California \$	Arizona and Nevada \$	Total \$
Minority Men	6,747,409	49,716,007	56,463,416
Minority Women	1,186,642	14,412,785	15,599,426
<b>Total Minority Business Enterprise (MBE)</b>	<b>7,934,051</b>	<b>64,128,792</b>	<b>72,062,842</b>
Women Business Enterprise (WBE)	6,464,008	64,324,460	70,788,468
<b>Total Women, Minority Business Enterprise (WMBE)</b>	<b>14,398,059</b>	<b>128,453,252</b>	<b>142,851,310</b>
LGBTE	59,162	884,212	943,374
Disabled Veteran Business Enterprise (DVBE)	27,721,894	68,246,184	95,968,079
Person with Disabilities Business Enterprise (PDBE)	5,171,277	20,938	5,192,215
<b>Total Clearinghouse-Verified Supplier Diversity Procurement</b>	<b>47,350,392</b>	<b>197,604,586</b>	<b>244,954,978</b>
Agency-Certified Spend (Non-Clearinghouse)	165,774	7,224,399	7,390,173
<b>Total Net Procurement</b>	<b>85,911,458</b>		<b>252,345,151</b>
<b>Clearinghouse-Verified Procurement</b>	<b>55.12%</b>		

**Notes:**

Percentages and procurement dollars may reflect rounding differences



# 2024 ANNUAL REPORT

# SUPPLIER DIVERSITY INTERNAL PROGRAM ACTIVITIES

## INTERNAL ACTIVITIES

Diverse suppliers are essential to building a resilient and sustainable supply chain at Southwest Gas. The Company recognizes their valuable contributions and remain committed to creating opportunities and driving positive outcomes through its Program. In 2024, Southwest Gas strengthened relationships and partnerships to enhance the Program’s overall success. Key initiatives included:



### AWARENESS

Collaborating with business units to increase program visibility and prioritize supplier diversity.



### ADVOCACY

Leveraging Diversity, Equity, and Inclusion efforts to support diverse businesses and promote inclusion.



### ENGAGEMENT

Partnering with business units to assess needs and identify opportunities for diverse suppliers.



### STRATEGY

Meeting regularly with Supply Chain representatives to discuss Program strategy, industry trends, and best practices.



### UTILIZATION

Encouraging key stakeholders to engage diverse suppliers in underutilized categories.



### SUPPORT

Working closely with internal teams to identify and resolve challenges affecting diverse suppliers.

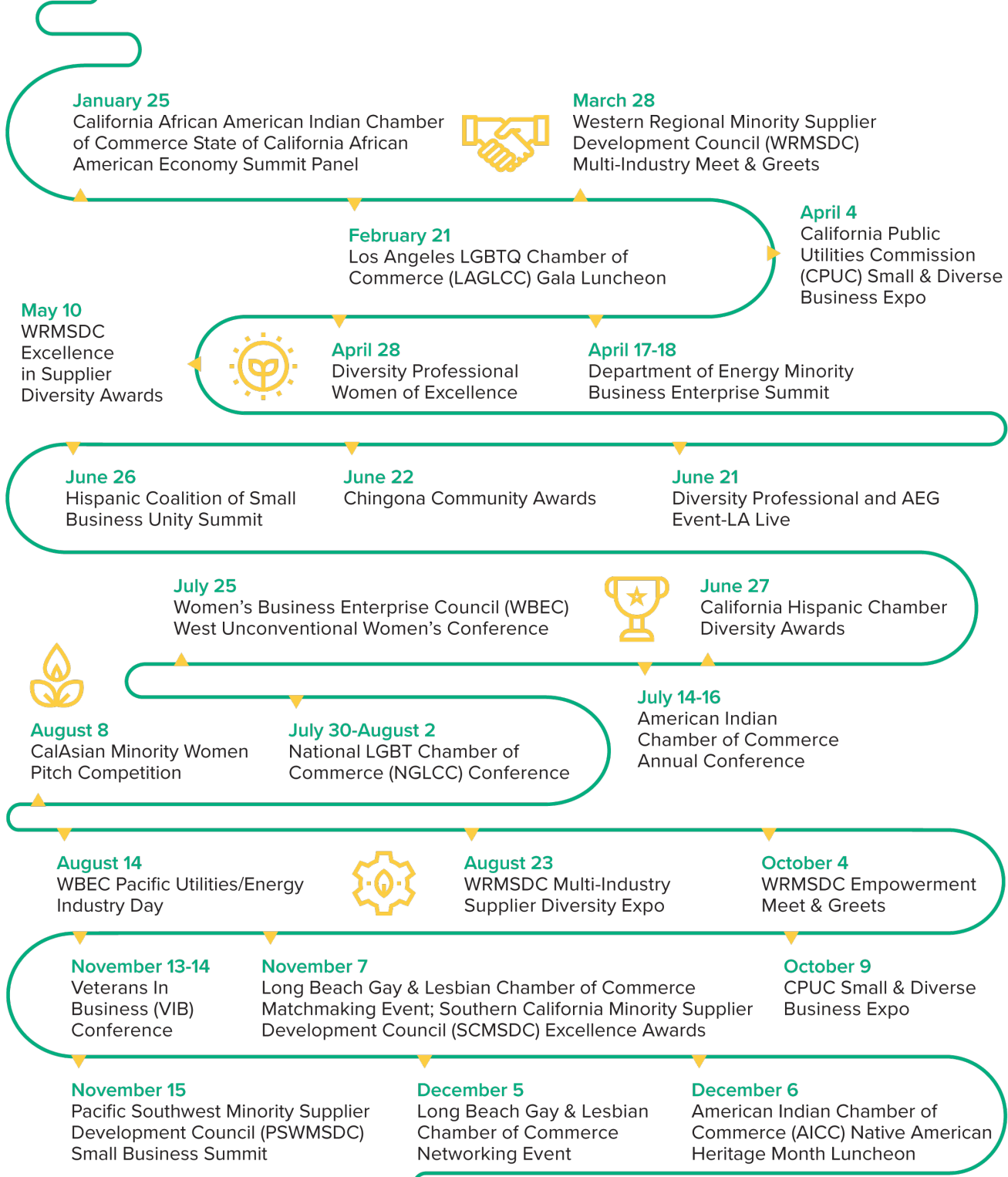


### EDUCATION

Providing opportunities for stakeholders to participate in supplier diversity conferences, events, and workshops.

## EXTERNAL ACTIVITIES

Throughout 2024, Southwest Gas remained committed to strengthening relationships with partner organizations and chambers of commerce that share its vision of supporting diverse businesses, expanding economic opportunities, and promoting supplier diversity. Southwest Gas actively participated in or sponsored the following outreach activities:





## REGULATORY PARTICIPATION

In 2024, Southwest Gas participated in the following regulatory activities:

- **April 5**  
Quarterly Joint Utility Meeting
- **June 20**  
Quarterly Joint Utility Meeting
- **September 19**  
Quarterly Joint Utility Meeting
- **October 10**  
CPUC 22<sup>nd</sup> Annual Supplier Diversity En Banc
- **December 5**  
Quarterly Joint Utility Meeting

American Indian COC  
Warrior Lunch



**“Southwest Gas remained committed to strengthening relationships with partner organizations and chambers of commerce that share our vision of supporting diverse businesses.”**

# NEW SUPPLIER REGISTRATION PORTAL

Southwest Gas is excited to announce that in November 2024, the Company updated its supplier registration process when it rolled out a new supplier registration portal. This new process allows businesses to apply to be included in the registry of suppliers interested in doing business with Southwest Gas.

This process applies to current and prospective suppliers. Suppliers can access the portal here:

**SUPPLIER DIVERSITY MANAGEMENT SYSTEM**

**TABLE 9.1.2 (A)**  
**RESULTS BY ETHNICITY**

## SUPPLIER DIVERSITY PROCUREMENT ANNUAL RESULTS

Ethnicity		Direct \$	Sub \$	Total \$	%
Minority Male	African American	2,392,774	-	2,392,774	2.79
	Asian Pacific American	2,575,185	-	2,575,185	3.00
	Hispanic American	135,513	5,996	141,509	0.16
	Native American	1,637,941	-	1,637,941	1.91
	Other	-	-	-	0.00
<b>Total Minority Male</b>		<b>6,741,413</b>	<b>5,996</b>	<b>6,747,409</b>	<b>7.85</b>
Minority Female	African American	-	22,903	22,903	0.03
	Asian Pacific American	513,828	-	513,828	0.60
	Hispanic American	-	321,709	321,709	0.37
	Native American	1,388	326,814	328,201	0.38
	Other	-	-	-	0.00
<b>Total Minority Female</b>		<b>515,216</b>	<b>671,426</b>	<b>1,186,642</b>	<b>1.38</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>7,256,629</b>	<b>677,422</b>	<b>7,934,051</b>	<b>9.24</b>
Women Business Enterprise (WBE)		4,483,922	1,980,086	6,464,008	7.52
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		54,421	4,742	59,162	0.07
Disabled Veteran Business Enterprise (DVBE)		27,717,918	3,977	27,721,894	32.27
Person with Disabilities Business Enterprise (PDBE)			5,171,277	5,171,277	6.02
Other 8(a)*		-	-	-	0.00
<b>Total Supplier Diversity Spend</b>		<b>39,512,889</b>	<b>7,837,503</b>	<b>47,350,392</b>	<b>55.12</b>
<b>Net Procurement**</b>		<b>85,911,458</b>			

**Notes:**

\* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTBPDDBE

\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct: means direct procurement from a supplier

Sub: means subcontractor procurement when a prime contractor procures from a subcontractor

?: Percentage of net procurement

Percentages and procurement dollars may reflect rounding differences

**TABLE 9.1.2 (B)  
RESULTS BY DIRECT  
PROCUREMENT**

## PRODUCTS AND SERVICES—DIRECT

Ethnicity		Product \$	%	Services \$	%	Total \$	%
Minority Male	African American	-	0.00	2,392,774	2.94	2,392,774	2.79
	Asian Pacific American	2,274,837	49.51	300,347	0.37	2,575,185	3.00
	Hispanic American	-	0.00	135,513	0.17	135,513	0.16
	Native American	1,075	0.02	1,636,866	2.01	1,637,941	1.91
	Other	-	0.00	-	0.00	-	0.00
<b>Total Minority Male</b>		<b>2,275,912</b>	<b>49.53</b>	<b>4,465,501</b>	<b>5.49</b>	<b>6,741,413</b>	<b>7.85</b>
Minority Female	African American	-	0.00	-	0.00	-	0.00
	Asian Pacific American	-	0.00	513,828	0.63	513,828	0.60
	Hispanic American	-	0.00	-	0.00	-	0.00
	Native American	1,388	0.03	-	0.00	1,388	0.00
	Other	-	0.00	-	0.00	-	0.00
<b>Total Minority Female</b>		<b>1,388</b>	<b>0.03</b>	<b>513,828</b>	<b>0.63</b>	<b>515,216</b>	<b>0.60</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>2,277,300</b>	<b>49.56</b>	<b>4,979,329</b>	<b>6.12</b>	<b>7,256,629</b>	<b>8.45</b>
Women Business Enterprise (WBE)		319,013	6.94	4,164,909	5.12	4,483,922	5.22
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		-	0.00	54,421	0.07	54,421	0.06
Disabled Veteran Business Enterprise (DVBE)		-	0.00	27,717,918	34.09	27,717,918	32.26
Person with Disabilities Business Enterprise (PDDBE)		-	0.00	-	0.00	-	0.00
Other 8(a)*		-	0.00	-	0.00	-	0.00
<b>Total Supplier Diversity Spend</b>		<b>2,596,313</b>	<b>56.51</b>	<b>36,916,577</b>	<b>45.40</b>	<b>39,512,889</b>	<b>45.99</b>
<b>Net Diverse Procurement</b>		<b>47,350,392</b>					
<b>Total Product Procurement</b>		<b>4,594,653</b>					
<b>Total Service Procurement</b>		<b>81,316,805</b>					
<b>Net Procurement**</b>		<b>85,911,458</b>					
<b>Total Number of Diverse Suppliers that Received Direct Spend</b>			<b>31</b>				

**Notes:**

\* Firms classified as 8(a) by the Small Business Administration include non-WMDV/LGBT/PDBE

\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct: means direct procurement from a supplier

Sub: means subcontractor procurement when a prime contractor procures from a subcontractor

#: Percentage of net procurement

Percentages and procurement dollars may reflect rounding differences

**TABLE 9.1.2 (C)  
RESULTS BY SUBCONTRACTING  
PROCUREMENT**

**PRODUCTS AND SERVICES—  
SUBCONTRACTING**

Ethnicity		Product		Services		Total	
		\$	%	\$	%	\$	%
Minority Male	African American	-	0.00	-	0.00	-	0.00
	Asian Pacific American	-	0.00	-	0.00	-	0.00
	Hispanic American	1,592	0.03	4,403	0.01	5,996	0.01
	Native American	-	0.02	-	0.00	-	0.00
	Other	-	0.00	-	0.00	-	0.00
<b>Total Minority Male</b>		<b>1,592</b>	<b>0.03</b>	<b>4,403</b>	<b>0.01</b>	<b>5,996</b>	<b>0.01</b>
Minority Female	African American	-	0.00	22,903	0.03	22,903	0.03
	Asian Pacific American	-	0.00	-	0.00	-	0.00
	Hispanic American	321,709	7.00	-	0.00	321,709	0.37
	Native American	-	0.03	326,814	0.40	326,814	0.38
	Other	-	0.00	-	0.00	-	0.00
<b>Total Minority Female</b>		<b>321,709</b>	<b>7.00</b>	<b>349,717</b>	<b>0.43</b>	<b>671,426</b>	<b>0.78</b>
<b>Total Minority Business Enterprise (MBE)</b>		<b>323,301</b>	<b>7.04</b>	<b>354,120</b>	<b>0.44</b>	<b>677,422</b>	<b>0.79</b>
Women Business Enterprise (WBE)		-	6.94	1,980,086	2.44	1,980,086	2.30
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)		-	0.00	4,742	0.01	4,742	0.01
Disabled Veteran Business Enterprise (DVBE)		-	0.00	3,977	0.00	3,977	0.00
Person with Disabilities Business Enterprise (PDBE)		-	0.00	5,171,277	6.36	5,171,277	6.02
Other 8(a)*		-	0.00	-	0.00	-	0.00
<b>Total Supplier Diversity Spend</b>		<b>323,301</b>	<b>7.04</b>	<b>7,514,202</b>	<b>9.24</b>	<b>7,837,503</b>	<b>9.12</b>
<b>Net Diverse Procurement</b>		<b>47,350,392</b>					
<b>Total Product Procurement</b>		<b>4,594,653</b>					
<b>Total Service Procurement</b>		<b>81,316,805</b>					
<b>Net Procurement**</b>		<b>85,911,458</b>					
<b>Total Number of Diverse Suppliers that Received Direct Spend</b>		<b>16</b>					

**Notes:**

\* Firms classified as 8(a) by the Small Business Administration include non-WMDV/LGBT/PDBE

\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct: means direct procurement from a supplier

Sub: means subcontractor procurement when a prime contractor procures from a subcontractor

#: Percentage of net procurement

Percentages and procurement dollars may reflect rounding differences

# PRODUCTS AND SERVICES—STANDARD INDUSTRIAL CLASSIFICATION CODE REPORTING

Pursuant to Decision (D.) 05-12-023, Southwest Gas reports diverse supplier procurement results by Standard Industrial Classification (SIC) Code.

The following is a list of SIC codes and detailed descriptions of the products and/or services that Southwest Gas obtained from Clearinghouse-Verified diverse suppliers throughout 2024. These SIC codes are also utilized in the table on the following page, which provides a breakdown of the dollars spent in each category.

**TABLE 9.1.2 (D)**  
**ANNUAL RESULTS BY**  
**PRODUCTS AND SERVICE**  
**CATEGORIES PRIME**  
**CONTRACTOR BY SIC CODES**

## PRODUCTS AND SERVICES—STANDARD INDUSTRIAL CLASSIFICATION CODE REPORTING

SIC Category	African American		Asian Pacific American		Hispanic American		Native American	
	Male	Female	Male	Female	Male	Female	Male	Female
07 - Agricultural Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15 - Building Construction General Contractors and Operative Builders	\$0	\$15,536	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	1.13%	0.00%
16 - Underground Utility Contractor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
17 - Special Trade Contractor	\$2,377,294	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2.77%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23 - Apparel & Other Finished Products	\$0	\$0	\$0	\$10,843	\$0	\$0	\$0	\$1,388
	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%
26 - Paper and Allied Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
34 - Fabricated Metal Products	\$0	\$0	\$0	\$0	\$1,592	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
35 - Industrial and Commercial Machinery	\$0	\$0	\$0	\$0	\$504	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
37 -Transportation Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
38 - Instruments and Related Products	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
42 - Freight Transportation and Warehousing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
47 - Transportation Services	\$0	\$0	\$0	\$502,985	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.59%	0.00%	0.00%	0.00%	0.00%
50 - Wholesale Trade Durable Goods	\$15,480	\$0	\$2,274,837	\$0	\$0	\$321,709	\$1,075	\$326,814
	0.018%	0.00%	2.648%	0.00%	0.00%	0.374%	0.001%	0.380%
51 - Wholesale Trade NonDurable Goods	\$0	\$0	\$0	\$0	\$3,899	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
52 - Building Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
73 - Business Services	\$0	\$7,367	\$0	\$0	\$0	\$0	\$0	\$0
	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
87 - Engineering & Management Services	\$0	\$0	\$300,347	\$0	\$135,513	\$0	\$662,837	\$0
	0.00%	0.00%	0.35%	0.00%	0.16%	0.00%	0.77%	0.00%
<b>Total</b>	<b>\$2,392,774</b>	<b>\$22,903</b>	<b>\$2,575,185</b>	<b>\$513,828</b>	<b>\$141,509</b>	<b>\$321,709</b>	<b>\$1,637,941</b>	<b>\$328,201</b>
	<b>2.79%</b>	<b>0.03%</b>	<b>3.00%</b>	<b>0.60%</b>	<b>0.16%</b>	<b>0.37%</b>	<b>1.91%</b>	<b>0.38%</b>

**TABLE 9.1.2 (D)  
ANNUAL RESULTS BY  
PRODUCTS AND SERVICE  
CATEGORIES PRIME  
CONTRACTOR BY SIC CODES**

## PRODUCTS AND SERVICES—STANDARD INDUSTRIAL CLASSIFICATION CODE REPORTING

SIC Category	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Other 8(a)*
07 - Agricultural Services	\$0 0.00%	\$245,471 0.29%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
15 - Building Construction General Contractors and Operative Builders	\$989,565 1.15%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
16 - Underground Utility Contractor	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$ 27,717,918 32.26%	\$0 0.00%	\$0 0.00%
17 - Special Trade Contractor	\$2,377,294 2.77%	\$1,528,603 1.78%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
23 - Apparel & Other Finished Products	\$12,231 0.01%	\$4,499 0.01%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
26 - Paper and Allied Products	\$0 0.00%	\$1,051 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
34 - Fabricated Metal Products	\$1,592 0.00%	\$120,393 0.14%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
35 - Industrial and Commercial Machinery	\$504 0.00%	\$0 0.00%	\$504 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
37 -Transportation Equipment	\$0 0.00%	\$ 30,193 0.04%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
38 - Instruments and Related Products	\$0 0.00%	\$17,206 0.02%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
42 - Freight Transportation and Warehousing	\$0 0.00%	\$1,886,897 2.20%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
47 - Transportation Services	\$502,985 0.59%	\$0 0.00%	\$58,962 0.07%	\$0 0.00%	\$0 0.00%	\$0 0.00%
50 - Wholesale Trade Durable Goods	\$2,939,915 3.422	\$110,757 0.129%	\$0 0.00%	\$1,075 0.001%	\$0 0.00%	\$0 0.00%
51 - Wholesale Trade NonDurable Goods	\$3,899 0.00%	\$81,796 0.10%	\$3,899 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
52 - Building Materials	\$0 0.00%	\$37,764 0.04%	\$0 0.00%	\$0 0.00%	\$0 0.00%	\$0 0.00%
73 - Business Services	\$7,367 0.01%	\$2,374,798 2.76%	\$0 0.00%	\$0 0.00%	\$5,171,277 6.02%	\$0 0.00%
87 - Engineering & Management Services	\$1,098,698 1.28%	\$24,580 0.03%	\$200 0.00%	\$3,977 0.00%	\$0 0.00%	\$0 0.00%
<b>Total</b>	<b>\$7,934,051 9.24%</b>	<b>\$6,464,008 7.52%</b>	<b>\$59,162 0.07%</b>	<b>\$27,721,894 32.27%</b>	<b>\$5,171,277 6.02%</b>	<b>\$0 0.00%</b>

Notes: \* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDPDBE



— **TABLE 9.1.2 (D)**  
**ANNUAL RESULTS BY**  
**PRODUCTS AND SERVICE**  
**CATEGORIES PRIME**  
**CONTRACTOR BY SIC CODES**

## PRODUCTS AND SERVICES—STANDARD INDUSTRIAL CLASSIFICATION CODE REPORTING

SIC Category	Total Supplier Diversity Spend	Total Procurement	Total Product Procurement	\$4,594,653
07 - Agricultural Services	\$245,471 0.29%	\$245,471 0.29%	Total Service Procurement	\$81,316,805
15 - Building Construction General Contractors and Operative Builders	\$989,565 1.15%	\$989,565 1.15%	Net Procurement**	\$85,911,458
16 - Underground Utility Contractor	\$27,717,918 32.26%	\$27,717,918 32.26%		
17 - Special Trade Contractor	\$3,905,897 4.55%	\$3,905,897 4.55%		
23 - Apparel & Other Finished Products	\$16,730 0.02%	\$16,730 0.02%		
26 - Paper and Allied Products	\$1,051 0.00%	\$1,051 0.00%		
34 - Fabricated Metal Products	\$121,986 0.14%	\$121,986 0.14%		
35 - Industrial and Commercial Machinery	\$504 0.00%	\$504 0.00%		
37 -Transportation Equipment	\$ 30,193 0.04%	\$ 30,193 0.04%		
38 - Instruments and Related Products	\$17,206 0.02%	\$17,206 0.02%		
42 - Freight Transportation and Warehousing	\$1,886,897 2.20%	\$1,886,897 2.20%		
47 - Transportation Services	\$561,948 0.65%	\$561,948 0.65%		
50 - Wholesale Trade Durable Goods	\$3,050,672 3.551%	\$3,050,672 3.551%		
51 - Wholesale Trade Non-Durable Goods	\$85,696 0.10%	\$85,696 0.10%		
52 - Building Materials	\$37,764 0.04%	\$37,764 0.04%		
73 - Business Services	\$7,553,442 8.79%	\$7,553,442 8.79%		
87 - Engineering & Management Services	\$1,127,454 1.31%	\$1,127,454 1.31%		
<b>Total</b>	<b>\$47,350,392</b> <b>55.12%</b>	<b>\$47,350,392</b> <b>55.12%</b>		

**Notes:**

\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars

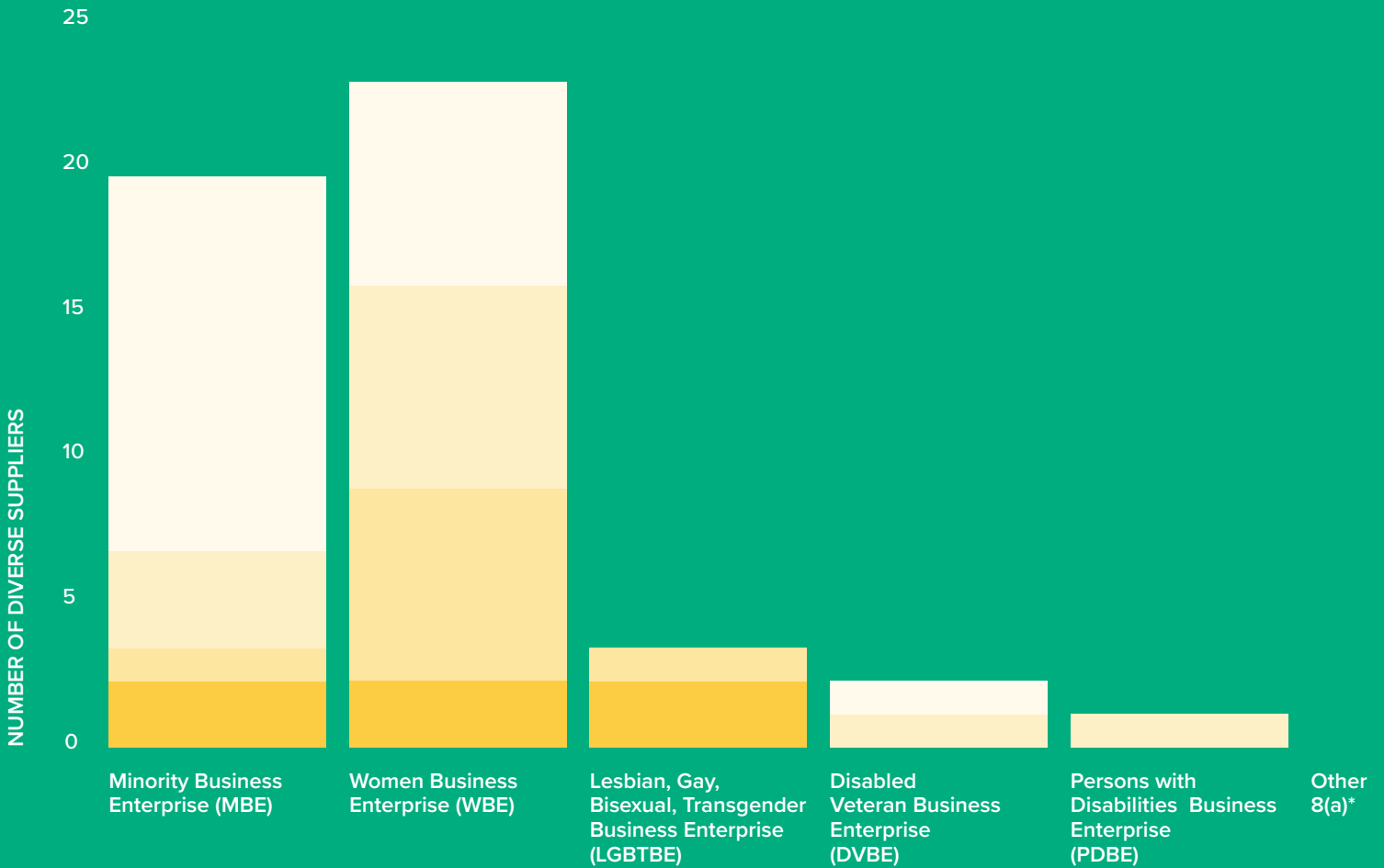
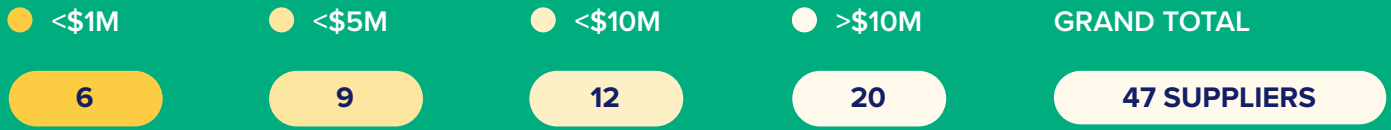
%: Percentage of net procurement

Percentages and procurement dollars may reflect rounding differences

GRAPH 9.1.2 (E)  
ANNUAL RESULTS BY SUPPLIERS'  
GROSS REVENUE SIZE

DATA ON REVENUE  
OF SUPPLIERS

REVENUE REPORTED TO SUPPLIER CLEARINGHOUSE



Notes: \* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDPBE

**TABLE 9.1.2 (E)**  
**ANNUAL RESULTS BY SUPPLIERS'**  
**GROSS REVENUE SIZE**

## DATA ON REVENUE OF SUPPLIERS

### REVENUE REPORTED TO SUPPLIER CLEARINGHOUSE

Number of Diverse Suppliers	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 (PDBE)	Other 8(a)*	Grand Total
Under \$1 million	2	2	2	0	0	0	6
Under \$5 million	1	7	1	0	0	0	9
Under \$10 million	3	7	0	1	1	0	12
Above \$10 million	12	7	0	1	0	0	20
<b>Total</b>	<b>18</b>	<b>23</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>47</b>

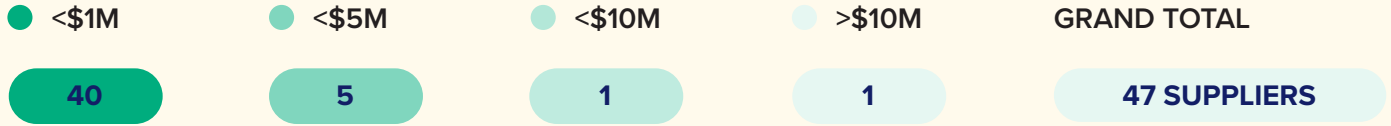
Revenue of Diverse Suppliers	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veteran Business Enterprise (DVBE)	Persons with Disabilities Business Enterprise (PDBE)	Other 8(a)*	Grand Total
	\$	\$	\$	\$	\$	\$	\$
Under \$1 million	1,316,010	915,358	83,329	-	-	-	2,314,697
Under \$5 million	2,237,538	21,413,767	1,987,238	-	-	-	25,638,543
Under \$10 million	25,282,807	44,131,785	-	-	-	-	69,414,592
Above \$10 million	1,472,364,626	299,954,687	-	107,052,458	-	-	1,879,371,771
<b>Total</b>	<b>1,501,200,981</b>	<b>366,415,597</b>	<b>2,070,567</b>	<b>107,052,458</b>	<b>-</b>	<b>-</b>	<b>1,976,739,603</b>

**Notes:** \* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDBE

GRAPH 9.1.2 (E)  
ANNUAL RESULTS BY SUPPLIERS'  
GROSS REVENUE SIZE

# UTILITY-SPECIFIC SUMMARY

## UTILITY-SPECIFIC 2024 SUMMARY



Notes: \* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDPBE

**TABLE 9.1.2 (E)**  
**ANNUAL RESULTS BY SUPPLIERS'**  
**GROSS REVENUE SIZE**

## UTILITY-SPECIFIC SUMMARY

### UTILITY-SPECIFIC 2024 SUMMARY

Number of Diverse Suppliers	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 (PDBE)	Other 8(a)*	Grand Total
Under \$1 million	17	19	3	1	0	0	40
Under \$5 million	2	3	0	0	0	0	5
Under \$10 million	0	0	0	0	1	0	1
Above \$10 million	0	0	0	1	0	0	1
<b>Total</b>	<b>19</b>	<b>22</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>47</b>

Revenue of Diverse Suppliers	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 (PDBE)	Other 8(a)*	Grand Total
	\$	\$	\$	\$	\$	\$	\$
Under \$1 million	2,307,890	1,063,751	59,162	3,977	-	-	3,434,780
Under \$5 million	5,626,160	5,400,257	-	-	-	-	11,026,417
Under \$10 million	-	-	-	-	5,171,277	-	5,171,277
Above \$10 million	-	-	-	27,717,918	-	-	27,717,918
<b>Total</b>	<b>7,934,051</b>	<b>6,464,008</b>	<b>59,162</b>	<b>27,721,894</b>	<b>5,171,277</b>	<b>-</b>	<b>47,350,392</b>

**Notes:** \* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTDBE

# DIVERSE SUPPLIERS WITH MAJORITY WORKFORCE IN CALIFORNIA

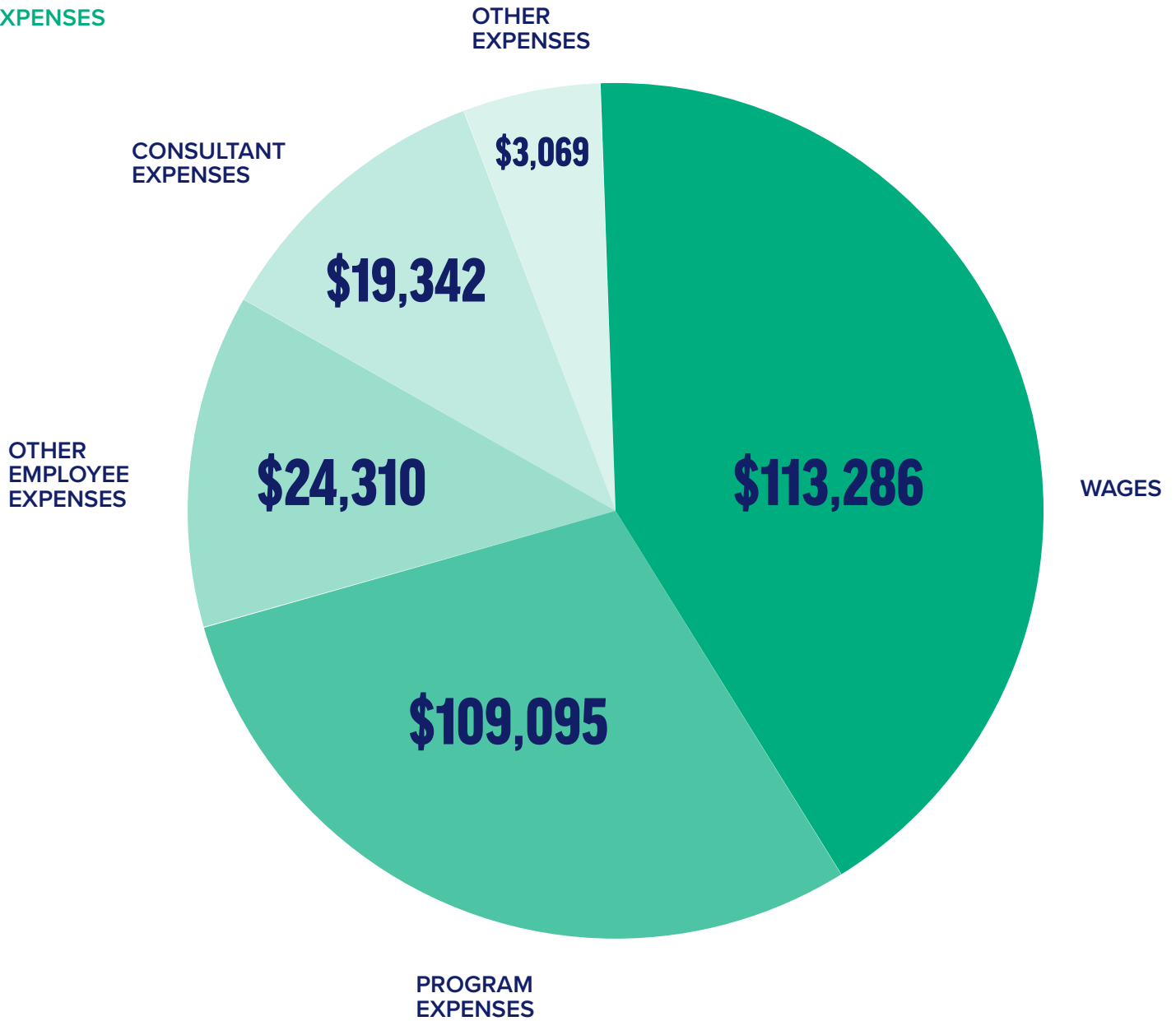
Based on available information, approximately 65 percent of Southwest Gas' Clearinghouse-Verified diverse suppliers have a majority of their workforce in California.



**65%**  
SUPPLIER  
CLEARINGHOUSE-  
VERIFIED SUPPLIER  
WORKFORCE

# ANNUAL PROGRAM EXPENSES

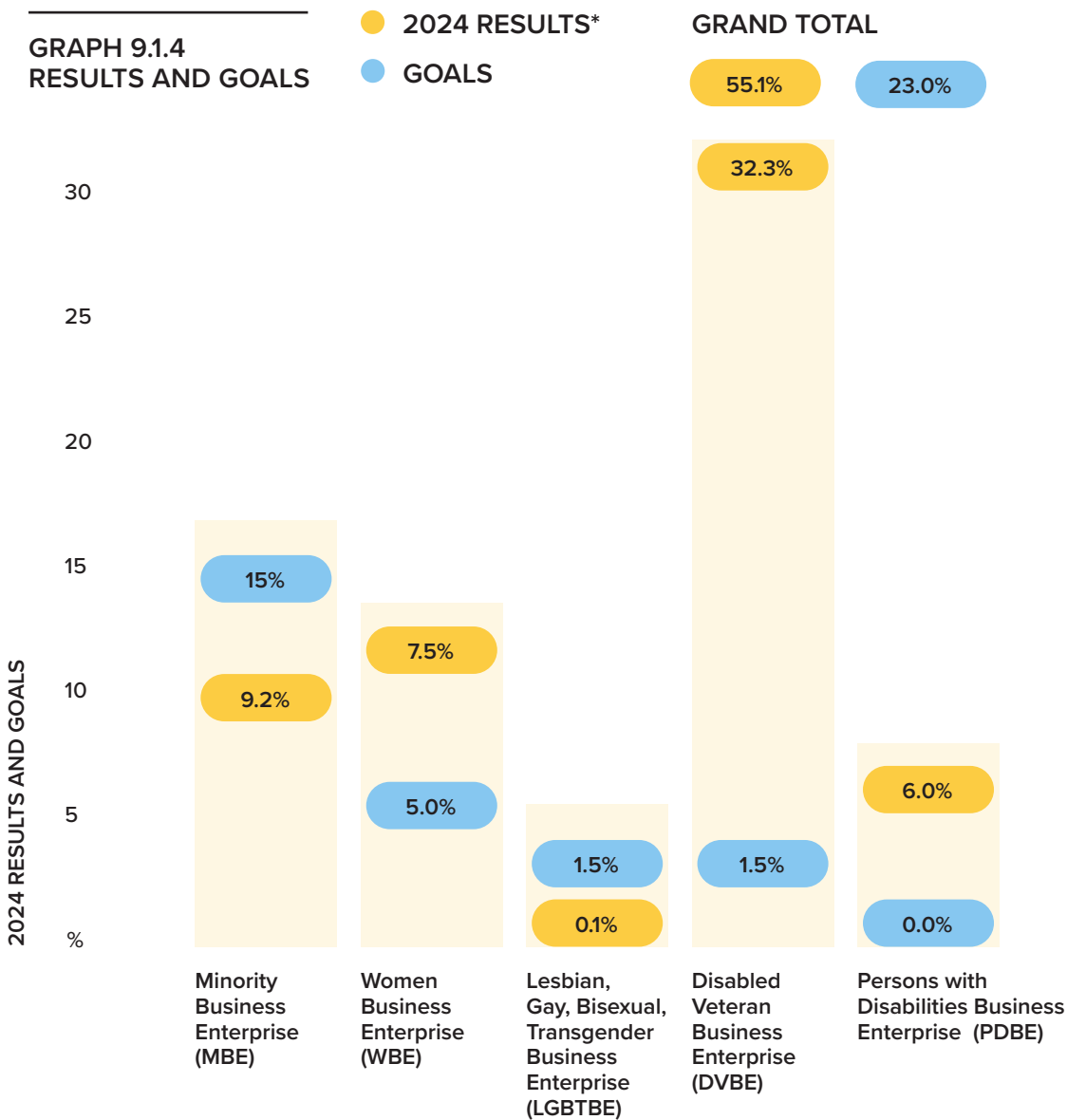
GRAPH 9.1.3  
ANNUAL PROGRAM  
EXPENSES



**TOTAL: \$269,102**

# ANNUAL RESULTS AND GOALS

In 2024, Southwest Gas exceeded its internal procurement goal and the CPUC’s goal of 23.0 percent for procurement with Clearinghouse-Verified diverse suppliers in California. Southwest Gas achieved a remarkable figure of over \$47 million dollars, representing 55.12 percent of its total procurement in the state. Southwest Gas exceeded the Commission’s goal in the WBE and DVBE categories. Southwest Gas remains committed to diligently working towards attaining the goals in each individual category, demonstrating its ongoing dedication to supplier diversity initiatives.



Notes: \*Percentages may reflect rounding differences (based upon net procurement)

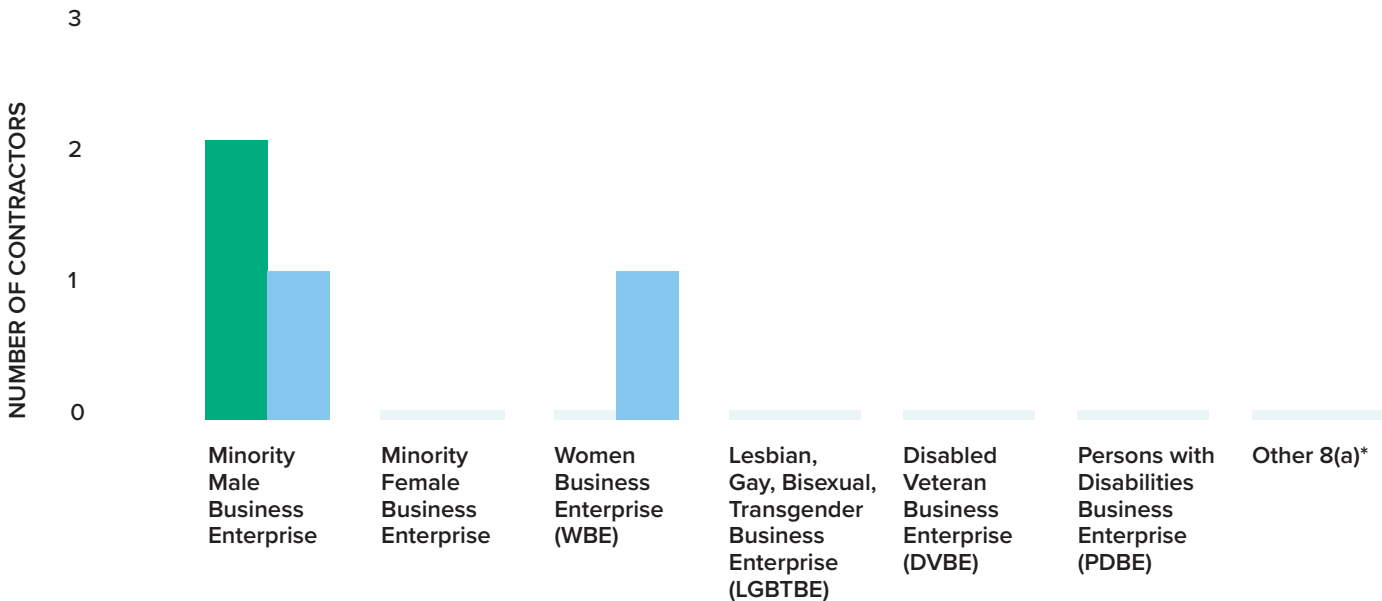


9.1.5  
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20

# PRIME AND SUBCONTRACTING UTILIZATION OF DIVERSE SUPPLIERS

In 2024, Southwest Gas had diverse spend with two new certified firms and our prime contractors had diverse spend with two new subcontractors. Southwest Gas continued its proactive approach to encouraging prime contractors to support diverse subcontractors within their supply chains, resulting in a reported subcontracting spend of \$7,837,503. This spend involved six prime contractors and sixteen diverse subcontractors, reflecting a 15.7 percent increase from 2023. Over the past five years, Southwest Gas has consistently made notable progress in enhancing its Tier 2 spend.

GRAPH 9.1.5 (A)  
DIVERSE SUPPLIERS



Notes: \* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTPDBE

## PRIME AND SUBCONTRACTING UTILIZATION OF DIVERSE SUPPLIERS

2024 Southwest Gas	Direct \$	Subcontracting \$	Total \$	Direct %	Subcontracting %	Total %
Minority Male	6,741,413	5,996	6,747,409	7.8	0.0	7.9
Minority Female	515,216	671,426	1,186,642	0.6	0.8	1.4
Minority Business Enterprise (MBE)	7,256,629	677,422	7,934,051	8.4	0.8	9.2
Women Business Enterprise (WBE)	4,483,922	1,980,086	6,464,008	5.2	2.3	7.5
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	54,421	4,742	59,162	0.01	0.0	0.01
Disabled Veteran Business Enterprise (DVBE)	27,717,918	3,977	27,721,894	32.3	0.0	32.3
Person with Disabilities Business Enterprise (PDBE)	-	5,171,277	5,171,277	0.0	6.0	6.0
Other 8(a)*	-	-	-	0.0	0.0	0.00
<b>Total Supplier Diversity Spend</b>	<b>39,512,889</b>	<b>7,837,503</b>	<b>47,350,392</b>	<b>46.0</b>	<b>9.1</b>	<b>55.12</b>
<b>Net Procurement**</b>	<b>85,911,458</b>					

**Notes:**

\* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTPDBE

\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct: means direct procurement from a supplier

Sub: means subcontractor procurement when a prime contractor procures from a subcontractor

?: Percentage of net procurement

Percentages and procurement dollars may reflect rounding differences

## PRIME AND SUBCONTRACTING UTILIZATION OF DIVERSE SUPPLIERS

2024 Southwest Gas	In-State Direct \$	In-State Subcontracting \$	Total \$	In-State Direct %	In-State Subcontracting %	Total %
Minority Male	6,657,125	5,996	6,663,121	7.7	0.0	7.8
Minority Female	504,373	344,612	848,985	0.6	0.4	1.0
Minority Business Enterprise (MBE)	7,161,498	350,608	7,512,106	8.3	0.4	8.7
Women Business Enterprise (WBE)	585,950	1,980,086	2,566,036	0.7	2.3	3.0
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	-	-	-	0.0	0.0	0.0
Disabled Veteran Business Enterprise (DVBE)	27,717,918	3,977	27,721,894	32.3	0.0	32.3
Person with Disabilities Business Enterprise (PDBE)	-	5,171,277	5,171,277	0.0	6.0	6.0
Other 8(a)*	-	-	-	0.0	0.0	0.0
<b>Total Supplier Diversity Spend</b>	<b>35,465,366</b>	<b>7,505,947</b>	<b>42,971,313</b>	<b>41.3</b>	<b>8.7</b>	<b>50.0</b>
<b>Net Procurement**</b>	<b>85,911,458</b>					

**Notes:**

\* Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTPDBE

\*\* Net procurement includes purchase orders, non-purchase orders, and credit card dollars

Direct: means direct procurement from a supplier

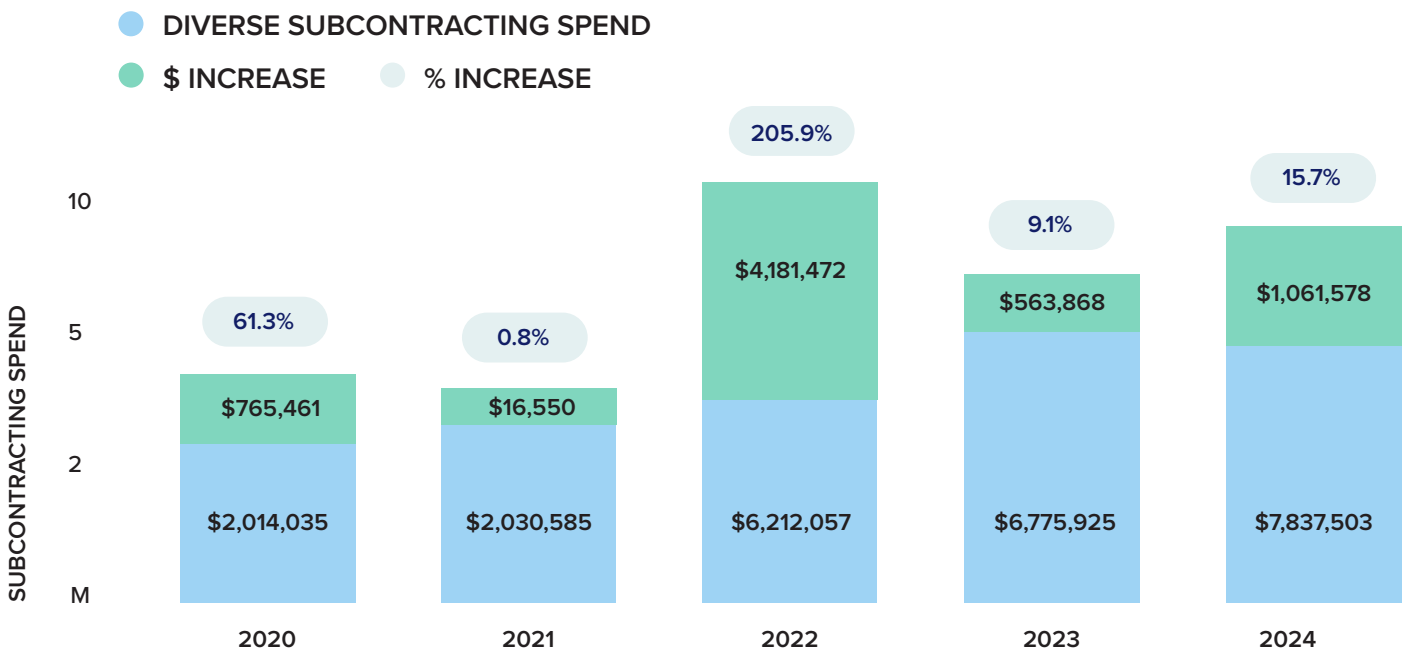
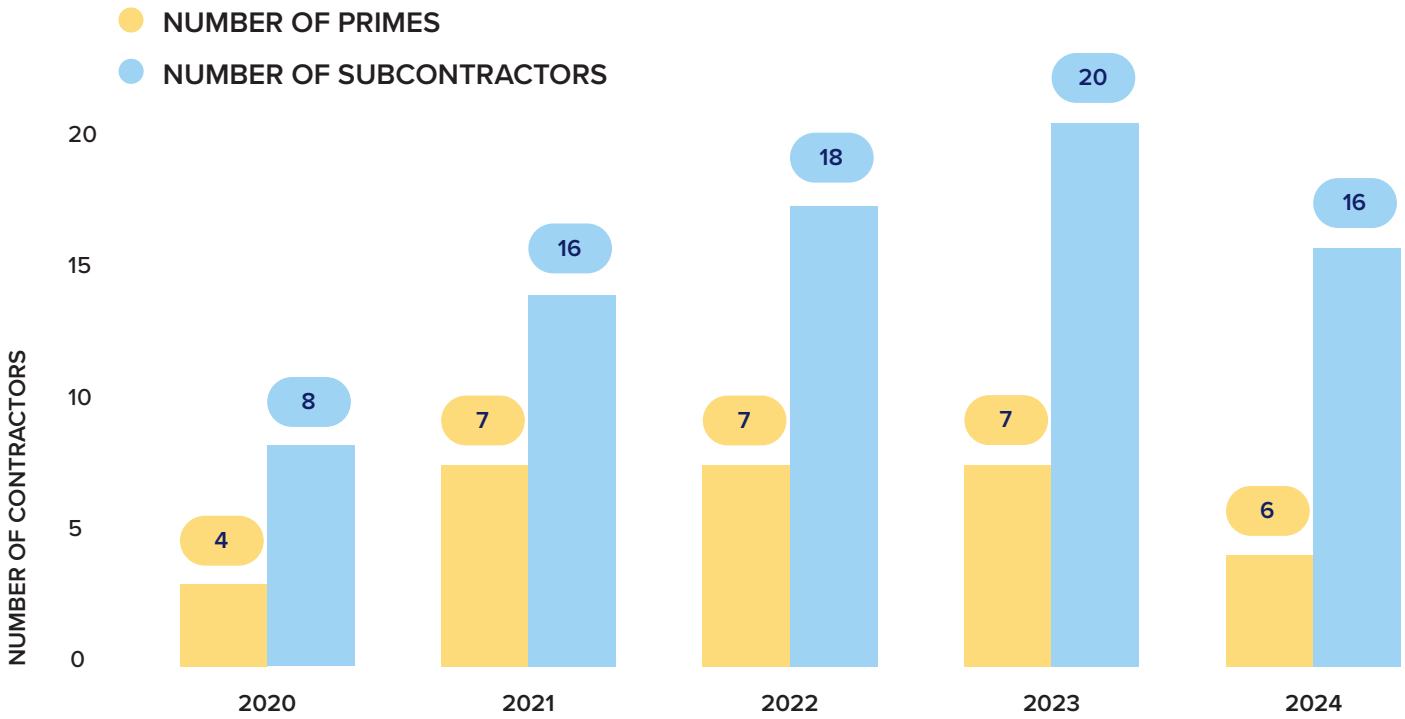
Sub: means subcontractor procurement when a prime contractor procures from a subcontractor

?: Percentage of net procurement

Percentages and procurement dollars may reflect rounding differences

GRAPH 9.1.5 (B)  
PROGRAM RESULTS

# DIVERSE SUBCONTRACTING 5-YEAR PROGRAM RESULTS



## DIVERSE SUPPLIER COMPLAINTS

Southwest Gas did not receive any formal supplier diversity-related complaints during 2024.

## RECRUITMENT EFFORTS IN LOW UTILIZATION AREAS

### FINANCIAL SERVICES

#### INVESTMENT BANKING

Southwest Gas continues to cultivate and strengthen relationships with diverse investment banks. Since 2012, Southwest Gas has had ten public debt issuances. In nine issuances, Southwest Gas appointed diverse investment banks as co-managers as reflected in the table below. The tenth offering, however, was tied to a maturing bank loan and the banks in the bank loan were appointed as agreed upon to the bond transaction.

**TABLE 9.1.7  
INVESTMENT  
BANKING**

Issue Date	Maturity Date	Gross Principal Offered \$	Allocated to WMDVPDBEs	
			Principal \$	Percent %
3-23-2012	4-01-2022	250,000,000	44,000,000	17.6
10-04-2013	10-01-2043	250,000,000	44,000,000	17.6
9-29-2016	9-29-2046	300,000,000	60,000,000	20.0
3-15-2018	4-1-2028	300,000,000	60,000,000	20.0
5-31-2019	6-1-2049	300,000,000	60,000,000	20.0
6-4-2020	6-15-2030	450,000,000	110,000,000	24.4
8-20-2021	8-15-2051	300,000,000	48,000,000	16.0
3-22-2022	3-15-2032	600,000,000	132,000,000	22.0
12-1-2022	12-1-2027	300,000,000	60,000,000	20.0
3-23-2023	3-23-2028	300,000,000	-	0.0
		3,350,000,000	618,000,000	18.4

## ASSET MANAGEMENT

In 2024, Southwest Gas continued its more than 21-year relationship with a diverse asset manager for the Company's 401k plan. The diverse asset manager continues to do well for our employees.

## LEASING SERVICES

Southwest Gas has, and continues to seek, new diverse businesses for lease financing opportunities.

## LEGAL SERVICES

Southwest Gas is committed to diversity and inclusion in all aspects of its business, including the procurement of legal services. Southwest Gas recognizes that a robust supplier diversity program contributes to the Company's growth, competitiveness, and ability to provide enhanced services to its customers. In fact, Southwest Gas provides numerous opportunities for diverse attorneys in non-diverse law firms. A number of women and minority attorneys who are members/partners of majority-owned law firms serve as lead counsel representing Southwest Gas in a wide range of legal matters.

Further, the Southwest Gas Legal Affairs Department, through pro bono work, partners with organizations that advocate on behalf of under-served minority communities and other vulnerable groups. Southwest Gas remains committed to the advancement of diversity and inclusion in the procurement of legal services and throughout the organization.

**“Southwest Gas recognizes that a robust supplier diversity program contributes to the Company's growth, competitiveness, and ability to provide enhanced services to its customers.”**

# SMALL BUSINESS OWNER TESTIMONIAL

## ASSURED ENGINEERING CONCEPTS, LLC



**Patrick J. Ramirez**  
*Owner*

In June 2014, Patrick Ramirez launched Assured Engineering Concepts, LLC (AEC) with a contract awarded by Southwest Gas' Central Arizona Division. Based in Phoenix, Arizona, AEC is a small veteran-owned business focused on engineering services for natural gas and electric utility companies.

The Central Arizona Division contract was instrumental in AEC establishing a viable operation and remains a key part of engineering design work being conducted today. Patrick is quick to share how over the years Southwest Gas has been very supportive with helping AEC prosper in every way possible. Through the designs AEC has completed, their engineering foundation has been strengthened. The technical personnel both at AEC and Southwest Gas have become an extension of each other's engineering teams, which has led

to positive working relationships. This constructive collaboration benefits the quality of each design.

Ask Patrick if Southwest Gas truly supports small businesses and he will use AEC as an example. Since launching his firm, AEC has successfully received contracts in all five Southwest Gas operating divisions; Central Arizona, Southern Arizona, Northern Nevada, Southern California and recently Southern Nevada. Having a small presence in each division has given AEC the perspective of designing across Southwest Gas' three-state service territory. This unique five division perspective also strengthens AEC capabilities and allows value engineering ideas to be shared, which can benefit Southwest Gas as well.

Currently employing 17 team members, Patrick is also extremely thankful to Southwest Gas for the "jobs created." Many engineers, designers and drafters have come through the work accomplished for Southwest Gas. These careers created have been possible because Southwest Gas said "YES" to a

small start-up in 2014. The journey with Southwest Gas and AEC represents the positive impact being made on the community when small businesses start, grow and thrive. These 10 years also provide Southwest Gas with a seasoned engineering firm to use as it serves the community.

Outside of working together, AEC is proud to support Southwest Gas employee David Ellingson, who is the

regional coordinator of the annual Future City competition. Over the years, AEC employees have been competition judges and provided supporting funds. To see so many young minds working on worldwide sustainability challenges is inspiring, Patrick shares.

To every member of the Southwest Gas team who has worked with and mentored AEC, the entire AEC team is grateful and honored to serve you.

**“The journey with Southwest Gas and AEC represents the positive impact being made on the community when small businesses start, grow and thrive.”**



# RENEWABLE AND NON-RENEWABLE ENERGY

Southwest Gas' fuel procurement is reflected in the Company's 2024 Annual Fuel Procurement Report.

**“Southwest Gas is playing a vital role in the transition to renewable energy and is committed to offering energy solutions to our customers throughout our service territory.”**



## RENEWABLE ENERGY/ENERGY EFFICIENCY PROJECTS

### RENEWABLE NATURAL GAS (RNG)

In Victorville, California, Southwest Gas continued to partner with Victor Valley Wastewater Reclamation Authority (VWRA) on a biomethane project commissioned in 2022, with research ongoing for RNG production expansion into the system.

### HYDROGEN

Southwest Gas proposed and submitted to the CPUC for approval (Application 22-09-006) a Hydrogen blending pilot project in Truckee, California. The Application is currently pending.

### COMPRESSED NATURAL GAS (CNG)

In Victorville, California, Southwest Gas continued to partner with Burrtec Waste Industries to increase their use of CNG. Additional Southwest facilities are needed to double the size of their CNG fleet and the new facilities will be commissioned in 2024 increasing the use of CNG.

### NATURAL GAS SERVICE TO THE NATIONAL ARMY TRAINING CENTER (NTC) AT FORT IRWIN, CALIFORNIA

Extending natural gas service to the NTC will increase energy independence, security, reliability and resilience through the installation of natural gas facilities together with site-wide energy efficient infrastructure improvements, including non-tariff Energy Conservation Measures (ECMs). In April 2024, the CPUC approved Southwest Gas' application to extend service to NTC.

NTC at  
Fort Irwin,  
California




## UTILITY WORKFORCE AND BOARD DIVERSITY

Pursuant to Section 14 in GO 156 and D.24-09-035, Southwest Gas is including a description and data regarding its workforce and board diversity.

As of December 2024, Southwest Gas employed 189 individuals in its California workforce. Based upon voluntary information gathered from the workforce, approximately 53.4% were classified as White, 22.8% as Hispanic or Latino, 12.2% as two or more races, 6.3% as African American, and the remaining 5.3% was comprised of Asian, American Indian, and Native Hawaiian.

Southwest Gas Board of Directors is comprised of eleven individuals, 55% are classified as female and 45% as male and 27% are members of a minority group.



**“Southwest Gas employed 189 individuals in its California workforce.”**

# 2024 ANNUAL FUEL PROCUREMENT REPORT

Southwest Gas remains committed and steadfast to include diverse businesses in its gas supply solicitations. In 2024, Southwest Gas spent:

~ 0.1% of the Company's total California procurement during 2024

**\$46,769**

On purchases from Clearinghouse-Verified diverse suppliers to support operations in California (see Fuel Purchases Chart).

**\$6,486,644**

On purchases from Clearinghouse-Verified diverse suppliers to support its operations in Nevada and Arizona.

~ 1.9% of the Company's total gas purchases for 2024

**\$6,533,413**

Total company-wide spend

# 2025 ANNUAL PLAN

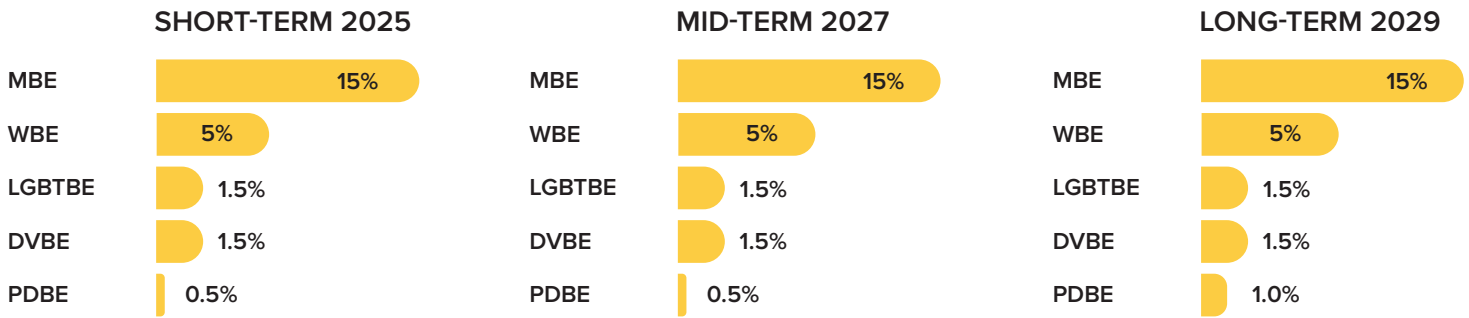


# GOALS

Southwest Gas remains steadfast in its commitment to meet or surpass the goals outlined in General Order (GO) 156. The Company is dedicated to strengthening existing partnerships with like-minded entities while also forging new relationships within the diversity sphere. Southwest Gas aligns its short, mid, and long-term product and service category goals with those set forth in GO 156, as demonstrated in the table provided below. This alignment underscores the Company’s ongoing efforts to continue to promote diversity and inclusivity across its operations and supply chain.

**GRAPH 10.11**  
**ANNUAL, SHORT-,**  
**MID- AND LONG-**  
**TERM GOALS**

## PRODUCT AND SERVICES



**OVERALL WMDVLGBTPD BE**  
**PROCUREMENT GOAL**

**47%**

**Descriptors:**  
 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 (PDBE)  
 Firms classified as 8(a) by the Small Business Administration include non-WMDVLGBTPD BE

# DESCRIPTION OF PLANNED PROGRAM ACTIVITIES

## INTERNAL OUTREACH ACTIVITIES

Southwest Gas has developed a strategic approach to enhance its Program through the following key initiatives:



### ENHANCING PROGRAM AWARENESS

Leverage internal resources and communication channels to increase awareness of the Supplier Diversity Program among stakeholders.



### RESEARCHING BEST PRACTICES

Continuously research industry best practices to refine the Program's strategy and ensure its long-term sustainability.



### IMPROVING PROGRAM TRACKING

Implement enhanced tracking methods and conduct comprehensive data analysis to measure the Program's effectiveness and identify areas for improvement.



### INCREASING TIER 2 SUBCONTRACTING SPEND

Collaborate with internal stakeholders to increase Tier 2 subcontracting spend, thereby expanding opportunities for diverse suppliers within the supply chain.



### EDUCATING BUSINESS UNITS

Educate and engage business units on Program objectives, with a focus on under-utilized and underspent categories, to promote greater participation and support.



### PROMOTING ENGAGEMENT

Foster participation and engagement among diverse suppliers through attendance at conferences, outreach events, and workshops designed to build relationships and expand opportunities.



### ADDRESSING ISSUES PROMPTLY

Prioritize the prompt and effective resolution of any issues impacting diverse suppliers to ensure their continued success and participation in the Program.

“By implementing these initiatives, Southwest Gas aims to strengthen its Supplier Diversity Program, achieve meaningful progress, and reinforce its commitment to Diversity, Equity, and Inclusion (DE&I).”



Hispanic Coalition of Small Business

### EXTERNAL OUTREACH ACTIVITIES

Southwest Gas remains committed to strengthening its partnerships with organizations that support and advocate for the diverse business community. We will pursue the following strategies:



**TARGETED OUTREACH EFFORTS**  
Implement outreach efforts tailored to each procurement category to maximize opportunities for diverse suppliers across all spend areas.



**BUILDING INTERNAL CONNECTIONS**  
Continue to foster strong connections with internal stakeholders to ensure positive experiences for diverse suppliers.



**PROMOTING THE PROGRAM**  
Actively promote the Supplier Diversity Program through ongoing outreach activities, both in-person and virtual, to raise awareness and facilitate connections with diverse suppliers.



**SUPPORTING COMMUNITY ENGAGEMENT**  
Participate in and support events that create networking and business development opportunities for diverse suppliers.

These external outreach efforts underscore Southwest Gas’ ongoing commitment to DE&I within its procurement practices and supplier relationships.



# CALIFORNIA OUTREACH ORGANIZATIONS



# PLANS FOR RECRUITING DIVERSE SUPPLIERS IN LOW-UTILIZATION AREAS

Southwest Gas seeks to expand opportunities for diverse businesses, particularly in areas where utilization rates are lower. In 2025, the Program staff will intensify efforts to target categories characterized by low utilization, focusing on the following activities:

## 01

### COLLABORATION WITH UTILITY PARTNERS

Collaborate with other utility partners to share information and best practices, aiming to increase the pool of qualified diverse suppliers. By leveraging collective knowledge and resources, Southwest Gas seeks to enhance opportunities for diverse businesses across the sector.

## 02

### SUPPORT FOR BUSINESS ORGANIZATIONS

Provide support to business organizations dedicated to developing diverse suppliers in underspent categories. By investing in these initiatives, Southwest Gas aims to foster growth and capacity-building within the diverse supplier community, ensuring they are well-equipped to participate in procurement opportunities.

## 03

### BOLSTER OUTREACH EFFORTS

Strengthen outreach efforts with added emphasis on minority, female, and LGBT business enterprises. By actively engaging with these communities and providing tailored support, Southwest Gas aims to create a more inclusive procurement environment and increase opportunities for diverse businesses.

Through these targeted activities, Southwest Gas is committed to driving meaningful progress in supplier diversity, fostering inclusivity, and creating opportunities for diverse businesses to thrive.

## PLANS FOR RECRUITING DIVERSE SUPPLIERS WHERE UNAVAILABLE

Pursuant to D.03-11-024, Southwest Gas does not include exclusions in its procurement reporting.

## PLANS TO ENCOURAGE PRIME CONTRACTORS TO ENGAGE DIVERSE SUBCONTRACTORS

In 2025, Southwest Gas is committed to expanding opportunities for diverse subcontractors. The Program team will continue educating prime contractors and internal business units about Program objectives while actively working to create a more inclusive procurement process. The key strategies for achieving these goals include:



### BUILDING PARTNERSHIPS WITH PRIME CONTRACTORS

Strengthen existing relationships and establish new partnerships with prime contractors to enhance collaboration and support for diverse subcontractors.



### RAISING PROGRAM AWARENESS AND PROVIDING SUPPORT

Educate prime contractors about the Program's objectives and the benefits of working with diverse subcontractors, offering ongoing support and guidance.



### HELPING PRIME SUPPLIERS IDENTIFY DIVERSE SUBCONTRACTORS

Assist prime suppliers in identifying qualified diverse subcontractors, increasing participation opportunities for diverse businesses in procurement activities.



### SUPPORTING CERTIFICATION PROCESSES

Provide guidance and assistance to subcontractors in obtaining necessary certifications to qualify for procurement opportunities.



### ENHANCING DATA COLLECTION AND TRACKING

Improve the collection and tracking of Tier 2 subcontracting spend data to monitor progress effectively and identify areas for improvement.



### FACILITATING NETWORKING OPPORTUNITIES

Organize networking events, matchmaking sessions, and other outreach initiatives to connect prime contractors with diverse subcontractors.

By executing these strategies, Southwest Gas aims to cultivate a more inclusive and diverse supplier base, delivering positive outcomes for the Company and the communities it serves.



CPUC Small and Diverse Business Expo-Procurement Insights for Savvy Vendors Panel

## GENERAL ORDER 156 COMPLIANCE

Southwest Gas is firm in its commitment to promote the continued growth of diverse suppliers and adhere to the guidelines established in GO 156. Southwest Gas further intends to integrate revisions to GO 156 in its business practices and continue to deliver positive outcomes for diverse businesses.



# 2024 - 2025 ANNUAL FUEL PROCUREMENT REPORT | PLAN

## CURRENT MARKET CONDITIONS

The Company's Gas Supply Department secures natural gas supplies to serve the demand of Southwest Gas' sales customers in:



Southwest Gas meets these requirements through a combination of firm contract purchases, monthly spot market purchases, and daily spot market purchases. Southwest Gas purchases gas supplies in the most economic manner from a wide variety of sources and ever-changing number of potential suppliers.

Southwest Gas acquires the necessary gas supplies on a competitive price basis, also taking into consideration the reliability and assured performance of potential gas suppliers, as well as the reliability of the actual sources of supply. Diverse suppliers have an opportunity to compete directly with the Company's other natural gas suppliers.

Southwest Gas has a longstanding commitment to doing business with diverse suppliers and will provide opportunities when possible and economic.

Southwest Gas actively solicits both firm and spot market gas supply offers from diverse suppliers. Whether daily, monthly, or long term, the Company encourages diverse suppliers to participate when it seeks offers for natural gas supplies. Southwest Gas may receive responses to its solicitation programs from various diverse suppliers, some of whom become successful in the competitive process.

During 2024, diverse suppliers provided offers in response to the Company's gas supply short-and long-term solicitations providing supplies in support of the Company's California operations during one month. In support of Southwest Gas' operations in Arizona and Nevada during that same time, diverse suppliers provided successful offers for short and long-term deals in response to the Company's gas supply solicitations for delivery during seven months.

## OUTREACH EFFORTS

Southwest Gas reviews proposals from prospective diverse natural gas suppliers and provides those potential suppliers with information and the opportunity to participate in all bidding programs. Additionally, the Company's Natural Gas Supply Department fields calls directly from prospective suppliers, accepts referrals from industry contacts, and pursues contacts provided by Supplier Diversity Program staff.

**“Whether daily, monthly, or long term, the Company encourages diverse suppliers to participate when it seeks offers for natural gas supplies.”**



## RECRUITING DIVERSE SUPPLIERS IN LOW-UTILIZATION AREAS

In 2025, Southwest Gas will continue its efforts to increase procurement in areas of low utilization.

# SUPPLIER DIVERSITY PROGRAM FUEL PROCUREMENT ANNUAL PLAN FOR 2025

In 2025, the Company's Gas Supply department will endeavor to find and develop new diverse suppliers and encourage existing diverse suppliers to participate in Southwest Gas' various natural gas supply solicitation opportunities. Gas Supply employees will also meet with prospective diverse suppliers to discuss natural gas supply requirements, existing supply arrangements, and settlements for gas purchased. Southwest Gas will continue to engage and welcome Clearinghouse-Verified diverse natural gas suppliers that offer cost-competitive natural gas supplies to the Company.

**“Southwest Gas will continue to engage and welcome Clearinghouse-Verified diverse natural gas suppliers.”**





**TABLE 11.1.2  
SUPPLIER DIVERSITY RESULTS IN  
FUEL PROCUREMENT**

Ethnicity	Natural Gas \$		LPG \$ <sup>1</sup>		Totals \$ <sup>2</sup>		% <sup>3</sup>	
	Short Term	Long Term	Short Term	Long Term	Total Natural Gas	Total LPG	Total \$	Total %
Minority Male	African American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Asian Pacific American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Hispanic American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Native American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Minority Male</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Minority Female	African American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Asian Pacific American	46,769	0.00	0.00	0.00	46,769	0.00	46,769
	Hispanic American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Native American	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Minority Female</b>	<b>46,769</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>46,769</b>	<b>0.00</b>	<b>46,769</b>	<b>0.08</b>
<b>Total Minority Business Enterprise (MBE)</b>	<b>46,769</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>46,769</b>	<b>0.00</b>	<b>46,769</b>	<b>0.08</b>
Women Business Enterprise (WBE)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disabled Veteran Business Enterprise (DVBE)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Person with Disabilities Business Enterprise (PDBE)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other 8(a)*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total WMDVLGBTBE</b>	<b>46,769</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>46,769</b>	<b>0.00</b>	<b>46,769</b>	<b>0.08</b>
<b>Net Fuel Procurement</b>	<b>55,220,400</b>							
<b>Net Natural Gas Procurement</b>	<b>55,220,400</b>							
<b>Net LPG Procurement</b>	<b>0</b>							

**Notes:**

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

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

<sup>1</sup> LPG: Liquefied Petroleum Gel

<sup>2</sup> Excludes purchases from the CAISO, other utilities, federal entities, state entities, municipalities and cooperatives.

<sup>3</sup> % - Percentage of Net Fuel Procurement

\* 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

# IN MEMORIAM

**Melanie Rae**

*WMBE advocate and consultant*



Melanie Rae was a dedicated advocate and consultant specializing in Women- and Minority-Owned Business Enterprise (WMBE) development, supplier diversity, and corporate inclusion strategies. With a deep understanding of procurement, business certification processes, and capacity-building initiatives, she worked tirelessly to help diverse businesses navigate corporate and government contracting landscapes to achieve sustainable growth.

With over a decade of experience in supplier diversity and business advisory services, Melanie partnered with Fortune 500 corporations, government agencies, non-profit organizations and utility companies, including Southwest Gas, to create equitable procurement opportunities for diverse suppliers. She provided strategic guidance on WMBE certification, access to capital, compliance, and business development, ensuring that minority- and women-owned businesses could compete effectively in supply chains.

Melanie's expertise extended to program development and stakeholder engagement, where she designed and led initiatives that fostered meaningful connections between diverse suppliers

and corporate buyers. She was known for her ability to translate supplier diversity goals into actionable programs that drove economic impact and inclusion.

Passionate about empowering underrepresented entrepreneurs, Melanie frequently conducted workshops, mentorship programs, and consulting sessions to equip business owners with the knowledge and tools needed to scale their operations. Her unwavering commitment to equity and inclusion made her a trusted advisor in the supplier diversity ecosystem.

Melanie held certifications in supplier diversity program management and business development strategies and was an active participant in industry associations advocating for WMBE growth. Her legacy of advocacy, mentorship, and impact will continue to inspire those she touched throughout her career.

She will be deeply missed, but her contributions to supplier diversity and her passion for uplifting others will never be forgotten.



**SOUTHWEST GAS**