ICC Holds Third Annual Supplier Diversity Policy Session

CHICAGO – On Monday, the Illinois Commerce Commission hosted its third annual supplier diversity policy session with a focus on encouraging Illinois utilities to work with more diverse businesses, including those owned by minorities, women, and veterans.

All five ICC Commissioners were in attendance, and Commissioners Miguel del Valle, Sherina Maye Edwards and John Rosales led the session.

Participants included State Representative William Davis (D-30), Ralph G. Moore, president of RGMA; John Rogers, Jr., chairman and chief executive officer, Ariel Investments; Gloria Castillo, president and chief executive officer of Chicago United, Anne Pramaggiore, president and chief executive officer of Commonwealth Edison; Charles Matthews, president of Peoples Gas and North Shore Gas; Bruce Hauk, president of Illinois American Water; and Melvin Williams, president of Nicor Gas.

The Commission supports the goal of Public Act 97-1041 to increase the participation of women, minority and veteran business enterprises in procurement contracts with regulated entities. At the session, the Commission reviewed Illinois utilities’ compliance with Section 5-117 of the Public Utilities Act, which requires regulated gas, electric and water utilities with 100,000 customers or more to annually report procurement goals and actual spend for minority-owned, women-owned, veteran-owned and small businesses.

“Diversity doesn’t just make sense, it makes dollars,” Edwards said. “However, a commitment to engaging with diverse suppliers and service providers is not purely a financial investment, but also a meaningful investment in local communities and economies. The progress I’ve noticed in reviewing the 2015 reports indicates to me that each of our Illinois utilities recognizes these types of investments and relationships as valuable in ways beyond just the dollars. Embracing diversity as a core value is a key step towards true cultural change.”

Each utility presented an overview of its actual spend in 2015 with women-owned, minority-owned and veteran-owned businesses, as well as goals for future procurement opportunities. The participants also highlighted current outreach programs designed to identify, promote and increase engagement with diverse businesses. The utilities’ reports can be found here on the ICC’s website.

“Aside from the quantitative data in these reports, there’s an underlying narrative about the utilities’ qualitative goals,” Commissioner Rosales said. “On the face of each report it appears that things are moving in the right direction. This policy session provides the perfect opportunity to take a step back and think critically about goals, and to re-commit ourselves to this effort. The larger goal is to encourage utilities to foster meaningful
participation from diverse suppliers, and achieving that goal may require people to move beyond the ‘compliance’ mindset.”

John Rogers, Jr. commented on the sharp downturn in the number of Illinois businesses on the Black Enterprise Top 100 Businesses list and encouraged the utilities to expand their diversity efforts across all professional service areas. He spoke of the importance of ensuring a diverse pool of decision-makers in the boardroom, in the c-suite, and in procurement determinations.

The policy session ended with a roundtable discussion on some of the current trends in supplier diversity, procurement challenges and triumphs, and best practices for increasing and sustaining the pool of qualified vendors. Gloria Castillo opened the conversation by offering best practices learned from Chicago United’s Five Forward initiative, which focuses on local minority business growth.

“Illinois’ utility infrastructure and industries in electricity, gas, and water are going through a transformation, and this means there is more opportunity for the utilities and diverse suppliers,” Commissioner del Valle said. “I want to see more ambitious goals and efforts to increase opportunities for diverse suppliers in all [of the utilities’] projects. This requires the utilities to be more aggressive and willing to go beyond their comfort zone in terms of their efforts to identify and grow the pool of diverse vendors in all product and service categories.”

“Embracing diversity makes us better, stronger and smarter,” said Anne Pramaggiore.

“Supplier diversity is simply the way we will do business and how we will reflect our communities,” said Melvin Williams. “We continue to see progress in the level of engagement and commitment.”

The slides from the presentations are available on the Commission’s website.

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**About the Illinois Commerce Commission**

The Illinois Commerce Commission’s mission is to pursue an appropriate balance between the interests of consumers and existing and emerging service providers to ensure the provision of adequate, efficient, reliable, safe and least-cost public utility services. The Commission pursues this mission through three bureaus: The Bureau of External Affairs, which provides educational information on utility issues for consumers, governmental entities and communities and through its Consumer Services Division, resolves customer/utility disputes and develops rules on utility service and consumer protection; the Public Utilities Bureau, which focuses on financial and operational analysis, policy development, public safety and enforcement activities related to electric, natural gas, water, sewer and telecommunications companies; and the Transportation Bureau, which includes trucking insurance and registration, railroad safety, relocation towing, safety towing and household goods moving company enforcement activities. The ICC’s five commissioners are appointed by the Governor and approved by the Illinois State Senate for five-year terms.