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## Utilities & Railroads Report Progress at 2021 ICC Supplier Diversity Policy Sessions

Chicago, IL –In September, the Illinois Commerce Commission held two Supplier Diversity Policy Sessions allowing the state’s large regulated public utilities and Class 1 railroads to report on their supplier diversity efforts in 2020 and identify their procurement goals for 2021. The utilities reported significant progress on their supplier diversity achievements since mandated reporting began in the state six years ago. In 2020, the largest utilities combined annual supplier diversity spending has increased to around \$2 billion. The seven Class 1 Railroads doing business in Illinois reported collective diverse spending at \$1.5 billion.

The policy sessions are in response to provisions created by the Illinois General Assembly in both the Public Utilities Act and the Railroad Supplier Diversity Act. Under Section 5-117 of the Public Utility Act, large regulated utilities, wind, solar and other energy suppliers in the state are required to report on procurement goals and actual spending for the previous calendar year with diverse suppliers. The Railroad Supplier Diversity Act states that Class 1 railroads may submit to the Commission an annual report on supplier diversity and requires the Commission to hold an annual workshop from railroads about solutions to improve supplier diversity.

The moderator for the policy sessions was Jeanine Robinson, the ICC’s Director of Diversity and Community Affairs. Robinson also serves on the National Association of Regulatory Utility Commissioners (NARUC) Staff Subcommittee on Supplier and Workforce Diversity.

### **September 14, 2021, 6<sup>th</sup> Annual Supplier Diversity Utility Policy Session**

“Since the Commission began holding these policy sessions, we have seen positive gains reflecting both a clear and continuous commitment to communities of color and a desire to reflect the diversity of our state. During the past six years, utility spending with minorities, women, and veteran-owned businesses has grown from an average of 15% to over one-third of spending – with some utilities set to hit nearly 50 percent of all procurement spending with diverse suppliers. I am especially pleased with the increased spending with Illinois-based diverse businesses,” said ICC Chairman Carrie Zalewski.

Speaker of the Illinois House Chris Welch kicked off the policy session by offering legislative remarks. He highlighted the importance of newly enacted Climate and Equitable Jobs Act which sets Illinois on a path to decarbonization by 2050 and measures within the bill that will further diversify the energy sector.

During the first panel, *Major Utilities Supplier Diversity Highlights*, Presidents and CEOs of Illinois’ largest regulated public utilities each gave an overview of their companies procurement goals and actual spend with diverse suppliers in 2020, and how they are adjusting to the challenges brought on by the COVID 19 pandemic in 2020. Representing the utilities were:

- Charles Matthews, President Peoples Gas
- John O. Hudson, III, President, Nicor Gas

- Richard J. Mark, President, Ameren Illinois Company
- Terry Donnelly, President & COO, ComEd
- Justin Ladner, President, Illinois American Water
- Craig Blanchette, President, Aqua Illinois

Overall, the panelists reported increases in their supplier diversity spending in 2020, much of it spent through Illinois-based companies, thanks in part to infrastructure improvement projects and a reliance on diverse suppliers for personal protective equipment. Nicor gas reported a slight decrease in diverse spending which they attributed to an overall decrease in sourceable spending due to the pandemic. However, the company was successful in reaching its goal of more than doubling its diverse spending on professional services (legal, financial, communications).

The second panel, **Assist Agencies – Expanding Diverse Resources**, highlighted the Commission’s partnership with grass roots organization responsible for promoting communities of color. This panel discussed what they are doing to help diverse businesses succeed and improving collaboration to increase access to contracting opportunities. The panelists included:

- Georgia Marsh, Chief Development Officer, Women’s Business Development Center – Midwest
- Angie Alonso, Director of PTAC Program, Illinois Hispanic Chamber of Commerce
- Jaemie L. Neely, Executive Director, Federation of Women Contractors
- Angela Drexel, President, Black Contractors Owners & Executives
- Jacqueline Gomez, Executive Director, Hispanic American Construction Industry Association

### **Sept. 21, 2021 Transportation Policy Session**

Representatives from four Class I Railroads operating in Illinois gave a presentation sharing their company’s supplier diversity spend over the past year and outlined the steps they are taking to enhance their efforts. Some of the different approaches taken include, hiring individuals to manage their supplier diversity programs; availability of online web portals to promote diverse spend opportunities; and building relationships with assist agencies.

The Railroad presenters included:

- Union Pacific, Andrea Oswald, General Director Supplier Diversity and Procurement
- Norfolk Southern, Valerie Nesbitt, Group Manager of Supplier Diversity and Sustainability
- CSX, Tom Livingston, Head of State Government and Community Affairs.
- CSX, Evan Bell, Head of Procurement
- Kansas City Southern, Melissa Smith, Director of Indirect Purchasing

“While overall progress has been made, our work is not done. Reporting by the utilities and railroads help the Commission to track their progress, and the policy sessions encourage open discussion about ways to expand diverse spending. The ICC is committed to leveling the playing field for minority, women and veteran-owned businesses to access important utility and railroads contracts,” said Commissioner Maria Bocanegra.

The 2020 Supplier Diversity Reports, filed with the Commission on April 2021, can be found [here](#).

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