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ICC 2021 Diversity Report Shows Steady Increases in Spending Trend of 'Big 6' Illinois Public Utilities

Springfield, IL – The Illinois Commerce Commission's Office of Diversity and Community Affairs in its 2021 Annual Report finds that diverse spending by the state's largest investor-owned utilities has steadily grown from an average of 15% to over one-third of all procurement spending over the past six years. Annually, the Illinois' six largest investor-owned utilities diverse spending has increased to over \$2.3 billion, with some utilities even reporting nearly a 50% share for diverse supplier spending. This includes Minority, Women, Veteran and Small Business Enterprises.

The report, which is available on the ICC website, provides a summary and analysis of data from six years of reports submitted by the six public utilities with the largest numbers of customers in Illinois. The 'Big 6' utilities in Illinois include: Ameren Illinois, Aqua Illinois, Commonwealth Edison (ComEd), Illinois American Water, Northern Illinois Gas Company d/b/a Nicor Gas Company (Nicor), Peoples Gas Light and Coke Company/North Shore Gas Company (collectively "Peoples Gas/North Shore").

"Over the past six years, the ICC's Office of Diversity and Community Affairs has focused its efforts on building relations and fostering collaboration between the utilities, not-for-profits and other government agencies to increase the pool of diverse suppliers from which utility companies can draw. The growth of diverse spending is proof our efforts are working," said Jeanine V. Robinson, Director of the Office of Diversity and Community Affairs. "While we are proud of the progress made, we know more work needs to be done to level the playing field for diverse suppliers."

In 2014, the General Assembly passed Section 5-117 of the Public Utilities Act which created annual reporting requirements regarding investor-owned utilities' supplier diversity outreach and inclusion by the ICC. The Supplier Diversity Statute created the Office of Diversity and Community Affairs to address the annual reporting and policy session requirements and to work with the regulated utilities to improve their supplier diversity. Illinois remains one of few states where the legislature has recognized the importance of supplier diversity through statutory reporting requirements.

In 2017, Illinois also became the first state to mandate suppliers of wind and solar to report their efforts to diversify their supply chains. The ICC initiated outreach efforts to the renewable energy industry to create a system of reporting and ensure compliance, and 2019 was the first year many of the renewable energy companies were informed of their annual reporting requirement. In 2020, there was a 20% increase in reports received, with continued increased compliance anticipated in the coming year.

The report identified opportunities for improvement with low supplier diversity participation such as Fleet Service, Information Technology Outsourcing and Software Maintenance. Another area of interest for the ICC continues to be diverse spending for professional services such as legal, financial, human resources, engineering and technical services, communications and marketing and management consulting.

"Over the past few years, the ICC has been extremely interested in the amount of diverse spending with Illinois-based suppliers. The utilities have reported diverse spending with Illinois based companies ranging from 12% to 29%, assisting the utilities to grow these numbers will continue to be our focus in the year ahead," said ICC Commissioner Maria Bocanegra.

"For six years, the ICC has led a robust supplier diversity effort and by continuing to diversify our agency, we are leading by example. The ICC is one of the most diverse and inclusive public utility commissions in the nation. We are committed to being a resource for minority, women, veteran and small businesses and to connect them with utilities and potential opportunities. I look forward to seeing what progress is made in the coming year," said ICC Chairman Carrie K. Zalewski.

A copy of the full report can be found <u>here</u> on the ICC website.



