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July 1, 2011 FOR IMMEDIATE RELEASE

Maryland PSC Urges Utilities to Continue Supplier Diversity Efforts

Baltimore, MD—On Thursday, June 30, the Maryland Public Service Commission (PSC) held its annual Supplier Diversity Hearing for public utilities to report on their efforts to provide contracting opportunities for women-, minority-, and service disabled veteran-owned businesses and not-for-profit organizations. Also known as PC16, the hearing included a Memorandum of Understanding (MOU) signing ceremony with Veolia Transportation and Comcast, which owns limited utility operations in Maryland.

PC16 began as a public conference, initiated by the PSC in 2008, for the purpose of ensuring that women-, minority-, and service disabled veteran-owned businesses and not-for-profit organizations have fair opportunities to participate in and compete for contracts and subcontracts with public utilities. Beginning in February 2009, the Commission has entered into Memoranda of Understanding with 18 Maryland utility companies in which, among other things, the signing companies committed to use their best efforts to achieve a goal of awarding 25 percent of their total dollars spent on contracts, subcontracts, and purchase orders (governed by the MOU) to diverse suppliers. The companies also agreed to file annual plans detailing their efforts to achieve the goal and reports documenting their progress.

"Comcast is dedicated to diversity—not just as a value, but as a business philosophy central to our operations," says David Breidinger, Senior Vice President of Government and Regulatory Affairs for Comcast's Northeast Division. "The unique perspectives we gain from our diverse suppliers makes us better equipped to innovate and tailor our services to the communities we serve. We are pleased to be joining this alliance with the Public Service Commission and other businesses statewide to maintain focus on this important effort."

"We are thrilled to be able to partner with the PSC on such an important objective. Our history clearly shows our commitment to diversity, as we were the first taxi company in Baltimore to break the gender barrier by hiring female drivers in the 1940s, and to break the color barrier by hiring African American drivers in the 1950s. At Veolia, we view diversity and inclusion as part of our core values and are duty bound to demonstrate

WILLIAM DONALD SCHAEFER TOWER • 6 ST. PAUL STREET • BALTIMORE, MARYLAND 21202-6806 410-767-8000 • Toll Free: 1-800-492-0474 • FAX: 410-333-6495 MDRS: 1-800-735-2258 (TTY/Voice) • Website: www.psc.state.md.us this to this Commission on an ongoing basis," says Marlon Bates, Acting Area Vice President, Northeast Region, for Veolia.

In addition to the signing ceremony, the hearing included an overview of the 2010 Annual Report data from Commission staff, and a professional services panel provided some context to reaching out to suppliers who represent professions such as law.

"Under the leadership of the O'Malley-Brown Administration, the strength and impact of Maryland's pro-minority business culture and policies are reaching beyond State procurement agencies," says Special Secretary Luwanda Jenkins, of the Governor's Office of Minority Affairs. "PC16 allows participating utilities to re-energize their diversity efforts while providing significant opportunities for Maryland's minority- and women-owned firms."

According to the most recent PSC data, in 2010 more than 525 diversity suppliers were awarded contracts. To date, 18 of 33 qualifying companies (i.e., companies with more than \$10 million in Maryland revenue) participate in the program, and the PSC hopes this number will increase, as the actual pool of available suppliers is far greater than those who were awarded contracts.

"Most of those participating utilities reached and surpassed the targeted goal for 2010," says PSC Commissioner Harold Williams. "While we applaud the efforts of these companies and hope that more utilities will see the value of participating in the Supplier Diversity program, there are still untapped areas that have yet to be mined, which can provide much opportunity for growth. Moving forward, we hope they will recognize and seize these opportunities."

PSC Chairman Douglas Nazarian echoes those sentiments. "The Commission is proud that Maryland and Maryland utilities are leaders in Supplier Diversity. The progress we saw in today's hearing proves that the marketplace is best served when everyone has an opportunity to compete and do business."

Reports from the utilities are available to the public, and can be found on the PSC web site at <u>www.psc.state.md.us</u>, under Supplier Diversity.

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