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August 17, 2009

Terry J. Romine  
Executive Secretary  
Maryland Public Service Commission  
6 St. Paul Street  
Baltimore, MD 21202

Re: PSC Administrative Docket, Public Conference 16, 2008 Utility  
Supplier Diversity Public Conference; Interim Report

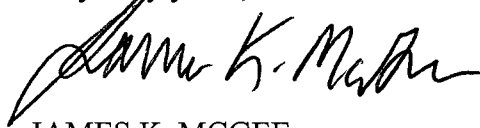
Dear Ms. Romine:

Enclosed please find an original and seventeen (17) copies of the Interim Report filed on behalf of the Association of Maryland Pilots in the above-captioned proceeding.

Please file stamp the additional copy and return it in the enclosed envelope.

Please do not hesitate to contact me if you have any questions concerning this matter.

Very truly yours,



JAMES K. MCGEE

JKM

Enclosure as stated.

cc: Obi Linton; Elizabeth Tuck

# **Association of Maryland Pilots Interim Report for Diverse Supplier Program Calendar Year 2009**

The following is hereby submitted to constitute the Interim Report for the Diverse Supplier Program (“Interim Report”) of the Association of Maryland Pilots (“Pilots”) pursuant to Section 6.5 of the Memorandum of Understanding (“MOU”) between the Pilots and the Public Service Commission of Maryland (“PSC” or “Commission”) executed on February 6, 2009. This Interim Report is an overall summary of the total Diverse Supplier purchases compared with the total Pilot dollars spent on goods and services covered by this MOU, for the period from January 1, 2009 through June 30, 2009.<sup>1</sup> In addition, this Interim Report includes a discussion of the Pilots’ progress in tracking its spending with Diverse Suppliers and the positive outcomes of this process.

## **1. Summary of Diverse Supplier Purchases (MOU §6.5; Attachment F)**

On April 15, 2009, the Pilots submitted their Annual Plan for the Diverse Supplier Program (“Annual Plan”) where the Pilots set a Short-term (1 year) Goal of achieving 23% of its total eligible spend to Diverse Suppliers for the 2009 Reporting Year, January 1, 2009 through December 31, 2009. The Commission and the Pilots acknowledged that the Pilots do not have a history of tracking spend for the purpose of identifying and growing opportunities for Diverse Suppliers. Despite its lack of such history, the Pilots are pleased to report that it has achieved 25.4% of its total eligible spend to Diverse Suppliers based on the total eligible spend for the period January 1, 2009 through June 30, 2009. The Pilots transacted \$119,174 with Diverse Suppliers, compared to the \$469,189 transacted with all suppliers of total eligible spend. Please see Attachment F included with this Interim Report.

## **2. Progress in tracking Spend with Diverse Suppliers (MOU §6.5)**

As previous stated, before the Commission docketed Public Conference 16 (“PC 16”), the Pilots had never tracked their spend based on social disadvantaged groups as required by the MOU. Furthermore, the Pilots never took that into account before purchasing necessary products and services. However, as a result of PC 16, and of the MOU, the Pilots are aware of this worthwhile and noble goal and have changed their procurement methods in order to achieve its diverse spending goals.

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<sup>1</sup> The MOU entered into between the Pilots and the PSC does not require the Pilots to breakdown by socially disadvantaged groups for the Annual Plan or Annual Report. After discussing the matter with PSC Staff, the Staff and the Pilots felt that it was therefore unnecessary to include such a breakdown for the Interim Report.

The first thing the Pilots did was embark on a wholesale review of its current vendors to ascertain the level of quality of goods or services received for the spend dollars regardless of supplier. The Pilots looked for areas of improvement and targeted those areas as ripe for Diverse Supplier opportunities. Next, the Pilots are in a process of creating a procedure whereby before engaging in transactions for products and services, the Pilots would actively seek diverse suppliers. These processes have resulted in the Pilots discovering competitive and qualified Diverse Suppliers of which it was previously unaware.

The Pilots have found the PC 16 Working Groups to be a very useful resource in achieving success in this arena as it has enabled the Pilots to receive guidance from both its colleagues and the Commission. As a result, the Pilots have not encountered, and do not anticipate encountering, any problems with filing its Annual Report or its Annual Plan.

Public Service Commission of Maryland  
 Supplier Diversity Annual Report of  
 Interim Report  
 (MOU Sec. 6.5)

ATTACHMENT F		UTILITY NAME:		INTERIM REPORTING FOR THE PERIOD ENDED:							
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	DIVERSE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER PROCUREMENT	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT	Col. (E) Line Item / Col. (G) Total			
1	MINORITY BUSINESS ENTERPRISE	\$0	\$0	\$0	0.00%			0.00%			
2	WOMEN BUSINESS ENTERPRISE	\$0	\$0	\$0	0.00%			0.00%			
3	SERVICE DISABLED VETERAN BE	\$0	\$0	\$0	0.00%			0.00%			
4	NOT FOR PROFIT WORKSHOPS	\$0	\$0	\$0	0.00%			0.00%			
5	TOTALS	\$0	\$0	119,174	0.00%	469,189	\$0	25.4	0.00%		