

**Annual Plan for Calendar Year 2010  
 Minority, Women and Service-Disabled Veteran-Owned  
 Business Enterprises  
 January 1, 2010 – December 31, 2010**

The following is hereby submitted as an “Annual Plan” pursuant to the State of Maryland Public Service Commission Memorandum of Understanding (MOU), signed on July 15, 2009. This Plan is submitted for the consideration of the Maryland Public Service Commission by Easton Utilities.

This plan will be in effect for the period of January 1, 2010 through December 31, 2010.

1. Easton will work towards continually increasing its total percent spend with minority, women and service disabled veterans to attempt to accomplish the 25% goal. The short term, mid term and long term goals as summarized below reflect increases over the next five year period with the initial long term goal meeting the minimum percentages defined in section 5.1.2 of the MOU.

Diverse Suppliers			Short	Mid	Long
Easton		2010	(1 yr.)	(3 yr.)	5 (yr.)
	Minority		0.500%	1.000%	2.000%
	Women		0.500%	1.000%	2.000%
	Service Disabled Veteran		0.001%	0.002%	0.500%
	Handicapped Workshops		0.001%	0.002%	0.003%
	<b>Total</b>		<b>1.002%</b>	<b>2.004%</b>	<b>4.503%</b>

2. Easton will continue its internal and external outreach efforts to identify and develop diverse suppliers for participation in the Company’s Diverse Supplier procurement program with a special emphasis on promoting contracting opportunities with Maryland diverse suppliers. Activities planned for calendar year 2010 include (MOU § 6.1).
  - a. Participate in the established Maryland Diverse Supplier Workgroup (MDSW).
  - b. The Easton Procurement Staff will work with the MDSW and individual lines of business to propose goals, monitor progress, highlight success, communicate areas of opportunity and meet with suppliers and internal customers to explore additional areas of opportunity.
  - c. Procurement Staff is implementing a new internal system which documents the process of requisitioning to contract. This will include all requisitions over \$50,000.
  - d. Easton Procurement staff will encourage participation of strategic sourcing partners and line of business personnel in business and advocacy group training such as the National Minority Supplier Development Council Conference, the MD/DC Minority Supplier Development Council events, other regional Council events, Edison Electric Institute (EEI) Seminar & Tradeshow events, opportunity fairs, seminars and conferences, to ensure:
    - Maximum level of opportunities for minority and protected class suppliers
    - Expanded contracting opportunities
    - Focused discussions on the use of local Maryland based minority-owned businesses to meet the Company’s operating requirements

- Understanding of the MOU for supplier diversity

Ongoing meetings and discussions will be held with Company employees to:

- Discuss the business case for minority business development
- Offer Supplier Diversity resources in identifying and qualifying Diverse Suppliers for contracting opportunities
- Discuss Supplier Diversity program enhancements and changes in policies and procedures
- Provide referrals to lines of business
- Provide annual progress of target and corporate goals
- Solicit input on how to further improve or enhance the program
- Implement changes to enhance the program

e. Easton Staff supports a wide range of outreach efforts. These activities are designed to identify and maximize contracting opportunities. Easton Staff participates in conferences, trade shows, workshops and panel discussions.

f. Easton Staff invites and encourages participation in the outreach initiatives and actively promotes the use of diverse suppliers in Maryland. Easton Staff will participate in events during 2010 to ensure the maximum level of promotion of opportunities for Maryland minority-owned businesses. Specific activities are listed in Appendix A. A sample of groups to promote contracting opportunities with Maryland minority-owned businesses includes the following:

- MD Minority Supplier Development Council
- Talbot County Chamber of Commerce
- Maryland Chamber of Commerce

g. Easton Staff will investigate the participation in regional and national organizations advocating diverse supplier development and actively encourages participation by local businesses in these organizations' activities to expand their business opportunities. Samples of these organizations are listed below. Specific activities are attached in Appendix A.

- National Minority Supplier Development Council
- EEI (Edison Electric Institute) Minority Business Committee
- National Association of Minority Contractors
- U.S. Small Business Administration (SBA)

3. Plans for recruiting Diverse Suppliers of products and services where utilization has been low, underutilized or currently unavailable (MOU § 3.2.1). Easton Staff will continue efforts to identify and pre-qualify diverse suppliers seeking business opportunities with Easton. The efforts will include:

- a. Continued sessions with lines of business to ensure understanding of the goals and departmental responsibilities and to identify and expand areas of opportunity for diverse suppliers.
  - b. Easton will continue to work on the development of creative and innovative ways to decrease the number of bids which do not include diverse suppliers.
  - c. Easton Staff will cooperate in identifying program suppliers to support the Company's operations. Newly identified contracting opportunities will be communicated to Departments.
  - d. Construction projects will continue to encourage the use of diverse suppliers as prime contractors and to encourage majority contractors/suppliers to develop and use diverse suppliers.
  - e. Easton will continue its efforts to maximize contract opportunities for Maryland diverse suppliers in professional services.
  - f. Easton will investigate opportunities for advertising in local, regional and national publications during 2010.
  - g. Easton will investigate the use of multi-media advertising, which includes radio, magazines, newspapers, newsletters and other publications to reach its ethnic communities. Maryland markets are being targeted for developing procurement opportunities. A copy of the ad to be used in 2010 is attached. (Appendix C). The corporate web site [www.eastonutilities.com](http://www.eastonutilities.com) has a segment on Supplier Diversity.
4. Plans for encouraging Prime Contractors to engage Diverse Suppliers in subcontracts that include subcontracting opportunities (MOU § 3.3):
- a. The Company will continue to develop plans and strategies to use diverse suppliers in all aspects of Easton's operations. Specific action includes:
  - b. Support alliances with diverse suppliers that provide value-added services to Easton.
5. Plans for complying with the established Diverse Supplier program guidelines (MOU § 6.1):
- a. Easton will investigate the implementation of a reporting and tracking system that will provide spend information from Easton's prime contractors to diverse suppliers.
  - b. Easton will review the findings and follow through on any diverse suppliers that do not have current certifications where the spend is to exceed \$25k.
  - c. Easton will meet with other Maryland utilities and industry contacts in an effort to increase supplier diversity awareness and further enhance the Supplier Diversity initiative.
  - d. Submit the Annual Reports as outlined in Section 6 of the MOU.