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February 14, 2011

Via Electronic Mail and Overnight Delivery

Terry J. Romine
Executive Secretary
Public Service Commission of Maryland
6 St. Paul Street, 16th Floor
Baltimore, MD 21202

**Re: Washington Gas Light Company's Supplier Diversity Annual Plan for
Calendar Year 2011**

Dear Ms. Romine:

In accordance with Section 7 of the Memorandum of Understanding between Washington Gas Light Company and the Maryland Public Service Commission, dated February 6, 2009, as amended by Amendment No. 1 effective October 28, 2010, enclosed for filing are the original and 17 copies of Washington Gas Light Company's Supplier Diversity Annual Plan for Calendar Year 2011.

Thank you for your attention to this matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Donald R. Hayes".

Donald R. Hayes
Attorney

Enclosures

cc: Obi Linton, Director – Office of External Relations
Janice M. Flynn, Assistant Staff Counsel

WASHINGTON GAS LIGHT COMPANY
Supplier Diversity Annual Plan
For Calendar Year 2011

Washington Gas Light Company ("Washington Gas" or "Company") submits its Supplier Diversity Annual Plan in accordance with Section 7 of the Memorandum of Understanding (MOU), dated February 6, 2009, between Washington Gas and the Maryland Public Service Commission ("Commission"). This Annual Plan sets forth the Company's corporate goals related to Supplier Diversity for Calendar Year 2011.

I. Diverse Supplier Activities

Washington Gas' corporate policy serves to support diverse businesses. We seek and procure goods and services from a diverse set of vendors because it produces competition in the marketplace which provides value for our customers, the community and our investors. To maximize our efforts to enhance our Supplier Diversity Program, Washington Gas participates in the following internal and external activities.

A. Internal Programs

- A supplier diversity goal is included on the corporate scorecard. Executives are accountable for the results of their Business Units in achieving Supplier Diversity goals and these results are shared with the Board of Directors and employees.
- Washington Gas executives receive diverse expenditure reports detailing the percentage of dollars spent with diverse firms.
- Washington Gas' policy requires that reasonable efforts are practiced to ensure full and equitable opportunities for diverse businesses when procuring goods and services. Therefore, the inclusion of diverse vendors in our purchasing activity is essential. We will continue to communicate this policy throughout the Company.
- We provide Washington Gas employees with information and training to enhance their knowledge about our Supplier Diversity Program.
- Our Supplier Diversity staff works diligently to ensure that diverse suppliers are included in the bidding process. Supplier Diversity staff provide supplier referrals to the Contract Management team and offer resources in identifying qualified suppliers for sourcing needs.
- Washington Gas implemented a "Green Procurement Policy," that requires green alternatives to be considered when making purchases. In addition, sustainability practices of potential vendors are part of the RFP process.

- Washington Gas encourages the use of green products internally and supports diverse vendors that maintain and practice sustainability initiatives.
- Washington Gas began construction on a LEED certified building and a minimum of 25% of the work will be performed by diverse suppliers.

B. External Activities

- Washington Gas will continue to actively support and participate in outreach efforts designed to enhance our supplier diversity efforts and maximize our use of diverse contractors for our sourcing needs.
- Washington Gas seeks and participates in outreach venues that will allow the Company to expand its diverse vendor resources and ultimately form beneficial partnerships. As a result, we will continue to be actively involved with advocacy groups, such as the National Minority Supplier Development Council, the Maryland/District of Columbia Minority Supplier Development Council, the Virginia Minority Supplier Development Council, the Women’s Business Enterprise National Council, the Maryland Washington Minority Contractors Association and the Elite Service Disabled Veteran-Owned Business Network.

ORGANIZATION	TYPE
National Minority Supplier Development Council	Attend training conferences Attend annual business meetings Serve on the Utility Committee Attend Annual Conferences & Procurement Fairs
Maryland/DC Minority Supplier Development Council	Serve on the Board of Directors Attend sponsored events that promote supplier diversity Attend Awards Gala Serve on Procurement Committee Attend Matchmaker workshops and events Attend and sponsor Procurement Fair Sponsor an outreach event
Virginia Minority Supplier Development Council	Serve on the Advisory Committee Attend Annual Business Opportunity Fair Sponsor Procurement Fair Attend workshops and networking events

Maryland Washington Minority Contractors Association	Attend Annual Awards event Provide Procurement Alerts Locate vendors for sourcing opportunities
Women's Business Enterprise National Council	Attend Annual Awards Event Sponsor matchmaker events Attend Networking Fairs Serve on Certification Committee Attend Planning meeting
Elite Service Disabled Veteran Owned Business Network	Attend Annual Conference Explore outreach opportunities Locate vendors for sourcing opportunities
WSSC	Attend Procurement Fair Use supplier database as a resource
Maryland Utility Supplier Diversity Forum	Attend Meetings Host meetings
Governor's Office of Minority Affairs	Sponsor MBE University Serve on MBE Planning Committee
Green Energy Business Opportunity Conference	Participate as a sponsor of the conference Host an exhibit Participate in matchmaking sessions

- Washington Gas will continue its involvement with various local Chambers of Commerce.
- Continuous development of business and community relationships is important to provide networking opportunities with diverse suppliers. (See below)

ORGANIZATION	TYPE
District of Columbia Chamber of Commerce	Corporate Member Board of Directors Serve on Multiple Committees Annual Opportunity/Procurement Fair Women in Business Procurement Fair
Fairfax County Chamber of Commerce	Corporate Member Board of Directors
Alexandria Chamber of Commerce	Corporate Member
Arlington Chamber of Commerce	Corporate Member
Greater Washington Board of Trade	Corporate Member Board of Directors Serve on Multiple Committees
Maryland Chamber of Commerce	Corporate Member Board of Directors Serve on Multiple Committees

Greater Washington Hispanic Chamber of Commerce	Corporate Member Participate in Expo Sponsor an outreach project
Maryland/District of Columbia Utilities Association	Corporate Member Serve on Multiple Committees
St. Mary's Chamber of Commerce	Corporate Member
Federal Small Business Technology Council, Inc.	Annual OSDBU Procurement Conference
Montgomery County Chamber of Commerce	Corporate Member Board of Directors
Loudon County Chamber of Commerce	Corporate Member
Prince George's Chamber of Commerce	Corporate Member Board of Directors
Prince William Chamber of Commerce	Corporate Member Board of Directors
National Association of Regulatory Utility Commissioners	Corporate Member Serve on Multiple Committees
National Utilities Diversity Council, Inc. (NUDC)	Corporate Member Serve on By-Laws Task Force
Virginia Chamber of Commerce	Corporate Member Board of Directors Serve on Multiple Committees

- Continue to educate diverse suppliers about programs, processes and expectations of doing business with Washington Gas.
- Continue to work with the Maryland Utility Supplier Diversity Forum. These collaborative ventures have been significant resources and provide insightful solutions to challenges that may develop as the company strives to reach its diversity goals.

II. Recruiting Diverse Suppliers for Underutilized Procurement Categories

The following plan for recruiting diverse suppliers for calendar year 2011 is submitted in compliance with the Memorandum of Understanding.

- Washington Gas will continue to ensure that all employees with purchasing responsibilities have access to the procurement and contracting policies by making them readily available on the Washington Gas Intranet.
- For sourcing events over \$25,000, a diverse vendor is required as one of the bidders.

- Continue to include diverse suppliers in all areas of procurement, especially in those areas where there has been little or no utilization.
- Washington Gas will continue to pursue and explore diverse financial institutions to augment the company's financial portfolio with diverse vendors.
- Supplier Diversity status considered and evaluated as part of the RFP process.
- Washington Gas will continue to monitor and augment our supplier diversity database.
- Washington Gas requires firms with greater than \$25K of spend to be certified by an approved third party certifying organization.
- Washington Gas will continue to participate in networking events throughout the metropolitan area to identify diverse suppliers that provide products and services required by the company.
- Washington Gas will partner with our peers and continue to work with the Maryland Utility Supplier Diversity Forum to jointly explore solutions to challenges in securing diverse suppliers for sourcing needs.
- We will continue to seek and participate in outreach ventures targeted at diverse suppliers in procurement areas that may be underutilized.
- Through the Maryland Utility Supplier Diversity Forum as well as other advocacy groups, Washington Gas will develop and implement programs that will allow us to share diverse supplier contacts.

III. Subcontracting and Second Tier Purchasing

The following plan for encouraging prime contractors to engage in subcontracts in all categories which provide subcontracting opportunities for calendar year 2011 is submitted in compliance with the Memorandum of Understanding.

- Continue to consider diverse subcontracting in the bid evaluation process. All requests for proposals will include supplier diversity as part of the criteria for the evaluation and selection process.
- Educate prime contractors on reporting requirements and subcontracting opportunities with diverse suppliers.

- Continue to require prime contractors to report Tier 2 spend through our Tier 2 web based reporting system.
- Washington Gas will audit Tier 2 reports of primes to insure that the dollars reported are actual dollars spent with subcontractors.
- Washington Gas will continue to monitor our Tier 2 web-based portal and if necessary, implement changes that will enhance our ability to secure data.
- Continue to monitor supplier diversity initiatives of prime contractors and if necessary, help them develop a plan that will enhance their diverse spend opportunities.
- Strictly enforce the requirements of our contracts that support our commitment to supplier diversity. This applies to vendors with an annual spend of \$550,000 and underground contractors with an annual spend of \$1,000,000.00.
- Washington Gas will continue to encourage prime contractors to use diverse subcontractors and submit annual reports with goals for supplier diversity programs. Failure to comply will have an impact on future sourcing.

IV. Plans for Complying with Diverse Supplier Program

- To ensure the supplier diversity initiatives are in compliance with the guidelines set forth in the Memorandum of Understanding, Washington Gas will continue to work with the Maryland Public Service Commission Working Group and the Maryland Utility Supplier Diversity Forum.
- Washington Gas will continue to work internally to promote policy that will foster growth in the supplier diversity program.
- Washington Gas will continue its work with the Maryland Supplier Diversity Utility Forum to develop programs and outreach efforts that will help the Company reach its supplier diversity spend goals.
- Washington Gas will continue to work with prime suppliers to assist them with their supplier diversity goals and to ensure they adhere to the supplier diversity provisions in their contracts.

Public Service Commission of Maryland
 Supplier Diversity Annual Report of
 Long Term Goals
 (MOU Sec. 7.1)

ATTACHMENT E-1
UTILITY NAME: Washington Gas - Non-Gas Purchases
FOR THE REPORTING YEAR: January - December 2011

(A) (B) (C) (D) (E) (F) (G) (H) (I)

YEAR	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOP	(F) TOTAL (\$)	(G) TOTAL BY SPEND (%)	(H) TOTAL UTILITY PROCUREMENT (\$)	(I) PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT
	%	%	%	%	\$	%	\$	%
2011	10	2	1	0	28,340,000.00	13.00%	218,000,000	13.00%

The greater Total Utility Non-Gas Procurement in CY 2011 than in CY 2013 and CY 2015 is due to expenditures related to the SOC redevelopment project.

Public Service Commission of Maryland
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 Long Term Goals
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ATTACHMENT E-1									
UTILITY NAME: Washington Gas - Gas Purchases									
FOR THE REPORTING YEAR: January - December 2011									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
YEAR	MINORITY BUSINESS ENTERPRISE %	WOMEN BUSINESS ENTERPRISE %	DISABLED VETERAN BUSINESS ENTERPRISE %	NOT FOR PROFIT WORKSHOP %	(\$) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT	
2011	7	4	0	0	\$ 48,158,000.00	11.00%	\$ 437,800,000	11.00%	

Due to the impact of weather and demand for purchasing natural gas, as well as price volatility, the forecasted dollars may vary over the term.

Public Service Commission of Maryland
 Supplier Diversity Annual Report of
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ATTACHMENT E-2									
UTILITY NAME: Washington Gas - Gas Purchases									
FOR THE REPORTING YEAR: January - December 2011									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
YEAR	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOP	(\$) TOTAL	(%) TOTAL BY SPEND	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT	
	%	%	%	%	\$	%	\$	%	
2013	8	5	1	0	56,914,000.00	13.00%	437,800,000	13.00%	

Due to the impact of weather and demand for purchasing natural gas, as well as price volatility, the forecasted dollars may vary over the term.

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ATTACHMENT E-3
UTILITY NAME: Washington Gas - Gas Purchases
FOR THE REPORTING YEAR: January - December 2011

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
YEAR	MINORITY BUSINESS ENTERPRISE %	WOMEN BUSINESS ENTERPRISE %	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE %	NOT FOR PROFIT WORKSHOP %	(\$) TOTAL \$	(%) TOTAL BY SPEND %	TOTAL UTILITY PROCUREMENT (\$) \$	PERCENTAGE (%) OF DIVERSE SUPPLIER SPEND TO TOTAL UTILITY PROCUREMENT %
2015	9	5	2	0	70,048,000.00	16.00%	437,800,000	16.00%

Due to the impact of weather and demand for purchasing natural gas, as well as price volatility, the forecasted dollars may vary over the term.