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March 30, 2018

PUBLIC

Ms. Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission
of the District of Columbia
1325 G Street N.W., Suite 800
Washington, DC 20005

Re: Formal Case Nos. 1119 and MOU 2017-M

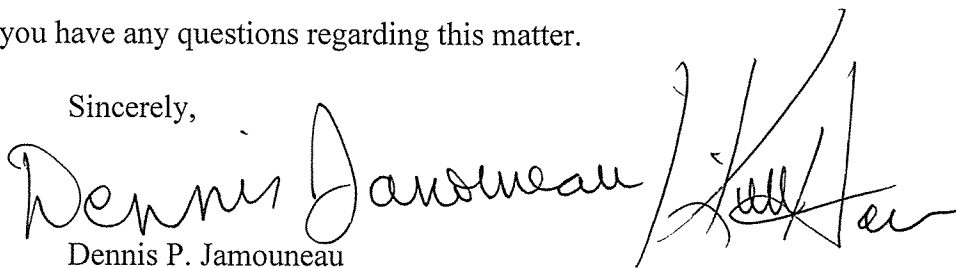
Dear Ms. Westbrook-Sedgwick:

Enclosed please find Potomac Electric Power Company's public version of the Supplier Diversity Report ("Report") for 2017, filed in accordance with the Merger Commitment at Order No. 18148, Attachment B, p. 04, Item 021, in Formal Case No. 1119 in the referenced proceedings.

Please note that the Report contains Confidential Attachment B, which is being filed under separate cover.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

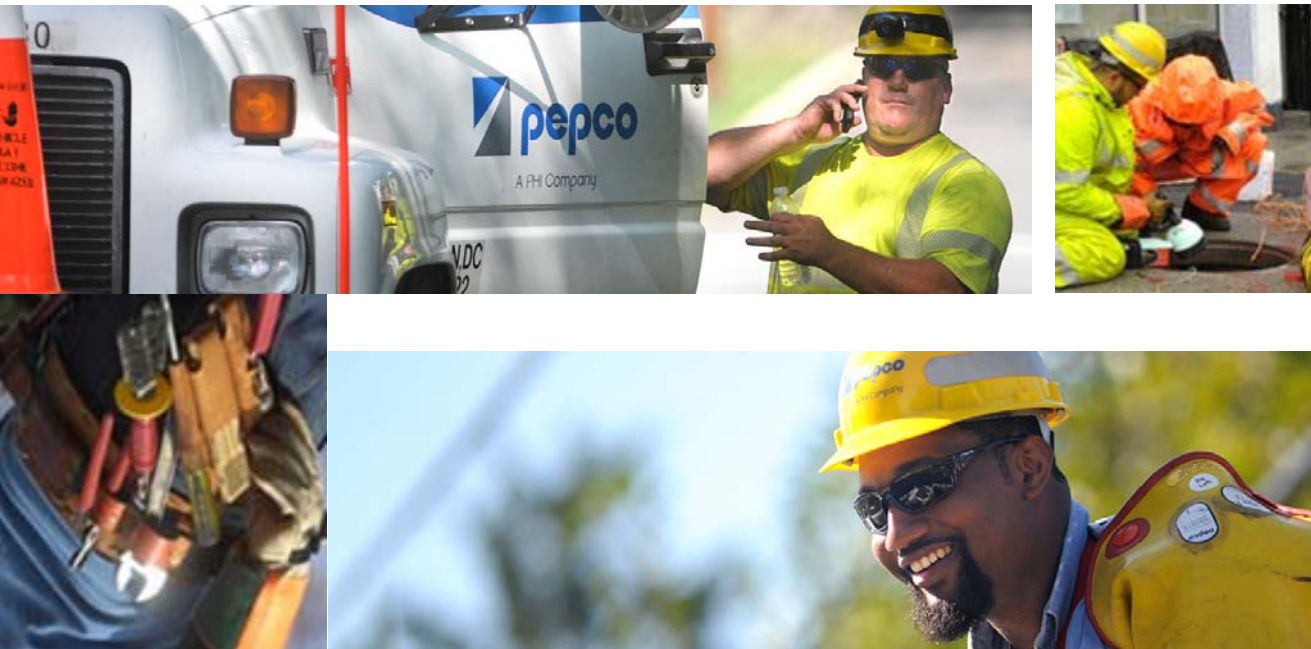
A handwritten signature in black ink that reads 'Dennis Jamouneau'. To the right of the signature is a large, stylized handwritten mark that appears to be 'Keller'.

Dennis P. Jamouneau

Enclosure

cc: All Parties of Record

PEPCO
Supplier Diversity Program
Annual Report 2017
for
**Public Service Commission of the
District of Columbia**



March 30, 2018



An Exelon Company

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1.0 EXECUTIVE SUMMARY

The following is Potomac Electric Power Company's ("Pepco" or the "Company") 2017 Annual Report ("Annual Report") pursuant to the District of Columbia Memorandum of Understanding ("MOU"), signed on February 15, 2012.

In 2017, Pepco and parent company Exelon surpassed its goals for the inclusion of, and expanding relationships, with diverse suppliers. Through careful planning and concerted effort to implement the Exelon Diverse Business Empowerment (EDBE) process, Pepco purchased \$149.7 million in goods and services from diversity certified suppliers, or 26% of total Pepco spend, exceeding its 2017 goal of 22%. Pepco has increased spend with diversity certified suppliers from \$37.2 million in 2010 to \$149.7 million in 2017 which is a 302% increase over the 7-year period.

Pepco's success stems from combining the Company's successful supplier diversity program and Exelon's mature and strategically focused diverse business empowerment processes. Pepco/Exelon's combined economies of scale and geographic expansion has created additional contracts and new customer opportunities for diverse suppliers. As a result, through sharing of best practices between Exelon and BGE, both programs have become even better after the merger, to benefit of all Exelon's subsidiaries, as well as the District of Columbia.

2.0 PROGRAM PERFORMANCE & ACTIVITIES

Performance

Pepco exceeded its goals for the 2017 year by \$22 million in spending with diversity certified suppliers, achieving 4.0 percent above the 22 percent target. The following is a breakdown comparing Pepco's reported annual 2017 goal with actual performance:

	Actual Diverse Payments	Goal (%)	2017 Actual (%)
Total	\$149.7M	22%	26%

Success

In 2017, PHI contracted with SRB Communications, an African American women-owned business based in Washington D.C. The multi-year contract is to provide multicultural marketing and advertising services for Pepco Holdings.

PHI was awarded Corporation of the Year by the Capital Region Minority Supplier Development Council.

With nearly \$2B in diverse spend and over \$1.4B in tier 1 spend in 2016, Exelon was inducted into the Billion Dollar Roundtable (BDR). Exelon is the first energy company and the 27th overall firm to meet the requirements for induction into the Billion Dollar Roundtable.

2.1 A description of Diverse Supplier Program activities engaged in during the previous calendar year. This description shall include both internal and external activities (MOU § 6.2.1.)

INTERNAL EFFORTS

Integration into Sourcing Goals and Processes

Achievements in the EDBE process are not possible without the leadership of Pepco/Exelon's senior executives, the guidance of the Board of Directors and the commitment of Pepco/Exelon employees. As with all key areas of our business, Pepco's senior executives measure our performance against diversity metrics in support of our corporate culture. Meeting diversity goals is not a one-time event, but a continuous and proactive process of defining, measuring, managing, evaluating and rewarding.

Our internal diverse business empowerment process continues to drive success using clear and deliberate internal communications, which promote stakeholder engagement, thereby contributing to the increase in diverse spending. During 2017, the Supply leadership team and sourcing groups identified appropriate sourcing opportunities, and invited diversity certified suppliers to all sourcing events. Our strong partnership encouraged Supply employees to participate in Pepco's DBE networking events, and to promote supplier diversity throughout the entire organization. Our internal communications process continues to utilize the following tactics to ensure consistency and process success:

- Integration of supplier diversity inclusion in Exelon's policy and procedures continues to ensure we consistently expand our pool of qualified diversity certified suppliers.

- Pepco's DBE team participates in weekly pre-bid case reviews lead by the Supply senior leadership team.
- Coordinating efforts to assist with goal-setting, ensuring co-ownership of supplier diversity goals;
- Ensuring that Pepco's DBE Office information is communicated to internal clients in Pepco and to external, non-diverse suppliers for utilization of diversity certified subcontractors;
- Regular reporting of Pepco's DBE Office progress to senior leadership; and
- Reviewing current contracts to ensure maximized diverse supplier opportunities.

Process Quality Benchmarks

Pepco's DBE Office conducts regular benchmarking of best practices among its industry peers' supplier diversity programs, as well as with leading supplier diversity advocacy organizations such as:

- The National Minority Supplier Development Council's (NMSDC) Best Practice Task Force & Utility Industry Professionals Group
- Maryland Utility Forum on Supplier Diversity
- National Association of Regulatory Utility Commissioners Subcommittee on Supplier and Workforce Diversity (formerly entitled the Utility Marketplace Access Program)
- Women's Business Enterprise Council

Pepco Supplier Diversity is in the top quartile of private sector programs because the Company's DBE initiative meets the criteria of a world class program according to recognized standards established by the oldest and leading supplier diversity organization, the NMSDC:

- Corporate policy and top corporate management support;
- Supply personnel and management are engaged in identifying opportunities and compensation is tied to performance;
- Comprehensive internal and external communications and outreach;
- Established goal setting, tracking and reporting mechanisms;
- Subcontracting program (also known as Second Tier Program); and
- Continuous Supplier Diversity Improvement Plan, Programs and Processes.

Key Meetings and Conferences

First and foremost, DBE is a standing agenda item at the Exelon Chief Supply Officer's staff meetings, bringing visibility and accountability to this important area. Supplier Diversity also was a strategic initiative discussed at key Pepco/Exelon meetings and conferences in 2017. Additionally, supplier diversity goals and key initiatives were highlighted at meetings such as Pepco Holdings' Annual Leadership meeting, various operational department meetings, and other events. Highlighting the importance of supplier diversity to the company, Exelon's Chief Supply Officer, and Exelon's Director Diverse Business Empowerment, also presented a supplier diversity program update to Exelon's Board of Directors. Executive-level meetings were held between supply leadership and the leadership of

various departments to discuss supplier diversity results and any needed gap-closing plans. Throughout 2017, Pepco's leadership reiterated the call for all internal key stakeholders to support company efforts to achieve supplier diversity spending goals. At external events, the topic of supplier diversity became a point of focus in officer-level speeches and panel discussions.

EDBE Department Staffing

To support the Pepco Supplier Diversity Program and EDBE process management, Exelon has a director-level manager reporting to the Senior Vice President and Chief Supply Officer who is accountable for leading the execution of the corporate EDBE strategy. Additional resources include:

- Four manager level employees working on all aspects of the supplier diversity process.
- A shared business analyst and a full-time administrative staff person for data and communication support, respectively.
- Supply category managers who are measurably accountable champions for the EDBE process throughout the sourcing organization, and are responsible for the inclusion of diverse suppliers in the sourcing process.

Pepco Holding's Diversity and Inclusion Council

Pepco continued to rely on the widespread involvement and support of its employees to achieve its supplier diversity goals. Pepco Holding's Diversity and Inclusion (D&I) Council, an Exelon corporate initiative, was launched during the fourth quarter of 2016. Supplier Diversity, an integral part of the D&I Council, contributed to the 2018 Plan with specific goals to increase diverse spend and diverse supplier development. The Council members will serve to increase the internal understanding and commitment for supplier diversity inclusion by building awareness of Pepco's goals and achievements for the supplier diversity program. Another major benefit of the D&I Council is that it educates and raises awareness among Council members themselves, so they may champion diverse supplier perspectives and inclusive behaviors within their own work environment.

Under the D&I Council a new subcommittee entitled the Supplier Diversity Committee was developed. The role of the Supplier Diversity Subcommittee is to identify and recommend strategies for the development of diverse businesses, and implementation of specific support processes to increase diverse business utilization within Pepco.

This support includes:

- Focus on the relevancy of Supplier Diversity as a business imperative by encouraging inclusion and the use of diverse for participation in Pepco's business units.
- Work to educate and encourage supplier diversity inclusion on projects, contracts and strategic opportunities.
- Dissemination of Supplier Diversity messaging to internal teams through their employee communications.
- Serve as a Supplier Diversity company champion by participating in speaking opportunities through panels, keynote addresses, interviews, etc. with internal and external groups.

- Provide a channel for supplier opportunities from their business units to share with Supply.

The D&I Council will assist in communicating and educating business units on the 2018 Pepco goal for Supplier Diversity, which will be 28%, and how they can champion the initiative.

EXTERNAL EFFORTS

Outreach

Pepco's DBE Office constantly builds relationships with diverse suppliers and ensures active involvement with minority business development and procurement organizations. As a result, Pepco shares a large database of qualified suppliers. Pepco's knowledge of diverse suppliers is also enhanced by staff participation in local, regional and national diverse supplier advocacy organizations.

The Supply sourcing teams worked with regional organizations to leverage their resources and ensure local diverse contractors were positioned for successful participation in future bid opportunities in these categories. The national and regional organizations that Pepco works with include:

- District of Columbia Chamber of Commerce
- District of Columbia Department of Small and Local Business Development
- Capital Region Minority Supplier Development Council
- Women Presidents' Educational Organization – DC
- Greater Washington Hispanic Chamber of Commerce
- Maryland/Washington Minority Companies Association
- National Minority Supplier Development Council
- Women's Business Enterprise National Council
- Maryland Chamber of Commerce
- Maryland Governor's Office of Small, Minority and Women Business Affairs
- The Presidents' Round Table
- Prince George's County MD Supplier Development and Diversity Department
- Montgomery County Maryland Office of Procurement
- Maryland Utility Forum

PEPCO's DBE Supplier Development

Pepco has long recognized that diverse supplier performance can be enhanced through effective supplier development programs. In 2017 Pepco launched the Target 25 Program. Target 25 is a yearlong initiative to improve diversity certified supplier capabilities to win contracts in an increasingly rigorous sourcing environment and assist in advancing their capacity building strategies. Target 25 was founded as a regional supplier development program, embedded in the EDBE Process. The branding "Target 25" was intentional in that it signals that our corporate supplier diversity initiatives are being crafted to accelerate towards the achieving a goal of 25% of diversity certified spend. Pepco is pleased to have achieved that goal in 2017.

The participants are exposed to best value concepts from field safety, just in time delivery, lowering costs and other best practices that foster business growth through innovation. The purpose of the program is to provide a select group of diversity certified suppliers with the tools and knowledge to

attain their next level of growth in their business through ongoing one-on-one mentorship, technical assistance workshops highlighting business development processes, safety policies and the nuances of the Pepco/Exelon sourcing processes.

The number of companies selected for the Pepco Inaugural Target 25 initiative was 10. Suppliers were selected based upon various criteria such as annual revenue, experience and valid diversity certification. Participant diversity certified suppliers were “invited” to participate based on “as is capacity”, some level of success in our system, or the likelihood of an eminent sourcing event. The primary objective of Target 25 is selecting and cultivating what we hope will be anchor diversity certified suppliers that over a long-term relationship grow with us.

The initial session started in the second quarter of 2017 and continued bimonthly through the end of the year, with a commencement planned for April 2018. Target 25 includes networking opportunities with key Pepco leaders and Supply personnel as well as instruction by Company subject matter experts. The Pepco inaugural class of 10 suppliers included 8 of whom are also DC CBEs:

1. Dynamic Concepts Inc
2. Delon Hampton
3. DiGi Doc
4. Fort Myer Construction
5. JDOS Internationale
6. Peer Consultants
7. PRM Consulting
8. The Temple Group

The EDBE Director served as a panelist for a *How to Do Business with Pepco Holdings* session at the Annual Congressional Black Caucus Foundation Conference held at the Washington Convention Center in Washington, DC on September 21, 2017. EDBE staff served on panels to help entrepreneurs understand how to do business with Pepco at the annual ProBiz Conference, on July 20, 2017 at the Sheraton Hotel in Silver Spring, MD, sponsored by the National Business League, and a *Digital Excellence Program* session to aid entrepreneurial growth. The *Digital Excellence Program for Minority Entrepreneurs* is a Dartmouth University Tuck School of Business Executive Education collaboration with Google tailored to assist minority and underrepresented entrepreneur’s development and growth. The session was held on May 25, 2017 at the Google offices in Washington, DC.

2.2 An overall summary of total Diverse Supplier spend, and District of Columbia spend, with breakdowns by diverse suppliers, compared with total Utility dollars spend on goods and services covered by this MOU. See Attachment A-1 (Diverse Suppliers). Note: there are two sections for the CBE spend, once for system spend and one for District of Columbia spend. The utility may count a qualified CBE vendor once in each section of Attachment A-1.

See Attachment A-1: Supplier Diversity Annual Report of Socially Disadvantaged Groups (MOU § 6.2.2.a.)

2.3 A summary of total Diverse Supplier spend, and District of Columbia spend, by NAICS Code, with breakdowns by diverse suppliers within each NAICS Code, compared with total Utility dollars spent within that NAICS Code on goods and services covered by this MOU. See Attachment A-2 (NAICS Codes).

See Attachment A-2: Supplier Diversity Annual Report of North American Industry Classification System (NAICS) Codes (MOU § 6.2.2.b.)

2.4 A comparison of (1) the actual dollars spent with Minority Business Enterprises, Women Business Enterprises, Service Disabled Veteran Business Enterprises, Not-for-Profits and District of Columbia CBEs on goods and services covered by the MOU with (2) the Goals for each type of business set pursuant to Section 5.1.

See Attachment A-3: Supplier Diversity Annual Report of Goal Comparison (MOU § 6.2.2.c.)

2.5 Throughout this MOU, the Utility shall report its spend, such that each dollar spent may only be reported once in the category section of the MBE, WBE, SDVB, Not-for-Profits and once in each District of Columbia CBE section.

Pepco's reporting complies with the intent of the MOU (MOU § 6.2.2.d.)

2.6 A description of progress in meeting or exceeding set Goals and an explanation of any circumstances that may have caused the Utility to fall short of or exceed its Goals. The Utility shall include a comprehensive discussion and detailed description of any efforts made to recruit Diverse Suppliers of products and services in areas that are traditionally underserved by Diverse Suppliers. The Utility may also explain in detail in its annual report how its ability to meet its Diverse Supplier Goals is affected because Diverse Suppliers capable of supplying certain products and service are unavailable or uncompetitive (MOU § 6.2.3.).

Pepco's success stems from combining the Company's successful supplier diversity program and Exelon's mature and strategically focused diverse business empowerment processes. Pepco /Exelon's combined economies of scale and geographic expansion has created additional contracts and new customer opportunities for diverse suppliers.

2.7 A description of Prime Contractor utilization of Diverse Supplier Subcontractors (MOU § 6.2.4.)

The 2017 payments to subcontractors by Pepco prime contractors was \$21.2 million representing an increase of \$9 million or a 75.2 % increase over 2016. Subcontracted spend represents opportunities for diverse suppliers to share in the performance of a job typically awarded to a non-diverse supplier.

Highlights include:

Prime	Description of Work
Burns & McDonnell Engineering	Engineering
AUI Inc	Transmission Construction
Flippo Construction	Distribution Construction

2.8 A list identifying each Diverse Supplier and District of Columbia based Certified Business Enterprise (CBE) that received payment for contract products/services for the reporting year, the NAICS code(s) for the products and services provided, and the dollar amount paid to the vendor for the reporting year. Attachment B may be filed confidentially with the Commission. See Confidential Attachment B (Vendor Report).

See **CONFIDENTIAL** Attachment B: Supplier Diversity Annual Report – Vendor Report (MOU § 6.2.5.)

2.9 A description of any efforts made to recruit Diverse Suppliers of products or services in NAICS Code categories where Diverse Supplier utilization has been low, such as legal, accounting, auditing, underwriting, technology, testing, research and development, construction, demolition, financial services, public relations and government affairs, and other ventures that are considered highly technical in nature (MOU § 6.2.6.).

Exelon Corporation’s “high-margin strategy” for diverse investment firms has been regarded as an industry best practice over the past six years. Exelon’s “high-margin strategy” with diverse suppliers focuses on eight categories of spend in the professional services areas. These categories are: Advertising and Marketing, Business Consulting, Engineering and Technical Consulting, Financial Services, HR Services, IT Professional Services, Legal, and Banking. The high-margin EDBE strategy was undertaken because these businesses typically have higher profit margins and, therefore, have an increased capacity to contribute to community economic development (jobs and community-based organization support).

In 2017, Pepco Holdings contracted with SRB Communications, an African American woman-owned business based in Washington D.C. The multi-year contract is to provide multicultural marketing and advertising services for Pepco Holdings.

2.10 A list identifying Local, Small and Disadvantaged District of Columbia based CBE vendors that received payments for Professional Services covered by this MOU for the reporting year, the product/service provided, the total Non CBE District of Columbia based professional services vendors, and a comparison of the breakdown. The Utility should, if able, explain the fluctuation in percentage changes between the years. Attachment C may be filed confidentially with the Commission. See Confidential Attachment C (Professional Services DC based).

See Attachment C: Supplier Diversity Annual Report – Professional Services DC Based (MOU § 6.2.7.)

2.11. The Utility shall retain all documents and data it relies on in preparing its Diverse Supplier annual report for the longer of either three (3) years or in conformance with the Utility’s individual document retention policies, and shall provide these documents and data to the Commission upon request (MOU § 6.2.8.).

Pepco is in compliance with document retention policies. Three years of data is maintained in the office of Supplier Diversity. Written or printed data older than three years are transferred to an off-site storage facility.

Attachment A

ATTACHMENT A-1 Diverse Suppliers							
UTILITY NAME: PEPCO							
FOR THE REPORTING YEAR: 2017							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	DIVERSE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF DIVERSE SUPPLIER PROCUREMENT	TOTAL UTILITY PROCUREMENT (\$ (1))	PERCENTAGE (%) OF DIVERSE SUPPLIER (\$ TO TOTAL UTILITY PROCUREMENT
SYSTEM WIDE				COLS. (C) + (D)	\$ / TOTAL COL. (E)		Col. (E) / Col. G
MINORITY BUSINESS ENTERPRISE							
1	AFRICAN-AMERICAN	\$39,271,295	\$6,097,722	\$45,369,017	30.29%		7.79%
2	AMERICAN INDIAN/NATIVE AMERICAN	\$26,278,745	\$17,195	\$26,295,940	17.56%		4.52%
3	ASIAN	\$378,213	\$1,709,261	\$2,087,473	1.39%		0.36%
4	HISPANIC	\$51,126,412	\$1,336,937	\$52,463,349	35.03%		9.01%
5	TOTAL MINORITY BUSINESS ENTERPRISE	\$117,054,665	\$9,161,115	\$126,215,779			21.68%
6							
7	WOMEN BUSINESS ENTERPRISE	\$11,493,098	\$11,689,054	\$23,182,152	15.48%		3.98%
8							
9	SERVICE DISABLED VETERAN BE		\$363,732	\$363,732	0.24%		0.06%
10							
11	NOT FOR PROFIT WORKSHOPS	\$0	\$0	\$0			
12							
13	GRAND TOTAL	\$128,547,762	\$21,213,901	\$149,761,663	100.00%	\$582,063,020	25.73%
14							
15							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	CBE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF CBE SUPPLIER PROCUREMENT	TOTAL UTILITY PROCUREMENT (\$)	PERCENTAGE (%) OF CBE SUPPLIER (\$ TO TOTAL UTILITY PROCUREMENT
16	SYSTEM WIDE			COLS. (C) + (D)	\$ / TOTAL COL. (E)		Col. (E) / Col. G
17	DC based Certified Business Enterprises (CBE) (Definition: DBE,DZE,ROB,SRB,LBE,LRB)	\$71,127,944	\$6,749,327	\$77,877,271	100.00%		13.38%
18							
19	TOTAL DC BASED CBE	\$71,127,944	\$6,749,327	\$77,877,271	100.00%	\$582,063,020	13.38%
20				Diverse only			
21				tier 1 and 2			
22							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
LINE #	DESCRIPTION	DIRECT (\$)	SUB CONTRACT (\$)	CBE SUPPLIER PROCUREMENT (\$)	PERCENTAGE (%) OF CBE SUPPLIER PROCUREMENT	TOTAL DC UTILITY PROCUREMENT (\$ - (2))	PERCENTAGE (%) OF CBE SUPPLIER (\$ TO TOTAL DC UTILITY PROCUREMENT
23	DISTRICT OF COLUMBIA			COLS. (C) + (D)	\$ / TOTAL COL. (E)		Col. (E) / Col. G
24	DC based Certified Business Enterprises (CBE) (Definition: DBE,DZE,ROB,SRB,LBE,LRB) - (2)						
25	DBE- Disadvantaged Business Enterprise	\$0	\$0	\$0	0.00%		0.00%
26	DZE-Local Business Enterprise w/ Principal Office Located In An Enterprise Zone	\$0	\$0	\$0	0.00%		0.00%
27	ROB-Resident-Owned Business	\$0	\$0	\$0	0.00%		0.00%
28	SBE- Small Business Enterprise	\$0	\$0	\$0	0.00%		0.00%
29	LBE-Local Business Enterprise	\$0	\$0	\$0	0.00%		0.00%
30	LRB - Longtime Resident Business	\$32,183,047	\$0	\$32,183,047	100.00%		5.53%
31							
32	TOTAL DC BASED CBE	\$32,183,047	\$0	\$32,183,047	100.00%	\$582,063,020	5.53%
	total proc md x meters in DC/customers						
	Footnotes:						
	(1) Total Utility Procurement = Total Procurement spend - Schedule 1						
	(2) Calculations in lines 25-30 only report spend once for any vendor who qualifies in multiple categories. Vendor should be listed in the category assigned the most preference points.						

ATTACHMENT A-2 by NAICS codes									
		UTILITY NAME: PEPCO							
		FOR THE REPORTING YEAR: 2017							
		RESULTS BY PRODUCT DESCRIPTIONS / NAICS CODES							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
LINE #	NAICS #	PRODUCT/SERVICE DESCRIPTIONS BY NAICS CODE ^{1,2}	MINORITY BUSINESS ENTERPRISE	WOMEN BUSINESS ENTERPRISE	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	NOT FOR PROFIT WORKSHOPS	TOTAL DIVERSE SUPPLIER (\$) BY NAICS CODE	PERCENTAGE (%) TO TOTAL DIVERSE SUPPLIER (\$) BY	TOTAL UTILITY PROCUREMENT
							COLS. (D), (E), (F), and (G)	\$ / TOTAL COL. (H)	COL. (I) \$ / TOTAL COL. (J)
			\$	\$	\$	\$	\$	%	\$
1	113	Forestry	\$78,302.57				\$78,303.00	0.05%	
	236	Construction of Buildings	\$8,328.80	\$120,496.92			\$128,826.00	0.08%	
2	237	Heavy and Civil Engineering	\$61,146,346.28	\$6,065,250.44			\$67,211,597.00	44.86%	
3	238	Specialty Trade Contractors	\$7,425,561.27	\$3,445,520.44	\$316.40		\$10,871,398.11	7.26%	
4	314	Textile Products				\$0			
2	321	Wood Products Manufacturing				\$0			
3	332	Fabricated Metal Manufacturing	\$2,003			\$0	\$2,003		
4	333	Machinery Manufacturing				\$0			
5	335	Electrical Equipment, Appliance & Component Manufacturing	\$25,850,413	\$461,855		\$0	\$26,312,268	17.560%	
6	339	Miscellaneous Manufacturing				\$0			
7	423	Merchant Wholesalers Durable Goods	\$132,183.00	\$741,810		\$0	\$873,993	0.58%	
8	424	Merchant Wholesalers Non Durable Goods	\$4,439			\$0	\$4,439		
9	441	Motor Vehicles and Parts Dealers	\$26,278,745		\$315,080	\$0	\$26,593,825	17.750%	
10	454	Nonstore Retailers	\$1,165,464	\$1,805,233		\$0	\$2,970,697	1.98%	
11	484	Truck Transportation	\$96,595	\$320,766	\$45,463	\$0	\$462,824	0.31%	
12	532	Rental & Leasing Services				\$0			
13	541	Professional, Scientific & Technical Services	\$1,433,738	\$6,311,040	\$273	\$0	\$7,745,053	5.210%	
14	561	Administrative & Support Services	\$2,566,267	\$3,817,498		\$0	\$6,383,765	4.260%	
15	562	Services	\$27,392	\$52,670	\$2,600	\$0	\$82,662	0.060%	
16	621	Ambulatory Healthcare Services		\$40,010		\$0	\$40,010	0.030%	
17	811	Repair & Maintenance				\$0			
13		Totals	\$126,215,779	\$23,182,151	\$363,732	\$0	\$149,761,663	100.000%	\$582,063,020
14									25.700%
RESULTS BY PRODUCT DESCRIPTIONS / NAICS CODES									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
LINE#	NAICS #	PRODUCT/SERVICE DESCRIPTIONS BY NAICS CODE ^{1,2}	DC Certified Business Enterprises (CBE)				TOTAL CBE SUPPLIER (\$) BY NAICS CODE	PERCENTAGE (%) TO TOTAL CBE SUPPLIER (\$) BY NAICS	TOTAL UTILITY PROCUREMENT
									PERCENTAGE OF CBE SUPPLIER (\$) TO TOTAL UTILITY PROCUREMENT
							COL. (D)	\$ / TOTAL COL. (H)	COL. (I) \$ / TOTAL COL. (J)
							\$	%	\$
17	237	Heavy and Civil Engineering	\$37,679,860				\$7,352,085	9.44%	\$0
18	238	Specialty Trade Contractors	\$7,352,085				\$25,769,816	33.09%	\$0
19	335	Electrical Equipment	\$25,769,816				\$311,748	0.40%	\$0
20	541	Professional, Scientific & Technical	\$311,748				\$14,435	0.02%	\$0
21	561	Administrative & Support Services	\$14,435						\$0
22									
23		Pepco Second Tier Spend	\$6,749,327				\$6,749,327	8.67%	\$0
		Totals	\$77,877,271				\$77,877,271	100.00%	\$582,063,020
36	Footnotes:								
37	NAICS Codes listed are subject to change								

ATTACHMENT A-3 Diverse Supplier Goal to Results					
	UTILITY NAME:		PEPCO		
	FOR THE REPORTING YEAR:		2017		
(A)	(B)	(C)	(D)	(F)	
LINE #	DESCRIPTION	ACTUAL CURRENT YEAR RESULTS (\$)	CURRENT YEAR GOAL (\$)	ACTUAL VS GOAL (%)	
				Column (C/D)	
1	MINORITY BUSINESS ENTERPRISE	\$126,215,779	\$49,082,215		0.000%
2					
3	WOMEN OWNED BUSINESS ENTERPRISE	\$23,182,152	\$49,082,215		0.000%
4					
5	SERVICE DISABLED VETERAN BUSINESS ENTERPRISE	\$363,732	\$9,816,442		0.000%
6					
7	NOT FOR PROFIT WORKSHOPS	\$0	\$0		0.000%
8					
9					
10					
11	TOTAL	\$149,761,663	\$107,980,872	138.693%	0.000%
7					
8	DC Based Certified Business Enterprises (CBE)	\$71,127,944	\$4,319,235	1646.772%	
9					
10	TOTAL	\$71,127,944	\$107,980,872	65.871%	

Attachment B

Confidential

Provided Under Separate Cover

Attachment C
Confidential

Provided Under Separate Cover

CERTIFICATE OF SERVICE

I hereby certify that a copy of Potomac Electric Power Company's public version of the Supplier Diversity Report for 2017 was served this March 30, 2018 on all parties in Formal Case No. 1119 by electronic mail.

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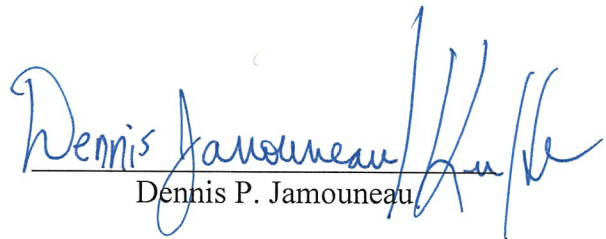
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