



VIRTUAL MEETING DRAFT MINUTES & SUMMARY
Thursday, October 13th, 2022

Consistent with AB 361 and City of San Jose Resolution Nos. 80628, 80659, and 80685, this meeting will not be physically open to the public and the Small Business Advisory Task Force Members will be teleconferencing from remote locations.

Members of the Public were noticed to submit comments during or before meeting via zoom or email to raania.mohsen@sanjoseca.gov.

Meeting was convened at 4:00 pm.

1. Call to Order & Introductions

PRESENT: Chair Chappie Jones, Bettie Owen, Sam Washington, Helen Wang, Nga Nguyen, Ken Kelly, Dennis King

OTHERS PRESENT: Associate Member Kevin McClelland, Raania Mohsen, Laura Correa-Hernandez, Cara Koepf

2. Public Comment

(Members of the Public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter of the Task Force. Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate.)

No Public Comments

3. Consent Calendar

ACTION: Motion to approve Consent Calendar and Minutes of September 8, 2022. Motion made by Vice Chair Dennis King and seconded by Ken Kelly. Motion passed unanimously (7:0:2; Absent: Lopez, Kim)

4. New Business

A. SJCE Supplier Diversity Program (Laura Correa-Hernandez and Cara Koepf)

- San Jose Clean Energy (SJCE) and PG&E are partners in providing City electricity services. There are two parts to providing electricity:
 1. Generation: buying and sourcing of energy

2. Distribution: transmission and delivery of energy to homes and businesses

- SJCE replaces PG&E for generation. SJCE buys electricity and works with PG&E to distribute it to consumers.
- Electricity consumers in San Jose have a choice between energy distributors: SJCE OR PG&E
- Customers will continue to receive one bill sent by PG&E. Customer always pay for generation and delivery as they are bundled together in total costs.
- With SJCE, (if consumers use them to acquire energy) then SJCE will show up on the bill as a separate line item (itemized) on the bill to show that it is not a duplicate or extra charge on the bill.
- Why are organizations like SJCE being offered all over the state?
 - SJCE offers cleaner energy
 - Building more renewable energy infrastructure to provide clean power to San Jose
 - And to preserve the planet for future generations through use of clean energy
 - Currently SJCE has 500+ megawatts of new solar, wind, geothermal, and storage under contract; 300+ megawatts are currently online, being utilized
 - We offer customers more choice at competitive rates:
 1. GreenValue (40% renewable energy)
 2. GreenSource (60% renewable energy)
 3. Total Green (100% renewable energy)
 - Each choice ranges in price to best suit household needs and lifestyle.
- SJCE is governed by City Council. Prior to the conception of SJCE in Feb 2019, PG&E was a monopoly.
- Being an SJCE consumer allows revenue to remain in the City and strengthen local economy; profits of SJCE can be reinvested into the community rather than private shareholders.
- These benefit community resources and provides programs that further reduce greenhouse gas emissions and promote equity.
- Operating locally allows SJCE to work with the community to design and implement programs that fit community needs.
- Allows SJCE to continue implementing future programs with the feedback from community members and consumers. This allows these programs to work for the local consumers that shape these programs. Some programs include:
 - CALeVIP – doubles Electrical Vehicle charges in San Jose
 - Solar Access – 20% Discount on 100% solar energy for residents in the California Alternate Rates for Energy Program (CARE) and Family Electric Rate Assistance Program (FERA) programs

- **SJCE recently launched programs in September 2022 and will run to December 2024:**
 - Appliance rebate program for qualifying residents and businesses.
 - For residents, appliances like washers, ovens, fridges can be utilized for this program.
 - For qualifying businesses, they can get up to a 90% rebate for HVAC, refrigeration, and water heating upgrades to their facilities
 1. Businesses that may qualify: all SJ businesses, medical, dental, nursing, small-medium retail stores, restaurants, convenience stores, school districts, junior colleges.
 - The program is contractor driven: SJCE hired Franklin Energy who will identify contractors that will identify customers who are eligible for this program and install upgrading products
 - Main outreach channels being used: contract networks, local business districts, and SJCE commercial customer engagement.
 - Budget for the program is \$4.3 million
 - Goal is to serve 300 business and 9 schools over the next two years
- **Supplier Diversity:**
 - SJCE is seeking a community based and equitable transition to clean energy feature, which includes addressing the challenges in bringing diversity into the industry.
 - SJCE continues its participation in a statewide supplier diversity program for regulated utilities.
 1. California Public Utilities Commission (CPUC) administers a Supplier Diversity Program under General Order (GO) 156
 - a. It's a long-standing program for regulated water, telecom, and energy utilities to increase procurement of diverse businesses
 - b. New program for Community Choice Aggregation's (CCA's) like SJCE. In 2019, legislation passed to include CCA's in reporting of supplier diversity. This will be SJCE's third year of reporting
 - c. CCA: Community Choice Aggregation: programs that allow cities, counties to purchase and distribute energy for their jurisdictions
 2. CCA's report annually on procurement of diverse supplier businesses and also report a plan on how they can procure from small and local businesses.
 3. CPUC also oversees an online clearing house of certified diverse suppliers.
- **Supplier Diversity Annual Report:**

- SJCE identifies what expenditures were with certified diverse businesses
- SJCE separately reports on its power procurement expenditures
- Because of legal limitations, SJCE only collects vendor information after contract award but SJCE is working on improving their data collection of vendors, so that they can identify earlier on what vendors are eligible for certification but are not yet certified.
- SJCE also shares reports of outreach and education efforts.
- SJCE aims to procure small and local businesses.
- SJCE works with diverse business that meet these criteria: Women, minority, LGBTQ+, Persons with disabilities, disabled veteran – owned businesses.
- Businesses must be certified with the CPUC clearing house, in order to be included in the report. So SJCE can work with diverse businesses, but if they are not captured as a certified diverse supplier, then the report will not show SJCE's work with the non-certified businesses
- 97% of SJCE expenditures is on electricity, being an energy provider. SJCE is looking to purchase from small companies as well rather than only the large companies that are already CPUC certified.
- The CPUC clearing house also provides bidding opportunities amongst certified businesses, which allows SJCE to expand their solicitation efforts.
- Other utilities in the clearing house may need expansive energy needs, and different types of procurement, so SJCE's efforts to get local businesses certified may open resources and opportunities for these businesses.
- 2021 Diverse Spend:
 - SJCE had 5 vendors for non-energy expenditures which totaled: \$78,978.
 - SJCE also procured 9 vendors that meet the city's criteria for small and local businesses (though none were certified vendors) totaling up to \$135,064 in expenditures.
 - Spent \$40,000+ on partnerships with local CBOs, including cooperatives owned by women of color.
 - Spent \$15,000+ for translation and interpretation services that included minority and women owned businesses.
- SJCE Supplier Diversity Goals:
 - This year, SJCE has focused efforts on targeted outreach to educate current vendors about CPUC supplier clearing house certification.
 - Finding new businesses and community groups to partner with and expand opportunities to work with small and local businesses.
- **HOW TO BECOME CERTIFIED:**

- Go to <https://sch.thesupplierclearinghouse.com/>.
- The website will provide applicants with a list of required documentation in order to be certified, depending on the type of business, to streamline the process. (i.e. business license, owner information, tax returns, etc.)
- The required list is likely requesting documents that most businesses will already have. It's just a matter of diligently uploading them for the certification process.
- **Certification is Free.**
- Certification Process:
 - If your business is certified with other organizations, it is easier to certify your business with the clearing house.
 - Comparable Agency Verification (CAV) include:
 1. Woman owned businesses
 2. Minority owned businesses
 3. Veteran owned businesses
 4. Businesses owned by economically disadvantaged individuals
 5. LGBTQ+ owned businesses
 - Comparable agencies that will make it easier to be certified with clearing house, if you are in good standing with these agencies. You are likely required to submit less documents:
 1. National Minority Supplier Development Council (NMSDC)
 2. Women's Business Enterprise National Council (WBENC)
 3. National Gay and Lesbian Chamber of Commerce (NGLCC)
 4. And/or Disability: IN

**Only these agencies are accepted as comparable agencies.
- SJCE Actions:
 - Created [webpage](#) that provides program information and resources on how to become certified with the clearing house.
 - Includes links to certification workshops hosted by other CCAs
 - Currently conducting outreach with current vendors and contractors and encouraging them to certify with the Supplier Clearinghouse, especially if they already meet the minimum requirements.
 - As part of SJCE's outreach efforts, they hope to continue receiving annual input from Small Business Advisory Task Force on how SJCE can provide opportunities to local and small businesses.
- SJCE requested feedback on the following questions:
 - How can we better share business opportunities with local businesses?
 - How do we engage with local businesses?
 - Suggestions on how we can educate and encourage certification.

Questions/Comments:

- Dennis King: Can you explain how you engage with local businesses now?
 - For energy procurement, there is a sign-up form on SJCE website. Participants can request to be on a mailing list and opportunities that SJCE offers are sent out to subscribers.
- Ken Kelly: Google is putting together a large power production and distribution plan of their own, is that part of what your organization is doing?
 - Yes, the City and SJCE are engaged in the Google grid project.
- Ken Kelly: In addition to the Chamber of Commerce here, there are Chambers of Commerce in every other city in Santa Clara County. SJCE should reach out to each Executive Director of those Chambers and make this program simple and easy to explain. There are several veteran organizations and associations in the area that would benefit from this program.
- Kevin McClelland: How big of an opportunity is this for a small business owner, because they're going to have to go through some training; it's a process. What is the potential benefit?
 - Certified businesses will be more likely to acquire more contracts with SJCE
 - Additionally, being on the Supplier Diversity list will allow other businesses that are in the program to bid out with vendors that are certified in the Supplier Clearinghouse.
- These programs are great for small businesses, but some of the challenges include not knowing about the program or not understanding the real benefits of the program for these individual small businesses.

B. Future of Small Business Advisory Task Force

- Chair/Vice Mayor Jones shared that he and staff have been conversing with the Office of Economic Development to discuss future of the task force, thought details have not been finalized. some of the proposals being considered include:
 - Membership of 4 groups: Chambers of Commerce, Local Business Associations, organizations that provide technical/business support, and other business interest (I.e. lenders).
 - Meetings will take place quarterly or as needed.
 - Questions/Comments:
 - The toughest challenge with small businesses is getting participation. Small business owners, especially those holding multiple jobs, may find it hard to see the value in these meetings when they have little availability.
 - Working with OED is challenging and slow. The speed of how we move is the speed of business.

- It is virtually impossible to get small business owners to come to a regular meeting. We have a project within OED called “business owner space” and there aren’t any business owners that attend
- This program has allowed us to be proactive. OED is not proactive, it’s reactive.
- Task Force as it is has shown great commitment and achievement (e.g. passing of [AB 2164](#)) with great leadership from Chair/Vice Mayor Chappie Jones as existing member.
- The current task force gathers minority chambers of commerce, including the San José chamber, maintaining an ongoing dialogue, talking with businesses, gathering information to provide solutions to needs.
- Why fix something that isn’t broken?
- It would be beneficial to have a direct dialogue with OED on the structure of Task Force and what they are trying to achieve with this change.
- Perhaps there can be an informal dialogue with OED to discuss, because it has been shown that a commission of a small business task force can be upheld without costing \$300,000 a year – and it works.
- As a community, what are we trying to solve?
- What is OED trying to achieve by restructuring the existing Task Force? An informal discussion is needed.
- A Council Member remaining part of the Task Force is essential in maintaining the connection with policy and Council.

5. Announcements

A. SBATF Proclamation @SJ City Council Meeting of Dec. 6, 1:30 pm.

B. SBATF Recognition Dinner, Thursday, December 8, 2022, 5:00 pm.

C. Dennis King: Today, we celebrated the 14th Annual Disability Awareness Day and the signing of AB 2164. It would not have been possible without Chair Vice Mayor Chappie Jones, bringing the Task Force together in 2018. Through your leadership, Raania’s support and both your hard work and timely dedication, this Task Force has succeeded in providing community driven solutions. The success of businesses has a lot to do with defining the community. Thank you for your service.

6. Adjournment

Meeting was adjourned at 4:57 pm.



HON. CHAPPIE JONES, CHAIR

ATTEST:

ADVISORY TASK FORCE SECRETARY



RAANIA MOHSEN, DEPUTY CHIEF OF STAFF