

Good morning, Chairman Hughes and the rest of the Commissioners of Maryland's Public Service Commission. My name is Wayne R. Frazier, Sr. President of the Md. Washington Minority Companies Association (MWMCA), located at 3229 Powhatan Ave. Baltimore, Maryland. MWMCA is an advocacy group that favors supplier diversity in all public and private procurement spend.

The 2009 Public Conference -16- MOU set the stage for all participating public utilities to strive to do better in terms of spending more of their contract dollars with diverse suppliers under Tier One spending. For very few, meeting an aspirational goal of 29% of every dollar spent has been achievable, but for the vast majority, its continuous failure year after year with no plan to do better and that is unacceptable in 2014!

It appears there's a culture to keep things the way they were prior to 2009 because the MOU has no teeth and is watered way down. For five straight years now this PC-16 hearing has consecutively been held on the second Tuesday in July and only a few utilities seem to care enough to reach the aspirational goal of 29%. Well let's mark July 8, 2014 as the last annual meeting of failure to meet the aspirational goal. Areas such as professional and financial services as well as Tier 2 and 3 level spend are not being addressed.

In conversations with newly re-elected Delegate Barbara Robinson, D- 40<sup>TH</sup> District and incoming Chairwoman of the Legislative Black Caucus of Maryland (LBC), discussions centered around the many rate increases requested by several utilities. The consensus is that rate increases may be needed to offset continuing rising utility cost but perhaps legislation is needed to codify the PC-16 MOU spending goal into law so that goals are met. Summer and early fall Legislative Black Caucus meetings will determine if 2015 legislation is needed to withhold rate increases on companies that do not meet the proposed goals. PLEASE STAY TUNED!

Regarding non-profit organizations remaining part of the MOU aspirational spend, in 2013 Delegate Robinson introduced HB-48 with language to remove non-profits from Maryland's MBE spending goals and was successful in winning approval from her fellow legislators to remove them. Since 1978, non-profits in Maryland were part of the state's protocol and adopted in the 2009 MOU. Governor Martin O'Malley in 2013 and the entire General Assembly voted to remove them from Maryland's MBE program because it was proven legally that they did not belong. Now, the PSC must act accordingly and remove them from PC-16 MOU and devote all of their allocation to true deserving diverse suppliers.

It is the only proper thing to do!

In closing I wish to compliment BGE/Exelon for choosing to address to their short comings in meeting diverse supplier goals instead of expecting the same underachieving results. Under the leadership of new CEO, Calvin G. Butler, Jr., BGE created an enabling education/mentoring program known as Focus-25. Without sacrificing safety, environment, quality service to rate payers, and paying more on contracts, BGE named nine diverse suppliers and Service Disabled Veteran-Owned companies to their first year long class which just graduated on June 24, 2014. Several members of that class are now working on major contracts in underground, overhead, sub-station, advertising, design, and staffing disciplines, to name a few. Most importantly BGE is

now creating a bench, as Commissioner Williams states, to go to and an inside corporate cultural change as well.

I long for a day when all of the companies regulated by PSA adopt or incorporate the BGE model of inclusion. Time will tell how great Focus 25 will become! In today's issue of my weekly e-newsletter, please review the [group photo](#) of 2014 Focus 25 class and [Frank Kelly's inspirational classic video](#)!

Thank you for my time to speak and God bless you all!

[View Summary of 2013 spending results](#)