

Qualifications

Who Qualifies- Diverse Supplier Classifications

BGE requires certification from a third-party agency to verify diverse status. "Diverse Supplier" means any legal entity that is:

- (i) organized to engage in commercial transactions;
- (ii) at least 51% owned and controlled by one or more individuals who are Socially and Economically Disadvantaged; and
- (iii) managed by, and the daily business operations of which are controlled by, one or more of the Socially and Economically Disadvantaged Individuals who own it.

This includes a not for profit entity organized to promote the interests of physically or mentally disabled individuals.

"Socially Disadvantaged Individual" means an individual who has been subjected to racial or ethnic prejudice or cultural bias within American society because of membership in a group and without regard to individual qualities. Social disadvantage must stem from circumstances beyond the control of the individual and is based on racial, ethnic, gender, religious or other orientation.

"Economically Disadvantaged Individual" refers to a Socially Disadvantaged Individual whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged.

"Socially and Economically Disadvantaged Individual" means a citizen or lawfully admitted permanent resident of the United States who is:

- In any of the following minority groups:
 - **African-American** - an individual having origins in any of the black racial groups of Africa;
 - **American Indian/Native American** - an individual having origins in any of the original peoples of North America and who is a documented member of a North American tribe, band, or otherwise has a special relationship with the United States or a state through treaty, agreement, or some other form of recognition. This includes an individual who claims to be an American Indian/Native American and who is regarded as such by the American Indian/Native American community of which the individual claims to be a part, but does not include an individual of Eskimo and Aleutian origin;
 - **Asian** - an individual having origins in the Far East, Southeast Asia, or the Indian subcontinent, and who is regarded as such by the community of which the person claims to be a part;
 - **Hispanic** - an individual of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race, and who is regarded as such by the community of which the person claims to be a part;
 - **Service Disabled Veteran** - a veteran who possesses a disability rating letter issued by the Department of Veterans Affairs, establishing a service- connected rating between 0 and 100% or a disability determination from the Department of Defense; or
 - **Women** - a woman, regardless of race or ethnicity; or
- Otherwise found by a Third Party Certifying Agent to be a Socially and Economically disadvantaged Individual.
 - **Historically Black Colleges and Universities (HBCU)** - HBCUs are educational institutions that existed prior to 1964 with the primary purpose of educating African Americans.
 - **Small Business Concern (SB)** - A small business as defined pursuant to Section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto. Generally, this means a small business concern organized for profit, which is independently owned and operated, is not dominant in the field of operations in which it is bidding, and meets the size standards as prescribed in Government regulations.
 - **HUBZone Small Business Concern (HUBZone)** - This program is based on the geographical area where your business is located and where 35 percent of your employees reside. The company

must be small, located in a Historically Underutilized Business Zone (HUBZone), owned and controlled by one or more U.S. citizens, and at least 35 percent of its employees reside in a HUBZone. The Small Business Administration maintains a list of Qualified HUBZone Small Business Concerns.

- **Veteran-Owned Small Business (VOSB)** - "Veteran-Owned Small Business (VOSB)" is a business not less than 51 percent of which is owned by one or more veterans, as defined in 38 U.S.C. 101, or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and (b) the management and daily business operations of which are controlled by or more veterans.
- **Small Disadvantaged Business (SDB)** - A small business concern (a) which is at least 51 percent owned by one or more socially and economically disadvantaged individuals, or in the case of a publicly-owned business, at least 51 percent of that business' stock is owned by one or more socially and economically disadvantaged individuals; and (b) whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

What We Look for in Suppliers:

Characteristics/Capabilities: BGE is looking to partner with diverse companies that meet our procurement needs and standards. Some of the qualities BGE is looking for include:

- Diverse Supplier Certification
- Proven Capabilities in supplier's line of business
- Understanding of BGE's business
- Cost competitiveness
- Applicable technical capabilities
- Good financial standing and required capital
- Proof of required insurance
- Commitment to Quality