



Control Number: 30240



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PUBLIC UTILITY COMMISSION OF TEXAS  
FILING CLERK

December 27, 2012

Filing Clerk  
Public Utility Commission of Texas  
1701 N. Congress Avenue  
Austin, TX 78711

RE: Project No. 30240 - Annual Progress Report on Five-Year Plan to Enhance Supplier  
and Workforce Diversity for Consolidated Communications

Dear Filing Clerk:

Pursuant to Section 26.85(e) of the PUC Substantive Rules, enclosed for filing are an original plus (4) copies of the Annual Progress Report on the implementation of the Five-Year Plan to Enhance Supplier and Workforce Diversity. This filing is being made in Project 30240 as the project designated for this report. This report is composed of information and data filed for **Consolidated Communications of Texas Company, Consolidated Communications of Fort Bend Company, Consolidated Communications Enterprise Services, Inc. (assumed name for Consolidated Communications Transport Company, Consolidated Communications Telecom Services of Texas Company, Consolidated Communications Operator Services, Inc., Consolidated Communications Network Services, Inc., and Consolidated Communications Public Services, Inc.)**. These companies are part of, and doing business as, **Consolidated Communications**, and both workforce and supplier diversity efforts are directed by a common management.

Consistent with the requirements of the approved rule, copies of this report are also being provided to: (1) the Governor; (2) Lieutenant Governor; (3) Speaker of the House; (4) The House Legislative Black Caucus; (5) The House Mexican American Legislative Caucus; (6) The Texas Legislative Black Caucus (7). The Texas Senate Hispanic Caucus. If you have any questions concerning this report, please contact me at 936-521-7736.

Sincerely,

Scott Kitchen  
Consolidated Communications  
Sr. Manager, Regulatory Compliance

sr

cc w/attachment

State of Texas Governor's Office  
State of Texas Lt. Governor's Office  
Speaker of the Texas House of Representatives  
The Honorable Sylvester Turner  
The Honorable Trey Martinez-Fischer  
The Honorable Carlos Uresti

2091

**CONSOLIDATED COMMUNICATIONS**  
**WORKFORCE AND SUPPLIER DIVERSITY FORM 2012**  
 WORKFORCE DIVERSITY, PUC Project No. 30240

Occupational Categories	NUMBER OF TEXAS FULL-TIME EMPLOYEES FOR REPORTING YEAR													
	Company Totals		Caucasian		African American		Hispanic		Asian		American Indian			
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		
Administrative Support Workers	11	94	6	71	1	6	3	17	1					
Craft Workers	90	0	77		3		9				1			
Executive/Sr Level Officials	4	0	4											
First/Mid Level Officials	51	17	32	13	2	2		2						
Laborers and Helpers	0	0												
Operatives	8	2	5	2			1							
Professionals	78	24	53	22				2	1					
Sales Workers	14	7	6	6			1	1						
Technicians	37	2	31	2	1		3							
This year totals	387	146	214	116	7	8	17	22	2	0	1	0		
Last year Totals	396	148	220	117	7	9	18	22	2	0	1	0		

**CONSOLIDATED COMMUNICATIONS  
WORKFORCE AND SUPPLIER DIVERSITY FORM  
PUC Project No. 30240**

**HUB/SMALL BUSINESS PROCUREMENT AS A PERCENTAGE OF TOTAL COMPANY PROCUREMENT**

Actual % = [Total HUB(1) procurement + Total Small Business(2) procurement]/Total Company procurement	Actual % for Previous FY	Actual % for Current FY	Percentage Change
Construction Contracts (3)	33.45%	33.17%	-0.28%
Commodities Contracts (4)	11.70%	5.43%	-6.27%
Other Services (5)	13.40%	14.98%	1.58%
Professional Services Contracts (6)	0.76%	0.90%	0.14%
Major Equipment (7)	0.97%	0.63%	-0.34%
Other (8)	0.08%	0.14%	0.06%

(1) **HUB** -- Pursuant to Texas Government Code 481.191(4), HUB means: (A) a corporation formed for the purpose of making a profit in which at least 51% of all classes of the shares of stock or other equitable securities is owned by one or more persons who are members of certain groups, including black Americans, Hispanic Americans, women, Asian Pacific Americans, and American Indians; (B) a sole proprietorship formed for the purpose of making a profit that is 100 percent owned, operated and controlled by a person described by Paragraph (A) of this subdivision; (C) a partnership formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more of the persons described by Paragraph (A) of this subdivision. Those persons must have proportionate interest and demonstrate active participation in the control, operation, and management of the partnership's affairs; or (D) a joint venture in which each entity in the joint venture is a historically underutilized business under this subdivision.

(2) **Small Business** -- Pursuant to Texas Government Code 481.191(6), Small Business means a corporation, partnership, sole proprietorship, or other legal entity that: (A) is domiciled in this state; (B) is formed to make a profit; (C) is independently owned and operated; and (D) employs fewer than 100 full-time employees.

(3) **Construction** -- Construction done by general contractors and special trade contractors which includes new work, additions, alterations, reconstruction, installations, repairs, remodeling, renovating, and repair of office buildings. Heavy construction other than buildings such as pipelines, communications and power lines, sewer and water mains, asphalt and concrete construction of roads, trenching, cable laying, conduit construction, land clearing and leveling.

(4) **Commodities** -- All materials, goods or tangibles purchased to conduct business, not including fuel or purchased power contracts and major equipment purchases and rentals.

(5) **Other Services** -- All specialty work, special circumstances that required contract labor, special consultants or other non-defined services. Examples include audio/visual, staffing services, landscaping, forestry, tree trimming, art and decorative services, janitorial, travel/lodging, automotive repair, and photography.

(6) **Professional Services** -- Contracted professional services which include legal, consulting, health, engineering, accounting, advertising/marketing, architectural, real estate, computer services, research and analysis, education/training, insurance, surveying services, weather services, environmental, financial, etc.

(7) **Major Equipment** -- Includes all major equipment purchases and rentals including but not limited to transmission and distribution equipment, power plant equipment, substation equipment, heavy construction equipment, fleet requirements, etc.

(8) **Other** -- Any commodity or service not covered by the above categories.

**ANNUAL REPORT ON FIVE-YEAR PLAN TO ENHANCE SUPPLIER AND  
WORKFORCE DIVERSITY  
CONSOLIDATED COMMUNICATIONS**

**I. Describe the specific initiatives, programs, and activities undertaken under the plan during the preceding year.**

Support all associates' participation in career days, professional development workshops, youth motivation programs and related activities whenever possible.

Encourage associates to serve in leadership positions for community organizations, employment councils, and similar organizations whenever the opportunity arises.

Support associates with particular areas of expertise to serve as volunteers in their communities, to serve on boards and participate in professional groups.

Publicize the achievements of all associates in internal publications as well as in the local news media when appropriate.

Support programs developed by community groups that employ vendors that are minority and owned by woman and other organizations concerned with opportunities for minorities and women (i.e., Buckner Family Place / Women's Shelter offering vocational training and family rehabilitation). Continue to support community organizations, agencies, and activities such as the following: Community and Minority Chambers of Commerce, Area Chambers of Commerce (i.e., Montgomery County Hispanic, Conroe, South Montgomery County and Katy Chambers), Annual Leadership Programs, YMCA Scholarships, Junior Achievement, Education for Tomorrow Alliance (EfTA), Cinco de Mayo, County Youth Associations, Economic Development Groups, Interaction Training, March of Dimes, Special Olympics, Numerous Heart and Cancer Organizations, Gulf Coast Blood Center, and United Way.

Provide recruiters clear and concise explanations of current and anticipated future job openings, position descriptions, worker specifications and CCI'S selection process.

Post available job opportunities on Company web sites.

Post available job opportunities on industry organization web sites.

Continue to review worker specifications to ensure academic, experience, and skill requirements are relevant and necessary to job functions and duties.

Inform all associates involved in recruiting, screening, selection, promotion, and performance management of the Company's EEO policy.

Extend opportunities for additional training to current associates who, with additional training, education or experience may become qualified for advancement.

Provide workforce diversity-related and anti-harassment employee training.

**II. Make an assessment of the success of the specific initiatives, programs, and activities listed above:**

Company employees actively participate in the following community programs in our service area: Greater Conroe/Lake Conroe Chamber, Lufkin/Angelina County Chamber, So. Montgomery/Woodlands Chamber, Woodlands Kiwanis, Conroe Kiwanis, City of Conroe, Conroe YMCA, Katy YMCA, Katy Fire & Police

Departments, Katy Area Chamber, Jr. Achievement, Special Olympics, March of Dimes, American Heart Association, American Cancer Society, Drive for the Cure (Golfers Against Cancer) Katy ARTReach, Montgomery County Food Bank, Friend of Montgomery Co. Wild Life, United Way, Katy ISD Partners in Education, Lufkin State School Volunteer Services Council, Boys & Girls Club of Deep East Texas, Lufkin Alcohol Drug Council & Diboll Drug Free Program, Diboll Days (multiple charity support), Angelina Beautiful Clean (AB/C), Lufkin Rotary, Arc of Katy, Katy ISD FFA & Rodeo, Keep Katy Beautiful, Needville ISD sports programs & rodeo, Montgomery Co. Fair (affiliate of Houston Livestock & Rodeo sponsorships), Conroe Noon Lions Club, Montgomery Co. Community Foundation, Bridgewood Farms, Education for Tomorrow Alliance (EfTA) science and mentoring programs.. These associations bring the company into contact with all groups in the communities we serve and increase knowledge and awareness of business and employment opportunities within the company.

Outstanding employee achievements are publicized extensively through our internal magazine Connection, as well as bulletins, companies e-mail, etc.

Our community participation, as detailed above, has been critical to achieving success and improving diversity in both employment and procurement. Our employees' interaction within the community is the most effective means of identifying and attracting minority employees, as well as potential business partners.

Both internal staff and outside agencies that recruit for the company are given position descriptions and the specific qualifications required of a prospective applicant.

Definition of specific skills and requirements enhances the efficiency of our Recruiting processes and facilitates a successful conclusion to the search for a new employee.

We utilize an internal posting system for all nonexempt positions and many management positions. Employee referrals have been a good source of potential candidates for our hiring needs. However, our Union contract precludes outside hire prior to job posting, and an internal bidding process is required for over 30 percent of the positions within the company.

All employees are informed of the Company's EEO policy through receipt of the policy in the Employee Handbook (available to all employees on the company intranet). All employment advertisements specify that CCI is an Equal Opportunity Employer.

While we have successfully targeted minorities and females through the search firms we utilize, most of the recruiting within the communities served is done through employee referral and/or Internet advertisement. Because of the union job posting/bidding process and extensive staff reduction over the past three years, we have conducted no recruitment from colleges or secondary schools.

All positions recruited externally are posted on the company web site and the Internet. Most successful position incumbents have five or more years of previous work experience.

We continue to provide extensive technical and product related training with service technicians, customer service and sales staff to both enhance our service levels and their own capabilities.

As part of our standard recruitment efforts, we endeavor to recruit minorities and women by the following methods: using the proper EEO identification in help-wanted advertisements, job posting; soliciting employment referrals from existing employees.

As shown above, company employees are members in all local civic and service organizations and are active in discussing and promoting business opportunities available with the company as well as potential employment. Active participation in local Chambers of Commerce has produced good relations with these businesses.

**III. Describe the initiatives, programs, and activities the utility will pursue during the next year to increase the diversity of its workforce and contracting opportunities for small and historically underutilized businesses.**

The company will continue to emphasize and expand the programs detailed above. The success of these activities, as shown in IV below, demonstrates their validity and the company's commitment to achieving true diversity in both their workforce and procurement practices. Additionally, the company will make a concerted effort to establish closer relationships in organizations with minority and female business membership (preferred vendor) emphasis, in order to promote and increase business opportunities with these business people and will be more active in using publications to promote business/vendor and employment opportunities.

**IV. State the specific progress made under the plan filed by the utility:**

**2011 Hiring Experience**

<b>Gender</b>	<b>White</b>	<b>Black</b>	<b>Hispanic</b>	<b>Indian/Asian</b>	<b>TOTAL</b>
Female	4	0	2	0	6
Male	13	0	0	0	13
<b>TOTALS</b>	17	0	2	0	19