



Utilities Diversity Report 2025

Pursuant to Minnesota Statutes § 216C.51, subd. 6

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Background

Minnesota Statutes § 216C.51 requires each Public Utility to publicly file an Annual Diversity Report with the Commissioner of Commerce (the Department) describing the company's efforts to increase diversity in the workplace, including (a) current workforce representation numbers and percentages, and (b) all procurement goals and actual spending for female, minority, and veteran-owned businesses and small business enterprises for the previous year – both of which must be expressed as a percentage of the total work performed by the utility.

Each utility's Annual Report must include:

- (1) an explanation of the plan to increase diversity in the utility's workforce and among the utility's suppliers during the next year;
- (2) an explanation of the plan to increase the goals;
- (3) an explanation of the challenges faced to increase workforce and supplier diversity, including suggestions regarding actions the department could take to help identify potential employees and vendors;
- (4) a list of the certifications the company recognizes;
- (5) a point of contact for a potential employee or vendor that wishes to work for or do business with the utility; and
- (6) a list of successful actions taken to increase workforce and supplier diversity, to encourage other companies to emulate best practices.

Minn. Stat. § 216B.51, subd. 4.

The following utilities are required to file an annual report on their workforce diversity and diversity efforts: CenterPoint (Natural Gas); Greater Minnesota Gas (GMG) (Natural Gas); Great Plains (Natural Gas); Minnesota Energy Resources (MERC) (Natural Gas); Minnesota Power (Electricity); Otter Tail Power (Electricity); and Xcel Energy (Electricity and Natural Gas).

2025 Annual Diversity Report Findings

Current State of Workforce and Contractor Diversity

Overall, the workforces of reporting Minnesota utilities are predominantly white and male. Utilities reported that their workforces were between roughly 82% and 98% white as of the end of 2024 (Figure 1) and between roughly 56% and 90% male (Figure 2).

Figure 1: Racial Composition of Minnesota Utility Workforces

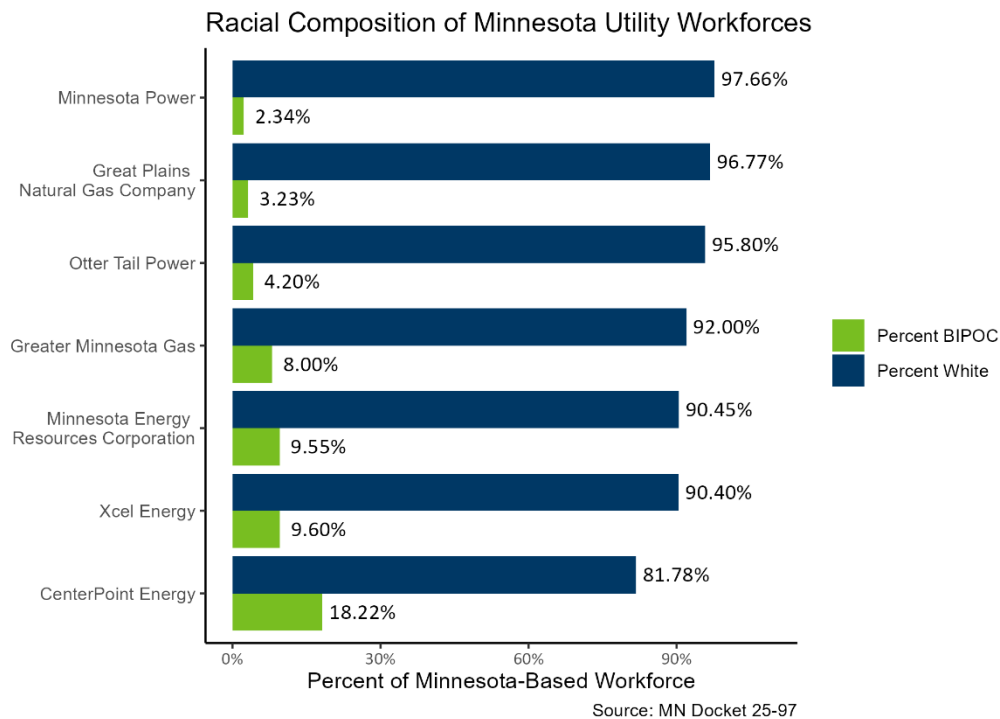
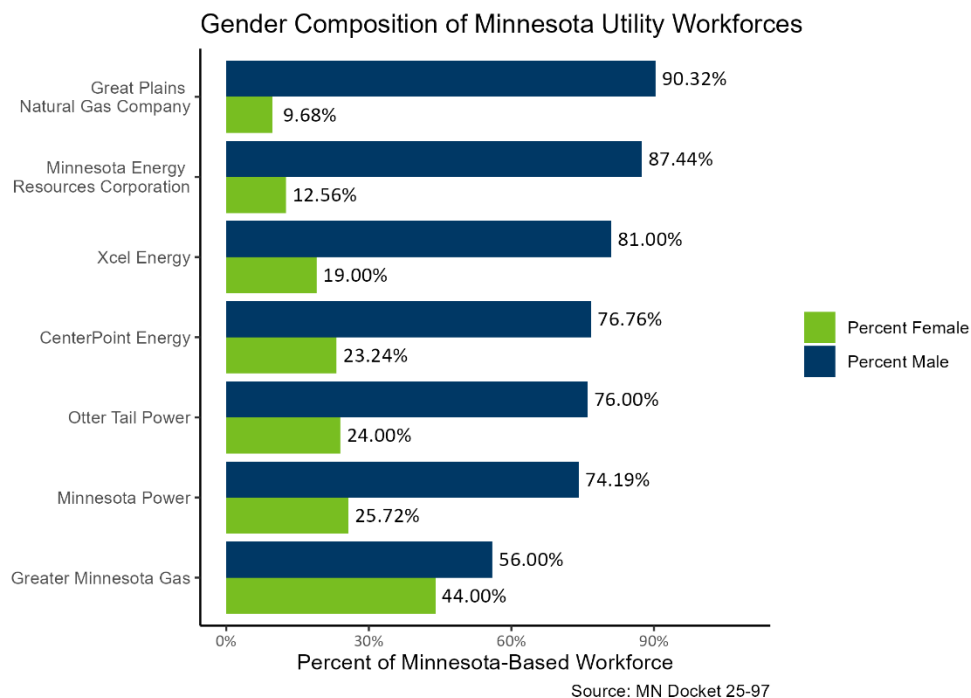


Figure 2: Gender Composition of Minnesota Utility Workforces



Procurement spending varies by utility, but spending going towards minority-owned and female-owned enterprises is low. Procurement spending on Female-Owned Enterprises as a share of total work performed ranged from .7% to 4.73% (Figure 3), whereas procurement spending on Minority-Owned Enterprises ranged from .03% to 1.5% (Figure 4).

Figure 3: Utility Spending on Female-Owned Enterprises

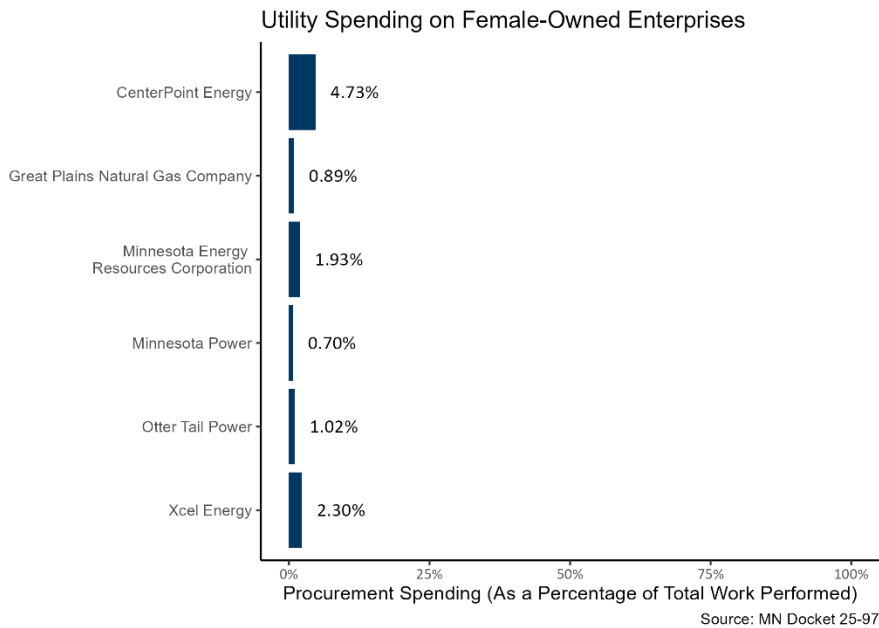
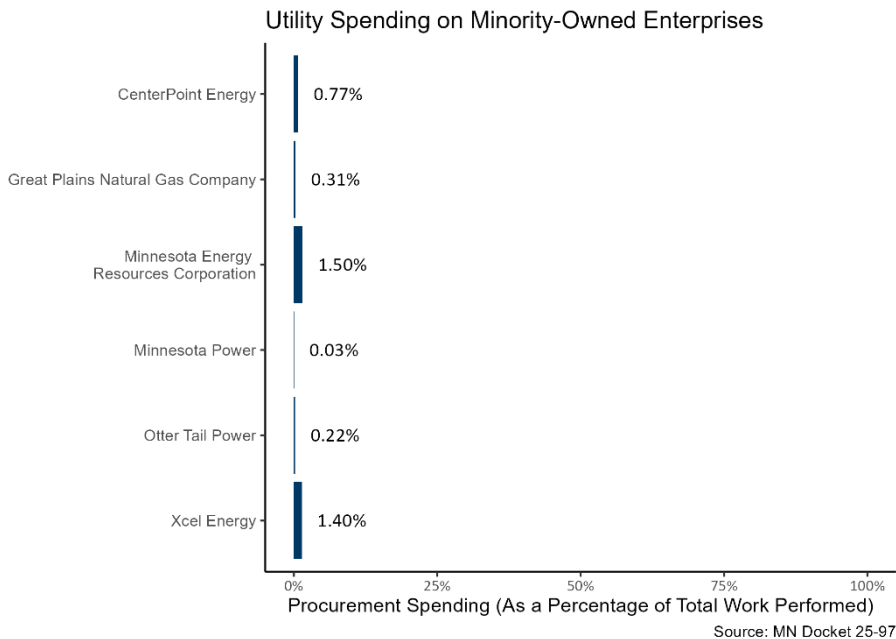


Figure 4: Utility Spending on Minority-Owned Enterprises



In 2025, small businesses made up slightly larger shares of total procurement spending for many utilities, with roughly 18% of Great Plains Natural Gas Company’s procurement spending on small businesses and CenterPoint

Energy spending 11% (Figure 5). Veteran-owned businesses made up the smallest share of utility procurement spending, with only CenterPoint Energy reporting more than 1% of total procurement spending going towards veteran owned businesses (Figure 6).

Figure 5: Utility Spending on Small Businesses

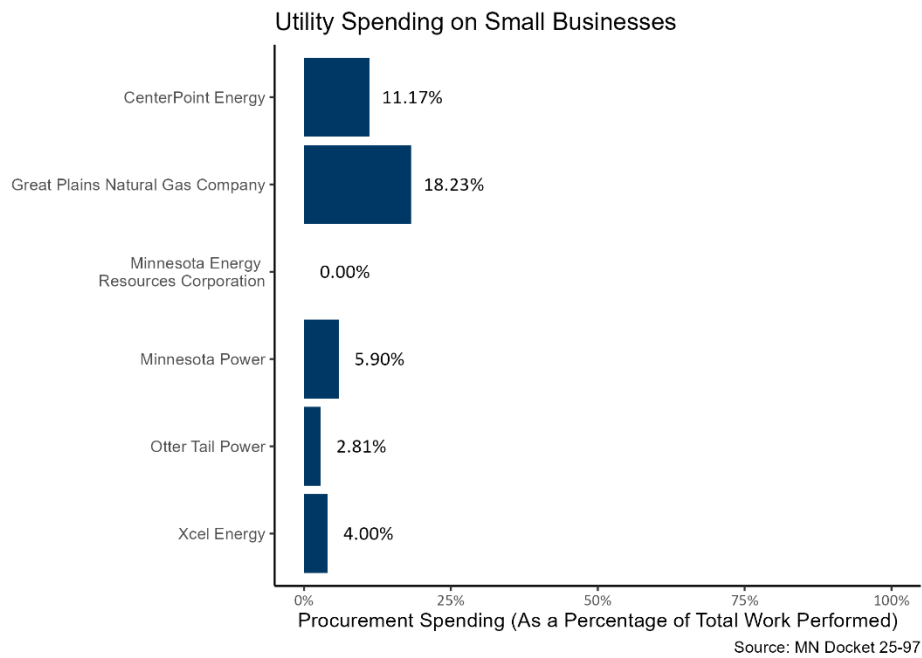
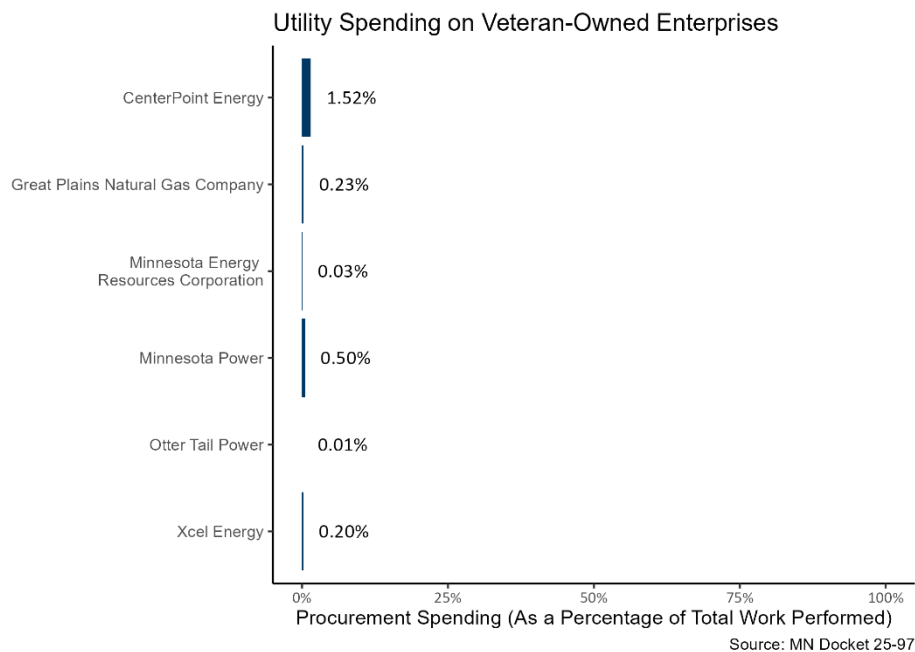


Figure 6: Utility Spending on Veteran-Owned Enterprises



As of June 2025, GMG reported \$687,181 of procurement spending on Female-Owned Enterprises but had not yet supplied the spending as a percentage of total work performed.

Goals, Barriers, and Successful Practices to Increase Diversity

To comply with Minnesota Statutes § 216C.51, utilities were asked narrative-based questions in addition to those used in the previous graphs. A series of open-ended questions were answered by Minnesota's public utilities. More than 60 statements were provided by utilities for three out of four of the questions. The Department categorized the statements to facilitate summaries of the answers. Of the first three open-ended questions, summaries by the Department on workforce and supplier diversity are given below. To help make the categories to the utilities' answers as tangible as possible, specific examples are included whenever possible.

Plans to Increase Goals

Question One asked utilities:

"Explain your utility's plan to increase the organization's diversity goals during the next year."

Statements from the public utilities covered both diversity within their own workforce and diversity among outside contractors. Statements included increased goals or efforts, new efforts, or a continuation of current efforts. Most of the statements related to a continuation of previous efforts (65%), while 16% clearly were an increase in the goals, and 8% were new goals or efforts.

GMG stated it does not set diversity goals and therefore does not set an increase. The utility stated that it has few turnovers, but when a position becomes open, it hires the best candidate, irrespective of gender, race, or ethnicity. Regarding suppliers, GMG stated that it keeps the state's diversity policy and rules in mind. CenterPoint Energy indicated that the utility "does not have specific numeric goals for workforce and supplier diversity" but did indicate that the utility carried out activities to promote workforce diversity, such as establishing "diverse interview panels" and participating in "community recruiting events allowing us to connect with a diverse pool of talent". The actions taken by utilities to try to meet these goals are discussed in the section Utilities' Actions below.

Goals for Workforce Diversity

The following four categories summarize the utilities' answers regarding workforce diversity:

- **Foster a Culture that Values Diversity.** CenterPoint, MERC, Minnesota Power, and Xcel Energy stated that they attempt to create a culture that harvests the service-related benefits from a diverse workforce. For example, Minnesota Power stated that the utility works to "[e]levate employees' awareness of living the Company's values, demonstrating care by respecting and embracing differences, and creating an environment where everyone can thrive".
- **Address Barriers that Prevent Movement Along the Career Ladder.** CenterPoint, Great Plains, Minnesota Power, Otter Tail, and Xcel all have programs to disseminate information about careers and conduct training. For example, Minnesota Power plans to make more individuals aware of its job opportunities. Minnesota Power states that it will "[i]dentify additional ways to collaborate with underrepresented groups within communities and ensure that future opportunities with the Company are adequately communicated to those groups."

- **Increased Use of Data to Inform Diversity Efforts.** Xcel plans to increase its data usage to help foster diversity, stating it will “[i]ncrease data utilization and transparency to better inform our internal programs and advance our workforce strategies while increasing internal process consistency and accuracy.” Great Plains Natural Gas indicated they will “continue to track diverse supplier spending and begin a base case and an analysis of the data.” Otter Tail Power indicated they “plan to increase diversity among our suppliers by establishing a data collection process by which [Otter Tail Power] will be able to classify and monitor levels and trends of diversity among our supplier base...”
- **Quantitative Goals.** Otter Tail Power was the only utility that provided quantitative goals. The utility lists its goals for female representation at 50% for non-trade positions and 30% for higher level executive positions, as well as reaching “minority employee percentages that match our community demographics.”¹

Goals for Supplier Diversity

The following categories were created to summarize the utilities’ answers regarding goals for Supplier Diversity.

- **Increasing the Pipeline of Skilled Suppliers.** These goals focus on increasing the eligible population of diverse suppliers, educating suppliers about obtaining certification as a diverse business, and educating potential suppliers about how to do business with a utility, such as informing suppliers about certification processes and needs. CenterPoint, Great Plains, MERC, and Minnesota Power all developed goals around these activities. For example, Great Plains stated that it “requests certifications from all new vendors and reactivations and assist[s] interested small and minority contractors.”
- **Compliance.** Utilities noted that they work to comply with state statutes and Equal Employment Opportunity regulations. MERC and Minnesota Power stated that they incorporate small business and other requirements into their contracts. Additionally, MERC stated that it “continually analyze[s] any other areas that may impact our success with our plan to increase the organization’s diversity goals during the next year such as ... proper posting of our Equal Employment Opportunity (“EEO”) policy.”
- **Identifying Quantitative Goals.** Several utilities stated they had quantitative goals, but did not always say what the goal was or whether the goal was an increase as stated in Question One. CenterPoint stated that they used the prior year’s achievements to come up with goals for the current year. MERC sets a dollar goal but did not state that it was an increase from the previous year. Otter Tail Power stated that it does not intend to use “aiming points” in 2025.

¹ These were not stated as an increase in goals but did note that the actual percentages are lower than its goals, which may mean that an increase in the goal would make it more difficult to achieve. The utility denotes upper-level executive positions as L4.

Challenges to Increasing Diversity

Question Two related to identifying barriers to diversity and seeking solutions:

“Provide an explanation of the challenges your utility faces to increase workforce and Supplier Diversity. Please include suggestions regarding actions the Minnesota Department of Commerce could take to help identify potential employees and vendors.”

The utilities discussed this issue, and one identified an action the Department could take to help address barriers. Discussion of these issues follows below.

Workforce Diversity Challenges

Utilities only made four statements explicitly about challenges to Workforce Diversity. Several additional statements addressing actions taken by the utilities to address various challenges, implicitly included statements about barriers. The utilities’ statements are summarized below.

- **Scarcity of Skilled Labor.** CenterPoint, Xcel, Great Plains, and MERC stated that a lack of skilled labor and its associated costs to conduct lengthier searches is a challenge. Xcel further stated that it is challenging to retain diverse employees. MERC also stated that there is a lack of awareness about jobs in the utility industry.
- **Lack of Diversity in Greater Minnesota.** GMG, Otter Tail Power, and Minnesota Power stated there was a lack of racial diversity in their service territory. For example, 88.6 percent of the population in St. Louis County identified as white, which is where 70 percent of Minnesota Power’s jobs are located.

MERC suggested that the Department could assist by disseminating knowledge about the energy industry, particularly in underrepresented communities, including low-income communities, immigrant communities, and communities of color.

Supplier Diversity Challenges

The utilities noted a variety of challenges related to identifying and securing qualified suppliers.

- **Scarcity in Suppliers.** Great Plains, GMG, MERC, and Xcel noted challenges or higher costs related to finding and ensuring suppliers that are qualified to work as contractors for the utility.²
- **Lack of Diversity.** GMG and Otter Tail Power noted that a lack of diversity in suppliers from rural areas adds to the difficulty of finding qualified suppliers.
- **Regulatory Compliance.** MERC and Minnesota Power noted challenges in meeting regulatory requirements. MERC noted that stringent safety requirements within the utility sector make it difficult to find contractors. Minnesota Power stated that changes in regulations over time required constant reassessment of challenges and opportunities for the utility.

² MERC noted challenges for suppliers, such as a lack of capital to finance their business.

Utilities suggested that the Department could continue to facilitate identification of qualified suppliers. CenterPoint suggested that the Department hold an annual expo event for utilities with identified vendors. Xcel suggested that the Department and other state agencies:

- Continue prior commitments with Minority Depository Institutions (MDI) and Community Development Financial Institutions (CDFI) partnerships.
- Increase collaboration and commitment with organizations that support the growth of small and diverse suppliers in the renewable energy industry.
- Focus efforts on identifying and nurturing diverse suppliers with expertise in clean and renewable energy.

Utilities' Actions

Question Three states:

“Provide a list of successful actions your utility has taken to increase workforce and Supplier Diversity. This list may be used to encourage other utilities to take similar actions when appropriate.”

Actions Regarding Workforce Diversity

The utilities' responses are categorized below.

- **Foster a Culture that Values Diversity.** Among the practices identified by the utilities were enrollment of and participation from leadership in fostering a culture that values diversity.
 - **Formally Recognizing Diversity.** Minnesota Power, MERC and Xcel recognize awareness months for veterans and other minorities.
 - **Tone at the Top.** Engaging leadership in communicating the value of diversity was an action identified by MERC, Minnesota Power, and Xcel. MERC incorporates training on unconscious bias in its leadership training program. MERC also shares its placement goals with executives. Minnesota Power requires leaders to take training on objective and fair hiring practices. Xcel stated that its leaders advocate for inclusivity and diversity.
- **Address Barriers to Move Up the Career Ladder.** Utilities offered a variety of actions that focus on recruiting new talent and helping current employees move up the career ladder.
 - **Recruitment of New Talent.** Xcel stated that it engages with community-based organizations to develop a pipeline of new talent. MERC, Minnesota Power, and Xcel also post job openings with a broad array of organizations, such as tribal organizations, employee resource groups, and groups that provide service to women, minorities, and the disabled. Great Plains and Minnesota Power noted partnerships and efforts to inform high school students about careers. MERC and Minnesota Power engage in strategic recruiting efforts that are directed at diverse and underrepresented groups. CenterPoint stated that it uses diverse interview panels and intentionally interviews candidates from diverse backgrounds.
 - **Help for Employees.** MERC offers tuition reimbursement. MERC, Minnesota Power, and Xcel noted that they facilitate employee resource groups which can sponsor career development activities, such as bringing in public speakers.

Actions to Increase the Diversity of Suppliers

Utilities actions to increase the diversity of their suppliers fell into two categories:

- **Increasing the Pipeline of Skilled Suppliers.** Several actions addressed barriers to finding qualified suppliers that identify with a diverse background. CenterPoint noted that it attends conferences and best practice summits to enhance spending with diverse suppliers, and it shares such practices at its annual supplier workshop. Otter Tail Power contacted over 2,000 of its suppliers in development of a supplier database in order to provide more accurate information on their suppliers' business classifications in the future. Xcel forms external partnerships with community organizations and provides educational opportunities for suppliers.
- **Data Development.** CenterPoint, Minnesota Power, Otter Tail Power, and Xcel all develop databases and use data to help identify and track suppliers. For example, Minnesota Power states that it uses an information dashboard on diversity in suppliers and small businesses. The utility also uses databases from the National Minority Supplier Development Council and the Women's Business Enterprise National Council to verify certification and find new suppliers.

Certifications

The Fourth Question asked about certifications:

"Provide a list of certifications that your utility recognizes. If possible, please provide a brief description or a link that provides context on what the certification is."

The utilities recognize a variety of different supplier certifications. These certifications identify businesses with minority statuses and are issued by a government or industry entity. For example:

- CenterPoint recognizes the Small Business Enterprise certification from the United States Small Business Administration;
- Great Plains recognizes certifications for female owned businesses from multiple organizations;
- MERC recognizes Veteran Owned Businesses certified by the U.S. Department of Veteran Affairs;
- Minnesota Power is certified by the National LGBTQ+ and Allied Chamber of Commerce (NGLCC);
- Otter Tail Power Recognizes certification from the minority supplier development Council (NMSDC); and
- Xcel recognizes certification from disability.org.³

A comprehensive list of certifications can be found in the appendix.

³ These are not the only certifications that utilities recognized for the different demographic statuses. Also, recognition of some statuses may be required for participation in some federal and Minnesota State programs.

Appendix

Data Collection Process

To standardize the collection process, the Department developed two reporting templates to collect data on workforce representation, procurement spending, and utility plans to further diversify their workforce. The Department also developed a set of filing instructions to clarify how data should be submitted and to define the data points that were collected.

Regarding procurement spending, utilities were asked to submit actual spending as a percentage of total work performed for female-owned, minority-owned, veteran-owned and small business enterprises, as well as the utility's goal for spending for these enterprises.

For the purposes of this report, the Department provided the following definitions:

- Female-Owned Enterprise – “Female-Owned Enterprise” means a business for which one or more women: (1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and (2) manage the business and control the daily business operations.
- Minority-Owned Enterprise – "Minority-Owned Enterprise" means a business for which one or more minorities: (1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and (2) manage the business and control the daily business operations. For the purposes of this definition, “minority” means a United States citizen or lawful permanent resident who identifies as Asian, Pacific Islander, Black, Hispanic or Native American.
- Veteran-Owned Enterprise – "Veteran-owned business" means a business for which one or more veterans: (1) own at least 50 percent of the business or, in the case of a publicly owned business, own at least 51 percent of the stock; and (2) manage the business and control the daily business operations. Veteran is defined in Minnesota Statutes § [197.447](#).
- Small Business Enterprises – As defined in Minnesota Statutes § [645.445](#), "Small business" means a business entity organized for profit, including but not limited to any individual, partnership, corporation, joint venture, association or cooperative, which entity:
 - (1) is not an affiliate or subsidiary of a business dominant in its field of operation; and
 - (2) has 20 or fewer full-time employees; or
 - (3) in the preceding fiscal year has not had more than the equivalent of \$1,000,000 in annual gross revenues; or
 - (4) if the business is a technical or professional service, shall not have had more than the equivalent of \$2,500,000 in annual gross revenues in the preceding fiscal year.

With regard to workforce representation, Minn. Stat. § 216C.51 requires utilities to include “current workforce representation numbers and percentages.” As representation is not defined in this statute, the Department asked for these figures but did not specify the meaning of representation.

Utilities supplied figures on race and ethnicity, as well as gender, but, given the lack of standardized reporting in this section, readers should exercise caution when comparing figures between utilities.

The second data collection template adapted the report elements in Minn. Stat. § 216C.51 into open-ended questions. Department staff compiled responses to these questions and included key takeaways from the responses in this report.

Key takeaways were developed by categorizing statements based upon their similarity to reduce the more than 60 statements per question into a manageable number. The Department grouped the list of characteristics into a smaller, more manageable number of categories based upon the similarity of characteristics. For each of the categories, the utility names were tracked on whether they were grouped into a category. Staff then summarized the final categories and gave example to help to communicate the results.

Data Quality

The Department reviewed data submissions and adjusted the raw data (e.g., removing non-numerical characters from numerical fields) as needed to compile and analyze the data.

Minn. Stat. § 216C.51 subd. 5 provides:

Each annual report must include as much state-specific data as possible. If the submitting utility does not submit state-specific data, the utility must include any relevant national data the utility possesses, explain why the utility could not submit state-specific data, and detail how the utility intends to include state-specific data in future reports, if possible.

The utilities were asked whether all the data they submitted was from their Minnesota operations. All utilities except GMG used a mixture of Minnesota data from outside of Minnesota. Utilities choice of dataset varied by question, as indicated below.

In order to report workforce and supplier diversity figures, utilities were asked to report Minnesota specific figures when possible. Table 1 summarizes when utilities provided Minnesota specific data and when they had to rely on regional or national data for this report.

Table 1: Data Sources Used for Workforce Representation and Procurement Figures.

Utility	Workforce Representation	Procurement
CenterPoint Energy	Minnesota data	Minnesota data
Great Plains Natural Gas Company	Minnesota data	National data
Greater Minnesota Gas	Minnesota data	Minnesota data
Minnesota Energy Resources	Minnesota data	Minnesota data

Minnesota Power	Minnesota data	Minnesota data and national data (Minnesota specific data is included in this report)
Otter Tail Power	National data	National data
Xcel Energy	Minnesota data	Regional data (Minnesota, North Dakota, South Dakota)

Utilities that did not supply Minnesota specific data often reported that the structure of their organization made such reporting unworkable at this time. Xcel Energy, for example, indicated that the most granular data they have is for Northern States Power Minnesota, which also includes suppliers from South Dakota and North Dakota. Otter Tail Power wrote “the Company is not organized as three separate stand-alone utilities serving three separate states. Instead, we operate a single system with some facilities located in each of our states and various employees reporting for duty in each of the three states.” Otter Tail Power also indicated that using data on employees who report to work in Minnesota or who are on a Minnesota payroll may result in the data that they submit being incomplete. Great Plains Natural Gas wrote “the Company took additional steps to enhance its supplier diversity tracking by partnering with a third party to gather vendor specific data. The Company is not tracking this data at the state level as it is not cost effective to do so at this time.”

Below is a comprehensive table of certifications recognized by Minnesota utilities.

Table 2: Certifications Recognized by Utilities

Utility	Certification
CenterPoint Energy	EIG - 8(a) Small Business
CenterPoint Energy	ACDBE - Airport Concession Disadvantaged Business Enterprise
CenterPoint Energy	ANC - Alaskan Native Corporations
CenterPoint Energy	DISABLED - Disabled
CenterPoint Energy	DBE - Disadvantaged Business Enterprise
CenterPoint Energy	DOBE - Disability-Owned Business Enterprise
CenterPoint Energy	ED-WOSB - Economically Disadvantaged Women-Owned Small Business
CenterPoint Energy	HBCU - Historically Black Colleges and Universities
CenterPoint Energy	HUBZone - Historically Underutilized Business Zone
CenterPoint Energy	LGBTBE - Lesbian, Gay, Bisexual, Transgender Business Enterprise
CenterPoint Energy	MBE - Minority-Owned Business Enterprise
CenterPoint Energy	SBE - Small Business Enterprise
CenterPoint Energy	SDB - Small Disadvantaged Business
CenterPoint Energy	SDVOB - Service-Disabled Veteran-Owned Business
CenterPoint Energy	SDVOSB - Service-Disabled Veteran-owned Small Business
CenterPoint Energy	VDOB - Veteran Disability-Owned Business Enterprises
CenterPoint Energy	VOB - Veteran-Owned Business
CenterPoint Energy	VOSB - Veteran-Owned Small Business
CenterPoint Energy	WBE - Woman Business Enterprise
CenterPoint Energy	WOSB - Woman-Owned Small Business
Minnesota Energy Resources	Professional Engineering Licensure
Minnesota Energy Resources	AutoCAD Certified Professional
Minnesota Energy Resources	HVACR Certification
Minnesota Energy Resources	EPA Certification
Minnesota Power	Disability: IN – Disability Inclusion
Minnesota Power	National LGBT Chamber of Commerce (NGLCC)
Minnesota Power	National Minority Supplier Development Council (NMSDC)
Minnesota Power	National Veteran-Owned Business Association (NAVOBA),
Minnesota Power	National Veteran Business Development Council (NVBDC)
Minnesota Power	Women Business Enterprise National Council (WBENC)

Utility	Certification
Minnesota Power	U.S. Small Business Administration (small business)
Minnesota Power	Central Certification CERT program
Minnesota Power	Minnesota Unified Certification Program (MNUCP)
Minnesota Power	Office of Procurement directory
Otter Tail Power	Disability: IN
Otter Tail Power	National Gay/Lesbian Chamber of Commerce (NGLCC)
Otter Tail Power	National Minority Supplier Development Council (NMSDC)
Otter Tail Power	National Veteran Business Development Council (NVBDC)
Otter Tail Power	National Veteran Owned Business Association (NaVOBA)
Otter Tail Power	Women's Business Enterprise National Council (WBENC)
Otter Tail Power	U.S. Small Business Administration (HUBZone and Small Disadvantaged Business)
Xcel Energy	Disability: IN
Xcel Energy	National LGBTQ Chamber of Commerce (NGLCC)
Xcel Energy	National Minority Supplier Development Council (NMSDC)
Xcel Energy	National Veteran Owned Business Association (NaVOBA)
Xcel Energy	National Veteran Business Development Council (NVBDC)
Xcel Energy	Women Business Enterprise National Council (WBENC)
Xcel Energy	Any regional affiliate of a national certifying body (Referenced in Xcel's report)
Xcel Energy	Other national, state, and local agencies approved by Xcel Energy
Xcel Energy	Small Business Administration (SBA) recognized certifications (excluding self certification)

Great Plains Natural Gas indicated that they certify sources for female-owned, minority-owned, veteran-owned, and small businesses. They did not list specific certifications for employees. Greater Minnesota Gas indicated that "GMG does not utilize formal diversity goals or planning because they are not well-suited to GMG's unique circumstances. For purposes of attempting to retroactively identify procurement data for this filing, GMG identified diverse business enterprises based on any industry certification related to diversity status."