

HUB USE REPORT

Definitions/Explanations

Historically Underutilized Business (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 percent 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 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.

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.

MBE -- Minority-owned Business Enterprise

WBE – Women-owned Business Enterprises. Refers to non-minority women-owned businesses.

Procurement Categories

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, communication and power lines, sewer and water mains, asphalt and concrete construction of roads, trenching, cable laying, conduit construction, land clearing and leveling.

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

Others 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.

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.

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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.

Other -- Any commodity or service not covered by the above categories.

Clarifications

Total Non-Fuel Procurement – Equals total company expenditures for goods and services from vendors, including the combined totals for MBE & WBE Procurement and Unknown Status Procurement, and does not include expenses for internal business operations such as wages, benefits and other non-negotiable goods and services such as taxes and postage.

Total Fuel and Purchased Power Procurement – This is used to show fuel and purchased power for electric utilities only and does not apply to telephone utilities.

Indirect HUB Procurements – This information is reported on the Supplemental HUB Use Report and is used to show HUB procurements made indirectly (such as purchases by a subcontractor).