



California Public Utilities Commission

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News Release

FOR IMMEDIATE RELEASE

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PUC PRESIDENT ANNOUNCES SUNNE WRIGHT MCPEAK AS PRESIDENT AND CEO OF CALIFORNIA EMERGING TECHNOLOGY FUND

SAN FRANCISCO, July 3, 2006 – Michael R. Peevey, President of the California Public Utilities Commission (PUC) and Chairman of the recently formed California Emerging Technology Fund (CETF), today announced that the Board of Directors of the CETF has chosen Ms. Sunne Wright McPeak, currently Secretary of the State Business Transportation and Housing Agency (BTH), to be its President and Chief Executive Officer, effective November 20, 2006.

President Peevey said, “We are particularly pleased to attract someone of Sunne McPeak’s unquestioned abilities and talents to be our Chief Executive Officer. She is uniquely qualified to lead the CETF.”

In commenting on her appointment, McPeak said, “I am excited and enthusiastic to have been invited to accept this position. The extension and expansion of broadband services to underserved communities, rural and urban, is critically important to our state’s economic well-being. I look forward to leading the California Emerging Technology Fund as we develop the infrastructure and applications to achieve these goals. It has been an honor to serve in Governor Schwarzenegger’s cabinet and to help chart a new course for California. I will continue as Secretary of BTH through the third anniversary of his inauguration to complete several critical projects, including chairing the California Partnership for the San Joaquin Valley and preparing to implement the Governor’s Strategic Growth Plan should the electorate approve the infrastructure bond program on the November ballot.”

The Governor issued the following statement, “Sunne McPeak has done a great job for the people of California and I will greatly miss her leadership, advice, and counsel as a member of my cabinet. I am sorry to lose her in the Administration but recognize the very important position she will be undertaking for California’s future. And, I am pleased that she will remain a part of my team

in the second term as a volunteer advisor on implementation of the Strategic Growth Plan and the Regional Blueprint Plans grant program.”

The CETF was created as part of the PUC’s approval of the merger of SBC and AT&T and the merger of Verizon and MCI. In both cases the PUC required the surviving companies, AT&T and Verizon, to collectively provide \$60 million in shareholder contributions to the fund over the next five years. The Fund, whose 12 member governing board was chosen by the PUC, AT&T, Verizon, and the board itself, has the job of extending Internet broadband services to underrepresented communities in rural and urban California.

Underserved communities include but are not limited to individuals, groups, and organizations that face telecommunications challenges or disadvantages due to physical disabilities, low incomes, inadequate telecommunications infrastructure, language and cultural differences, lack of technological understanding and/or equipment, and other constraints.

The principal offices of the Fund will be in the Bay Area in San Francisco.

For more information on the PUC, please visit: www.cpuc.ca.gov.

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