

Speech by PUC Commissioner Rachelle Chong
Ventura County Asian American Bar Association (VCAABA)
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My great grandfather Yee Ah Tye had a dream. As a teenager, he bravely boarded a ship in China and came to California – the fabled “Gold Mountain” -- to seek his fortune. Sadly, he did not find a literal Gold Mountain -- but my great grandfather worked hard and dug out enough gold out to realize his dream of becoming a respected merchant.

Chinese tradition dictated that upon death, your bones should be laid to rest back in China. But my great grandfather left explicit instructions to defy tradition, and to bury his body in America, his beloved new country of opportunity. This was a strong statement to his descendents that he no longer considered himself Chinese, but *Chinese American*.

Thus, as I stand here today before you, I represent three generations of sacrifice by my ancestors, each of whom worked very hard, often amidst great racial prejudice, to give their children opportunities for a better life. Typically for a Chinese American family, opportunity lay in higher education. After three generations, most of my generation went on to college and advanced degrees. My cousins, the fourth generation, are very much *Asian Americans* now.

For Asian Americans, California *is* a land of opportunity – made unique by our state’s tremendous diversity. California’s demographics show that in the year 2000, for those under 17 years old, 45% were Latino, 39% were White, 9% were Asian and 6% were African American. These statistics show that California is very diverse, and will only grow more so. In our increasingly high tech economy, diversity is important. In my view, the success of our California society depends on marshalling the talents of each of these diverse communities into our larger society -- and the creation of a shared common-good.

Nowhere is that task more important than in the infrastructure industries that provide the power, water, and telecommunications needed by all. It is these industries that I regulate now as a California Public Utilities Commissioner.

This great state has embraced diversity. California has undertaken the experiment of building a society out of people with diverse religions, histories, and races. In California, we are a rich mix of cultures from every part of the world. We owe it to ourselves, to our ancestors who brought us here, and to our children to make this democratic experiment a success.

In 1994, I was appointed by President Bill Clinton to be the first Asian American member of the Federal Communications Commission. In January 2006, Governor Arnold Schwarzenegger further honored me by appointing me as the first Asian American

Commissioner of the California Public Utilities Commission (PUC). I have also served as a director on a board of a public company. You might say that I like to shatter glass ceilings.

In May 2005, the Alliance for Board Diversity reported that as to board membership of the Fortune 100 companies, only 1 percent -- 12 directors -- is Asian American. Nine were Asian American men and three were Asian American females. The report concluded that there was a severe under representation of women and minorities on corporate boards of the Fortune 100 when compared to general US population demographics for race and gender. Particular areas of concern include the lack of representation of minority women, as well as of Asian Americans and Hispanics.

I am pretty sure that everyone in this room understands that shattering glass ceilings still remains important, not only in important public policy positions but in corporate leadership. In the work I am doing now, I am supporting increased diversity in the utility workforce, supplier diversity and in the boardroom.

I want to emphasize that before 1994, I was one of you. I was a young Asian American lawyer, practicing in a law firm, unaware that my choice of a career in communications law was going to catapult me into becoming a national level communications policymaker. It took me by surprise, believe me, but I rose to the challenge and have loved every minute of it.

Calling for More Asian American Leaders

I speak on this today for two reasons.

One, diversity is important among leaders in government, industry and academia in our great state.

Second, many leaders naturally come from the ranks of Asian American lawyers. We are, after all, trained in advocacy, public speaking and considering public interest concerns.

Our Asian American community needs more leaders.

Our community must *choose* to lead.

My vision of leadership is the ability to inspire others to a common goal.

Some lead because they have tremendous charisma. When I think of natural leaders, I think of John F. Kennedy, Bill Clinton and Oprah Winfrey.

Some lead because great events or a crisis puts them in a unique place in history, and they rise to the occasion. Take, for example, Abraham Lincoln, Franklin D. Roosevelt, Martin Luther King, and Rosa Parks.

Some – like Gandhi and Mother Teresa -- lead by example.

So *how* does one become a leader? More specifically, how does one become an *Asian American* leader?

After all, Asian Americans have many stereotypes to overcome, such as being the “model minority” and being passive. Hollywood particularly has done a real disservice to Asian Americans. Either we are depicted as servants, computer science geeks, gangsters, martial arts masters, or exotic Suzy Wongs! So, the first step is to get beyond the stereotypes. In my view, minorities often have to work a little harder to succeed in America.

Now, suppose you are not a natural born leader. We can't all have the charisma and charm of Katie Couric. Don't despair. Leadership skills can be learned.

First, and most importantly, you need to choose to lead. You have to make a firm decision that you want to be a leader, whether that is in your firm, your company, your community, or in an emergency. I say emergency because I am thinking about the brave passengers who fought back against the hijackers on Flight 93 on 9/11.

Decide that part of your job is to inspire others to succeed.

Second, for whatever job you want to be the leader, you will want to identify the appropriate mix of traits and skills that will help you be a leader, and then go learn those skills. How can you do that? Here are a few suggestions:

Be the one to come up with a vision for the future that others will want to follow.

Provide inspiration to others.

Make people feel important and appreciated.

Be ethical in your dealings.

Practice public speaking skills.

Set the right pace through your expectations and lead by example.

Encourage continuous growth and improvement in your associates and employees.

Care and act compassionately.

Third, *how* does a leader lead? A leader communicates a clear mission and vision for the future, so others may follow it.

A leader leads by example. A leader does not hold back and wait for consensus and then follow that consensus. A leader makes a decision, and leads the pack by providing clear direction.

A leader establishes the tone and work environment in which the employees may exercise personal courage and freedom of expression.

A leader has the power to encourage or stifle debate. Use that power to genuinely encourage input, debate and differing opinions. Leaders then have more information to make better decisions in that kind of open atmosphere.

I encourage you to decide to be a leader today. Lead your associate group. Lead your firm as managing partner. Lead your project. Volunteer to be the den mom, neighborhood association leader or your jury foreperson.

We need more Asian American leaders in every sector, especially in the political arena and in government service. We particularly need more Asian American leaders at the national level, but that is a different speech for a different day.

I answered the call of public service myself twice. So I am not just talking the talk but I am walking the walk.

Leading Change at the PUC

You might wonder why I became a state PUC commissioner after being on the national stage as an FCC commissioner. I felt I had some unique expertise from my FCC experience to do some important things in the telecommunications arena for my beloved home state. I want to share with you what I am trying to accomplish at the PUC.

In a nutshell, I share Governor Schwarzenegger's goal of bringing state-of-the-art broadband infrastructure to California. We see advanced broadband as a critical engine of economic development for the state, particularly since we are the home of Silicon Valley, the entertainment and music industry. We want to ensure that our government regulations do not inadvertently stand in the way of companies who wish to build broadband and video systems in our state.

We also want to ensure that there are no "digital divides" in California. By "digital divide," I mean the disparity in access to technology that exists across certain demographic groups. To that end, the PUC is working hard to ensure that all Californians have access to communications technology.

The California Legislature has done its part, by passing a new Video Franchise law, AB 2987 in August 2006. This new law allows telephone companies and others to obtain a statewide franchise to bring new video services to Californians to compete with cable and satellite video providers. Cable companies may also apply for these statewide licenses, no longer having to go from locality to locality for their franchises in our state.

The PUC is going to be the sole licensing agency for these new statewide video franchises. Once the new video facilities are built by companies like AT&T and Verizon, you will see both cable and phone carriers offering what we call the “triple play” – bundled phone, high speed Internet service and video services. What does this mean to consumers? It means innovative new services like video on demand, more choices in video programming, and lower prices.

I am excited about the state video franchising law, and its commitment to bring state-of-the-art broadband and video service to the state. California is one of a handful of states with cutting edge legislation in this area.

The second thing I am doing is leading some important deregulation at the CPUC. Since the break up of AT&T in the Eighties and the Telecommunications Act of 1996 requiring local competition in the telephone world, you have noticed an explosion of competition in the phone market. Everyone has a wireless phone, even your grandma and that twelve year old kid down the street. You can buy a phone from your phone company, a cable company, a WiFi company or a competitive phone company. There are Voice over Internet Protocol or VOIP phones that pass the voice traffic across the Internet, and may or may not hook into the public switched phone network. Some people are even disconnecting their wired phone at home and relying on wireless phones instead.

All this new phone competition is turning our old fashioned regulatory frameworks upside down. Jurisdiction over voice players is split between the FCC and the PUC, while some players like VoIP are hardly regulated at all. So part of my job is to update the PUC’s regulations to make sense in this current world of voice. This is a difficult job requiring legal and regulatory changes, but one that must be done to ensure the PUC does not stifle innovation and competition.

We will not forget consumers however. Consumers come first. In June, the PUC began important education and outreach initiatives to educate consumers about the changing telecom landscape. We want to help consumers understand that they have choices in voice providers now. We want to teach them be smarter telecom consumers and know how to shop for phone service, particularly as to new services like wireless. We put up a new website, www.calphoneinfo.com, which has lots of consumer friendly information. We will have this information available in 12 foreign languages on the site; I think we have about seven languages up now. Also, a number of community based organizations are assisting us in reaching out to communities like limited English communities, seniors and disabled communities.

Finally, the PUC wants to make sure that when consumers have complaints, the PUC helps consumers get them resolved. This year, the PUC doubled the number of our staffers who handle consumer complaints. We want to be sure that the phone companies are fair to consumers, and do not defraud or otherwise take advantage of them. We also formed a Telecom Fraud Unit to go after the bad guys who try to cheat telecom consumers, selling fraudulent prepaid phone cards, signing people up for services they

did not want, or changing their phone provider without proper authorization. The PUC stands ready to help and protect consumers.

Web 2.0 and Beyond

My final topic is on the future. I have been watching with interest the Web 2.0 economic boomlet. Developments like Google, MySpace, YouTube, Vonage, Skype, blogs, iTunes and free radio streaming websites are turning many traditional industries – like telephone, cable, broadcasting, music, publishing, and advertising -- on their ears.

We are seeing many battles as the bricks-and-mortar types fight it out with the Web based folks. This battle will take place in many forums, including the courts, the marketplace, the cloud we call the Internet, and your living room.

These new web-based technologies and applications are challenging old paradigms. Consumer habits are hard to change but they do change. It took the nation about 15 to 20 years to fully embrace wireless phones. How long will it take consumers to embrace Internet-based phones? Or for consumers to accept receiving video and music programming on demand on their laptop or mobile device? Or to prefer having news pushed at them onto their PC or wireless device?

I bring this tantalizing topic up not because I am an expert, but just to say, the best is yet to come. In my twenty-two years of being involved in the communications industry, the issues keep getting more complex, but at the same time better and better. We are living after all, in an Information Revolution. It is changing our lives, and particularly our children's lives, entirely.

Thank you for having me. I am very honored by the many Ventura County Bar and government notables here.