ECONOMIC AND RURAL DEVELOPMENT COMMITTEE

August 31, 2017

Presentation by:

Paul Briesh
Vice President-General Manager
Baca Valley Telephone Co., Inc.
Sierra Communications, Inc.

- Introduction –
- Good Morning Mr. Chairman and members of the committee. My name is Paul Briesh and I am the Vice President and General Manager of Baca Valley Telephone Co., Inc. and Sierra Communications, Inc., headquartered in Des Moines, NM. Baca Valley currently serves approximately 2600 square miles and 525 customers, in Union and Colfax counties. We have 31 employees, which includes a 24 x 7 Network Operations Center "NOC", and have an annual payroll of nearly $1,400,000.00. Our total investment in cable and equipment over the past 8 years is over $5,000,000.00. Our NOC gives our customers 24 x 7 peace of mind that someone will answer their call and give them the help they need. To help keep people employed in Des Moines our NOC also answers emergency and after-hour calls for 2 Rural Electric Cooperatives and 3 other small Telecommunications Companies.

- History of Baca Valley Telephone Co., Inc. Growth from Crank Phones in the beginning until now.

  1-Past Fiber Optic and Broadband deployment includes over 400 miles of fiber optic cable. Currently working on 6th Loan Application with RUS, which will add another 105 miles of cable.

  2-We currently serve 2 customers with fiber, who do not have electricity. After our upcoming RUS Fiber Project, we will add an additional 5 customers who do not have electricity. [See photo].

  3-We will soon connect our fiber to Level 3-Zayo for protection and Broadband redundancy and gain 2 more Gb's of bandwidth.

  4-We currently serve 31 remote equipment cabinets, some as far away as 55 miles, with fiber and then connect to some customers with copper connections. Over 90 % of our customers now have 10 Mg x 1 Mg Internet service.

  5-Our focus is to keep pushing fiber out farther to our customers, which will give them as much as 1 Gb of Internet. Over 30% of our customers do not have access to reliable Cellphone Service due to terrain. Dial Tone for E911 is still very important to us and our customers. Our Internet is not Capped, nor will it buffer.

6-We are seeing some of our younger people and kids moving back. Our schools are some of the best in New Mexico and our communities are fantastic places to raise kids! Our employees are involved in our communities. They are volunteer EMT's, Firefighters, School Board Members, Village Council Members, Coaches, etc.

- Role and history of Sierra Communications and De-Regulated services

  1-Partners with area Schools, Libraries, Health Centers, Businesses and Communities.
  2-Sierra installed fiber cable at all 7 locations in Raton as well as here in Cimarron, at no cost to the schools.
  3-Provides Dial Tone, Internet, Security Alarms and Cameras, PBX Phone Systems, 2-Way Radios, and Fiber Cable to Philmont Scout Ranch, Vermejo Park Ranch and NRA Whittington Center, as well as in the Cities of Raton and Cimarron.

- Other Small Telephone Company mentality and expansion energies are put into Broadband. We are doing our part towards Economic Development and making Rural New Mexico a great place to live.

- Obstacles

  1-Financing and RUS timelines.
  2-Cost of construction
  - $22,000.00 to over $35,000.00 per mile.

  3-Right-Of-Way-
  - BLM, BIA, DOT, State Land Office, Counties, Army Corp of Engineers and Land Owners

  4-Environmental and Archeological Surveys and extreme costs!!
  5-Weather-We are often called the "Antarctic of New Mexico", by State Police, DOT and EMS.

- What is in store for Rural New Mexico and the future of Fiber Optic and associated equipment upgrades and the **value and importance of the NM State USF Fund**. We still have a lot more to do and we are all aware that if we "Lose our Schools, we lose our towns".

- As you have noticed, we do have many employees. This is due to our commitment to Customer Service and Economic Development and the thankful fact we are BUSY!

Mr. Chairman and members of the Committee, I want to thank you for your time, thank you for allowing me to speak with you and thank you for what you do to help Rural New Mexico. I stand for questions.

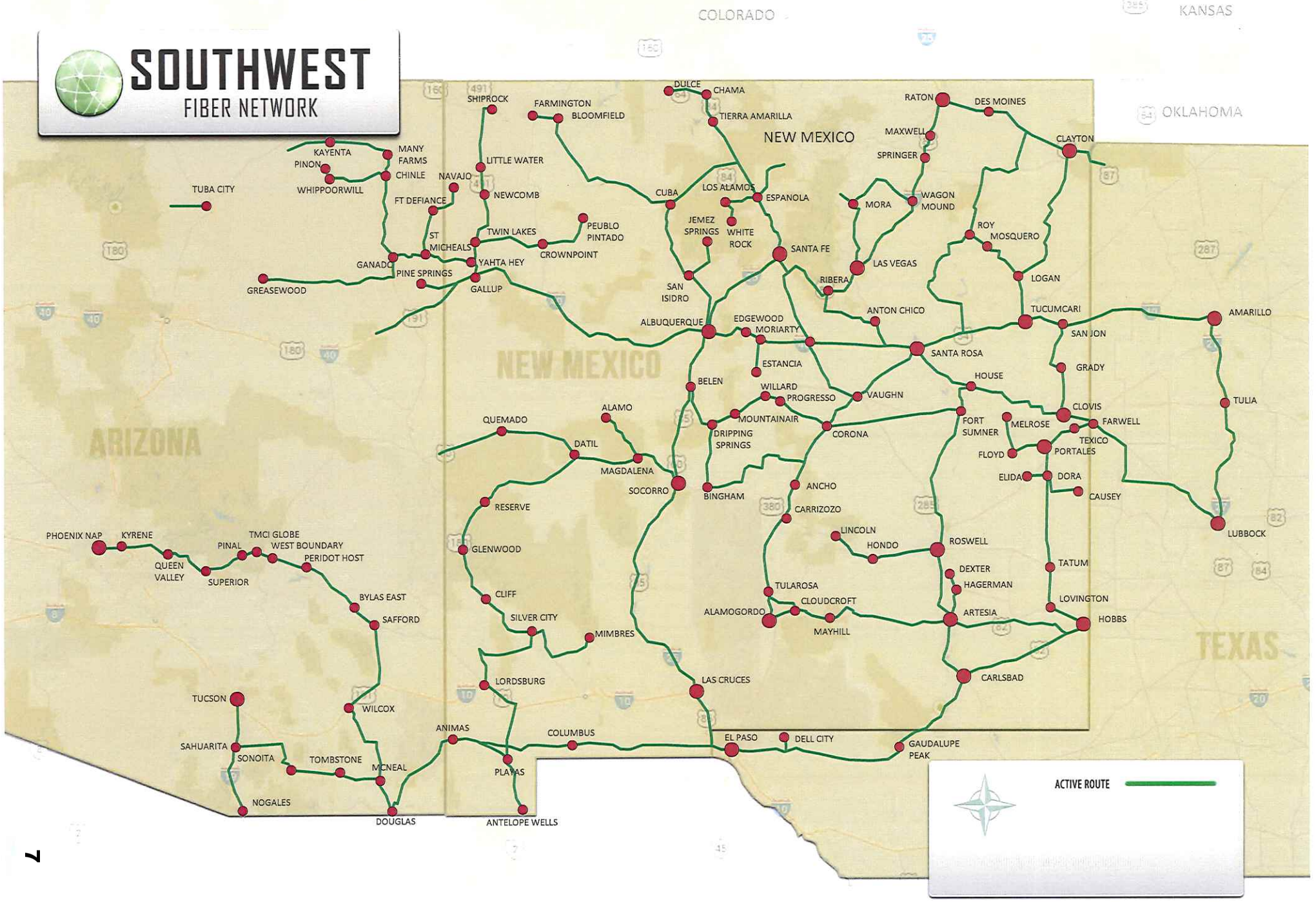
NMECG 2014

Data Reqest Year Ending 2013

11 NMECG Companies Reporting

Confidential

Access Lines	36,161	
Square Miles Served	67,220	
Customers per Square Mile	0.90	
Number of Employees	619	
Annual Payroll	36,302,064	
5 Year Capitol Investments Ending 2013	204,243,984	
Total Outstanding RUS, RTFC, CoBank Loans	204,307,264	
Central Offices Host & Remotes Connected via Fiber	115	
Central Offices **Not** Connected via Fiber	5	
Total Remote Serving Units	548	
Remotes that are ADSL2 - Up to 24m dn 1up	476	87%
Remote Units Served via Fiber	470	86%
Companies providing FTTH?	8	73%
How many Homes & Businesses	5,785	
Total Fiber Route Miles	6,067	
Companies that Have Soft Switches	11	


SOUTHWEST
FIBER NETWORK
COLORADO
KANSAS
OKLAHOMA
NEW MEXICO
ARIZONA
TEXAS
DULCE
CHAMA
TIERRA AMARILLA
FARMINGTON
BLOOMFIELD
SHIPROCK
KAYENTA
MANY FARMS
PINON
CHINLE
WHIPPOORWILL
TUBA CITY
LITTLE WATER
NAVAJO
NEWCOMB
FT DEFIANCE
ST MICHEALS
TWIN LAKES
PEUBLO PINTADO
CROWNPOINT
GANADO
PINE SPRINGS
YAHTA HEY
GALLUP
GREASEWOOD
CUBA
LOS ALAMOS
ESPANOLA
JEMEZ SPRINGS
WHITE ROCK
SAN ISIDRO
SANTA FE
RATON
DES MOINES
MAXWELL
SPRINGER
CLAYTON
MORA
WAGON MOUND
ROY
MOSQUERO
LOGAN
LAS VEGAS
RIBERA
ANTON CHICO
TUCUMCARI
AMARILLO
SAN JON
ALBUQUERQUE
EDGEWOOD
MORIARTY
SANTA ROSA
ESTANCIA
GRADY
HOUSE
BELEN
WILLARD
PROGRESSO
VAUGHN
TULIA
CLOVIS
QUEMADO
ALAMO
MOUNTAINAIR
DRIPPING SPRINGS
CORONA
FORT SUMNER
MELROSE
FARWELL
TEXICO
PORTALES
DATIL
FLOYD
MAGDALENA
ELIDA
DORA
CAUSEY
SOCORRO
BINGHAM
ANCHO
CARRIZOZO
RESERVE
LUBBOCK
PHOENIX NAP
KYRENE
TMCI GLOBE
PINAL
WEST BOUNDARY
PERIDOT HOST
QUEEN VALLEY
SUPERIOR
GLENWOOD
LINCOLN
HONDO
ROSWELL
TATUM
DEXTER
HAGERMAN
BYLAS EAST
CLIFF
TULAROSA
CLOUDCROFT
LOVINGTON
SAFFORD
SILVER CITY
ALAMOGORDO
ARTESIA
HOBBS
MAYHILL
MIMBRES
LORDSBURG
LAS CRUCES
CARLSBAD
TUCSON
WILCOX
ANIMAS
COLUMBUS
EL PASO
DELL CITY
GAUDALUPE PEAK
SAHUARITA
SONOITA
TOMBSTONE
MCNEAL
PLAYAS
NOGALES
DOUGLAS
ANTELOPE WELLS
ACTIVE ROUTE

NMECG Member Companies

Baca Valley Telephone Company - Des Moines	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Des Moines	1	Yes - Fiber Fed	Connected	5Mb/10Mb
Maxwell	1	Yes - Fiber Fed	Connected	5Mb/10Mb
Raton	5	Yes - Fiber Fed	Connected	50Mb/50Mb Shared

Dell Telephone Cooperative Dell City, TX	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
No Schools in NM	N/A	N/A	N/A	N/A

ENMR/Plateau	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Adalente Development Center - Belen	1	No	Fiber Available	N/A
Albuquerque Public Schools KANW/KNLK-FM	1	Yes - Copper Fed	12/1/2013	6Mb/1Mb
Belen Public School District	16	No	Fiber Available	N/A
BNT Preschool - Belen	1	No	Fiber Available	N/A
Clayton Municipal School District	8	Yes - Fiber & Copper Fed	Connected	3Mb/512K (1) 15Mb/3Mb (2) 24Mb/4Mb (4) 10Mb/1.3 (1) DSL
Clovis Christian School	2	Yes - Fiber Fed	Connected	8Mb/8Mb 20Mb/20Mb
Clovis Municipal School District	19	Yes - Fiber Fed	Connected	
Corona Public School District	2	Yes- Fiber Fed & Copper Fed	Fiber Available	50Mb/25Mb (1) 24Mb/1.3Mb (1) DSL
Estancia Municipal School District	11	Yes	Fiber Available	100Mb
Fort Sumner Municipal Schools	3	Yes- Fiber Fed	Connected	3Mb/512K (2) 24Mb/4Mb (1)
Grady Municipal School District	1	Yes - Fiber Fed	Fiber Available	24Mb/4Mb
Home Education Livelihood Program - Santa Rosa	1	No	12/1/2013	N/A
House Municipal School District	4	Yes- Copper Fed-DSL	Fiber Available	24Mb/1.3Mb (1)
Las Vegas City School District	9	No	Fiber Available	N/A
Logan Municipal School District	2	Yes - Fiber Fed	Connected	50Mb/25Mb (1)
Luna Community College	5	Yes	Fiber Available	10Mb ETS
Luna Community College - Santa Rosa Branch	1	No	Fiber Available	N/A
Maria's Montessori School	1	Yes - Fiber Fed	Connected	1.5Mb/512K
Mesalands Community College	3	Yes - Fiber Fed	Connected	20MB ETS
Moriarty-Edgewood School District	11	Yes	Fiber Available	100Mb
Mosquerqo Municipal School District	2	Yes - Fiber Fed	Fiber Available	100Mb
Mountainair Public School District	3	No	Fiber Available	N/A
My School Daycare	1	Yes	Fiber Available	1.5Mb/512K

New Mexico Highlands University	5	No	Fiber Available	N/A
New Mexico Military Institute	2	No	Fiber Available	N/A
New Mexico Youth Challenge Academy - Roswell	1	No	Fiber Available	N/A
Ribera Public Schools	2	No	Fiber Available	N/A
Roswell Independent School District	28	Yes - Fiber Fed	Connected	500Mb/500Mb
Roy Industrial Technology Center	1	No	Fiber Available	N/A
Roy Municipal School District	3	Yes - Fiber Fed	Fiber Available	24Mb/1.3Mb (2)
San Jon Public School District	1	Yes - Fiber Fed	Fiber Available	24Mb/1.3Mb
Santa Rosa Consolidated School District	9	Yes - Fiber Fed	Connected	6Mb/1Mb (1) DSL 10MB ETS (1)
Smarty Pants Preschool - Edgewood	1	No	Fiber Available	N/A
Springer School District	6	Yes	Fiber Available	20Mb/20Mb (1)
St. Mary's Catholic School - Belen	1	No	Fiber Available	N/A
Tobosa Developmental Services (Los Pasitos) - Roswell	1	No	Fiber Available	N/A
Tucumcari Public School District	7	Yes	Fiber Available	50Mb
United World College	1	Yes	Fiber Available	200Mb
Vaughn Public School District	3	Yes- Copper Fed-DSL	Fiber Available	10Mb/1.3Mb (1) 24Mb/1.3Mb (1)
Watch Me Grow Preschool - Belen	1	No	Fiber Available	N/A
West Las Vegas School District	7	Yes	Fiber Available	3Mb/512K (1)
Wright Choice Learning Center - Belen	1	No	Fiber Available	N/A

La Jicarita Rural Telephone Cooperative - Mora	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Mora/ Colfax Head Start	1	Yes - Fiber Fed	Connected	20Mb/20Mb
Holman Elementary	1	Yes - Fiber Fed	Connected - point-to-point T1 & shares Mora's internet	N/A
Mora Elementary	1	Yes - Fiber Fed	Connected	20Mb/20Mb
Mora High School	1	Yes - Fiber Fed	Connected	20Mb/20Mb
Wagon Mound Pre-K	1	Yes - Fiber Fed	Connected	5Mb/5Mb
Wagon Mound Headstart	1	Yes - Fiber Fed	Connected	5Mb/5Mb
Wagon Mound Elementary	1	Yes - Fiber Fed	Connected	5Mb/5Mb
Wagon Mound High School	1	Yes - Fiber Fed	Connected	5Mb/5Mb

Leaco	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Dexter	1	Yes - Fiber/Copper Fed	Connected	
Hagerman	1	Yes - Fiber/Copper Fed	Connected	
Tatum	1	Yes - Fiber/Copper Fed	Connected	
Lovington	6	Yes - Fiber/Copper Fed	Connected	
Hobbs	20	Yes - Fiber/Copper Fed	Connected	
Jal	2	Yes - Fiber/Copper Fed	Connected	

Penasco Valley Telephone Cooperative	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Lake Authur	1	No	Fiber Available	
Penasco Schools	1	Yes - Copper Fed-Internet	Connected - Fiber Available	
Artesia Public School System	2	Yes - Fiber Fed	Connected	
Hondo Schools	2	Yes - Copper Fed-DSL	Connected - Fiber Available	

Roosevelt County Rural Telephone Company - Yucca Telecom	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Dora Public Schools	1	Yes - Fiber Fed	Connected	15Mb/5Mb
Elida Public Schools	1	Yes - Fiber Fed	Connected	15Mb/5Mb
Floyd Public Schools	1	Yes - Fiber Fed	Connected	15Mb/5Mb
Melrose Public Schools	1	Yes - Fiber Fed	Connected	15Mb/5Mb
Texico Public Schools	1	Yes - Fiber Fed	Connected	15Mb/5Mb
Portales School System	6	Yes - Fiber Fed	Connected	15Mb/5Mb

Sacred Wind Communications	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Baca Elementary - Prewit	1	No	Fiber Available	512K/1.5Mb
Dzilth - Na - O Dithlee (DZ)	1	No	Fiber Available	512K/3Mb
Chee Dodge Elementary - Gallup	1	No	Fiber Available	CL customer
Huerfano Dormitory School - Huerfano	1	Yes - Fixed Wireless	?	512K/1.5Mb
Ojo Amarillo	1	Cooper Fed - DSL	?	512K/1.5Mb
Thoreau High School - Thoreau	1	Copper Fed - DSL	Fiber Available	512K/1.5Mb
Thoreau Middle School - Thoreau	1	Copper Fed -DSL	Fiber Available	512K/1.5Mb
Tohajajilee Community - Tohajaliilee	1	Copper Fed - DSL	?	512K/3Mb

Tularosa Basin Telephone Company - Tularosa Communications Company	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Tularosa Schools	4	Yes - Fiber Fed	Connected	50Mb/5Mb (1)
Cloudcroft Schools	2	Yes - Fiber Fed	Connected	50Mb/5Mb (1)
Carrizozo Schools	3	Yes - Fiber Fed	Connected	15Mb/1 (1) 50/6Mb (1)
Alamogordo Public Schools	14	Yes - Fiber Fed	Connected	15Mb/1 (1)

Valley Telephone Cooperative Wilcox, AZ	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Columbus Schools - Columbus	1	No	Connected	N/A
Animas Schools - Animas	1	Yes	Fiber Available	10Mb/3Mb

Western New Mexico Telephone Company	Locations	Currently Purchasing Service	Fiber availability Date	Upload/Download Speeds
Silver Consolidated Schools	3	Yes - Fiber Fed	Sep-13	20Mb/20Mb
Cliff Schools - Cliff	1	Yes - Fiber Fed	Sep-13	20Mb/20Mb
Lordsburg Schools - Lordsburg	4	Yes - Fiber Fed	Connected	20Mb/20Mb
Reserve Schools - Reserve	1	Yes - Fiber Fed	Connected	10Mb/10Mb
Glenwood - Reserve District	1	Yes - Fiber Fed	Upon request	2Mb/2Mb
Magdalena Schools - Magdalena	1	Yes - Fiber Fed	Connected	20Mb/20Mb
Quemado Schools - Quemado	1	Yes - Copper Fed-SDSL-4Meg	Connected	20Mb/20Mb
Datil School - Quemado School District Datil	1	Yes - Copper Fed-SDSL-4Meg	Upon request	2Mb/2Mb
Alamo Schools - Alamo	1	Yes - Copper Fed-SDSL-4Meg & DS-1	Upon request	1.5Mb/1.5Mb & 1Mb/4Mb