

BROADBAND DEPLOYMENT AND ISSUES IN NEW MEXICO

October 05, 2022

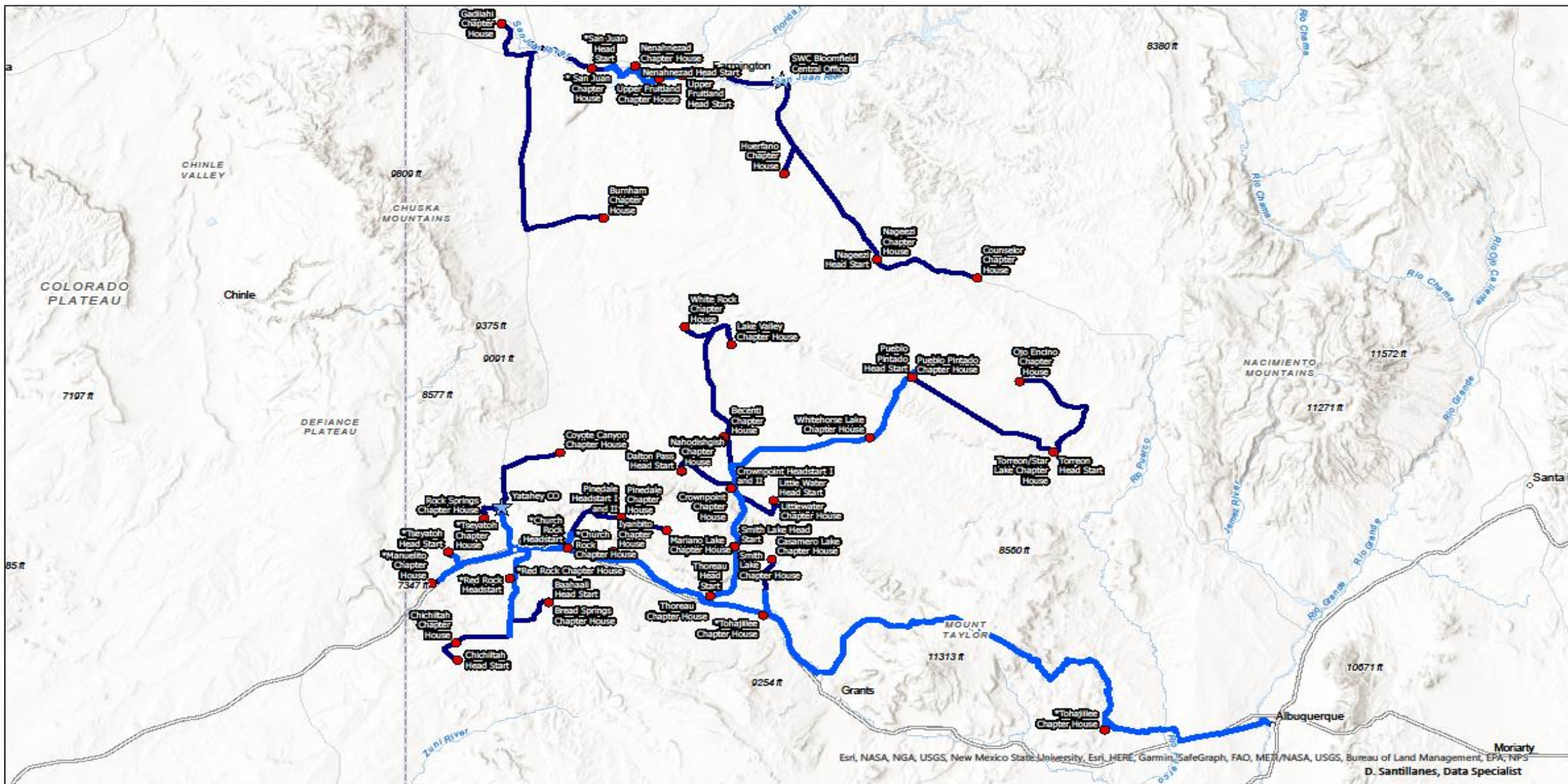
Indian Affairs Committee

Santa Fe Indian School, Santa Fe, NM

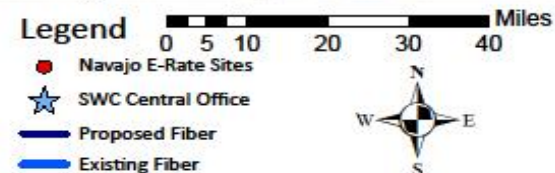


Current Projects - Funded

- E-Rate
- Fiber to the Home
- FCC's Rural Digital Opportunity Fund (RDOF)
- FCC's Connect America Fund Auction (CAF II)
- FCC's Affordable Connectivity Program and Lifeline
- Navajo Nation 2.5 Ghz Spectrum



Navajo Nation Tribal Consortium - RFP# 20-01-2232LE
Head Start & Chapter Houses/Libraries



Sacred Wind Delivers First-Ever Fiber to Navajo Homes

- Sacred Wind has provided the highest broadband speeds available to Navajo homes wirelessly and is now able to deploy fiber optic cable to replace copper cable within the housing developments managed by the NHA and HUD, starting with NHA developments.
- As of today, we have fiber to over 850 Navajo homes and we are adding fiber to new homes daily

Huerfano:

- NAPI NHA
- Dzilth-Na-O-Dith-Hle NHA

To'hajiilee:

- Old NHA
- North Tribal Road N56

Nenahnezad:

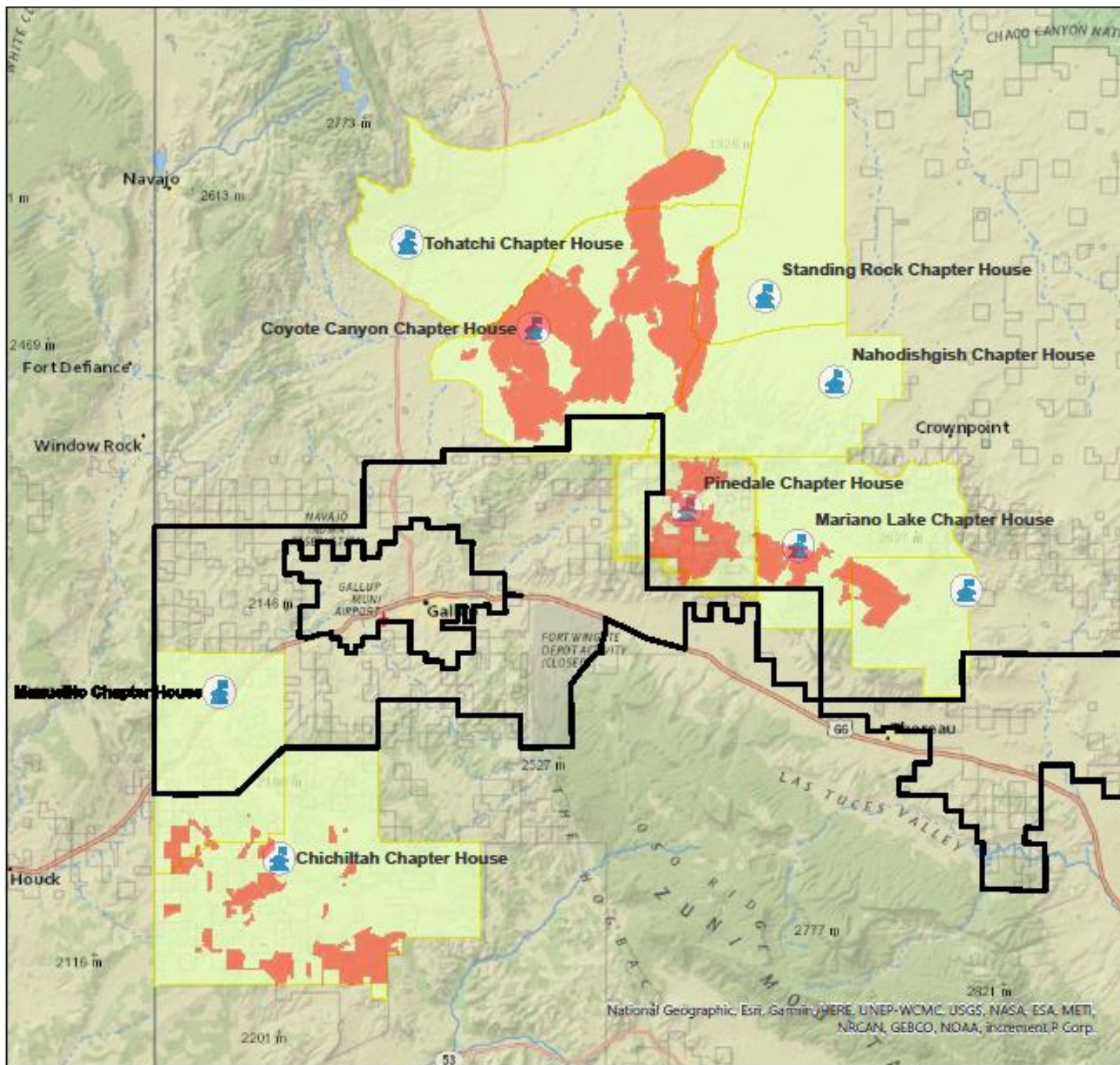
- N3005
- Ojo Amarillo NHA
- Region 2 NHA

Church Rock:

- Telestar Road

Iyanbito:

- Turtle Butte Road
- Windmill Road



Legend

Connect America Fund II (CAF II)



CAF II Navajo Nation Chapters



CAF II Navajo Chapter Area

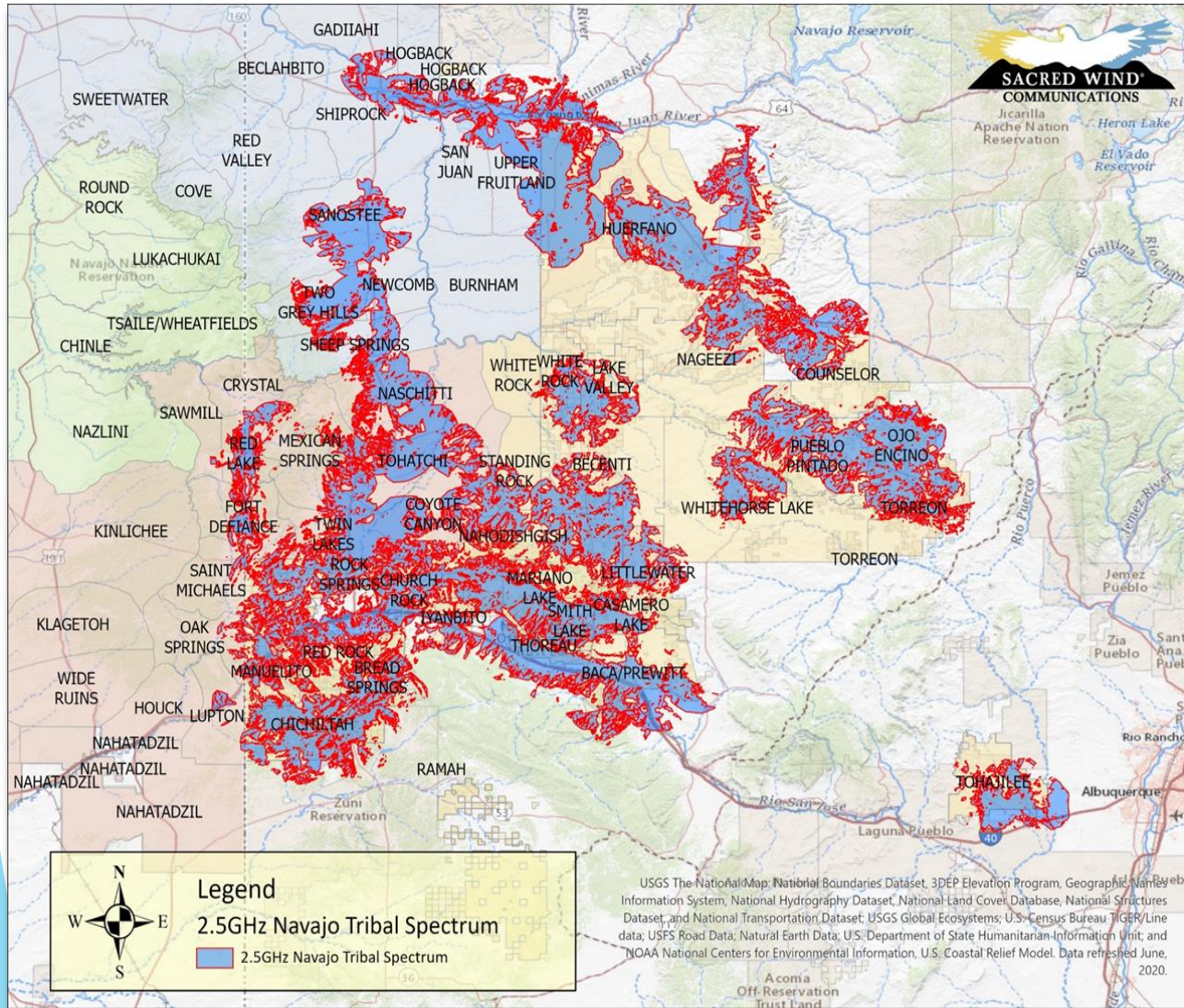


Sacred Wind Boundary



0 3.25 6.5 13 Miles

Navajo Nation 2.5 GHZ Spectrum



- The Navajo Nation has granted SWC sole use of 2 channels as part of its 2.5 GHz spectrum lease to SWC
- SWC's 2.5 GHz expansion plan will help facilitate broadband access to unserved and underserved homes in Eastern Agency on Navajo Nation in NM
- Demonstration of the 2.5 GHz spectrum at 14 tower sites in and around the Navajo Nation
- The project aims to connect at least 500 rural Navajo homes/locations, with reduced broadband rates for students

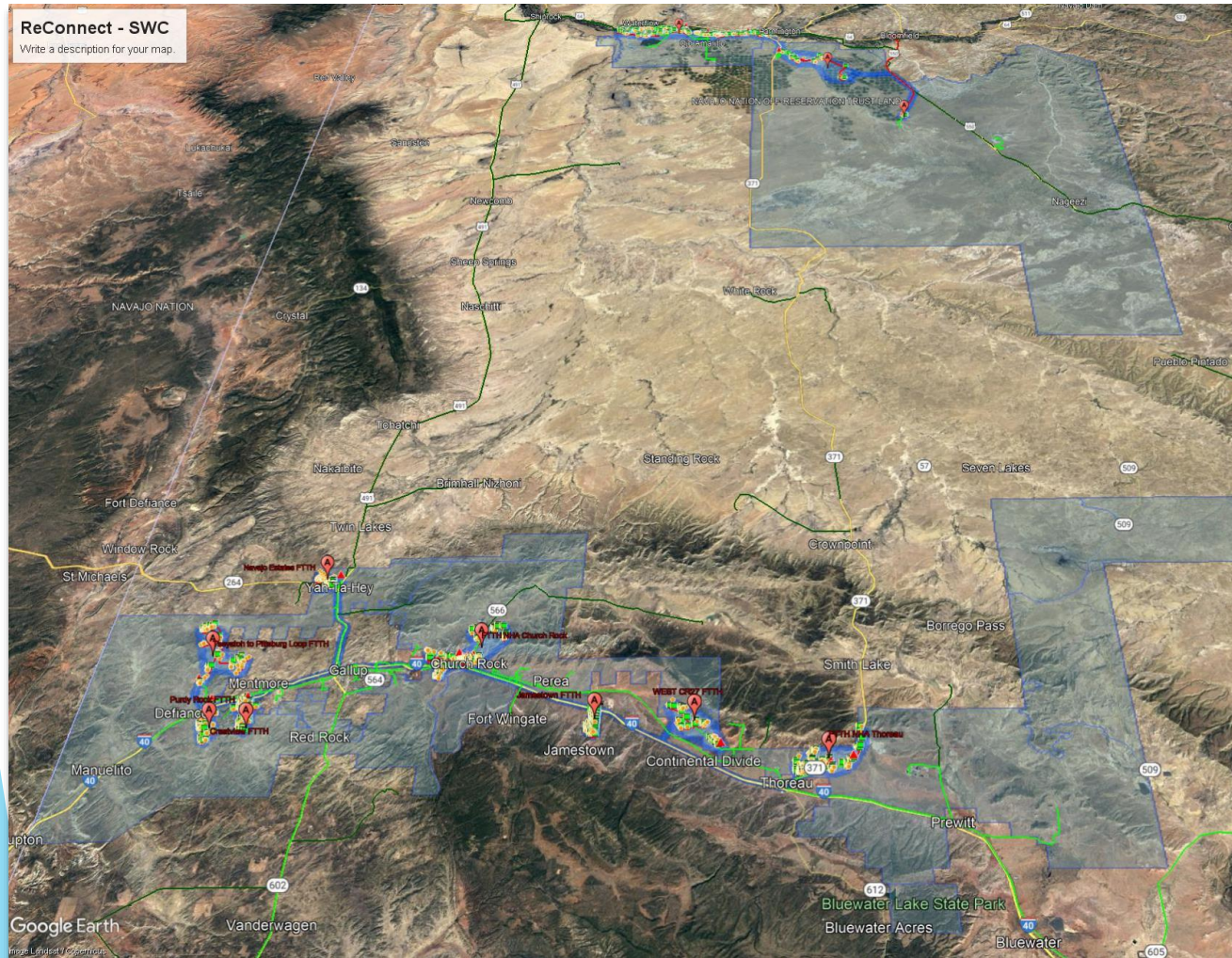
Pending - Future Projects

NTIA Projects - \$6.3 Million - 11 FTTH projects, 1,745 homes - AWARD APPROVED

SWC and SWD USDA Reconnect 4 Applications - \$49 million - 30 FTTH projects - 4,900 homes

ARPA - \$68 million - FTTH - Deploy 2.5 Ghz - expand fiber buildout

SWC and SWD USDA ReConnect 4 Applications - Pending



- 30 FTTH Projects all on the Navajo Nation
- Provide broadband speeds upto 1 gig to over 4,900 Navajo homes
- Estimated project cost for potential funding by USDA about \$49 million

Impact with Sustainability of Broadband Projects

- ▶ Funding for broadband deployment is at an all time high, however:
 - ▶ Little to no funding to ensure that once projects are completed it can be sustained
 - ▶ 60% of SWC customers are on a federal subsidized program
 - ▶ Assessment of fees are unrealistic
- ▶ Digital Literacy
 - ▶ Now you have broadband, how do you use it
 - ▶ Do you have the correct devices
 - ▶ Data security issues

Legislative Issues

- ▶ **FCC:** In the Matter of Connect America Fund, Docket WC 10-90

- ▶ **SECOND ORDER ON RECONSIDERATION AND CLARIFICATION**

Adopted: February 15, 2018 Released: February 16, 2018

“... the [Federal Communications] Commission modernized the existing interstate common line support rules to provide support in situations where customers subscribe to stand-alone broadband service, instead of traditional regulated local exchange voice service.”

- ▶ **NM Statute: 63-9H-6.A.** “universal service” “The commission shall implement and maintain a “universal service fund” to maintain and support universal service that is provided by eligible telecommunications carriersAs used in the section “universal service” means basic local exchange service, comparable retail alternative services at affordable rates And broadband internet access services to unserved and underserved areas as determined by the commission.

- ▶ **NM Statute 63-9H-6.D.3** “[the Commission shall] determine those services and areas requiring support from the fund.”

- ▶ **PRC Rules 17.11.10.**

1. 17.11.10.19.E “... [A carrier’s annual USF support] shall be equal to the carrier’s 2014 SRUSF revenue requirement adjusted by the annual percentage change in the number of access lines served by the carrier
2. 17.11.10.7.1. Definitions. “Access line means a dial tone line, or its functional equivalent, that provides local exchange service from a carrier’s switching equipment to a point of termination at the customer’s network interface, and is not limited to wireline or any other technology; for the purposes of this rule, an access line does not include official lines, unbundled network elements/platforms, retail resale, wholesale resale, special access lines and private lines ...”

Legislative Issues

- ▶ The FCC recognized broadband as an essential service in 2018, enabling Federal USF support for regulated local carriers' provision of broadband in rural, high cost areas of the country. New Mexico, 5 years later, is being asked to do the same.
- ▶ NM Statute is somewhat unclear on having the State USF fund support the higher operating expenses of rural telecom carriers. Section 63-9H-6.A seems to direct the PRC to include broadband for USF support funding, but it could also enable the PRC to establish and manage a Broadband infrastructure fund, which it does. But, PRC rules limit the use of the USF for operating support only for Voice lines" or their equivalent.
- ▶ Consequently, more customers are ordering broadband-only service OVER THE VERY SAME ACCESS LINES THAT PROVIDE VOICE SERVICE and the commission subtracts USF support for those customers. It is only logical that broadband, as a more sophisticated service than voice, requires even more maintenance and operating costs than a voice line and should thus be included in the USF support program.

Recommendations

- ▶ Ensure there is tribal, public and private sector collaboration in whatever we do with broadband
- ▶ Remove all obstacles such as, unreasonable permitting processing and fees and ROWs requirements and expenses
- ▶ Need to increase the USF's CAP on the PRC's USF program which includes annual operating support in high-cost areas and the broadband program
- ▶ Follow the FCC's example in providing state USF support for broadband service.

In closing,

The impacts of COVID have led to increased and new funding opportunities for broadband. Funding is now available and may not be available in the future.

Sustainability - maintenance and operating costs

Broadband is inclusive

Strengthen collaboration among Tribal, private and public sectors

Advocating for digital equity and digital inclusion.

Thank you.

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