

PRESS RELEASE

For Immediate Release: Contact: 505-795-3253 September 7, 2023 Alison Riley

OBAE Announces Final Set of Awards Funded by the Connect New Mexico Pilot Program Total Program Impact: \$117 Million of Grant Funding to Deploy 1,400 Fiber Miles and Connect 26,000 Premises

Santa Fe, NM – The Office of Broadband Access and Expansion (OBAE) announces grant awards for 11 projects to deliver high-speed Internet to unserved and underserved communities across New Mexico.

These projects are funded by the Connect New Mexico Pilot Program. The Pilot Program is funded by the American Rescue Plan Act's Coronavirus Capital Projects Fund, which is administered by the U.S. Department of Treasury ("Treasury").

The 11 projects involve budgets amounting to \$106.3 million, which includes grant funding of \$66.8 million and leveraged by cash and in-kind matching contributions of \$39.5 million, yielding a match percentage of 37%. These funds will support the deployment of 803 miles of fiber to serve over 10,300 residential premises, businesses, and community institutions. The projects span across 23 communities.

The awarded projects reflect Governor Michelle Lujan Grisham's continued commitment to universal broadband availability statewide. The awards reflect a diversity of communities, geographic locations, and business models.

A highlight of this final round includes the strong representation of seven tribal communities. These include five projects directly awarded to the Pueblos, including Jemez, Laguna, Nambe, Santa Ana, and Santo Domingo. These Pueblos will leverage their own Internet service providers to serve members with services and pricing plans customized to the distinct needs of their communities.

Jemez Mountain Electric Cooperative (JMEC) received an award to serve ten communities in Rio Arriba County, including the Pueblo of Ohkay Owingeh. In addition, Oso Internet received a grant to serve the Ramah Navajo community of Pine Meadows.

"For too long, our tribal communities depended on Internet service providers who failed to invest in modern technologies and provide the broadband speeds necessary for distance learning, telemedicine, and telework," said Gov. Lujan Grisham. "While these tribal communities have deployed low-bandwidth wireless solutions to cope, today we are announcing the next step toward making the vision of high-speed Internet a reality. I commend tribal leadership for their diligence in using every tool available to close the digital divide, and the state will continue to support those efforts."

Pueblo of Laguna Governor, Wilfred Herrera, Jr., noted the heavy planning effort and considerable matching funds invested, and the tremendous potential for socioeconomic advancement. "This award and the substantial amount of match funding is not only historic but life-changing for the Pueblo of Laguna Community. It would not have been possible without the hard work, dedication, persistence, negotiation, teamwork, and consultation this effort required. The partnership between our sovereign Pueblo of Laguna and the sovereign State of New Mexico, and the combined financial resources, sets us on the path to accomplishing the Pueblo of Laguna's broadband initiatives. Our people will now be the beneficiaries of a sustainable network supporting telemedicine, remote work, economic development, and expanded educational experiences, which has continued to be a dire need long before 2020."

All the projects utilize fiber to create a future-proof network to serve future generations, and can offer speeds reaching at least gigabit-level service today. OBAE followed guidelines issued by the Treasury, which noted that states should prioritize fiber-optic infrastructure where feasible, as such advanced networks can better support future needs.

Kelly Schlegel, director of OBAE, stated, "These projects bring fiber solutions to small, isolated communities and villages that have long been hampered by outdated technologies, installed decades ago with limited upgrades. Consequently, residents and businesses in these areas lack access to essential internet resources and applications, which are often taken for granted by most. The subsidy support and resulting enhancements to broadband infrastructure will undoubtedly serve as a lasting benefit to these communities, spanning generations."

The lack of high-speed Internet has exacerbated the socioeconomic distress faced by several of the funded communities. Michael Hastings, CEO and general manager of Jemez Mountains Electric Cooperative, stated: "Our grant unlocks the unlimited potential of our members, most of whom are socio-economically vulnerable. We'll now be able to launch our cooperative's fiber-based broadband service to connect 3,000 unserved and underserved households, including those in the Pueblo of Ohkay Owingeh, and drive transformational impact for generations to come."

The projects span seven counties representing diverse geographic regions of the state – including the southern region (Otero, Chaves), west (Cibola), northwest (San Juan), and the north (Rio Arriba, Santa Fe, Sandoval).

"This grant will bring much-needed broadband services to the Otero County residents who have not previously had access to high-speed Internet. Without grant funding, this project would not be possible. It's an exciting time for rural New Mexico as these projects are kicking off throughout the state, bringing much-needed broadband services to the people who need it", said Josh Beug, General Manager of Tularosa Communications.

Several of the regions are highly rural and exhibit low population density, many of which were dependent upon fixed wireless networks offering less than 25 Mbps.

The OSO Internet Solutions project will replace the fixed wireless currently. Margaret Merrill, Co-Owner of the ISP, noted, "Remote living should not be a barrier to equitable access to broadband. Together with the Office of Broadband Access and Expansion, and in collaboration with the Ramah Navajo community, Oso Internet Solutions is addressing that barrier. Education, health, safety, and economic development

increasingly depend on robust Internet access. Our frontier community has struggled with lack in these basic needs, but will soon have the gold standard of broadband access, fiber-to-the-home."

The review team, commissioned by OBAE, applied a scoring rubric that considers eight major categories and 25 factors, including level of need, financial sustainability, pricing affordability, programs to drive adoption, community support, and budget reasonableness.

Governor of the Nambe Pueblo, Nathaniel Porter, noted: "Our application reflected a highly data-driven set of responses, including the results of a recent community survey. We appreciated the rigorous review process and open exchange of information to address any concerns cited by the OBAE staff. We appreciate the team's patience during the review and due diligence process and insights shared to further drive adoption and long-term sustainability."

In sum, these projects will greatly benefit thousands of residents, businesses, and community institutions and generations ahead. Esquipula Tenorio Governor, Santo Domingo Pueblo, shared this sentiment and optimism for the future: "With every connection, every click, and every opportunity embraced, Internet access becomes the empowering force that bridges the digital divide between Santo Domingo Pueblo to the rest of the world. It illuminates the path to knowledge, amplifies our voices, ignites a flame of hope, and leads Santo Domingo Pueblo towards self-sufficiency, uniting us in a journey toward a future where dreams know no boundaries.

The Pilot Program reflects a multitude of resources and forces, at all levels of government and the private sector, coming together to bridge the digital divide and address the long-standing pent-up demand for high-speed Internet.

Pueblo of Jemez Governor Dominic Gachupin said: "The Pueblo of Jemez recognizes the commitment from previous Tribal Council, Governors and Staff to develop JemezNet to bridge the Digital Divide for the Community of Jemez Pueblo. The Pueblo is also very appreciative of the federal, state, and local agencies and companies that have provided resources and expertise to develop the network. The Grant Funds from New Mexico Connect will greatly benefit the Community of Jemez Pueblo and surrounding areas by helping to provide high-speed, reliable Internet access."

A common theme involved these awardees having an intimate knowledge of their communities and customers. Many of the awardees have been serving the communities for decades. For example, Penasco Valley Telephone Cooperative, located in Artesia, has served high-cost areas of Southeast New Mexico for over 60 years.

Mitch Hibbard, VP of Community Affairs and Economic Development, stated, "PVT is honored to have been awarded a Connect NM Grant. The area included in the grant award truly represents the essence of the Connect NM Grant Program. We'll be able to serve 40 highly remote homes residing in Chaves County. This targeted community is in PVT's ILEC area. We know the community and residents and understand the unique challenges of operating and maintaining a network in an area of rough terrain. We appreciate the efforts of the Office of Broadband Access and Expansion to improve the lives of our community members, who would otherwise not be able to receive fiber-based Internet without the grant."

The Connect New Mexico Pilot Program has now funded 19 projects and provided approximately \$117 million in grants, and have been complemented by \$72.7 million in matching contributions, yielding a

total investment of approximately \$189 million. In total, these projects will deploy over 1,400 fiber miles and connect approximately 26,000 premises.

Project Summaries from Final Round of Awards					
Awardee	Overview	Budget (millions)	Grant (millions) and Percentage of Budget		
Pueblos					
Jemez	 Connects 687 unserved units through the deployment of a 45-mile fiber network, and leverages several existing middle-mile assets to reach the Internet backbone. 	• \$15.2	• \$8.56 (56.3%)		
Laguna	 Serves the state's largest-sized pueblo (and 2nd in terms of population) and connects over 1,500 unserved premises through 193 miles of fiber. 	• \$17.9	• \$9.05 (50.5%)		
Nambe	 Deploys 30 fiber miles to connect 254 unserved units and leverages Redinet's middle-mile backbone; also constructs one cell tower to enable reliable wireless capabilities for public safety within remote areas of the Pueblo. 	• \$7.06	• \$5.23 (74%)		
Santa Ana	 Connects 276 unserved premises through 18 new fiber miles, and leverages ARPA funding provided to the Pueblo. 	• \$3.95	• \$2.66 (67.5%)		
Santo Domingo	 Connects 870 units in the Pueblo and surrounding communities of Sile and Peña Blanca with 50 miles of fiber. Project complements a separate fiber span funded by the NTIA Tribal Broadband Connectivity Program. 	• \$15.02	• \$9.22 (61.4%)		
Tribal Affiliated					
Oso Internet	 Leverages 10-year history in serving the Ramah Navajo reservation by connecting 109 unserved members in Pine Meadows through 49 miles of fiber, and complements two other federal projects to fiberize the tribal region. 	• \$8.11	• \$5.78 (71.4%)		
Non-Tribal		1			
Comcast	• Extends Comcast's existing network in San Juan County to further connect 2,800 unserved and underserved premises across the communities of Aztec and Bloomfield, which face economic distress, with 234 fiber miles (two distinct applications).	• \$20.74	• \$15.55 (75%)		
Jemez Mountain Electric Cooperative	 Catalyzes the electric cooperatives entry into broadband by connecting 10 communities, representing 3,171 premises, with 105 fiber 	• \$11.98	• \$5.99 (50%)		

	miles – including communities of Alcalde, Canova, Chamita, El Duende, Española, Hernandez, La Villita, Los Luceros, Ohkay Owingeh, Velarde. Positions JMEC for future expansion to connect 18,000 additional unserved units in it electrical service footprint.		
Penasco Valley Telephone Cooperative	 Constructs 12.5 miles of fiber to connect 41 unserved premises in Hagerman, building upon 60 years of experience in serving Southeast New Mexico. 	• \$.648	• \$.486 (75%)
Tularosa Communications	 Deploys 63 fiber miles to connect 574 unserved premises across the communities of Dog Canyon and Dog Ranch. 	• \$5.66	• \$4.24 (75%)