

**A TRIBAL CARRIER PERSPECTIVE NEW MEXICO'S REGULATORY  
ENVIRONMENT**

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I am Godfrey Enjady, General Manager of Mescalero Apache Telecom, Inc. (MATI) located in Mescalero, New Mexico. I am here today to provide a Tribally-owned broadband provider's perspective on the telecommunications regulatory environment in New Mexico.

MATI was formed in 2001 because of the historic neglect by the incumbent provider – at the time, only 52% of the reservation received service. MATI acquired facilities in place at that time and received two Rural Utilities Service loans to complete its network buildout. Now, MATI, despite the challenges faced by providers in Tribal areas not typically faced by other providers, can provide quality broadband service to nearly all of the reservation.

It is very important to realize that even with nearly universal broadband availability on the Mescalero Apache Reservation, MATI's work is not done. First, due to the extremely high costs that are incurred to not only build out rural Tribal areas, but also to operate and maintain the networks, there must be policies focused on sustaining these broadband operations. Second, while the current national standard is 25/3 Mbps, the trend is continuing towards higher and synchronous speeds. This all takes money. In rural Tribal areas, this becomes problematic as the residents can only afford so much for service, and the difference between the high cost of service and the consumer's ability to pay must come from universal service support programs.

The areas served by Tribally-owned carriers and other providers serving rural Tribal areas are, in the FCC's words "cyclically impoverished communities with a historical lack of critical infrastructure" and "lack fundamental similarities to non-reservation economies and are among the most impoverished economies in the country." Given these facts, these areas require specific attention to help close the digital divide – the latest FCC data shows only 45.1% of residents of rural Tribal areas

in the lower 48 states have access to 25/3 fixed and 5/1 LTE service, versus 94.4% nationwide. While this gap has become narrower in recent years, it is still unacceptably wide. The FCC recognized this fact back in 2010 in its National Broadband Plan, and tied this directly to funding when it stated “Tribes need substantially greater financial support than is presently available to them, and accelerating Tribal broadband deployment will require increased funding.”

A key part in closing the Tribal digital divide is the partnership between governments at the federal, state, and Tribal level. So far, the New Mexico PRC has done well in meeting its part of the partnership in establishing a regulatory environment in the state that allows a Tribally-owned carrier like MATI, and even a carrier serving only a Tribal area, such as Sacred Wind, to operate under a stable and consistent regulatory regime. The PRC and the legislature have not ignored the needs of its Native American citizens, and have recognized the vital principle of self-determination and government inherent in the Tribal areas of the state. MATI believes, in its experience, that the legislature and PRC have been willing and effective partners.

The New Mexico State Rural Universal Service Fund is an important component of helping to close the Tribal digital divide, as is the Broadband Program adopted by the legislature. As important as a source of capital is for carriers serving Tribal areas to help fund broadband network deployment, the ongoing funding provided by the state USF fund is equally, or perhaps more, important in assisting providers sustain the operations necessary to continue providing service. For once the network is built, it is just as important to ensure a reliable source of support for carriers to continue serving the high cost, sparsely populated rural Tribal areas.

Finally, affordability is also a key component of ensuring Native Americans living in Tribal areas have access to the services enabled by the networks being deployed. In this instance, the federal-state partnership represented by the Lifeline program designed to allow low-income consumers to better afford service is a prime example of an effective universal service-friendly policy.

The PRC currently has an open rulemaking that considers some important changes to the current state USF rules, including the way support to small carriers is determined, how carriers can request additional support based on need, and how the broadband program operates. Done correctly, the changes will serve to help make the Tribal digital divide a little narrower; done incorrectly, carriers like MATI will find it more difficult, approaching impossible, especially in today's environment, to continue providing the services that are available.

In closing, MATI appreciates the opportunity to speak before this group, and we look forward to working with the PRC to eliminate the digital divide in Indian Country. It is possible, and indeed material progress has been made. But, it will be easy to erase that progress by adopting the wrong policies, or implementing the current policies in the wrong way. We are here to help ensure that whatever comes out of the New Mexico regulatory environment now and in the future, that it serves to help those citizens most in need and starts narrowing the Tribal digital divide.