



Mescalero Apache Telecom, Inc. NETWORKS



April 23, 2013

Honorable Anna Eshoo
Ranking Member
Subcommittee on Communications and Technology
Energy and Commerce Committee
United States House of Representatives
2322A Rayburn House Office Building
Washington, DC 20515

Dear Congresswoman Eshoo:

I write to you regarding the Universal Service Fund Lifeline Program. This communications support program is very important to a large segment of Mescalero Apache Telecom, Inc. (MATI) customers. We appreciate your leadership on communications issues and the hearing you are conducting this week. The program does need some reform. However, we must not lose sight of the progress and success that the program has delivered to many low-income consumers.

MATI was established in 1995, incorporated in 1999 and has been providing communications services since 2001. MATI serves the Mescalero Apache Reservation, an area consisting of approximately 720 square miles in south central New Mexico. We are one of only eight tribally owned incumbent telecommunications companies in the United States.

Prior to MATI purchasing its service area and building its network in 2001, 52% of the Mescalero Apache Tribe received no telecommunications service and 48% received only basic voice services. With an average population density of two customers per square mile, MATI is considered a rural, high-cost area. A low population density and extended loop lengths, combined with mountainous terrain, causes the average cost per loop to substantially exceed the national average. MATI is owned by the Mescalero Apache Tribe and has thus far accessed the capital markets through a loan administered by the Department of Agriculture's Rural Utilities Service. MATI also generates internal funds through which it can support its capital and operating expenses.

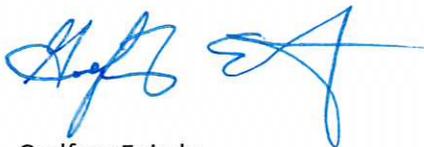
MATI provides the Mescalero Apache people with modern communications services, including interexchange services, advanced telecommunications and information services, thereby increasing the Tribe's access to education, health care, commerce, government and public services. Nearly 100% of the Tribe now has access to broadband service.

In addition, 84% of the Tribe is eligible for Lifeline support, as compared to the national average of 21.8% (based on National Broadband Plan eligibility data). Today, there are 611 MATI customers receiving Lifeline Program support. Most of these customers are homes with school age children and qualify for free school lunch or Medicaid programs. Many also qualify for programs such as Head Start and the Low Income Heating Assistance Program (LIHEAP).

I cannot over emphasize the importance of the Lifeline Program to many of our customers and their community. Without this program's support, many members of the Mescalero Apache Tribe will have no chance of moving beyond the low-income world in which they now exist. As I stated above, some reforms need to be made. We must all work together to make sure the Lifeline Program is fair, efficient, sustainable and free of abuse.

MATI has been highly successful in changing the communications life on the Reservation. We believe we are a positive example of doing the right thing with Universal Service Fund monies, including the Lifeline Program. Thank you for your consideration of these matters.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Godfrey Enjady', with a stylized flourish extending to the right.

Godfrey Enjady
General Manager