



Resolution # 2003-31

WHEREAS, the Qwest Rural Extension Fund (REF) is intended to provide basic telecommunications service to rural New Mexico; and

WHEREAS, the REF was established under Rate of Return regulation that is no longer supported in New Mexico's statutes; and

WHEREAS, the REF is underutilized in its current form and has accrued a balance in excess of \$13 million; and

WHEREAS, Qwest has proposed terminating the fund and utilize the balance of the fund for rural telecommunications projects in Qwest's service area; and

WHEREAS, According to Qwest the estimated requirements for a minimal DSL deployment in the communities of the Estancia Valley and East Mountain areas including Mountainair, Estancia, Moriarty, Edgewood, and Tijeras will include provisioning DSL at the Central Office Switches in Estancia, Moriarty, Mountainair, and Tijeras along with 11 Remote Terminal Locations serving Edgewood and the outlying areas; and

WHEREAS, The communities of the Estancia Valley and East Mountain areas including Mountainair, Estancia, Moriarty, Edgewood, and Tijeras are in need of broadband internet capabilities for its economic development efforts and providing additional educational opportunities to their residents and has determined that 550+ residents and business owners will purchase Digital Subscriber Line (DSL) service if it were available; and

WHEREAS, The estimated cost of \$1,500,000.00 for Qwest to deploy DSL in the Estancia Valley and East Mountain Areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras is not a cost effective business decision under normal business conditions, and use of the REF **WILL** be the only way to make it cost effective for Qwest to deploy DSL in the Estancia Valley and East Mountain Areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras; and

WHEREAS, The Estancia Valley and East Mountain areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras encompass the fastest growing population centers in the State of NM during the last Census period of 1990 to 2000; and

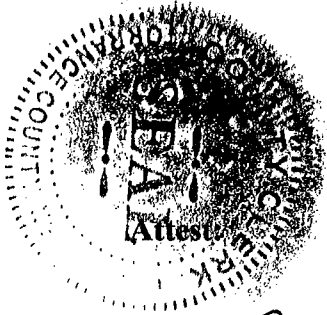
WHEREAS, The Estancia Valley and East Mountain areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras have been underserved for the last decade in Telecommunications upgrade projects.

THEREFORE BE IT RESOLVED by the Estancia Valley and East Mountain areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras that the Public Regulation Commission should immediately allocate funding from Qwest's REF for rural telecommunications projects to provide basic telephone service and broadband applications in Qwest's service area.

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BE IT ALSO RESOLVED that the Estancia Valley and East Mountain areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras supports the use of \$1,500,000.00 from the REF to have Qwest deploy DSL in the Estancia Valley and East Mountain areas of Mountainair, Estancia, Moriarty, Edgewood, and Tijeras.

TORRANCE COUNTY COMMISSION



Jim Frost

Tito Chavez

Paul M. "Tito" Chavez

[Signature]

County Clerk

[Signature]

Chester Riley Jr.