



# State of New Mexico

## Office of the Governor

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### **Governor Richardson and Attorney General Madrid Announce Qwest Settlement**

*Qwest to invest \$265 million in new technology; \$15 million for computer literacy program for disadvantaged schools; New Mexico to become one of most "wired" states*

SANTA FE - Governor Bill Richardson and Attorney General Patricia Madrid today announced a major settlement with Qwest that will invest \$265 million dollars in new technology for New Mexico.

"This settlement turns a long contested case into a direct investment in New Mexico's technology infrastructure," said Governor Richardson. "This \$265 million investment builds on my commitment to bring high technology resources to the entire state and will help close the digital divide, boost our economy, and improve education in our neediest schools."

#### **Invests new technology into "At Risk Schools"**

This \$265 million settlement includes \$15 million over three years, or \$5 million per year, in new technology investments for the most disadvantaged schools across New Mexico. Attorney General Patricia Madrid led the negotiations on this topic. The investment will be done through the New Mexico Students and Teachers Reaching Optimal New Goals or STRONG Project.

"This \$15 million investment into the STRONG Project will be a technological leap forward for students and teachers in some of New Mexico's most at-risk communities," said Attorney General Madrid.

The STRONG Project will bring laptops into each core academic classroom, including language, reading, math and science. The program targets 7<sup>th</sup> and 8<sup>th</sup> grade students and teachers in minority-rich schools with students considered to be at a high-risk of dropping out. The STRONG Project will initially reach 5900 students.

"I want to commend the Attorney General for her leadership in pushing for investment in schools in disadvantaged communities," said Governor Richardson.

The remainder of the settlement directs Qwest to spend \$250 million dollars over a 42 month period in the following ways: \$81 million to extend high speed Internet access, \$23 million to upgrade Qwest's redundancy and route diversity, \$20 million for cable improvement and \$25 million to provide new access to advanced

technology services to Qwest customers. Upon completion, Qwest will invest \$100 million to implement a list of priority projects to augment its capacity and improve its service to its customers.

### **Extends Qwest's High Speed Internet Access and Invests in Advanced Technologies**

The settlement requires Qwest to invest an estimated \$81 million dollars to increase high speed Internet access for Qwest's New Mexico's customers. As a result nearly 75,000 additional families and businesses will have access to high speed Internet—including rural areas. This will enhance the high-speed Internet experience for existing customers as well. Qwest will also invest \$45 million dollars in advanced technologies and replacing cable with fiber-optics.

“This investment will make New Mexico one of the most wired states in the country,” said Governor Richardson. “As a result of this investment, thousands of New Mexicans, especially in rural and disadvantaged urban areas, will gain high speed access to the Internet. Better telecommunications infrastructure will help in a number of ways: workers will have more options to telecommute; students will have more access to online classes; and we can provide the infrastructure for small-businesses to setup virtually anywhere in the Qwest coverage area.”

### **Integrity of Communications System**

A portion of Qwest's investment will directly address redundancy and diversity within the telecommunications network. More than \$23 million will be invested to assure that there are multiple and separated lines to prevent failure of service in most of Qwest's coverage area. This investment will help reduce and prevent incidences when telephone service is temporarily knocked out.

### **Settlement Compliance Requirements**

Before the settlement is final, Qwest must present a specific plan for completing each of the above requirements, including benchmarks to measure performance and assure compliance. Qwest must also receive the approval of the Public Regulation Commission, which will monitor and hold Qwest accountable for each phase of the project. Qwest will have 42 months to implement and complete the terms of the settlement. If Qwest fails to complete the terms of the settlement, Qwest will be required to refund each one of its New Mexico customers the unfulfilled amount of the \$265 million.