



Press Release – July 28th, 2022

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Alaska Power & Telephone Awarded \$29.3m USDA ReConnect Grant to Expand Fiber Optic Connectivity in Tongass Region Communities

Alaska Power & Telephone Company (AP&T) is pleased to share that its subsidiary APT Wireless has been selected by the US Department of Agriculture (USDA) to receive a \$29,344,717 grant award from USDA Rural Utility Service’s ReConnect grant program, to expand fiber optic connectivity in communities on Prince of Wales Island. AP&T will invest \$9,781,573 in matching private funds. The project, called “SEALink South,” will involve developing fiber optic networks capable of 100 Mbps symmetrical service and higher to approximately 550 premises in the remote, rural communities of Craig, Klawock, and Hollis, helping to enhance telecommunication resiliency and redundancy for residents throughout the Tongass National Forest region.

AP&T estimates a marine route survey, permitting, and environmental review activities will occur in 2023. Construction would occur between 2024 and 2027, depending on timing of environmental and permit approvals.

The “SEALink South” project builds upon the success of AP&T’s “SEALink” project, which is proceeding 2 years ahead of schedule. SEALink includes a new submarine fiber optic cable between the communities of Prince of Wales Island, Petersburg, and Juneau, and fiber-to-the-home for all premises within the remote, unserved communities of Kasaan and Coffman Cove. The SEALink submarine cable is currently in British Columbia, pre-staged for installation beginning in November of 2022. Fiber to the home installation will occur in Kasaan and Coffman Cove in 2023.

“AP&T deeply appreciates this opportunity to invest alongside USDA and dramatically improve the quality and affordability of services it can offer to rural Alaskans,” remarked AP&T CEO Mike Garrett. “For years, these communities have struggled to find economic sustainability within the challenging context of the Tongass National Forest. USDA’s investment will help put amazing new opportunities within reach, enabling remote work, distance education, telemedicine, and strengthening existing businesses and jobs. We are extremely thankful for all of the hard work by Senators Lisa Murkowski and Dan Sullivan, advocating for federal programs like ReConnect, which have been instrumental in addressing the infrastructure needs of remote Alaska communities.”

A diverse group of indigenous and environmental stakeholders rallied around AP&T’s application with letters of support, including the Central Council of the Tlingit and Haida Indian Tribes of Alaska, Sealaska Corporation, the Sustainable Southeast Partnership, Sitka Conservation Society, Klawock Cooperative

Association, Craig Tribal Association, and Shaan-Seet Corporation. While the Tongass has attracted decades of controversy and disagreement over issues like access to old growth timber and the Roadless Rule, USDA's and AP&T's new investment in fiber optic assets for the region will help provide excellent opportunities for economic diversification and resiliency, giving stakeholders a new path forwards to a successful economic future.

Alaska Power & Telephone Company (OTC: APTL) is an employee- and investor-owned utility providing diverse utility services in over 40 communities in rural Alaska. Additional information on AP&T can be found at: www.aptalaska.com