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## **Alaska Telephone Company Awarded \$33m USDA ReConnect Grant to Expand Fiber Optic Connectivity in Klukwan, Haines, and Skagway Areas**

Alaska Telephone Company (ATC), a subsidiary of Alaska Power & Telephone Company (AP&T), has been selected by the US Department of Agriculture (USDA) to receive a \$33,017,636 grant award from USDA Rural Utility Service’s ReConnect grant program to expand fiber optic connectivity in rural southeast Alaska. Alaska Telephone Company will invest \$11,005,879 in matching funds. The “Klukwan-Skagway Fiber” project will develop fiber optic networks capable of 100 Mbps symmetrical service and higher for in the Alaska Native community of Klukwan, rural areas near Haines, and underserved areas of Skagway. This joint investment by ATC and USDA will bring new, highly affordable, technology-driven opportunities to families and businesses throughout the region.

AP&T estimates that initial construction may begin in 2023, depending on the timing of permitting and environmental approvals. Construction will be a multi-year process, with completion projected for 2028. The project utilizes existing right-of-way and previously disturbed areas, minimizing its environmental footprint and impacts.

Central Council of the Tlingit and Haida Indian Tribes of Alaska was a key supporter of the request. Tribal President Richard (Chalyee Éesh) Peterson, stated: *“I am excited about this project and the impact that it will have on our remote communities in Southeast Alaska. In the last three years, the pandemic has shown us how remote our communities really are. By closing that connectivity gap, we are providing more opportunities for our youth, employment opportunities for citizens, and unlimited potential of growth for our tribes and village corporations.”*

AP&T’s CEO Mike Garrett reflected: *“The Klukwan-Skagway Fiber project will spur economic growth and significantly enhance quality of life in very remote, hard-to-serve locations, empowering rural Alaskans with options for remote work, distance learning, telemedicine, and more. The outpouring of support we received from indigenous organizations was an invaluable component of AP&T’s application. Special thanks to US Senators Lisa Murkowski and Dan Sullivan for the incredible work they have done developing and supporting programs like ReConnect. We look forward to demonstrating our gratitude by making this project an amazing success for rural stakeholders, who helped to make this historic investment possible.”*

Chilkat Indian Village, Skagway Traditional Council, Sealaska Corporation, and the Central Council of the Tlingit and Haida Indian Tribes of Alaska provided resolutions formally endorsing the Klukwan-Skagway Fiber project, emphasizing powerful synergies between modern telecommunications technology, indigenous culture, and tribal priorities. Additionally, environmental groups the Sustainable Southeast Partnership and Sitka Conservation Society submitted letters of support, citing the project's support for the Southeast Alaska Sustainability Strategy, and the importance of broadband in diversifying southeast Alaska's economy beyond its historical dependency on legacy industries like timber and mining.

For years, rural southeast Alaska has struggled to achieve economic sustainability, with villages like Klukwan experiencing particular hardship. USDA's and AP&T's new investment in fiber optic assets will help provide excellent opportunities for economic diversification and resiliency, giving stakeholders a new path forward to a successful 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](http://www.aptalaska.com)