

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number NT10BIX5570066	3. DUNS Number 066723990
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4. Recipient Organization

 Bristol Virginia Utilities Board 15022 Lee Hwy
 , Bristol, VA 24202-4256

5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.

7a. Typed or Printed Name and Title of Certifying Official Mollie Salyer	7c. Telephone (area code, number and extension) X
	7d. Email Address msalyer@bvub.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-07-2012
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

During Q1-2012, BVU Authority continued with building out routes for the project, which included construction and engineering activities, as well as receiving and deploying materials. Both engineering and construction are progressing well with approximately 61% of the projected fiber miles completed putting us slightly ahead of schedule. Currently, BVU Authority and construction contractor, Edwards Telecommunications, Inc., have finished 3 routes and are working on an additional 19 routes. All of the remaining routes have been engineered. As of the end of the quarter, approximately 209 miles were constructed. HOWEVER, BVU still continues to wait for USDA Forest Service to approve National Forest build permits (during the growing season). All necessary paperwork has been submitted for over 4 months and are still awaiting approval. The Forest Service continues to delay due to "halt to all decisions nationwide based on categorical exclusions". They have stated that they hope to have permit approved now by mid-May. In Q1-2012, BVU made 12 drawdowns, amounting to \$3,125,583.18, to pay for such allowed expenses as contracted project management, payroll, compliance and mapping costs, engineering, materials, and construction.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	48	Based on expensed versus project dollars. Baseline projected 148.5 miles built out by end of Q1 2012 and we are currently at 209 at the end of Q1 2012. Good progress was made last quarter and expectation is that this rate of build out will continue.
2b.	Environmental Assessment	100	All assessments are complete.
2c.	Network Design	76	Based on expensed versus project dollars. Emphasis was put on getting design and engineering complete during this quarter, so significant progress was made
2d.	Rights of Way	61	Percent complete based on mileage. Agreement with Virginia Department of Transportation gives BVU Rights-of-Way for all routes.
2e.	Construction Permits and Other Approvals	76	Based on expensed versus project dollars. Allocation of 5% of Engineering dollars to Construction Permits. Done in conjunction with Network Design, so percentage is consistent with Network Design percentage.
2f.	Site Preparation	49	Based on expensed versus project dollars. Allocation of 0.5% of Construction dollars to Site Preparation, so projection is consistent with Network Build percentage.
2g.	Equipment Procurement	36	Based on expensed versus project dollars. Allocation done in conjunction with Equipment Deployment, so percentage is consistent with Equipment Deployment percentage.
2h.	Network Build (all components - owned, leased, IRU, etc)	49	Based on expensed versus project dollars. Actual federal dollars expended is in line with percentage build out of miles.
2i.	Equipment Deployment	36	Based on expensed versus project dollars. Allocation done in conjunction with Equipment Procurement, so percentage is consistent with Equipment Procurement percentage.
2j.	Network Testing	3	Based on expensed versus project dollars.
2k.	Other (please specify): Grant Prep	100	Completed.

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

BVU still continues to wait for USDA Forest Service to approve National Forest build permit. All necessary paperwork has been submitted for over 4 months and are still awaiting approval. The Forest Service continues to delay due to "halt to all decisions nationwide based on categorical exclusions". They have stated that they hope to have permit approved now by mid-May. Any later than first of June will start to impact the route build out (Creeper Trail) due to growing season restrictions.

4. Please report the following information regarding network build progress. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	209	Good progress made in the quarter. Added 89 miles of fiber.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	209	Good progress made in the quarter. Added 89 miles of fiber.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	3	1 interconnection points added this quarter as emphasis was to continue build out on multiple routes versus splicing the fiber, however, 14 additional routes are scheduled to be completed and spliced in 2012-Q2.

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:

Virginia Department of Transportation (VDOT). We provide 12 strands of dark fiber in exchange for right-of-way access, in perpetuity.

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product (100 words or less). Wholesale services description:

We are providing dark fiber access to the Virginia Department of Transportation at no cost in exchange for right-of-way access. Wholesale prices listed in previous reports.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (600 words or less).

N/A

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	N/A
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	1	BVU Authority has an Memo of Understanding with the Virginia Department of Transportation to provide lease of dark fiber for two routes in exchange for use of VDOT ROW.
	Please identify the speed tiers that are available and the number of subscribers for each	9	Available rates via wholesale are as follows (# subs): 10 Mbps (0); 50 Mbps (0); 100 Mbps (0); 200 Mbps (0); 400 Mbps (0); 1000 Mbps (0); 2.5 Gbps (0); 10 Gbps (0); OC-3 Sonet (0)
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A

7. Please describe any special offerings you may provide (600 words or less).

N/A

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (300 words or less).

N/A

9. Community Anchor Institutions:

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT

cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
N/A	N/A	N/A	N/A	N/A

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).

- Complete construction of 17 of the 30 proposed routes
- Start construction on 5 more routes. 55 more miles projected.
- Continue completion and submittal of pole, RR, and construction permits
- Receive National Forest Permit
- At this time, we do not foresee having any wholesale/last mile provider agreements with outside vendors by end of quarter. Currently, BVU is providing last mile on several of the routes through other funding mechanisms.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Planned Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	59	Projected an estimated 55 miles to be build out.
2b.	Environmental Assessment	100	Complete.
2c.	Network Design	81	All routes have had preliminary designs completed. Will continue to finalize routes.
2d.	Rights of Way	77	Based on mileage completed.
2e.	Construction Permits and Other Approvals	81	Correlated with Network Design so percentage will concur with that category.
2f.	Site Preparation	59	Correlated with Network Build so percentage will concur with that category.
2g.	Equipment Procurement	49	Expect multiple routes to be completed and lit in 2012-Q2 with an effect that equipment based procurement and deployment will increase significantly.
2h.	Network Build (all components - owned, leased, IRU, etc.)	59	Slightly ahead of schedule.
2i.	Equipment Deployment	49	Expect multiple routes to be completed and lit in 2012-Q2 with an effect that equipment based procurement and deployment will increase significantly.
2j.	Network Testing	22	Expect multiple routes to be completed and lit in 2012-Q2 with an effect that network testing will increase significantly.
2k.	Other (please specify): Grant Prep	100	Complete

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

As mentioned several times previously, the only hurdle we foresee at this point is obtaining the National Forest permit.

Infrastructure Budget Execution Details

Activity Based Expenditures (Infrastructure)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

Budget for Entire Project				Actuals from Project Inception through End of Current Reporting Period			Anticipated Actuals from Project Inception through End of Next Reporting Period		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Administrative and legal expenses	\$65,000	\$1,000	\$64,000	\$65,303	\$1,005	\$64,299	\$65,303	\$1,005	\$64,299
b. Land, structures, right-of-ways, appraisals, etc.	\$938,279	\$698,279	\$240,000	\$514,751	\$411,390	\$103,361	\$599,457	\$468,768	\$130,689
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,395,176	\$279,035	\$1,116,141	\$1,060,530	\$212,106	\$848,424	\$1,127,459	\$225,492	\$901,967
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$638,352	\$127,670	\$510,682	\$17,416	\$3,483	\$13,933	\$141,603	\$28,321	\$113,283
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$31,366,498	\$11,339,310	\$20,027,188	\$17,283,111	\$6,516,727	\$10,766,384	\$20,099,789	\$7,481,244	\$12,618,545
j. Equipment	\$1,817,231	\$1,077,231	\$740,000	\$922,807	\$615,720	\$307,086	\$1,101,692	\$708,022	\$393,669
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$36,220,536	\$13,522,525	\$22,698,011	\$19,863,918	\$7,760,431	\$12,103,487	\$23,135,303	\$8,912,852	\$14,222,452
m. Contingencies									
n. TOTALS (sum of l and m)	\$36,220,536	\$13,522,525	\$22,698,011	\$19,863,918	\$7,760,431	\$12,103,487	\$23,135,303	\$8,912,852	\$14,222,452

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0	b. Program Income to Date: \$0
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