



FIRST PERFORMANCE PROGRESS REPORT First Quarter 2010

<p>1. Recipient Organization (<i>Name and complete address including zip code</i>) Horizon Telcom, 68 E. Main St., Chillicothe OH 45601-2503</p>	<p>2. Award Identification Number NT10BIX5570119</p>
<p>3. Performance Narrative (Q1) <i>Please describe your project activities and progress for the first quarter of 2010. This should include a description of federal expenditures to date, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any delays or challenges. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i></p> <p>Our award was announced on Aug. 18, 2010. We have not yet drawn any federal funds. Key milestones to date: required registrations with federalreporting.gov, ASAP, PAM and GrantsOnline; acceptance of the award; participation in compliance and environmental assessment Webinars; solicitation and selection of an environmental assessment contractor; initial discussions with subrecipient; establishment of policies, procedures and systems for financial, project and vendor management; and initiation of network engineering.</p> <p>Primary challenges were the requirement of an environmental assessment (not included in the NOFA) that will delay project implementation for at least six months and lack of communication from the Department of Labor regarding our requests for Davis-Bacon Act wage determinations. To date, we still do not have a wage determination for contractors on this project, which is hampering our ability to project expenditures accurately.</p>	
<p>4. Performance Projections (Q2) <i>Please describe your anticipated project activities and progress for the next quarter. This should include a description of federal expenditures, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any potential delays or challenges you foresee. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i></p> <p>In the next quarter, we expect to make our first draws of federal funds to reimburse pre-award expenses, first-quarter project expenses and payment to the environmental assessment and project engineering vendors. Total grant draw is projected at \$12,000,000. The environmental assessment will be well under way; we anticipate completion by the end of the quarter. Network engineering will be completed and we will begin securing rights-of-way and necessary construction permits. Requests for proposals for equipment procurement and initial construction contractors will be issued and scored. At least three project representatives will participate in the BTOP workshop in Washington DC in early November. We plan to implement orientation calls with contractors as needed to explain Department of Commerce and ARRA requirements.</p> <p>Primary challenges will be the delay in project construction as we conduct the environmental assessment and the continued need for Davis-Bacon Act wage determinations from the Department of Labor.</p>	
<p>5. 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.</p>	
<p>5a. Typed or Printed Name and Title of Authorized Certifying Official Chris Glassburn</p>	<p>5c. Telephone (<i>area code, number and extension</i>) (740) 703-8721</p> <p>5d. Email Address chris.glassburn@horizontel.com</p>
<p>5b. Signature of Authorized Certifying Official n/a</p>	<p>5e. Date Report Submitted (<i>Month, Day, Year</i>) November 15, 2010</p>

According to the Paperwork Reduction Act, as amended, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 1 hour and 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Anthony G. Wilhelm, Director, Broadband Technology Opportunities Program, Office of Telecommunications and Information Applications, National Telecommunications and Information Administration, U.S. Department of Commerce (DOC), 1401 Constitution Avenue, N.W., HCHB, Room 4887, Washington, D.C. 20230.