

U.S. DEPARTMENT OF COMMERCE

Performance Progress Report

2. Award Or Grant Number
47-50-M09041

4. Report Date (MM/DD/YYYY)
07-06-2011

1. Recipient Name
Connected Tennessee, LLC

6. Designated Entity On Behalf Of:
Tennessee

3. Street Address
618 Church Street, Suite 305,

8. Final Report? Yes No
9. Report Frequency
 Quarterly
 Semi Annual
 Annual
 Final

5. City, State, Zip Code
Nashville, TN 37219-2437

7. Project / Grant Period Start Date: (MM/DD/YYYY) 12-20-2009	7a. End Date: (MM/DD/YYYY) 12-19-2014	7b. Reporting Period End Date: 06-30-2011
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9a. If Other, please describe:
N/A

10. Broadband Mapping 10a. Provider Table

Number of Providers Identified	Number of Providers Contacted	Number of Agreements Reached for Data Sharing	Number of Partial Data Sets Received	Number of Complete Data Sets	Number of Data Sets Verified
0	0	0	0	0	0

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office? Yes No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project? Yes No

10d. If so, describe the discussions to date with each of these providers and the current status

Birch Communications: Provider has chosen not to participate. They are concerned about divulging the information publicly on speeds or coverage area. Refused to Participate

TNWEB, LLC: After multiple contact attempts, provider e-mailed Connected Tennessee asking not to be contacted again. Refused to Participate

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

N/A

10f. Please describe the verification activities you plan to implement

ESRI is deploying and hosting Connected Tennessee's BroadbandStat (BBStat) web application. ESRI will house the customized BBStat application in their highly available, monitored, and managed environment. The scope of services includes setting up a staging environment for data verification and compatibility as well as a production environment for client access.

Connected Tennessee (CTN) also collects consumer feedback in the form of broadband inquiries. These inquiries represent any type of communications received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the State Broadband Initiatives (SBI) program. This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows CTN to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

Before December 31, 2011 Connected Tennessee will target 4 additional companies in order to achieve a total field validation rate equal to or exceeding 41.76% (currently at 37.36%).

10g. Have you initiated verification activities? Yes No

10h. If yes, please describe the status of your activities

BroadbandStat is publicly available on the Connected Tennessee website and received a total of 399 visits between April 1, 2011 and June 30, 2011.

During this quarter, the Connected Tennessee project received a total of 44 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 9 for this quarter.

For this reporting period, 24 field verification tests were conducted. Project staff conducted multiple tests on the following providers: Ardmore Telephone Company Inc., AT&T, Beasley Wireless, Ben Lomand Rural Telephone Cooperative Inc., Big River, Cable ONE, Cellular South Inc., Charter Communications, Clearwire Corporation, Columbia Power & Water Systems, CRU Enterprises, DotSpot Wireless, ECSIS.Net, Frontier Communications Corporation, High Country Online, Infostructure Cable, Jackson Energy Authority, Ken-Tenn Wireless LLC, Leap Wireless International Inc., Millington Telephone Company, NetEase, NewWave Communications, Planet Connect Internet, QuickRelay Wireless Communications, Sprint Nextel, Surfmore, TEC of Jackson Inc., T-Mobile USA Inc., Trenton Cable TV Company, U.S. Cellular, UltraNet, Verizon Communications Inc., West Kentucky Rural Telephone, and Xpansion Networks.

To date, Connected Tennessee has completed field validation testing against 34 companies (out of a universe of 91 viable providers) totaling 37.36% within the state.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

N/A

Staffing

10j. How many jobs have been created or retained as a result of this project?

3.73

Connected Tennessee has numerous staff working on this project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts in their respective areas. By leveraging the expertise of the subject matter experts the project benefits from their knowledge and skills without the necessity of supporting a more expensive full-time resource.

10k. Is the project currently fully staffed? Yes No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed

N/A

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

3.73

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	4	09/14/2009
Business Programmer Analyst	1	04/02/2007
CAI Coordinator	3	12/13/2004
CAI Data Analyst	6	03/24/2009
CAI Data Manager	2	08/09/2010
Community Technology Specialist	64	01/18/2010
Community Technology Specialist	55	10/10/2007
Community Technology Specialist	54	09/17/2007
ETS Analyst	2	11/01/2007
ETS Analyst	1	08/03/2009
ETS Manager	4	07/01/2007
ETS Sr. Analyst	1	02/18/2010
Executive Director, TN	49	12/01/2004

General Counsel	2	01/01/2007
GIS Intern	6	04/01/2010
GIS Services Manager	19	05/15/2007
Outreach & Awareness Manager	5	03/24/2009
Outreach & Awareness Specialist	7	10/01/2007
Outreach & Awareness Specialist	6	01/04/2010
Outreach & Awareness Specialist	5	02/02/2009
Outreach & Awareness Specialist	4	09/04/2007
Outreach & Awareness Specialist	2	01/03/2010
Outreach & Awareness Specialist	2	01/04/2010
Project Coordinator	27	01/17/2011
Project Coordinator	3	04/01/2005
Project Management Director	1	12/20/2004
Project Manager	2	01/14/2008
Project Manager	1	01/01/2007
Project Manager	1	12/16/2009
Project Manager	1	08/20/2007
Project Manager	1	03/16/2010
Project Manager	1	01/14/2008
Provider Relations Manager	5	02/17/2005
Research & GIS Analyst	7	05/14/2007
Research Analyst	8	02/16/2010
Research Analyst	4	06/01/2009
Research Analyst	2	02/01/2010
Research Manager	3	05/14/2007
State Services Manager	1	07/01/2007
State Services Specialist	1	02/02/2009

Sub Contracts

10o. Subcontracts Table

Name of Subcontractor	Purpose of Subcontract	RFP Issued (Y/N)	Contract Executed (Y/N)	Start Date	End Date	Federal Funds	In-Kind Funds
Throughbred Research Group	Research Surveys	Y	Y	02/09/2010	02/08/2012	87,350	0
Contract Labor	Contract Labor	N	Y	12/20/2009	12/19/2014	157,177	114,399

Add Row

Remove Row

Funding

10p. How much Federal funding has been expended as of the end of the last quarter? \$1,277,341 10q. How much Remains? \$3,202,279

10r. How much matching funds have been expended as of the end of last quarter? \$962,836 10s. How much Remains? \$168,346

10t. Budget Worksheet

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	\$1,509,268	\$522,401	\$2,031,669	\$439,931	\$317,068	\$756,999
Personnel Fringe Benefits	\$323,735	\$112,054	\$435,789	\$95,898	\$68,012	\$163,910
Travel	\$128,223	\$5,198	\$133,421	\$33,249	\$22,874	\$56,123
Equipment	\$136,141	\$0	\$136,141	\$66,635	\$0	\$66,635
Materials / Supplies	\$18,612	\$500	\$19,112	\$6,154	\$5,274	\$11,428
Subcontracts Total	\$603,918	\$114,399	\$718,317	\$118,855	\$76,022	\$194,877
Subcontract #1	\$382,730	\$0	\$382,730	\$26,981	\$38,950	\$65,931
Subcontract #2	\$157,177	\$114,399	\$271,576	\$87,336	\$37,072	\$124,408
Subcontract #3	\$25,328	\$0	\$25,328	\$500	\$0	\$500
Subcontract #4	\$38,683	\$0	\$38,683	\$4,038	\$0	\$4,038
Subcontract #5	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$434,921	\$290,961	\$725,882	\$4,119	\$37,792	\$41,911
Total Direct Costs	\$3,154,818	\$1,045,513	\$4,200,331	\$764,841	\$527,042	\$1,291,883
Total Indirect Costs	\$1,324,802	\$85,669	\$1,410,471	\$512,500	\$435,794	\$948,294
Total Costs	\$4,479,620	\$1,131,182	\$5,610,802	\$1,277,341	\$962,836	\$2,240,177
% Of Total	80	20	100	57	43	100

Hardware / Software10u. Has the project team purchased the software / hardware described in the application? Yes No

10v. If yes, please list

- BroadbandStat-\$60,000
- ArcInfo/ArcGIS Software- \$3,242
- Computers & Software- \$1,778
- Speed Test Software- \$495
- Google Earth Pro- \$974

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage servers, security application, additional backup replication solution, computers, GPS units BroadbandStat maintenance, ArcInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

10x. Has the project team purchased or used any data sets? Yes No

10y. If yes, please list

Connected Tennessee has not purchased or used any data sets.

10z. Are there any additional project milestones or information that has not been included? Yes No

10aa. If yes, please list

- * Continued tracking financial and accounting budgets for Connected Tennessee.
- * Continued execution of project work plan and Work Breakdown Structure.
- * Continued to update broadband provider list with new providers.
- * Continued outreach to non-responsive and refusing providers.
- * Updated broadband data collection activity log.
- * Continued outreach to general resellers and satellite providers to further engage them in the program. This information will be analyzed and deployed for the data submission.
- * Executed and securely stored non-disclosure agreements (NDA) with new providers.
- * Continued in-the-field validation processes. To date, 34 providers have been validated in Tennessee, representing 37.36% of the viable state providers.
- * Requested updated broadband coverage coordinate data sets from provider community.
- * Distributed Community Anchor Institution data sets to staff to continue data collection for processing.
- * Produced status reports, data collection activity log, and website statics as requested.
- * Delivered draft Tennessee broadband maps to state stakeholders.
- * Presented program progress and future plans to Steering Committee at quarterly meeting.
- * Finalized and received approval on the State Broadband Initiative (SBI) Project Plan from National Telecommunications and Information Administration (NTIA).
- * Initial industrial park location data was obtained as per the SBI Project Plan.
- * Connected Tennessee worked with the TN Department of Economic and Community Development to ensure all necessary data is collected and presented in the required format.
- * Received and responded to broadband inquiries. This quarter we have processed 44 inquiries.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Connected Tennessee has been relying heavily on the State of Tennessee's recommendations to ensure that our work expectations. During Q2 2011 there were no significant obstacles to the program's progress.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
Updated Connected Tennessee maps were used to further identify unserved and underserved areas and to expand service to unserved households. http://www.connectedtn.org/broadband_landscape/

Connected Tennessee's Executive Director participated in TIA 2011 Keynote address with Connected Nation demonstrating Connected Tennessee's research data for providers and how the provider community can utilize the National Broadband Map to plan for build out. The video is available at <http://www.tianow.org/videos/keynote-speech-by-brian-mefford-ceo-connected-nation-may-18-2011/5177/>.

A video was produced about Connected Nation's Engineering and Technical Services (ETS) field validation process in all Connected Nation state programs: <http://youtu.be/tNMEQKHbDIs>

11. Broadband Planning

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan. Be sure to include a description of each major activity / milestone that you plan to complete and your current status

On behalf of the State of Tennessee, Connected Tennessee (CTN) finalized the survey instrument for the 2011 Residential Technology Assessment telephone survey, incorporating recommendations received from state stakeholders and third-party consultants where appropriate. These surveys are designed to measure trends in technology adoption, barriers to adoption, and awareness of available broadband service among Tennessee residents. In Q2 2011 CTN started surveying respondents across Tennessee. In addition, Connected Tennessee created and publicly released a report documenting technology adoption and barriers among businesses across the territory, based on data from the earlier Business Technology Assessment.

Connected Tennessee began work with the Tennessee Department of Economic and Community Development (ECD) on the identification of broadband infrastructure at key industrial sites across the state. The initial industrial site listing was created and work has begun to identify the broadband providers. Additionally, CTN began work on the development of a small business technology toolkit to be shared throughout the communities across Tennessee, with the help of ECD, to encourage small businesses to adopt technology and broadband.

11b. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Connected Tennessee has been relying heavily on the State of Tennessee's recommendations to ensure that our work, as well as the work of our subcontractors, exceeds expectations. During Q2 2011, there were no challenges or obstacles during the planning process.

11c. Does the Project Team anticipate any changes to the project plan for Broadband Planning? Yes No

11d. If yes, please describe these anticipated changes. Please note that NTIA will need to approve changes to the Project Plan before they can be implemented

N/A

Funding

11e. How much Federal funding has been expended as of the end of the last quarter? \$0

11f. How much Remains? \$0

11g. How much matching funds have been expended as of the end of last quarter? \$0

11h. How much Remains? \$0

11i. Planning Worksheet

Personal Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Personnel Fringe Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0
Materials / Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Subcontracts Total	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #1	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #2	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #3	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #4	\$0	\$0	\$0	\$0	\$0	\$0
Subcontract #5	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0
Total Direct Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Indirect Costs	\$0	\$0	\$0	\$0	\$0	\$0
Total Costs	\$0	\$0	\$0	\$0	\$0	\$0
% Of Total	0	0	0	0	0	0

Additional Planning Information

11j. Are there any additional project milestones or information that has not been included?

Connected Tennessee will conduct a survey in 2013 that oversamples households that do not subscribe to broadband. This survey will be in addition to the previously scheduled residential surveys. This updated and improved methodology will provide a greater level of analysis regarding barriers to technology adoption among different socio-economic and demographic groups by surveying non-adopters in Tennessee in a way similar to that conducted by the FCC as part of the National Broadband Planning effort. This approach will help create a demographic and socio-economic profile of the population of non-adopters in Tennessee, which can then be applied at the local level of detail by area planning teams, to assist in developing local adoption initiatives that will target the barriers that are unique to that area. In Q1 2011, Connected Nation developed the analysis methodology for this survey.

11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

Connected Tennessee has been relying heavily on the State of Tennessee's recommendations to ensure that our work, as well as the work of our subcontractors, exceeds expectations. During Q2 2011, there were no significant obstacles during the planning process.

111. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project Connected Tennessee released business survey data and launched an interactive webpage providing easy to use information about business insights. The data shows that approximately 48,000 businesses in Tennessee are not using broadband. The survey reveals which economic sectors are lagging behind in broadband adoption as well as the types of platforms they are using, the prices they're paying, and much more. Examples of media outlets that picked up the research include:

- Nashville Business Journal: <http://assets.bizjournals.com/nashville/news/2011/05/13/study-tennessee-businesses-with.html>

The business survey white papers and web widget can be accessed on the website:

<http://www.connectedtn.org/research/>

http://www.connectedtn.org/_documents/TN_BizAssessment.pdf

http://www.connectedtn.org/_documents/TN_BizWhitePaper_FINAL.pdf

Through Connected Tennessee's blog, Twitter, and Facebook pages, Connected Tennessee highlighted several uses of broadband across Tennessee that can have a positive impact on local communities. Examples include:

- Connected and In Touch: Broadband Adoption Surges Among Connected Tennessee's Target Groups, http://www.connectedtennessee.org/in_the_news/connected_blog.php?id=tag%3Ablogger.com%2C1999%3Ablog-6648322530068048377.post-4371735000925951474
- Nashville Technology Council Hosts 11th Annual Technology Nashville Conference: http://www.connectedtennessee.org/in_the_news/connected_blog.php?id=tag%3Ablogger.com%2C1999%3Ablog-6648322530068048377.post-4378305829195163350

12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purpose set forth in the award documents.

12a. Typed or Printed Name and Title of Authorized Certifying Official

Bernie Bogle

12c. Telephone
(area code, number, and extension)

12d. Email Address

bbogle@connectednation.org

12b. Signature of Authorized Certifying Official

Submitted Electronically

12e. Date Report Submitted
(Month, Day, Year)

07-28-2011