

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 NT10BIX5570019	3. DUNS Number 143482482
--	---	--

4. Recipient Organization

Mid-Atlantic Broadband Cooperative 1100 Confroy Drive, Ste 4, South Boston, VA 24592-6888

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
--	---

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 Janet Rogers Accounting Clerk	7c. Telephone (area code, number and extension) 4345701305
	7d. Email Address janet@mbc-va.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-01-2012
---	--

Project Indicators (This Quarter)																																																			
<p>1. Please describe significant project accomplishments completed during this quarter (600 words or less).</p> <p>MBC prepared a route modification request to add three schools, one university, and two interconnection points (huts) to the original route at a cost of approximately \$2,174,689. The route modification request was approved on August 8, 2012. During this quarter, we have completed engineering and design work and permitting for the new route additions. We have also ordered materials, equipment, and the concrete shelters (huts).</p> <p>The installation of transport equipment continued in the 3rd quarter. We have completed 85% of the installations. One hundred and seventeen (117) CAI's have been passed in total. There have been three (3) new contracts with last mile providers executed this quarter. This brings the total number of circuits added under this grant to forty-seven (47.).</p> <p>Fiber cable construction has been completed in 3 of the 6 segments, is nearing completion in 2 other segments (waiting on make ready work), and is underway in the last segment. Total miles placed YTD is 413 miles or 96% of this project. During the third quarter we spent \$2,287,894, bringing the total amount spent YTD (Federal and Matching) to \$16,831,532 (83.93%). The majority of the expenditures were for equipment and materials.</p> <p>The majority of the work activity this quarter was in Buckingham County (Dillwyn).</p>																																																			
<p>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).</p> <table border="1"> <thead> <tr> <th></th> <th>Milestone</th> <th>Percent Complete</th> <th>Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)</th> </tr> </thead> <tbody> <tr> <td>2a.</td> <td>Overall Project</td> <td>84</td> <td>Project moved from 73% to 84% this quarter. Project to be complete by end of Y3Q4</td> </tr> <tr> <td>2b.</td> <td>Environmental Assessment</td> <td>100</td> <td>Complete</td> </tr> <tr> <td>2c.</td> <td>Network Design</td> <td>100</td> <td>Complete</td> </tr> <tr> <td>2d.</td> <td>Rights of Way</td> <td>100</td> <td>Complete</td> </tr> <tr> <td>2e.</td> <td>Construction Permits and Other Approvals</td> <td>100</td> <td>Complete</td> </tr> <tr> <td>2f.</td> <td>Site Preparation</td> <td>66</td> <td>Four (4) out of six (6) sites completed. (Two sites on route modification to be built)</td> </tr> <tr> <td>2g.</td> <td>Equipment Procurement</td> <td>100</td> <td>Complete</td> </tr> <tr> <td>2h.</td> <td>Network Build (all components - owned, leased, IRU, etc)</td> <td>96</td> <td>Construction was halted awaiting material & permit approval for route modification</td> </tr> <tr> <td>2i.</td> <td>Equipment Deployment</td> <td>85</td> <td>Awaiting completion of route modification</td> </tr> <tr> <td>2j.</td> <td>Network Testing</td> <td>95</td> <td>Awaiting completion of route modification & segment 5 construction completion</td> </tr> <tr> <td>2k.</td> <td>Other (please specify):</td> <td>0</td> <td>N/A</td> </tr> </tbody> </table>					Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)	2a.	Overall Project	84	Project moved from 73% to 84% this quarter. Project to be complete by end of Y3Q4	2b.	Environmental Assessment	100	Complete	2c.	Network Design	100	Complete	2d.	Rights of Way	100	Complete	2e.	Construction Permits and Other Approvals	100	Complete	2f.	Site Preparation	66	Four (4) out of six (6) sites completed. (Two sites on route modification to be built)	2g.	Equipment Procurement	100	Complete	2h.	Network Build (all components - owned, leased, IRU, etc)	96	Construction was halted awaiting material & permit approval for route modification	2i.	Equipment Deployment	85	Awaiting completion of route modification	2j.	Network Testing	95	Awaiting completion of route modification & segment 5 construction completion	2k.	Other (please specify):	0	N/A
	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)																																																
2a.	Overall Project	84	Project moved from 73% to 84% this quarter. Project to be complete by end of Y3Q4																																																
2b.	Environmental Assessment	100	Complete																																																
2c.	Network Design	100	Complete																																																
2d.	Rights of Way	100	Complete																																																
2e.	Construction Permits and Other Approvals	100	Complete																																																
2f.	Site Preparation	66	Four (4) out of six (6) sites completed. (Two sites on route modification to be built)																																																
2g.	Equipment Procurement	100	Complete																																																
2h.	Network Build (all components - owned, leased, IRU, etc)	96	Construction was halted awaiting material & permit approval for route modification																																																
2i.	Equipment Deployment	85	Awaiting completion of route modification																																																
2j.	Network Testing	95	Awaiting completion of route modification & segment 5 construction completion																																																
2k.	Other (please specify):	0	N/A																																																
<p>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).</p> <ul style="list-style-type: none"> • Some make ready work has been delayed by Dominion Power thus delaying our completion of segment 1. • VDOT approved one of three permits on the Petersburg reroute during Y3Q4. The remaining two permits were approved 9-20-12. This has delayed the completion of segment 5. • Obtaining private right of way for some portions of the VSU aerial route 																																																			
<p>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).</p>																																																			

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	413	One(1) mile deployed this quarter; 96% of project complete
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)	413	One(1) mile deployed this quarter; 96% of project complete
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	4	Two (2) additional sites under construction

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	47
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	12

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: Shentel (4); Kinex (6); Lumos (5); GCR(31); BIT(1)
 Note: The number of contracts is listed in parenthesis.

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:

MBC provides secured, carrier-class collocation space (in 1/4 rack increments or 12 rack units) for members
 Due to grant funds being used in the construction of the MBC backbone network, dark fiber IRUs are no longer offered.
 Fiber lease arrangements are considered on case by case basis. (Member pays annual fee for use of the dark fiber strands.) Five year minimum lease term.

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)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	47	Did not identify any on Baseline
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number of subscribers for each	47	Shentel (4) 100 mbps; Kinex (4)10 mbps,(1)50 mbps, (1)100 mbps; GCR (3)10 mbps, (4)20 mbps, (16)50 mbps, (4)100 mbps, (4)200 mbps; BIT (1)50 mbps; Lumos (4)DS-1, (1)OC-3
Community Anchor Institutions (including Government institutions)	Total subscribers served	117	Schools & other government institutions
	Subscribers receiving new access	117	Schools & other government institutions
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	117	General Offering is 10 mbps to 100 mbps. Open Access: Most schools have 50 mbps service.
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	General Offering is 10 mbps to 100 mbps. Open Access
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	General Offering is 10 mbps to 100 mbps. Open Access

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

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
Campbell County Public Library	Rustburg, VA	Library	No	Internet Access
Cumberland Adult Education Center	Cumberland, VA	Educational Facility	No	Providing LAN-WAN Services
Brosville-Cascade Public Library	Pittsylvania County	Library	No	Internet Access

Project Indicators (Next Quarter)

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

- Continue fiber construction in the remaining 3 segments to completion.
- Complete equipment installation in the two new interconnection points and the remainder of the nodes by 11-30-12.
- Complete all construction and splicing activities to accomplish 100% completion of entire project.
- Increase CAI's served to 118.
- Increase total signed agreements/circuits to 54.

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	98	Project to be completed by end of Y3Q4
2b.	Environmental Assessment	100	Project to be completed by end of Y3Q4
2c.	Network Design	100	Project to be completed by end of Y3Q4
2d.	Rights of Way	100	Project to be completed by end of Y3Q4
2e.	Construction Permits and Other Approvals	100	Project to be completed by end of Y3Q4
2f.	Site Preparation	100	Project to be completed by end of Y3Q4
2g.	Equipment Procurement	100	Project to be completed by end of Y3Q4
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Project to be completed by end of Y3Q4
2i.	Equipment Deployment	100	Project to be completed by end of Y3Q4
2j.	Network Testing	100	Project to be completed by end of Y3Q4
2k.	Other (please specify):	0	N/A

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).

- Obtain completion of make-ready activities along the proposed pole line to VSU.
- Complete the placement of the two huts and fiber cable under the route modification plan
- Complete all of the grant work activities before the December 31, 2012 deadline

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	\$547,423	\$0	\$547,423	\$418,322	\$0	\$418,322	\$478,322	\$0	\$478,322
b. Land, structures, right-of-ways, appraisals, etc.	\$470,000	\$323,040	\$146,960	\$235,273	\$226,040	\$9,233	\$460,273	\$321,040	\$139,233
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,111,771	\$40,000	\$2,071,771	\$1,800,210	\$39,369	\$1,760,841	\$1,890,210	\$39,369	\$1,850,841
e. Other architectural and engineering fees	\$375,000	\$0	\$375,000	\$245,991	\$0	\$245,991	\$335,991	\$0	\$335,991
f. Project inspection fees	\$226,000	\$0	\$226,000	\$150,127	\$0	\$150,127	\$163,127	\$0	\$163,127
g. Site work	\$310,000	\$50,000	\$260,000	\$158,304	\$0	\$158,304	\$258,304	\$0	\$258,304
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$13,315,318	\$1,697,624	\$11,617,694	\$11,268,477	\$1,655,069	\$9,613,408	\$13,298,476	\$1,685,068	\$11,613,408
j. Equipment	\$2,699,851	\$1,900,409	\$799,442	\$2,554,828	\$1,900,409	\$654,419	\$2,699,851	\$1,900,409	\$799,442
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$20,055,363	\$4,011,073	\$16,044,290	\$16,831,532	\$3,820,887	\$13,010,645	\$19,584,554	\$3,945,886	\$15,638,668
m. Contingencies									
n. TOTALS (sum of l and m)	\$20,055,363	\$4,011,073	\$16,044,290	\$16,831,532	\$3,820,887	\$13,010,645	\$19,584,554	\$3,945,886	\$15,638,668

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: \$210,626
---	--------------------------------------