

RECIPIENT NAME:Keystone Initiative For Network Based Education and Research

AWARD NUMBER: NT10BIX5570026

DATE: 11/14/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 6/30/2015

ANNUAL 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 NT10BIX5570026 | 3. DUNS Number 831415570 |
| 4. Recipient Organization Keystone Initiative For Network Based Education and Research 341 N. Science Park Road Suite 209, State College, PA 16803-2291 | | |
| 5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2013 | 6. Is this the last Annual Report of the Award Period? <input checked="" type="radio"/> Yes <input 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 Patricia Campbell Compliance Officer | 7c. Telephone (area code, number and extension) 6104289180 | 7d. Email Address pcampbell@kinber.org |
| 7b. Signature of Certifying Official Submitted Electronically | 7e. Date Report Submitted (MM/DD/YYYY): 11-14-2013 | |

OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

| Cost Indicator | Average Cost / Speed | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|--|----------------------|--|
| Average cost per new mile (Middle Mile) | \$65,083 | This figure represents 1612 miles of 48 strands of fiber (77,376 strand miles) which is a decrease from the originally proposed 1696 miles. This decrease was a result of changing construction contractors, an expedited construction schedule and a route change due to potential overlap with another BTOP funded project, Zito Media in the Northwestern corner of Pennsylvania. Although the route changed, we did not lose any CAIs. |
| Average cost per household passed (Last Mile) | n/a | This is a middle mile project. |
| Average cost per subscriber (Last Mile) | n/a | This is a middle mile project. |
| Maximum broadband speed advertised (Middle Mile) | 10G | As described in the baseline. |
| Maximum broadband speed advertised (Last Mile) | n/a | This is a middle mile project. |
| Average broadband speed provided (Middle Mile) | 1G | As described in the baseline. |
| Average broadband speed provided (Last Mile) | n/a | This is a middle mile project. |

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

| Facility Identifier / Name | Facility Type | County | Census Tracts |
|---|---------------|--------|---------------|
| KINBER did not construct any facilities | n/a | n/a | n/a |

Add Facility

Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

KINBER has entered into an interconnection agreement with Cogent, a commercial Internet provider.

Peering and Transit Agreements (600 words or less)

KINBER has not entered into any peering or transit agreements.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

| Type of Community Anchor Institution | Total Number Within Service Area | Type of Community Anchor Institution | Total Number Within Service Area |
|--------------------------------------|----------------------------------|--|----------------------------------|
| Schools (K-12) | 501 | Public Housing | 0 |
| Libraries | 155 | Other Institutions of Higher Education | 125 |
| Medical and Healthcare Providers | 250 | Other Community Support Organizations | 20 |
| Public Safety Entities | 630 | Other Government Facilities | 625 |
| Community Colleges | 14 | Total Community Anchor Institutions | 2,320 |

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).

To date, 7 CAIS have received improved broadband access. Their speed increases vary from 10X (from 100Mbps to 1,000Mbps) to 200X (50Mbps to 10,000Mbps).

6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in \$ per month) associated with each retail service. Retail services description:

Current pricing to on-net members is below. Non-members pay an additional 10%.

1G Ethernet Port Connection \$1,650
 10G Ethernet Port Connection \$5,000
 Point to Point Services
 100M Ethernet \$2,000
 1G Ethernet \$5,000
 10 Ethernet \$15,000
 10G Lambda \$5,000

Commodity Internet \$3.00 per Mbps
 Dark Fiber \$700 per strand mile

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?

No policies are in place at this time other than an acceptable use policy. KINBER is working on developing and adopting model policies for network management. KINBER has never blocked or limited a consumer from accessing content or service.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).

0. We haven't experienced anyone dropping service.

9. Please provide the following information regarding the number of fiber strand-miles:

| Total Number of Strand-miles | Total Number of Active Fiber Strand-miles Used by Recipient | Total Number of Leased Fiber Strand-miles | Total Number of Dark Fiber Strand-miles | Total Number of Strand-miles Being Built | | |
|------------------------------|---|---|---|--|--------|------|
| | | | | Active | Leased | Dark |
| | | | | | | |

| | | | | | | |
|--------|-------|--------|--------|---|---|---|
| 77,376 | 3,224 | 38,688 | 35,464 | 0 | 0 | 0 |
|--------|-------|--------|--------|---|---|---|

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
KINBER is not a wholesale provider of fiber. KINBER has made 24 strands available through an IRU.

11. Please provide the following information regarding the facility collocation capacity:

| Total Facility (total square feet for all facilities) | Number of Square Feet Used by Recipient | Number of Square Feet Leased | Number of Square Feet Available |
|---|---|------------------------------|---------------------------------|
| 0 | 0 | 0 | 0 |

12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).
KINBER does not own any facilities or collocation space. Instead, we have entered into agreements for space with CAIs connected to the network.

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).
n/a

14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).
Communication with all stakeholders has been the most important lesson learned. KINBER continues to work to build its brand awareness within Pennsylvania through marketing efforts, gatherings and outreach activities. We are learning not to concentrate on the technology but on the outcomes it can facilitate. Of course, excellent record keeping and transparency help to answer any questions raised and facilitate a positive audit experience. The importance of sustainability planning, especially for new organizations, cannot be overstated.

15. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide an updated list of Community Anchor Institutions (CAIs) that you have connected and plan to connect to your network.

16. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide a list of community pairs that are receiving new or improved broadband service as a result of BTOP grant funds.

17. Please provide up-to-date network route maps in a single file, in a Google Earth compatible format (e.g., KMZ file).