

RECIPIENT NAME:OpenCape Corporation

AWARD NUMBER: NT10BIX5570039

DATE: 11/21/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 6/30/2015

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 NT10BIX5570039	3. DUNS Number 825181949
4. Recipient Organization OpenCape Corporation 3225 Main Street, Barnstable, MA 02630-1105		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2013	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 Daniel R Vortherms	7c. Telephone (area code, number and extension) 508-524-5905 X	
	7d. Email Address dvortherms@opencape.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-21-2013	

Project Indicators (This Quarter)

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

Durign this quarter, OpenCape completed all backbone fiber construction, testing, and acceptance. All fiber laterals in the initial grant application (68) were also completed, tested, and accepted. The total fiber build at this point is 311 route miles of new fiber. The construction punch list was developed and is being worked by the construction companies. All DWDM and carrier Ethernet equipment has been installed and is fully operational.

Construction of the microwave sites continues. The project was granted an additional 60 days for completion primarily due to difficulties in permitting of the microwave network. Licenses/leases for 12 of 15 microwave sites are in hand. One of the license previously held expired and we are working all to complete. Site construction on 5 sites is essentially complete, waiting setting of equipment cabinets that have been pre-populated and pre-tested. Construction is underway on 3 additional sites. A site legal complication is holding up construction of one site. Construction of 3 sites are ready to start once local permits are released.

All work has been completed in the Regional Collocation Data Center. The virtual machine/storage area network environment has been installed and configured. Installing an internal network infrastructure was delayed with the additional extension on the project to discuss partnerships to operate the data center or certain data center services.

Engineering work and licensing for the additional 34 laterals continues, with one having been completed already. Utility company make ready time frames will preclude finishing all 34 connections, but these will be worked to complete as many as possible during the extended grant period.

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	95	Microwave component of the project is delaying completion, but also allowing more time for make ready work on the additional laterals. Local permitting processes are holding up the microwave portion of the project.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	99	Rights of way for the microwave (leases) and pole licenses on the additional make ready are remaining.
2e.	Construction Permits and Other Approvals	99	Special permits and building permits for microwave sites are holding up completion of the project.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	99	Some minor components related to microwave mounts remain to be ordered, depending on approval of construction drawings. Materials are readily available.
2h.	Network Build (all components - owned, leased, IRU, etc)	94	Microwave component approvals are delaying completion of the network build, though allowing more time for make ready work on additional laterals.
2i.	Equipment Deployment	95	Microwave component approvals are delaying completion of the network build, though allowing more time for make ready work on additional laterals.
2j.	Network Testing	97	All fiber testing is complete except the additional laterals. Microwave network testing remains.
2k.	Other (please specify): Misc contract work	99	Remaining microwave site leases are delaying completion of miscellaneous contract work.

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).

Current challenges in completing the project are ongoing license and permit processed with the local government entities for the microwave network. Deferrals in hearings and required public notification times continue to delay the work, even though an individual site can be completed within only a few days. Some construction progress has been held up based on the extended grant period just

to be more efficient in crew scheduling.

In completing the additional laterals, make ready work is still pending. That is holding up start of some work associated with those sites, but is rippling into holding up other work as well given the desire for the most efficient crew scheduling.

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	311	Fiber network is complete with the exception of additional laterals. Completion of the 21 of 34 additional laterals as currently planned will add approximately 2 fiber miles to the overall network.
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)	311	Fiber network is complete with the exception of additional laterals. Completion of the 21 of 34 additional laterals as currently planned will add approximately 2 fiber miles to the overall network.
Number of new wireless links	0	5 sites are essentially complete, waiting on cabinet placement until sufficient sites are ready to warrant crew mobilization. 4 sites are under construction. 3 sites are pending a single permit. Leases are required on 2 sites, and 1 site became the subject of a legal disagreement between the town and tower owner.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	82	13 backbone and 69 CAI interconnection points established

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	0
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: CapeNet LLC has a long term agreement as the operator of the OpenCape network. CapeNet offers retail services to end users on the network, and works with those entities that would like to be connected to the network.

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:

No wholesale services are offered by OpenCape.

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 third party operates (600 words or less).

OpenCape awarded a contract to CapeNet LLC to design, build, and operate the OpenCape network. CapeNet LLC is a joint venture

of Lightbridge Inc (formerly Telecom Global Inc). and CapeNet Partners, Inc. CapeNet LLC is a contractor. The primary contact for CapeNet LLC is Alan Davis, 1900 West Park Drive, Suite 280, Westborough, MA 01581, 508-983-1475.

OpenCape has licensed CapeNet LLC to operate and maintain the entire network including all microwave components, and to sell both lit and dark services on a portion of the fiber exclusive of the OpenCape reserve.

The project does not include any sub recipients.

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	0	OpenCape has no signed agreements in place. OpenCape and its network operator are engaging last mile providers in order to develop potential last mile solutions.
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	Total subscribers served	69	CAIs are connected to the network and the network is available for service. CAIs are working through their budgeting cycles, contractual requirements, schedules, etc prior to signing up for service. Barnstable County indicated they would be issuing an RFP for services for all towns, schools, and non-profits that may be connected to the network. OpenCape is waiting on that RFP.
	Subscribers receiving new access	0	Delay in microwave network
	Subscribers receiving improved access	69	Delay in microwave network and additional utility company make ready.
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	69	Speed tiers available run continuously the range of 10 Mbps through 1 Gbps, defined by the customer requirements.
	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
Businesses	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	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

7. Please describe any special offerings you may provide (600 words or less).
 OpenCape intends to offer a Municipal Regional Area Network allowing towns on the Cape to communicate within the network at shared 1 Gbps speeds within the service segments of the network (a total of 7 Gbps aggregated capacity on the Cape) and a shared 1 Gbps connection to the Internet. The on-net connectivity includes connectivity into the regional collocation data center. Offering such service is dependent on the County issuing an RFP to act as the procurement function for the towns and schools that may be connected to the network.

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
Cape Cod Community College	Barnstable	Community College	No	Connected, planning underway with the College on services they intend to offer K12 schools in the area.
Cape Cod Community College Wilkens Library	Barnstable	Library	No	Connected, planning underway with the College on services they intend to offer K12 schools in the area.
Dennis Public Library	Dennis	Library	No	Connected. Libraries will not shift service providers during their busy summer months.

Project Indicators (Next Quarter)

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

The project will be completed by November 30, 2013, at which time the close out period will begin. The project will include the original project scope plus 20 additional laterals. Total CAIs connected would be 92. The microwave network will be completed and the data center completely operational. The microwave network would account for an additional 94 miles of overall network miles if all links can be built.

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	100	Complete
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	0	N/A
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Complete
2i.	Equipment Deployment	100	Complete
2j.	Network Testing	100	Complete

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2k.	Other (please specify): Misc contract work	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).

Completion of the microwave sites will be a challenge. Local permitting processes operate on a timeline that cannot easily be influenced by OpenCape, with some mandatory public review and objection periods.

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	\$2,228,962	\$616,189	\$1,612,773	\$2,083,393	\$616,583	\$1,466,810	\$2,229,356	\$616,583	\$1,612,773
b. Land, structures, right-of-ways, appraisals, etc.	\$750,000	\$750,000	\$0	\$750,000	\$750,000	\$0	\$750,000	\$750,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Other architectural and engineering fees	\$1,887,204	\$565,662	\$1,321,542	\$1,807,053	\$597,086	\$1,209,967	\$1,918,628	\$597,086	\$1,321,542
f. Project inspection fees	\$1,066,100	\$165,000	\$901,100	\$800,002	\$107,346	\$692,656	\$1,033,930	\$133,177	\$900,753
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$88,483	\$86,000	\$2,483	\$88,835	\$86,005	\$2,830	\$88,835	\$86,005	\$2,830
i. Construction	\$22,939,955	\$3,906,449	\$19,033,506	\$21,540,211	\$3,296,903	\$18,243,308	\$22,915,012	\$3,906,449	\$19,008,563
j. Equipment	\$11,200,689	\$2,000,000	\$9,200,689	\$11,012,081	\$1,786,449	\$9,225,632	\$11,225,632	\$2,000,000	\$9,225,632
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$40,161,393	\$8,089,300	\$32,072,093	\$38,081,575	\$7,240,372	\$30,841,203	\$40,161,393	\$8,089,300	\$32,072,093
m. Contingencies									
n. TOTALS (sum of l and m)	\$40,161,393	\$8,089,300	\$32,072,093	\$38,081,575	\$7,240,372	\$30,841,203	\$40,161,393	\$8,089,300	\$32,072,093

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