

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570076	<b>3. DUNS Number</b>  829946784
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<b>4. Recipient Organization</b>  Vermont Telecommunications Authority One National Life Drive, Montpelier, VT 05602-3377
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<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2014	<b>6. Is this the last Report of the Award Period?</b>  <input checked="" type="radio"/> Yes <input type="radio"/> No
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**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.

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Chris Campbell	<b>7c. Telephone (area code, number and extension)</b>  8028281799
	<b>7d. Email Address</b>  ccampbell@telecomvt.org

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  03-26-2015
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**Project Indicators (This Quarter)**

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

A. The project was completed during the quarter (ended September 30, 2014).

B. All construction that was authorized in the project was finished by the end of the quarter.

C. This quarter there were three AARs approved that made adjustments, additions and removals of CAIs & POIs, bringing total to 316 and 109 respectively.

D. Installation, testing and configuration of network electronics was completed this quarter.

E. Project engineers have concluded field reviews of completed work to verify the completeness / quality of construction work, and ensure appropriate resolution of "punch-list" items. As-built documentation and mileage true-ups continue this quarter.

F. Project engineers will continue to document the completed network on "as-built" plans, and to load strand assignments and other network information into the network inventory platform.

G. The project total of CAIs reached was 316 sites : 7 Community College, 44 Libraries, 31 Medical or Healthcare Providers, 5 Other Community Support Organization, 73 Other Government Facilities, 22 Other Institutions of Higher Education, 29 Public Safety Entity, 105 School (k-12). The net benefit of many of these institutional groups is that they are able to create a more robust Wide Area Network, which in turn can deliver much greater capacity Internet service at a lower aggregated cost. Many school districts, higher education networks, municipal / state facilities, and medical institutions greatly benefited from the project in this way. The underlying infrastructure now enables these institutions to share resources, utilize internet based systems and services that was previously unable to be used.

H. Many of the 109 POI locations were fiber connections to cell towers, some new and some that were lacking the fiber facilities to support the data growth needs of the cellular and wireless carriers.

I. In addition for providing new fiber-based backhaul alternatives at cell towers, the project is providing backhaul options for a VTA-funded project to expand cellular service along "target corridors" in rural mountain valleys using small cell installations.

J. The project has provided new, lower-cost and higher-capacity options commodity internet bandwidth to small last-mile wireless and cable Internet service providers serving rural communities in Vermont, as well as community anchor institutions.

**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	100	Project complete at 101% of budget.
2b.	Environmental Assessment	100	Project complete at 49% of budget.
2c.	Network Design	100	Project complete at 105% of budget.
2d.	Rights of Way	0	Expenditures for rights of way are budgeted under Network Design, consistent with NTIA project accounting guidance.
2e.	Construction Permits and Other Approvals	100	Project complete at 121% of budget.
2f.	Site Preparation	100	Project complete at 74% of budget.
2g.	Equipment Procurement	100	Project complete at 141% of budget.
2h.	Network Build (all components - owned, leased, IRU, etc)	100	Project complete at 90% of budget.
2i.	Equipment Deployment	100	Project complete at 114% of budget.
2j.	Network Testing	0	A separate budget for Network Testing was not established, as network testing services were included in Network Build.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2k.	Other (please specify): Administration & Legal, Miscellaneous expenses	100	Project complete at 158% of budget.

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).

Sovernet was unable to obtain rights [REDACTED] to reach one POI location at [REDACTED]. This POI location was moved [REDACTED].

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	828	The original baseline plan was to have 773 route miles constructed at project completion. Actual network miles deployed differs slightly from the original baseline due to the net effect of route changes approved by the NTIA, as well as differences between original route length estimates and "actuals as-built". In 3Q2014, NTIA approved three AARs that changed the project's route miles. This total includes 13 miles constructed by sub-recipient NHOS.
New network miles leased	172	The baseline was originally for a 16 mile segment in Rutland county which later became 17 miles and moved to "Existing network miles leased". This number represents the Boston IRU which was added to the project in AAR 2411138 with estimated miles. This number was later confirmed to actually be 172 miles.
Existing network miles upgraded	0	N/A
Existing network miles leased	17	Original baseline was 0 but we were instructed to move a leased fiber segment from "New network miles leased" to this line. Sovernet has leased 17 miles of 144 strand from a first round BTOP recipient company named ION, which is a subsidiary of Sovernet. Also to note, the agreement did not use BTOP funds.
Number of miles of new fiber (aerial or underground)	1,000	The combination of both new network fiber miles built and new leased fiber miles.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	109	The initial baseline for interconnection points was 16, which excluded interconnection points at cell sites. This quarter there were two AARs that made adjustments, additions and removals of POIs. The adjustment stated above in paragraph C of the narrative response to Question 1 brings the total to 109.

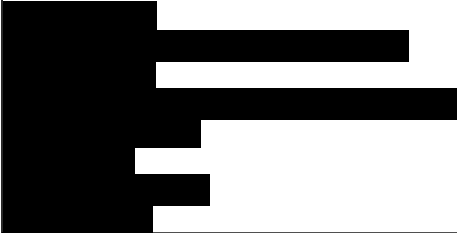
For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

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	

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	8
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	16

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:



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:

GigE WAN Transport, and Direct Internet Access are offered by subrecipient Sovernet Fiber Corp over the Vermont FiberConnect Network.

Dark fiber is offered through Dark Fiber Lease with the VTA between Guildhall VT and Bloomfield VT

Price descriptions included in the files attached to this report called "VTA FiberConnect Rate Sheet.pdf" and "VTA Wholesale Dark Fiber Rate Sheet.pdf".

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).

NEW HAMPSHIRE OPTICAL SYSTEMS, Inc. is the operating entity of the dark fiber segment between Guildhall VT and Bloomfield VT. Contact info: Darren LaCroix, dlacroix@10xtactics.com, NEW HAMPSHIRE OPTICAL SYSTEMS, Inc. 10 N. Southwood Drive, Nashua NH 03063

All other elements of the network are owned and operated by Subrecipient, Sovernet Fiber Corp..

Contact info at Sovernet: Lawrence Lackey, LLackey@sover.net, 5 Canal Street, Bellows Falls, VT 05101-0495.

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	6	Variance from baseline was increased from original known potential agreements due to continued discussions with Wholesale and Last Mile Providers that have resulted in an increase from 1 to 6 with new access.
	Providers with signed agreements receiving improved access	2	No variance from original baseline.
	Providers with signed agreements receiving access to dark fiber	0	The VTA's dark fiber offering in the Essex County area currently does not have any contracts under negotiation as the northern terminus is waiting on a fiber build by the regional electric utility to be completed.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	<p>Please identify the speed tiers that are available and the number of subscribers for each</p>	<p>■</p>	<p>Speed tiers are customized based on the need of need of broadband wholesaler or last mile provider, up to 100 Gbps.</p> <p>These service tiers are various levels of bandwidth connections for last mile providers. Sovernet also services CAIs via resellers &amp; last mile providers at the speeds shown below for CAIs so there is the potential for this total to grow if a last mile provider or wholesaler takes another level of service. The service tiers identified in the service tier rate sheet is not restricted to any customer type. It is also more logical that only a wholesale / last mile provider will subscribe to a transport type service tier.</p> <p>Dedicated Internet Access Service (Mbps, Committed-Rate, Symmetric) : # of Subscribers:</p> <p>10 Mbps: ■                  20 Mbps: ■                  25 Mbps: ■                  30 Mbps: ■                  40 Mbps: ■                  50 Mbps: ■                  100Mbps: ■                  200 Mbps: ■                  300 Mbps: ■                  400 Mbps: ■                  500 Mbps: ■                  600 Mbps: ■                  700 Mbps: ■                  750 Mbps: ■                  800 Mbps: ■                  900 Mbps: ■                  1,000 to 10,000 Mbps: ■</p> <p>Ethernet WAN Service:                  Committed Information Rate / Port Speed (in Mbps) : # of Subscribers</p> <p>25 / 1,000 Mbps: ■                  50 / 1,000 Mbps: ■                  100 / 1,000 Mbps: ■                  200 / 1,000 Mbps: ■                  300 / 1,000 Mbps: ■                  400 / 1,000 Mbps: ■                  500 / 1,000 Mbps: ■                  600 / 1,000 Mbps: ■                  700 / 1,000 Mbps: ■                  750 / 1,000 Mbps: ■                  800 / 1,000 Mbps: ■                  900 / 1,000 Mbps: ■                  1,000 / 1,000 Mbps: ■</p> <p>There no speed tiers associated with dark fiber as it is not applicable.</p>
<p><b>Community Anchor Institutions (including Government institutions)</b></p>	<p><b>Total subscribers served</b></p>	<p>316</p>	<p>VTA's CAI baseline is 342. The end of project target CAI count was 316 after all AARs are accounted for. In addition, laterals have been extended to the closest utility pole serving 32 medical offices/clinics, ■.</p> <p>Eight CAIs were connected this quarter to bring the total connected to 316.</p>
	<p><b>Subscribers receiving new access</b></p>	<p>316</p>	<p>See narrative above, regarding total CAI subscribers served.</p>
	<p><b>Subscribers receiving improved access</b></p>	<p>0</p>	<p>N/A</p>

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	<p>Please identify the speed tiers that are available and the number or subscribers for each</p>	<p>█</p>	<p>Speed tiers are customized to individual customer need, and can be as much as 10 Gbps. CAI's currently using VFC services are utilizing GigE WAN Transport and Dedicated Internet Access services. █ of the 316 connected CAIs are taking service in the following tiers: (note that █ CAIs take both Dedicated Internet Service and WAN services). Some CAIs are still waiting for their existing broadband contract term to expire.</p> <p>Dedicated Internet Access Service: (Service speed : # of CAI's Subscribed)</p> <p>10 Mbps: █                  20 Mbps: █                  25 Mbps: █                  30 Mbps: █                  40 Mbps: █                  50 Mbps: █                  100Mbps: █                  200 Mbps: █                  300 Mbps: █                  400 Mbps: █                  500 Mbps: █                  600 Mbps: █                  700 Mbps: █                  750 Mbps: █                  800 Mbps: █                  900 Mbps: █                  1,000 to 10,000 Mbps: █</p> <p>Ethernet WAN Service: (Service speed / Port Speed : # of CAI's)</p> <p>25 / 1,000 Mbps: █                  50 / 1,000 Mbps: █                  100 / 1,000 Mbps: █                  200 / 1,000 Mbps: █                  300 / 1,000 Mbps: █                  400 / 1,000 Mbps: █                  500 / 1,000 Mbps: █                  600 / 1,000 Mbps: █                  700 / 1,000 Mbps: █                  750 / 1,000 Mbps: █                  800 / 1,000 Mbps: █                  900 / 1,000 Mbps: █                  1,000 / 1,000 Mbps: █</p>
<p><b>Residential / Households</b></p>	<p>Entities passed</p> <p>Total subscribers served</p> <p>Subscribers receiving new access</p> <p>Subscribers receiving improved access</p> <p>Please identify the speed tiers that are available and the number of subscribers for each</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>
<p><b>Businesses</b></p>	<p>Entities passed</p> <p>Total subscribers served</p> <p>Subscribers receiving new access</p> <p>Subscribers receiving improved access</p>	<p>0</p> <p>0</p> <p>0</p> <p>0</p>	<p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>

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	0	N/A

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
Department of Public Safety - Mt. Equinox	Manchester, VT	Public Safety	Yes	Connection to State of Vermont WAN.
Westminster Center School	Westminster, VT	K12	Yes	Improved Internet access to support learning.
Manchester Community Library (MARK SKINNER)	Manchester, VT	Library	Yes	Internet access for library staff and patrons.
Addison Rutland Supervisory Union	Fair Haven, VT	K12	Yes	Connection to school district WAN.
Quechee Library	Quechee, VT	Library	Yes	Internet access for library staff and patrons.
State Gov't Office - 10 Taylor Street	Montpelier, VT	Other Govt	Yes	Connection to State of Vermont WAN.
State of Vermont, Psychiatric Care Hospital	Berlin, VT	Medical	Yes	Improved connectivity to support medical services
State Gov't Office - 219 North Main	Barre, VT	Other Govt	Yes	Connection to State of Vermont WAN.

**Project Indicators (Next Quarter)**

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

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)

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	100	Project complete at 101% of budget.
2b.	Environmental Assessment	100	Project complete at 49% of budget.
2c.	Network Design	100	Project complete at 105% of budget.
2d.	Rights of Way	0	Expenditures for rights of way are budgeted under Network Design, consistent with NTIA project accounting guidance.
2e.	Construction Permits and Other Approvals	100	Project complete at 121% of budget.
2f.	Site Preparation	100	Project complete at 74% of budget.
2g.	Equipment Procurement	100	Project complete at 141% of budget.
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Project complete at 90% of budget.
2i.	Equipment Deployment	100	Project complete at 114% of budget.
2j.	Network Testing	0	A separate budget for Network Testing was not established, as network testing services were included in Network Build.
2k.	Administration & Other (please specify): Legal, Miscellaneous	100	Project complete at 158% of budget.

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).



**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	\$1,956,141	\$590,272	\$1,365,869	\$2,520,617	\$872,074	\$1,648,543	\$2,520,617	\$872,074	\$1,648,543
b. Land, structures, right-of-ways, appraisals, etc.	\$1,151,500	\$345,450	\$806,050	\$842,711	\$252,813	\$589,898	\$842,711	\$252,813	\$589,898
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,017,040	\$905,112	\$2,111,928	\$3,447,078	\$1,036,943	\$2,410,135	\$3,447,078	\$1,036,943	\$2,410,135
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$3,400,000	\$1,020,000	\$2,380,000	\$3,496,652	\$1,048,996	\$2,447,656	\$3,496,652	\$1,048,996	\$2,447,656
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$30,720,083	\$9,216,025	\$21,504,058	\$26,634,533	\$8,011,363	\$18,623,170	\$26,634,533	\$8,011,363	\$18,623,170
j. Equipment	\$7,522,996	\$2,584,499	\$4,938,497	\$10,608,665	\$3,708,465	\$6,900,200	\$10,608,665	\$3,708,465	\$6,900,200
k. Miscellaneous	\$410,000	\$123,000	\$287,000	\$1,105,429	\$331,629	\$773,800	\$1,105,429	\$331,629	\$773,800
<b>l. SUBTOTAL (add a through k)</b>	<b>\$48,177,760</b>	<b>\$14,784,358</b>	<b>\$33,393,402</b>	<b>\$48,655,685</b>	<b>\$15,262,283</b>	<b>\$33,393,402</b>	<b>\$48,655,685</b>	<b>\$15,262,283</b>	<b>\$33,393,402</b>
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	<b>\$48,177,760</b>	<b>\$14,784,358</b>	<b>\$33,393,402</b>	<b>\$48,655,685</b>	<b>\$15,262,283</b>	<b>\$33,393,402</b>	<b>\$48,655,685</b>	<b>\$15,262,283</b>	<b>\$33,393,402</b>

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
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