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** NT10BIX5570081	**3. DUNS Number** 022555952

4. Recipient Organization

District of Columbia Government 441 4th St., NW, Suite 930S, Washington, DC 20001-2714

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	**6. Is this the last Report of the Award Period?** ◯ Yes ⦿ 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 Joseph Carella BTOP Program Consultant	**7c. Telephone (area code, number and extension)** 2027153743
	7d. Email Address joe.carella@dc.gov
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 02-28-2012

Project Indicators (This Quarter)

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

District of Columbia's Office of the Chief Technology Officer (OCTO's) DC-Net unit continues to make progress on the DC Community Access Network (DC-CAN).

Approximately twenty-two (22) additional miles of DC-CAN backbone and distribution fiber was installed this quarter, bringing total to forty-five (45) miles. Fourteen (14) new DC-CAN Community Anchor Institutions (CAI's) were installed and are operational, bringing total to thirty-one (31). An additional twenty-four (24) existing Anchor sites were upgraded, bringing the total to thirty-three (33).

DC-CAN's outreach efforts continued, with public presentations in Wards 7, 8 and 5. DC-CAN continues to work with possible high-speed internet service providers, for last-mile services; currently in discussion with possible partners. To date, no agreements have been signed for these services.

One additional DC-CAN mega-point-of-presence (megaPOP) sites for partner inter-connection were installed this quarter, bringing the total to three (3) sites. The new megaPOP is located at: Reeves Building (2000 14 St NW).

In November, OCTO and DC-NET hosted the National Telecommunications and Information Administration (NTIA) program team for the DC-CAN Site Visit. In December, District of Columbia Mayor Gray and OCTO hosted, with NTIA representatives, a press conference with Mayor Gray, announcing DC-CAN's 100 gigabit-per-second (Gbps) infrastructure.

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	31	OCTO's DC-Net has expended 31% of DC-CAN project funds vs. forecast target of 37% of funds planned to be expended by this quarter, and 66% baseline target. DC-CAN is making every effort to quickly catch up. The initial delay was due to shortage of fiber availability. Internal reviews at Community Anchors took longer than anticipated, resulting in delays in securing signed agreements. Now sign-ups are proceeding quickly; we are making good progress in identifying and turning up new community anchors (CAIs) and completing upgrades. Fiber installation is accelerating. In summary, DC-CAN will meet the 67% completion target by June 2012; and DC-CAN will be fully complete by June 2013. In addition to equipment already received and construction completed, invoices are pending payment. Once paid, overall project progress would be measured at approximately 34%.
2b.	Environmental Assessment	100	Completed earlier, as per Baseline.
2c.	Network Design	60	On target with Baseline.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	N/A
2f.	Site Preparation	0	N/A

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	49	OCTO's DC-Net has spent 49% of DC-CAN project funds vs. forecast target of 58% of funds planned to be expended by this quarter, and 90% baseline target. DC-CAN will be caught up with the Baseline commitment by quarter ending September 2012. DC-Net is managing the DC-CAN equipment purchases consistent with the Community Anchor turnup, to support more just-in-time delivery of equipment.
2h.	Network Build (all components - owned, leased, IRU, etc)	10	DC-Net has installed twenty-two (22) new linear miles of DC-CAN fiber cable, bringing the total installed mileage to forty-five (45) miles. DC-CAN will be caught up with baseline network build targets by quarter ending December 2012. DC-CAN began providing services to fourteen (14) additional new Community Anchor Institutions (CAI's), bring the total served to thirty-one (31) new CAI's served. DC-CAN had twenty-four (24) new CAI upgrades this quarter, bringing the total to thirty-three (33) upgraded CAI's. DC-CAN installed one (1) additional point of interconnection (mega-points-of-presence, or mega-POP), bringing the total to three (3) mega-POPs. OCTO's DC-Net has expended 10% of DC-CAN project funds vs. baseline target of 44% of funds planned to be expended by this quarter.. Due to the delays in fiber availability, network build has been held back behind what was expected during baseline planning. However, DC-CAN's re-forecast of expected network build remains on track, and this quarter's targets were met. We expect to meet future quarters' targets.
2i.	Equipment Deployment	27	DC-CAN began providing services to fourteen (14) additional new Community Anchor Institutions (CAI's), bring the total served to thirty-one (31) new CAI's served. DC-CAN had twenty-four (24) new CAI upgrades this quarter, bringing the total to thirty-three (33) upgraded CAI's. DC-CAN installed one (1) additional point of interconnection (mega-points-of-presence, or mega-POP), bringing the total to three (3) mega-POPs. DC-Net has spent 27% vs. DC-CAN Baseline target of 41% planned to be expended by this quarter, measured as proportion of new and upgraded anchors against project commitments (223 new plus 68 upgraded anchors). DC-Net is catching up on equipment deployment, as community anchor agreements are finalized. As the rate of CAI sign-ups continues to improve, equipment deployment will improve quickly.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2j.	**Network Testing**	10	DC-Net has tested the installed fiber, and confirmed the new and upgraded Community Anchors are performing as expected. DC-Net has spent 10% vs. DC-CAN Baseline target of 44% planned to be expended by this quarter, measured as proportion of fiber installed against planned fiber miles. Network testing is proportional to the network build. DC-CAN is testing the network as it is installed; we will stay consistent with the network build ratios.
2k.	**Other (please specify):** **Finance, Compliance, Reporting, Administration**	41	DC-Net has spent 41% vs. DC-CAN Baseline target of 46% planned to be expended by this quarter. This is just slightly behind, but within our expected budget planning variance, as it is five (5) percent.

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).

As a government entity vigorously seeking the best value for all dollars expended, any major purchase requires close review and competitive bidding processes performed by our Office of Contracts and Procurements (OCP). This DC-CAN program is critically important to the District, and has spent over $7.9 million (grant, match) on the DC-CAN initiative.

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	45	DC-Net has installed forty-five (45) miles of new DC-CAN fiber, against the Baseline target of seventy-seven (77) miles. Cost expenditures proportional to fiber implementation budget estimate. Due to the delays in fiber availability, network build has been held back behind what was expected during baseline planning. However, DC-CAN's re-forecast of expected fiber installation remains on track, and this quarter's targets were met. We expect to meet future quarters' targets. For the coming quarter, we anticipate completing installation of twenty (20) additional fiber miles, for a total of sixty-five (65) miles installed.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of miles of new fiber (aerial or underground)	45	DC-Net has installed forty-five (45) miles of new DC-CAN fiber, against the Baseline target of seventy-seven (77) miles. Cost expenditures proportional to fiber implementation budget estimate. Due to the delays in fiber availability, network build has been held back behind what was expected during baseline planning. However, DC-CAN's re-forecast of expected fiber installation remains on track, and this quarter's targets were met. We expect to meet future quarters' targets. For the coming quarter, we anticipate completing installation of twenty (20) additional fiber miles, for a total of sixty-five (65) miles installed.
Number of new wireless links	0	Installation of the wireless access points at the nineteen (19) new Community Anchor Institutions has not yet begun. DC-Net has reviewed all the new and upgraded anchors, and confirmed which anchors can have wireless access points (WAPs) installed this quarter; this is the case for anchors whose property has no historic value. For those which require permits, we will begin permit applications, which will route through the District's Office of Planning (OP). OP, which serves as the State Historic Preservation Office (SHPO), will review the permits, and provide guidance on proper placement of WAPs on historic and significant buildings in the District. Once they have reviewed and provided placement guidance, we will proceed with installation. OCTO's DC-Net commits to deployment levels of 30% and 100% by June 30, 2012 and June 30, 2013, respectively, on this metric.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	3	DC-CAN has completed implementation at three (3) inter-connect, open access, mega-point-of-presence (megaPOP) sites. Cost expenditures proportional to megaPOP implementation budget estimate. This is on pace with the Baseline target of three (3) inter-connect points.

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	2

Indicators	
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:

No agreements have been executed, as of the close of the reporting period. OCTO expects to have zero (0) last-mile partners under contract by the March 2012 reporting period.

DC-Net expects that the average negotiated term of any agreements will be three years (twelve quarters).

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:

N/A

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).

OCTO's DC-Net will operate the network.

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	DC-CAN has executed no agreements with broadband wholesalers, last-mile providers, or high-speed internet access providers. Baseline had expected three (3) signed agreement to be in place. We are in negotiation phase.
	Providers with signed agreements receiving improved access	0	DC-CAN has modified no agreements with broadband wholesalers, last-mile providers, or high-speed internet access providers. Baseline had expected one (1) upgraded partner agreement to be in place. We are in negotiation phase.
	Providers with signed agreements receiving access to dark fiber	0	Consistent with Baseline target of zero.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Consistent with Baseline.
Community Anchor Institutions (including Government institutions)	**Total subscribers served**	64	DC-CAN currently serves sixty-four (64) Community Anchor Institutions (CAI's), including thirty-one (31) new and thirty-three (33) upgraded CAI's. Baseline target had planned one hundred thirty-five (135) CAI's, including eighty-five (85) new and fifty (50) upgraded CAI's. The enrollment process has ramped up more slowly than originally planned, due to internal reviews at prospective anchors. The enrollment process is realizing results, and anchor sign-ups improved significantly in the last quarter. We expect that momentum to continue.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
			For the coming quarter, we intend to have an additional forty-five (45) new CAI's, for a total of seventy-six (76) new CAI's served. There will also be twenty (20) additional upgrades, for a total of fifty-three (53). In total, we intend to be serving one hundred twenty-nine (129) new and upgraded anchors.
	Subscribers receiving new access	31	DC-CAN currently serves thirty-one (31) new Community Anchor Institutions (CAI's). Baseline target had planned eighty-five (85) new CAI's. DC-CAN will be caught up with new community anchor targets by quarter ending June 2012. The enrollment process has ramped up more slowly than originally planned. However, the enrollment process is realizing results, and anchor sign-ups improved significantly in the last quarter. We expect that momentum to continue. For the coming quarter, we intend to have an additional forty-five (45) new CAI's, for a total of seventy-six (76) new CAI's served.
	Subscribers receiving improved access	33	DC-CAN currently serves thirty-three (33) upgraded CAI's. Baseline target had planned fifty (50) upgraded CAI's. DC-CAN will be caught up with upgraded community anchor targets by quarter ending June 2012. For the coming quarter, we intend to upgrade an additional twenty (20) upgraded CAI's, for a total of fifty-three (53) upgrades by the end of the quarter.
	Please identify the speed tiers that are available and the number or subscribers for each	5	DC-CAN offers subscribers five (5) different speed tiers of service, ranging from 10 megabit-per-second (Mbps) to 100 Mbps. 10 Mbps subscribers = 60. 20 Mbps subscribers = 1. 30 Mbps subscriber = 1. 40 Mbps subscriber = 1. 100 Mbps subscriber = 1. Total = 64 community anchors.
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	N/A
Businesses	**Entities passed**	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving improved access	0	N/A
	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).

None, at this time.

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
See PPR CCI Addendum	**District of Columbia**	**Addendum**	**Addendum**	**See PPR CCI Addendum**

Project Indicators (Next Quarter)

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

For the next quarter, DC-CAN expects to install an additional forty-five (45) new Community Anchor Institutions (CAI's), for a total of seventy-six (76) new CAI's. Second, we will complete the upgrade of an additional twenty (20) existing CAI's, for a total of fifty-three (53) upgraded CAI sites. Total anchors served (new and upgraded) will be one hundred twenty-nine (129) by the end of the quarter. In addition, DC-CAN will install an additional twenty (20) miles of fiber, for a total of sixty-five (65) fiber miles installed. DC-CAN will have one (1) additional inter-connect mega-POP's operational, for a total of four (4). Finally, DC-CAN expects to continue to negotiate Agreements with high-speed internet service providers; however, we do not expect any signed agreements.

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**	44	Delays in the DC-CAN project caused by fiber procurement may take longer than next quarter to catch up with the baseline. Revised forecast is 44%; original baseline was 66%. OCTO's DC-Net commits to deployment levels of 67% and 100% by June 30, 2012 and June 30, 2013, respectively, for the overall project. A new fiber procurement is currently out for public bid, through District's Office of Contracts and Procurement (OCP). A contract is expected to be awarded in early March.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2b.	Environmental Assessment	100	Completed.
2c.	Network Design	70	Consistent with Baseline Target.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	0	N/A
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	61	Original baseline was 90% of total Equipment budget. Revised forecast is 61%. OCTO's DC-Net commits to deployment levels of 67% and 100% by June 30, 2012 and June 30, 2013, respectively, for the overall project. DC-Net is managing the DC-CAN equipment purchases consistent with the Community Anchor turnup, to support more just-in-time delivery of equipment.
2h.	Network Build (all components - owned, leased, IRU, etc.)	37	Original baseline was 51% of total. Revised forecast is 37%. OCTO's DC-Net commits to deployment levels of 67% and 100% by September 30, 2012 and June 30, 2013, respectively, for the overall project.
2i.	Equipment Deployment	44	Original baseline was 51% of total. Revised forecast is 44%. OCTO's DC-Net commits to deployment levels of 67% and 100% by September 30, 2012 and June 30, 2013, respectively, for the overall project.
2j.	Network Testing	36	Original baseline was 51% of total. Revised forecast is 36%. Testing efforts are proportional to the amount of fiber installed. OCTO's DC-Net commits to deployment levels of 67% and 100% by September 30, 2012 and June 30, 2013, respectively, for the overall project.
2k.	Other (please specify): Finance, Project Management, Reporting, Compliance.	55	Consistent with Baseline target. OCTO's DC-Net commits to levels of 67% and 100% by June 30, 2012 and June 30, 2013, respectively, for the overall project.

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).

Delays in the DC-CAN project caused by fiber procurement and internal delays in community anchor decision processes to convert to DC-CAN from their existing providers may cause a longer-than-one-quarter catch-up period, to be consistent with baseline. DC-Net expects to be caught up to baseline spend by the June 2012 quarter, at which point DC-CAN will be at the 67% target.

Regarding deploying DC-CAN services to potential Community Anchor Institutions (CAI's), DC-Net has adjusted its outreach and enrollment approach to focus on consortia representing large groups of potential CAI's, gaining leverage in the enrollment process, and seeking support from credible leaders in affinity groups. DC-CAN is also targeting CAI's which are not part of the originally-planned list, while ensuring they are still consistent with the terms of the award. DC-CAN will seek formal NTIA approval of the proposed changes for community anchors and routes this quarter.

Regarding projected spending for next quarter, OCTO's DC-Net has made the following adjustments as part of a project re-forecast. For next quarter:

1. Equipment expenditures will total over eight ($8 MM) million dollars, with over four ($4 MM) million dollars coming in District match contribution.

OCTO's DC-Net commits to spending levels of 67% and 100% by June 30, 2012 and June 30, 2013, respectively, for equipment procurement.

2. Match proportionality was met this quarter. DC-Net expects to sustain this for all future reporting quarters.

3. Scaled back project inspection fees for the coming quarter to zero. OCTO's DC-Net may submit a budget revision, should the original target be too high.)

4. Inspection fees will be considered as a component of construction. DC-CAN will propose reclassifying inspection fees to Construction, as part of a planned budget revision.

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.

Cost Classification	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		
	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	$0	$0	$0	$0	$0	$0	$0	$0	$0
b. Land, structures, right-of-ways, appraisals, etc.	$0	$0	$0	$0	$0	$0	$0	$0	$0
c. Relocation expenses and payments	$0	$0	$0	$0	$0	$0	$0	$0	$0
d. Architectural and engineering fees	$1,629,320	$0	$1,629,320	$919,789	$0	$919,789	$1,115,000	$0	$1,115,000
e. Other architectural and engineering fees	$0	$0	$0	$0	$0	$0	$0	$0	$0
f. Project inspection fees	$1,816,750	$0	$1,816,750	$0	$0	$0	$0	$0	$0
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	$8,139,804	$0	$8,139,804	$1,045,071	$0	$1,045,071	$1,500,000	$0	$1,500,000
j. Equipment	$13,369,978	$7,498,088	$5,871,890	$5,906,013	$4,160,950	$1,745,063	$8,200,000	$4,300,000	$3,900,000
k. Miscellaneous	$77,148	$77,148	$0	$62,148	$62,148	$0	$62,148	$62,148	$0
l. SUBTOTAL (add a through k)	$25,033,000	$7,575,236	$17,457,764	$7,933,021	$4,223,098	$3,709,923	$10,877,148	$4,362,148	$6,515,000
m. Contingencies	$0	$0	$0	$0	$0	$0	$0	$0	$0
n. TOTALS (sum of l and m)	$25,033,000	$7,575,236	$17,457,764	$7,933,021	$4,223,098	$3,709,923	$10,877,148	$4,362,148	$6,515,000

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