ANNUAL PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570084	836204271

4. Recipient Organization

Iowa Health System 1200 Pleasant Street, Des Moines, IA 50309-1406

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Annual Report of the Award Period?
12-31-2013	⊙ **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	7c. Telephone (area code, number and extension)
Stephanie Young	X
	7d. Email Address
	YoungSJ@ihs.org

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	04-15-2014

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)	$10,000	Deep urban and longer rural fiber construction builds boring through rock were a direct result of increased construction costs. Cost was also driven due to longer than expected winter season that condensed the construction schedule.
Average cost per household passed (Last Mile)	N/A	N/A
Average cost per subscriber (Last Mile)	N/A	N/A
Maximum broadband speed advertised (Middle Mile)	10G	No Variance from Baseline Plan
Maximum broadband speed advertised (Last Mile)	N/A	N/A
Average broadband speed provided (Middle Mile)	100M	No Variance from Baseline Plan
Average broadband speed provided (Last Mile)	N/A	N/A

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
See Attachment	See Attachment	See Attachment	See Attachment

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**)
Broadband, Inc. (BBI) is a subrecipient and subsidiary of Iowa Health System. Final interconnection agreements were 14, and provided below:

Cedar Falls Utilities
US Secure Hosting Center
Bellevue Municipal Utilities
Enseva Data Center
Mahaska Communications Group
Osage Municipal Utilities
FiberComm
InfoBunker
Harlan Municipal Utilities
VS Enterprises
City of Denison
Professional Computer
City of Maquoketa
City of Charles City

BBI has not denied any request for peering or transit agreements.

Peering and Transit Agreements (600 words or less)

Broadband, Inc. (BBI) is a subrecipient and subsidiary of Iowa Health System. Currently BBI has not entered into any peering agreements. BBI currently has 14 middle mile transit agreements with customers.

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)	0	**Public Housing**	0
Libraries	0	**Other Institutions of Higher Education**	0
Medical and Healthcare Providers	1,535	**Other Community Support Organizations**	0
Public Safety Entities	105	**Other Government Facilities**	26
Community Colleges	15	**Total Community Anchor Institutions**	1,681

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).

N/A

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:

Wholesale Internet Access Service provides managed access to Internet via Broadband Inc. facilities designed for small to mid sized internet service providers. Pricing attached.

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)?
N/A

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).
N/A

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**
6,522	6,522	198	0	224	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:
N/A

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
2,400	1,720	0	680

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).

Iowa Health System owns the collocation facilities.

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).

One lesson learned earlier on in the project was how quickly technology changes and planning for implementation to those changes can be lengthy. The continuously changing broadband pricing landscape has created challenges as the price for capacity of broadband may change dramatically from the time a recipient identifies competitor data for service offerings until the time revenue can be generated from customers receiving the improved BTOP funded broadband services.

The need to continuously update data and the business model as a result of the increasing demand and reduced pricing landscape of broadband is a necessity to becoming successful as a business vs. the implementation component of the funded BTOP project.

Construction costs have increased as a result of limited construction activities to build in different
locations throughout Iowa and the waiting time for EA approvals have been a challenge as a result of the project modification to eliminate wireless towers and construct broadband fiber. Construction costs continue to be limiting in how much fiber can be built to customers to continue these connections. This continues to be the difficulty when signing rural customers.

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).