

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 NT10BIX5570111	3. DUNS Number 127973282
--	---	--

4. Recipient Organization Northwest Open Access Network 5802 Overlook Avenue NE, Tacoma, WA 98422-1435
--

5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2013	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 Dave Spencer	7c. Telephone (area code, number and extension) 2083436477
	7d. Email Address noanet@chrsolutions.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-20-2013
---	--

--

Project Indicators (This Quarter)

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

The second quarter of 2013 focus is starting and substantially completing construction on most routes and connections to Community Anchor Institutions. For those routes that have not started construction they have completed procurement of construction contractors to begin work by the first of Q3 2013 and contracted completion by end of July, one quarter before the extended and revised end date. NoaNet submitted a route modification to the program for a small three mile change in NE-1 and is working closely with NTIA to gain approval and we expect no further route modifications. Project meetings are being held in a collaborative environment in which all team members involved in the planning, project management and oversight keep abreast of the project status. Sub recipient monitoring continues for those projects or portions of routes left to build or still in process. Weekly project meetings and sub-recipient meetings are being held to assure compliance, and monitor project budget and scope.

Metrics Achieved this past Quarter:

Miles Deployed-149

New Network Miles Leased-N/A

CAI's Connected-16

Broadband Wholesale or Last Mile Providers-1

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	63	As construction continues, this metric picked up and shortened the gap between actual and projected during the quarter. It is anticipated that we will reach this metric in the last quarter of the project timeline.
2b.	Environmental Assessment	100	No Variance.
2c.	Network Design	100	No Variance.
2d.	Rights of Way	90	An aggressive Baseline projection coupled with a longer than anticipated Environmental process has created a lag in projections from actual to baseline. Additional resources were utilized to bring this metric closer to projections during this past quarter. It is anticipated reaching this metric in the third quarter of 2013. This schedule will allow completion of the project as outlined in the BTOP Grant Guidelines.
2e.	Construction Permits and Other Approvals	90	An aggressive Baseline projection coupled with a longer than anticipated Environmental process has created a lag in projections from actual to baseline. Additional resources were utilized to bring this metric closer to projections during this past quarter. It is anticipated reaching this metric in the third quarter of 2013. This schedule will allow completion of the project as outlined in the BTOP Grant Guidelines.
2f.	Site Preparation	90	See narrative above. Anticipation is to bring this metric in line with the Baseline projections during the third quarter of 2013.
2g.	Equipment Procurement	47	Equipment procurement is currently lagging Baseline projections in part due to the delays in the start of construction and readiness of routes for equipment installations, yet will begin to ramp up as routes are built and available for production projected for the second quarter of 2013. A majority of the equipment is already procured, minor spending is anticipated for CPE and final route completion.
2h.	Network Build (all components - owned, leased, IRU, etc)	59	Construction is well underway with significant progress being made in the last quarter. Anticipated completion of the Network Build is slated for the end of the project life cycle in September 2013.
2i.	Equipment Deployment	42	As network construction continues to progress and equipment is able to be connected, this metric will be able to meet the baseline projections. Based on aggressive baseline projections and a prolonged environmental process, this metric will be met by the end of the project timeline in September.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2j.	Network Testing	40	Network testing is well underway with segments already being completed. As routes are built and equipment installed, testing is initiated and will mirror the Network Build schedule time line with final testing being completed in September of 2013.
2k.	Other (please specify):	0	N/A

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).

Construction is moving along well with CAI's being connected. We anticipate challenges in completing all CAI connections in the prescribed timeframe even with the No Cost Extension in place.

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	321	With an elongated environmental process and re-budgeting prior to project start, this metric has not met the original aggressive projections that were established during the initial phase of planning. This metric will meet projections during the final quarter of the project. Construction is complete on the NE-1, NE-2, NE-3 and NC-3 routes of the project with additional routes in various stages of construction.
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)	321	See 'New Network Miles Deployed' above.
Number of new wireless links	2	Wireless links have been completed.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	34	Interconnection related to new construction has not been made available as construction of select routes are only recently nearing completion. Interconnection will be made available when the balance of Anchor Institutions are brought up. Interconnection will be an ongoing process as the project develops and connectivity to Anchor Institutions is accomplished. Completion of this metric will be met upon final connections to the Network in the third quarter of 2013.

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	50
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 The fifty (50) signed agreements referred to above are comprised of the 37 original or pre-existing wholesale customers with Northwest Open Access with existing agreements pre-dating the Broadband Technologies Opportunity Program award and 13 (thirteen) new agreements from the previous twelve quarters. These contracts and all future agreements as standard verbiage have non-disclosure provisions that prohibit public release of their specific names without prior written consent. The list of pre-existing customers was previously provided to National Telecommunications and Information Administration (NTIA) under separate cover as "Privileged and Confidential" sales and marketing information.

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:
 Northwest Open Access Network provides wholesale services to telecommunications companies, internet providers, application service providers and cable companies throughout the state of Washington. Ethernet, Wave, IP, and TDM Transport Services are among the services provided and available to interested parties.

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).
 Sub Recipients:
 Black Rock Cable Inc., 1512 Fairview St., Bellingham, WA 98229 360-738-3116
 Kitsap Public Utility District, 1431 Finn Hill Road, PO Box 1989, Poulsbo, WA 98370 360-779-7656
 Sawnet,c/o Sawtooth Technologies,50 SE Cascade Ave., Stevenson, WA 98648 509-427-4865
 Kalispel Tribe of Indians, 22 Camas Flat Road, Cusick, WA 99180-0096 509-445-1664
 Jefferson County Public Utility District #1, 230 Chimacum Rd., Port Hadlock, WA 98339 360-385-5800
 Stevens County Public Utility District #1, 3955 3rd Street, Loon Lake, WA 99148 509-233-2534

Negotiations with other third party providers may develop with no final determination made at this time.

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	13	Exceeding Baseline.
	Providers with signed agreements receiving improved access	37	Exceeding Baseline.
	Providers with signed agreements receiving access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	4	9-10 Meg, 25-100 Meg, 9-1 Gig, and 7-10 Gig.
Community Anchor Institutions (including Government institutions)	Total subscribers served	50	Community Anchor Institutions are being brought online in conjunction with the Network Build, as an extended Environmental Approval and permitting has created a lag in start of construction. Current Baseline projections are anticipating meeting this metric in Quarter 3 of 2013. Based on overall delays, this metric will be prolonged out to the final quarter of the project with final CAI's being connected during the final phase of the project.
	Subscribers receiving new access	49	See 'Total Subscribers Served' narrative above.
	Subscribers receiving improved access	1	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	4	45-10 Meg, 5-100 Meg, 0-1 Gig, and 0-10 Gig
Residential / Households	Entities passed	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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
	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).

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
Colville Virtual Academy	Colville	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Colville Junior High School	Colville	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Colville Public Library	Colville	Libraries	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Ferry County Clerk	Republic	Public Safety Entities	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Ferry County Prosecutor	Republic	Public Safety Entities	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Institute for Extended Learning (IEL)	Republic	Community Colleges	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.

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
Kettle Falls Homelink	Kettle Falls	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Kettle Falls Middle School	Kettle Falls	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Lower Elwha Klallam Tribal Library	Port Angeles	Libraries	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Northeast Tri-County Health District	Colville	Medical and Healthcare Providers	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Northwest Justice Project	Colville	Public Safety Entities	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Providence Mount Carmel Hospital	Colville	Medical and Healthcare Providers	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Republic Elementary School	Republic	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Republic Junior High School	Republic	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Republic Senior High School/Parent Partner	Republic	Schools (K-12)	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.
Kettle Falls Public Library	Kettle Falls	Libraries	Yes	Broadband Connection to assist schools, libraries, and other Institutions with additional bandwidth for learning and educational purposes.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 Construction is slated to wrap up in the third quarter of 2013 with additional anchor institutions being connected. Remaining equipment will be installed and tested as the Network build continues into this quarter. Closeout activities will continue as previously constructed routes are already in process and newly completed routes will commence. All Sub Recipient projects will be completed as well, with those routes already in the final stages.

Metrics Achieved Next Quarter(Projected):
 Miles Deployed-163
 New Network Miles Leased-N/A
 CAI's Connected-140
 Broadband Wholesale or Last Mile Providers-1

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	71	Although construction activities will be completed at the end of the quarter, final invoices will remain to be paid and closeout activities will continue into the final quarter of 2013.
2b.	Environmental Assessment	100	No Variance.
2c.	Network Design	100	No Variance.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2d.	Rights of Way	100	No Variance.
2e.	Construction Permits and Other Approvals	100	No Variance.
2f.	Site Preparation	100	No Variance.
2g.	Equipment Procurement	100	No Variance.
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	No Variance.
2i.	Equipment Deployment	100	No Variance.
2j.	Network Testing	100	No Variance.
2k.	Other (please specify):	0	N/A

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).

Due to delays in project start and challenges in 2013 with NoaNet and sub participants, now most all BTOP 2 routes are in construction and are vigorously building fiber backbones and laterals. With the approval of the No Cost Extension received, additional CAI's will be connected and scheduled for construction. Challenges may be in getting all listed and planned CAI's connected prior to the end of September.

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	\$199,992	\$199,992	\$0	\$740	\$0	\$740	\$740	\$0	\$740
b. Land, structures, right-of-ways, appraisals, etc.	\$3,180,508	\$3,098,508	\$82,000	\$3,360,873	\$3,053,368	\$307,505	\$3,360,873	\$3,053,368	\$307,505
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$7,506,240	\$75,000	\$7,431,240	\$7,267,741	\$0	\$7,267,741	\$7,900,000	\$0	\$7,900,000
e. Other architectural and engineering fees	\$21,573	\$0	\$21,573	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$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	\$48,655,161	\$12,304,590	\$36,350,571	\$29,298,798	\$8,179,513	\$21,119,285	\$34,000,000	\$9,000,000	\$25,000,000
j. Equipment	\$15,689,615	\$5,122,652	\$10,566,963	\$7,487,030	\$3,968,916	\$3,518,114	\$8,050,000	\$3,968,916	\$4,081,084
k. Miscellaneous	\$54,000	\$54,000	\$0	\$32,074	\$0	\$32,074	\$32,074	\$0	\$32,074
l. SUBTOTAL (add a through k)	\$75,307,089	\$20,854,742	\$54,452,347	\$47,447,256	\$15,201,797	\$32,245,459	\$53,343,687	\$16,022,284	\$37,321,403
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$75,307,089	\$20,854,742	\$54,452,347	\$47,447,256	\$15,201,797	\$32,245,459	\$53,343,687	\$16,022,284	\$37,321,403

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: \$4,343
---	------------------------------------