

RECIPIENT NAME:Nexus Systems, Inc.

AWARD NUMBER: NT10BIX5570118

DATE: 03/03/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

## ANNUAL 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> NT10BIX5570118	<b>3. DUNS Number</b> 165271250
<b>4. Recipient Organization</b>  Nexus Systems, Inc. 2904 Evangeline St, Monroe , LA 71201-3724		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2012	<b>6. Is this the last Annual Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Mark Stevenson	<b>7c. Telephone (area code, number and extension)</b>  X	
	<b>7d. Email Address</b>  msteve@nexussystems.net	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  03-03-2013	

**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)	38035	Cost based on actual cost of construction to date of 125 miles.
Average cost per household passed (Last Mile)	0	N/A - Middle mile project
Average cost per subscriber (Last Mile)	0	N/A - Middle mile project
Maximum broadband speed advertised (Middle Mile)	10G	Standard speeds will be from 10M to 10G
Maximum broadband speed advertised (Last Mile)	0	N/A - Middle mile project
Average broadband speed provided (Middle Mile)	500	CAI sites connected at speeds from 100M to 1G.
Average broadband speed provided (Last Mile)	0	N/A - Middle mile project

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
Vienna	Co-location building	Lincoln	9601.00
Jonesboro	Co-location building	Jackson	9704.00
Winnfield	Co-location building	Winn	9604.00
Dry Prong	Co-location building	Grant	0204.01
Venable POP	POP	Ouachita	103.02

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)**

N/A - Interconnection agreements for this project have not been completed at this time due to construction in progress.

**Peering and Transit Agreements (600 words or less)**

N/A Peering and transit agreements for this project have not been completed at this time due to construction in progress.

**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)	57	Public Housing	0
Libraries	13	Other Institutions of Higher Education	0
Medical and Healthcare Providers	3	Other Community Support Organizations	0
Public Safety Entities	4	Other Government Facilities	0
Community Colleges	0	Total Community Anchor Institutions	77

**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).**

WAN service to schools in Bienville, Claiborne, Lincoln, Winn, and Union Parishes have been upgraded via matching funds in anticipation of connection to the new fiber backbone. Schools in Bienville and Claiborne are being upgraded with very high speed licensed microwave services which effectively increased their prior speeds from 10 Mbits to 300 Mbits per WAN link. Schools in Lincoln have been upgraded via dedicated fiber providing one gigabit service to each site in the City of Ruston and 300 Mbit licensed band microwave to outlying areas of the parish. Schools in Winn have been upgraded via dedicated fiber providing one gigabit service to each site in in the City of Winnfield with 300 Mbit licensed band microwave to outlying areas of the parish. School sites in Lincoln and Winn had been operating at anywhere from 3 Mbits to 10 Mbits prior to the upgrades. Libraries in Claiborne Parish have been upgraded from 1.5 Mbit ("T1") service to 20 Mbit service delivered via fiber and licensed band backhauled.

**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:**

N/A - Retail services are not provided at this time.

**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)?**

There are no bandwidth limitations or traffic prioritization policies in place for customers on this network. Network design is to provide each customer with full bandwidth without blocking or oversubscription.

**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 - There has been no customer churn at this point.

**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
18,000	3,000	0	15,000	20,228	0	17,228

**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 - There is no wholesale dark fiber at this point.

**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
2,480	1,240	0	1,240

**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).**  
 Co-location planning is underway as part of the design and construction process. Co-location is available available at Nexus facilities in Dry Prong, Winnfield, Jonesboro, and Vienna as well as the Nexus Venable POP. Co-location facilities are 120 square feet except for Vienna which is 1400 square feet and Venable at 360 square feet. Approximately half the space available for co-location in each location.

**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 - No contracts to date have been let to concerns as defined by section 8(a) of the Small Business Act.

**14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).**  
 We followed the established USDA RUS format for engineering and contracting and found these contracts and standards protected all parties fairly. Early securing of fiber was essential to success in the project . We learned to value and advantage of hiring an expert environmental engineer to keep the project on track with the complex requirements of the environmental review. Through our project engineer, we found the value of contracting with an experienced installation company as opposed to the first or lowest bidder. As we continue with the project through a project modification, we have learned the essential nature of tracking environmental and related regulatory concerns carefully. We have also found partners willing to enhance the project through cooperative endeavors.

**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).**