



**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**  
Four Points of presence (POPs) have been constructed, installed, and tested. Four more have had electronics installed. Three hundred miles of backbone has been hung. 52 of 592 Community Anchor Institutions (CAIs), for nine percent of CAIs, are under contract. The vast majority of those are K-12 schools. Ten of those were signed during the reporting period. Horizon has signed a contract for a large number of points of interconnection. Based on current expenditure rates Horizon expects to reach the 67% point during the second quarter of 2012 and should reach the 100% point during the second quarter 2013.

**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	32	Horizon's project continues to ramp up. This quarter shows significant improvement and advancement toward our goals. Based on current expenditure rates Horizon expects to reach the 67% point during the second quarter of 2012 and will reach the 100% point during the second quarter 2013. Horizon is behind baseline projections because of the delays caused by the Environmental Assessment. This was not part of the project plan submitted with the application.
2b.	Environmental Assessment	98	Assessment continues as routes are finalized.
2c.	Network Design	64	Network Design is moving along and staying ahead of construction crews.
2d.	Rights of Way	98	Horizon has an agreement with an electric provider which has provided permission for us to use their utility Rights of Way (ROWs). We are experiencing delays from on different utility provider when it is necessary for us to use their poles. We are actively working on this relationship.
2e.	Construction Permits and Other Approvals	64	Included in Network Design Budget.
2f.	Site Preparation	64	Included in Network Design Budget.
2g.	Equipment Procurement	72	Most of our electronics have been delivered. Horizon pays for Points of presence (POPs) when they are up, running and tested. Four complete buildings and electronics, and four electronics only POPs were accepted this quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	20	Construction is still feeling the effect of delays caused by the Finding of No Significant Impact (FONSI) and issues with permitting.
2i.	Equipment Deployment	10	Four Points of Presence (POPs) are finished, thirty-six are at various points in the process. Horizon is behind baseline projections because of the delays caused by the Environmental Assessment. This was not part of the project plan submitted with the application.
2j.	Network Testing	10	Network testing runs fairly concurrent with Equipment Deployment.
2k.	Other (please specify): n/a	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).**  
Permitting continues to be a struggle. Horizon is struggling with another utility provider to negotiate use of their poles. After following a certain procedure for years with the previous and current owner, they have decided we are in violation and have stopped all requests for make-ready. We will be attempting to re-route our fiber as much as possible. Identifying and subsequently gathering support for Community Anchor Institutions (CAIs) who need replaced. We have identified over 125 CAIs who need a replacement designated.

**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	300	Horizon continues to ramp up construction. With multiple contractors who each have multiple crews, Horizon's run rate will continue to improve. Horizon is behind baseline projections because of the delays caused by the Environmental Assessment. This was not part of the project plan submitted with the application.
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)	300	Horizon continues to ramp up construction. With multiple contractors who each have multiple crews, Horizon's run rate will continue to improve.
Number of new wireless links	0	n/a
Number of new towers	0	n/a
Number of new and/or upgraded interconnection points	16	Near baseline.

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	6
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
Average term of signed agreements (in quarters)	9

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: Intelliwave, Country Connections, Southern Ohio Communications Services, New ERA Broadband, Hocking Internet, JB Nets

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:

Horizon is offering wholesalers and last-mile providers speed tiers of 5 Megabytes per second (Mbps) to 10 Gigabytes per second (Gbps). Pricing plan redacted.

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).

None.

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)

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	2	Finally showing significant progress in build rates is building confidence in our ability to serve these carriers.
	Providers with signed agreements receiving improved access	4	Finally showing significant progress in build rates is building confidence in our ability to serve these carriers.
	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	6	Most ISPs have chosen 100 Mbps.
Community Anchor Institutions (including Government institutions)	Total subscribers served	10	Customers are feeling more confident in our ability to serve them in a reasonable amount of time. K-12 schools are cyclical and most of these are those involved in the first wave. Horizon is behind baseline projections because of the delays caused by the Environmental Assessment. This was not part of the project plan submitted with the application.
	Subscribers receiving new access	9	These are a result of new builds.
	Subscribers receiving improved access	1	This is a result of equipment upgrade.
	Please identify the speed tiers that are available and the number or subscribers for each	10	Most schools (K-12) are choosing the 10 Mbps level. Two CAIs have chosen 100 Mbps.
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	Unable to determine this information at this point in time.
	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? <input type="radio"/> Yes <input checked="" type="radio"/> 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
	Gallia		Yes	n/a
	Gallia		Yes	n/a
	Highland		Yes	n/a
	Ross		Yes	n/a
	Gallia		Yes	n/a
	Gallia		Yes	n/a
	Vinton		Yes	n/a
	Vinton		Yes	n/a
	Athens		Yes	n/a
	Athens		Yes	n/a

**Project Indicators (Next Quarter)**

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

We plan to complete the backbone by the end of the first quarter. Support systems will be put in place to assist in mapping and reporting. Horizon have goals in place to obtain approximately fifty new contracts by the end of the quarter. We will also identify and determine best suited replacement Community Anchor Institutions (CAIs) for the approximately 125 already determined to need replacements.

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	57	With most hurdles out of the way, Horizon will catch and bypass baseline projections within the next six months.
2b. Environmental Assessment	98	Continues assessment with engineers and Environmental Assessment (EA) consultant as routes are finalized.
2c. Network Design	78	The fiber backbone should be complete by the end of this quarter. Work will begin on laterals.
2d. Rights of Way	98	We have an agreement with an electric provider which has provided permission for us to use their Rights of Way (ROWS). We are experiencing difficulties with another utility when we do need to use their poles. Hopefully that will be resolved soon.
2e. Construction Permits and Other Approvals	78	Included in Network Design.

RECIPIENT NAME:Horizon Telecom, Inc.

AWARD NUMBER: NT10BIX5570119

DATE: 02/26/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2f.	Site Preparation	78	Included in Network Design.
2g.	Equipment Procurement	92	Horizon expect most equipment will be purchased by the end of this quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	50	Horizon expects to finish the fiber backbone by the end of this quarter.
2i.	Equipment Deployment	45	Equipment Deployment will pick up as more Points of Presence (POPs) are completed.
2j.	Network Testing	40	Testing will run fairly concurrent with equipment deployment.
2k.	Other (please specify): n/a	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).**

Horizon has concerns regarding its ability to overcome differences with other utility provider. We are developing alternatives to using their poles. This may cause not only delays but also increased costs.

**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	\$1,485,174	\$445,552	\$1,039,622	\$1,374,407	\$412,322	\$962,085	\$1,493,221	\$447,966	\$1,045,255
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$101,300	\$30,390	\$70,910	\$101,300	\$30,390	\$70,910
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$7,785,028	\$2,335,508	\$5,449,520	\$4,939,721	\$1,481,916	\$3,457,805	\$6,107,475	\$1,832,242	\$4,275,233
e. Other architectural and engineering fees	\$0	\$0	\$0	\$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	\$66,228,948	\$19,868,684	\$46,360,264	\$13,279,164	\$3,983,749	\$9,295,415	\$33,147,849	\$9,944,355	\$23,203,494
j. Equipment	\$14,259,128	\$4,277,738	\$9,981,390	\$10,228,544	\$3,068,563	\$7,159,981	\$13,148,153	\$3,944,446	\$9,203,707
k. Miscellaneous	\$5,204,932	\$1,561,481	\$3,643,451	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	<b>\$94,963,210</b>	<b>\$28,488,963</b>	<b>\$66,474,247</b>	<b>\$29,923,136</b>	<b>\$8,976,940</b>	<b>\$20,946,196</b>	<b>\$53,997,998</b>	<b>\$16,199,399</b>	<b>\$37,798,599</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$94,963,210</b>	<b>\$28,488,963</b>	<b>\$66,474,247</b>	<b>\$29,923,136</b>	<b>\$8,976,940</b>	<b>\$20,946,196</b>	<b>\$53,997,998</b>	<b>\$16,199,399</b>	<b>\$37,798,599</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				