

**QUARTERLY 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>  NT10BIX5570138	<b>3. DUNS Number</b>  078557998
--	---	--

<b>4. Recipient Organization</b>  Region 18 Education Svc Ctr. 2811 La Force Blvd, Midland, TX 79711-0580
---

<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2012	<b>6. Is this the last Report of the Award Period?</b>  <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.

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Casey Ritchie  Director of Technology	<b>7c. Telephone (area code, number and extension)</b>  4325673250
	<b>7d. Email Address</b>  critchie@esc18.net

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-13-2012
---	--

**Project Indicators (This Quarter)**

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

This quarter, Dell City our largest contracted telephone company completed 135 total construction miles. Fiber has now been installed so that 39 CAI's along this route can be offered service. The fiber has been taken to the drop point at the 6 ISD's (Schools) and we are working to connect to the equipment in building to supply service. We anticipate all six remaining ISD's on this route to be connected by year end. Hill Country Telephone also completed construction of 21.49 miles as planned. Two of the CAI's on this route were connected last quarter and the remaining two now have service available and will be connected to the service by the end of the year. This brings four of five contracted companies to completion with their fiber construction for a total of 174.07 miles completed (80% of total project miles). We have spent 85.6% of program funds. Our project created 15.21 jobs this quarter. We will move our focus to Community Outreach and connecting as many CAI locations as possible.

**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	86	+14% ahead of baseline. This is calculated based upon the program dollars spent to date.
2b.	Environmental Assessment	100	No variance to baseline
2c.	Network Design	100	No variance to baseline
2d.	Rights of Way	100	No variance to baseline
2e.	Construction Permits and Other Approvals	90	-10 % variance to baseline. Construction permits are only valid for 60 days. Big Bend is further than 60 days from completing construction.
2f.	Site Preparation	95	-5% to baseline. Big Bend still under construction.
2g.	Equipment Procurement	90	-10% to baseline. Equipment for two towers constructed by Big Bend still to be purchased.
2h.	Network Build (all components - owned, leased, IRU, etc)	60	-15% to baseline. As shown above 86% of program \$ have been spent. 80% of fiber miles have been constructed.
2i.	Equipment Deployment	81	No variance to baseline
2j.	Network Testing	8	-62% to baseline. Fiber construction is ahead of schedule. We are working to connect and turn up additional CAI locations. As they are receiving service we will perform network testing. At this point 12 CAI locations have been turned up with service.
2k.	Other (please specify): HCTC Pole Make Ready	100	No variance to baseline

**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).**

Nothing as of September 30.

**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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	174	+10 miles to baseline. WesTex completed 1.33 miles; Poka Lambro completed 2.90 miles; Hill Country Telephone 21.49 miles; Dell City Telephone 135 miles; Big Bend Telephone 13.35 miles completed
New network miles leased	0	NA
Existing network miles upgraded	0	NA
Existing network miles leased	0	NA
Number of miles of new fiber (aerial or underground)	174	+10 miles to baseline. WesTex completed 1.33 miles; Poka Lambro completed 2.90 miles; Hill Country Telephone 21.49 miles; Dell City Telephone 135 miles; Big Bend Telephone 13.35 miles completed
Number of new wireless links	1	-1 variance to baseline. The final link is to the McDonald Observatory. This route will actually be a combination of buried fiber and aerial fiber. We have reported incorrectly when saying wireless. It is actually aerial fiber.
Number of new towers	1	The wireless link in Mentone for the Loving County Courthouse has been established. The second and third have not yet been completed. We plan for their completion in Q1 2013.
Number of new and/or upgraded interconnection points	4	For clarification our definition of interconnection points has been modified since the baseline submission. A peering point where two providers connect to each other will occur 4 times in the Region 18 project. At this time one of these locations has upgraded equipment added by Dell City Telephone. WesTex Midland connection was completed Q4 2011; Big Bend Midland connection was completed in Q2 of 2012; Dell City Pecos and TLSN McCamey were completed in Q3 of 2012.

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	5
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	40

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:

We have signed agreements with the following companies: Dell City Telephone; Big Bend Telephone; Poka Lambro Telephone; WesTex Telephone; Hill Country Telephone.

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:

NA

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 third party operates (600 words or less).

NA

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)
<b>Broadband Wholesalers or Last Mile Providers</b>	Providers with signed agreements receiving new access	0	No variance
	Providers with signed agreements receiving improved access	0	NA
	Providers with signed agreements receiving access to dark fiber	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
<b>Community Anchor Institutions (including Government institutions)</b>	Total subscribers served	12	Andrews ISD; Midland DPS; Big Spring Chief of Police; Howard County Library; Howard County Judge (Big Spring); County Law Enforcement Center (Big Spring); Howard County 118th District Court (Big Spring); Big Spring Chamber of Commerce; Grand Falls-Royalty ISD; Buena Vista ISD; Pecos ISD (new this quarter); Culberson County ISD (new this quarter)
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	12	Andrews ISD; Midland DPS; Big Spring Chief of Police; Howard County Library; Howard County Judge (Big Spring); County Law Enforcement Center (Big Spring); Howard County 118th District Court (Big Spring); Big Spring Chamber of Commerce; Grand Falls-Royalty ISD; Buena Vista ISD; Pecos ISD (new this quarter); Culberson County ISD (new this quarter)
	Please identify the speed tiers that are available and the number or subscribers for each	100	(100 Mbps) (50 Mbps) (20 Mbps)
<b>Residential / Households</b>	Entities passed	0	No variance
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
<b>Businesses</b>	Entities passed	0	No variance
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA

7. Please describe any special offerings you may provide (600 words or less).

NA

8a. Have your network management practices changed over the last quarter?  Yes  No

8b. If so, please describe the changes (300 words or less).  
NA

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
Culberson County - Allamore ISD	Van Horne	School K-12	No	To improve and enhance learning capabilities in our schools, provide ability for virtual classroom learning in this very rural school.
Pecos Barstow-Toyah ISD	Pecos	School K-12	No	To improve and enhance learning capabilities in our schools, provide ability for virtual classroom learning in this very rural school.

**Project Indicators (Next Quarter)**

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).  
For Q4 2012 we plan to connect a minimum of 6 additional CAI locations: Dell City Telephone will connect the remaining ISD locations in Balmoreha; Wink; Kermit and Monahans. HCTC will begin providing service to Rankin ISD and Big Lake ISD. We will continue to contact other potential CAI locations along the completed routes to let them know that service is available. We will work with our telephone companies on this process. Four of five telephone companies have completed all miles to be constructed. We do not plan to sign any additional broadband wholesaler or last mile agreements. Big Bend should complete a total of 22.66 miles by the end of this quarter.

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	89	+15% ahead of baseline. Majority of project \$ related to construction. We are ahead of schedule with fiber installation.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	100	No variance
2e.	Construction Permits and Other Approvals	90	-10 variance to baseline. Construction permits only valid for 60 days. Big Bend is greater than 60 days from project completion.
2f.	Site Preparation	100	No variance
2g.	Equipment Procurement	100	No variance
2h.	Network Build (all components - owned, leased, IRU, etc.)	70	-15% to baseline. We are ahead on construction. We will progress with our build by adding service to additional CAI locations.
2i.	Equipment Deployment	90	No variance to baseline
2j.	Network Testing	15	-65% to baseline. Baseline projections were off. Planned testing to be completed on CAI connections receiving service.
2k.	Other (please specify): HCTC Pole Make Ready	100	No variance to baseline

RECIPIENT NAME:Region 18 Education Svc Ctr.

AWARD NUMBER: NT10BIX5570138

DATE: 11/13/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

**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).**

None anticipated.

**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	\$1,574,266	\$485,849	\$1,088,417	\$989,413	\$333,217	\$656,196	\$1,125,000	\$347,175	\$777,825
b. Land, structures, right-of-ways, appraisals, etc.	\$80,000	\$24,690	\$55,310	\$25,306	\$7,629	\$17,677	\$80,000	\$24,690	\$55,310
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,765,733	\$544,939	\$1,220,794	\$1,852,321	\$539,931	\$1,312,390	\$1,852,321	\$539,931	\$1,312,390
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	\$12,317,820	\$3,801,573	\$8,516,247	\$11,425,612	\$3,430,342	\$7,995,270	\$11,648,111	\$3,594,607	\$8,053,504
j. Equipment	\$1,464,565	\$451,993	\$1,012,572	\$477,789	\$175,002	\$302,787	\$600,000	\$185,160	\$414,840
k. Miscellaneous	\$76,959	\$0	\$76,959	\$11,012	\$0	\$11,012	\$11,012	\$0	\$11,012
<b>l. SUBTOTAL (add a through k)</b>	\$17,279,343	\$5,309,044	\$11,970,299	\$14,781,453	\$4,486,121	\$10,295,332	\$15,316,444	\$4,691,563	\$10,624,881
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$17,279,343	\$5,309,044	\$11,970,299	\$14,781,453	\$4,486,121	\$10,295,332	\$15,316,444	\$4,691,563	\$10,624,881

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