

RECIPIENT NAME: Ronan Telephone Co.

AWARD NUMBER: NT10BIX5570148

DATE: 05/20/2014

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 6/30/2015

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 NT10BIX5570148	3. DUNS Number 006827927
4. Recipient Organization Ronan Telephone Co. 312 SW Main St., Ronan, MT 59864-2707		
5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2014	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 Gerald Beeks	7c. Telephone (area code, number and extension) 4066769215	
	7d. Email Address beeks@ronan.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-20-2014	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Consents, surveys, appraisals, with an application package for the Horn Ridge wireless site was submitted to the BIA for approval for easement acquisition.

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	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete except for miscellaneous small hardware purchases.
2d.	Rights of Way	99	Still working with the Blackfeet Tribe on final easements and right of ways.
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	38	The rest of the wireless sites are on the Blackfeet Reservation and scheduled for completion this summer.
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc)	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2i.	Equipment Deployment	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2j.	Network Testing	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2k.	Other (please specify): Admin & Legal	88	Consent work on the Blackfeet Reservation is not complete.

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).
 Easement acquisition on the Blackfeet has been challenging...it is a multi-step process, with a particularly harsh winter affecting consent work, surveys and appraisals, which is the first part of obtaining easements.

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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	254	Remaining miles are on the Blackfeet reservation, and work cannot start until the spring thaw, and easements are obtained.
New network miles leased	797	Projected 321
Existing network miles upgraded	106	Projected 106, no variance
Existing network miles leased	0	Projected 0
Number of miles of new fiber (aerial or underground)	254	Remaining miles are on the Blackfeet reservation, and work cannot start until the spring thaw, and easements are obtained.
Number of new wireless links	2	Projected 4. Overall project slippage has impacted this task.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	23	Projected 18...surpassed projections

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	2
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
Average term of signed agreements (in quarters)	12

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

Bresnan
 Cutthroat Communications
 Montana Skynet cancelled their agreement, we are renegotiating at this time.

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:

Bresnan: 20 year prepaid IRU for 2 dark fibers
 Cutthroat Communications: 2Gb ethernet Missoula to Seattle, \$5600/Mo.

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).

Montana West operates its own network with a network operations center.

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)

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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	0	Projected 0
	Providers with signed agreements receiving improved access	1	Projected 4, Project delays have impacted this projection.
	Providers with signed agreements receiving access to dark fiber	1	Projected 0, prepaid IRU with Bresnan for dark fiber
	Please identify the speed tiers that are available and the number of subscribers for each	5	100Mb (0), 200Mb (0), 1Gb (0), 2Gb (1), Dark fiber (1)
Community Anchor Institutions (including Government institutions)	Total subscribers served	25	Projected 33, Overall project delays with rights of way and EA review has slipped this schedule.
	Subscribers receiving new access	1	Projected 0
	Subscribers receiving improved access	24	Projected 33, 11 upgrades plus Mission Valley Power, fiber was made available to 13 CAI's this quarter, no takers yet.
	Please identify the speed tiers that are available and the number or subscribers for each	2	100Mb (13), 1Gb (0)
Residential / Households	Entities passed	1,210	Projected 1810. Project delays and harsh winter. No new miles since last quarter.
	Total subscribers served	117	Projected 468. Project delays and harsh winter. No new miles since last quarter.
	Subscribers receiving new access	52	Projected 51. Project delays and harsh winter. No new miles since last quarter.
	Subscribers receiving improved access	65	Projected 417. Project delays and harsh winter. No new miles since last quarter.
	Please identify the speed tiers that are available and the number of subscribers for each	4	1.5Mb (28), 2.5Mb (5), 4Mb (76), 100Mb (3)
Businesses	Entities passed	160	Projected 186. Project delays and harsh winter. No new miles since last quarter.
	Total subscribers served	5	Projected 67. Project delays and harsh winter. No new miles since last quarter.
	Subscribers receiving new access	0	Projected 22. Project delays and harsh winter. No new miles since last quarter.
	Subscribers receiving improved access	5	Projected 45. Project delays and harsh winter. No new miles since last quarter.
	Please identify the speed tiers that are available and the number of subscribers for each	4	10Mb (0), 20Mb (0), 50Mb (2), 100Mb (3)

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

We do not anticipate any special offerings other than wholesale bandwidth and Internet connectivity to other providers and to businesses and anchor institutions.

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

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

Our network management practices have not changed.

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
Blackfeet Housing Authority	Browning	Public Housing	No	Fiber has been made available, CAI has not signed up for service.
St. Patricks Medical Center	Missoula	Health Care Facility	No	Fiber has been made available, CAI has not signed up for service.
Charlo Fire Department	Charlo	Public Safety Entity	No	Fiber has been made available, CAI has not signed up for service.
University of Montana	Missoula	University	No	Fiber has been made available, CAI has not signed up for service.
Jocko Valley Library	Arlee	Library	No	Fiber has been made available, CAI has not signed up for service.
Family Health Care	Kalispell	Health Care Facility	No	Fiber has been made available, CAI has not signed up for service.
Kalispell Fire Department	Kalispell	Public Safety Entity	No	Fiber has been made available, CAI has not signed up for service.
Kicking Horse Job Corp	Ronan	Other government Facility	No	Fiber has been made available, CAI has not signed up for service.
Polson Fire Department	Polson	Public Safety Entity	No	Fiber has been made available, CAI has not signed up for service.
Preston Town County Library	Hot Springs	Library	No	Fiber has been made available, CAI has not signed up for service.
Hot Springs Fire Department	Hot Springs	Public Safety Entity	No	Fiber has been made available, CAI has not signed up for service.
Arlee Fire Department	Arlee	Public Safety Entity	No	Fiber has been made available, CAI has not signed up for service.

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 service to the remaining 8 anchor institutions. Microwave wireless service will be completed to the community of Heart Butte. BIA approval for easements for Hwy 464 will allow us to start on the fiber build to St. Mary and Babb. Wireless service will be completed for the community of Evaro. We do not expect to complete any fiber miles next quarter, given the weather and the time needed to obtain landowner consents on the Blackfeet Reservation. We do not expect to sign any new broadband wholesaler/last mile provider agreements next 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	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	75	There will still be some Wireless site work to complete in July and August
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2i.	Equipment Deployment	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2j.	Network Testing	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. The program income was added to the project leaving over \$1.5 million in federal funds available to complete the remainder of the project on the Blackfeet Reservation.
2k.	Other (please specify): Admin and Legal	90	The remainder of the Admin & Legal Expenses will be incurred during close out.

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).

We will be at the mercy of the BIA for approval of easements on the Duck Lake Road route and the final approval for the Horn Ridge easements for the microwave site on Heart Butte. We may need some intervention and assistance with the Department of the Interior if they take too long to review our easement applications.

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	\$978,800	\$542,000	\$436,800	\$858,783	\$416,442	\$442,341	\$878,800	\$416,442	\$462,358
b. Land, structures, right-of-ways, appraisals, etc.	\$500,000	\$115,000	\$385,000	\$495,617	\$98,064	\$397,553	\$500,000	\$98,064	\$401,936
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$51,728	\$0	\$51,728	\$51,728	\$0	\$51,728	\$51,728	\$0	\$51,728
g. Site work	\$35,200	\$0	\$35,200	\$3,750	\$0	\$3,750	\$35,200	\$0	\$35,200
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$14,612,135	\$5,285,285	\$9,326,850	\$15,334,347	\$7,061,270	\$8,273,077	\$15,900,939	\$7,061,270	\$8,839,669
j. Equipment	\$2,613,062	\$0	\$2,613,062	\$2,615,945	\$2,346	\$2,613,599	\$2,615,945	\$2,346	\$2,613,599
k. Miscellaneous	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000
l. SUBTOTAL (add a through k)	\$19,738,925	\$5,942,285	\$13,796,640	\$20,308,170	\$7,578,122	\$12,730,048	\$20,930,612	\$7,578,122	\$13,352,490
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$19,738,925	\$5,942,285	\$13,796,640	\$20,308,170	\$7,578,122	\$12,730,048	\$20,930,612	\$7,578,122	\$13,352,490

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: \$2,675,916
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