

RECIPIENT NAME: Ronan Telephone Co.

AWARD NUMBER: NT10BIX5570148

DATE: 02/27/2015

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) 12-31-2014	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): 02-27-2015	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Installed a radio site in St. Mary. Established wireless service in Evaro. Established wireless service in Heart Butte. Received approval for an extension of the grant period to September 30, 2015 in order to complete construction on the Blackfeet Reservation.

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. This program income and more has been added to the project.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	99	Finishing the wireless Installations
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. This program income and more has been added to the project.
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. This program income and more has been added to the project.
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. This program income and more has been added to the project.
2k.	Other (please specify): Admin & Legal	99	Consent work on the Blackfeet Reservation and Final Close Out Audit to 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).
 The biggest challenges are obtaining landowner consents on Duck Lake Road, and weather conditions shutting down construction due to freezing ground and high winds in the winter. We had an early winter in Montana this year and it stopped construction for most of the quarter.

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	263	7 new miles this quarter, also waiting on consents with weather stoppages
New network miles leased	797	No Change, projected 321
Existing network miles upgraded	106	No Change, projected 196
Existing network miles leased	0	Projected 0
Number of miles of new fiber (aerial or underground)	263	7 new miles this quarter, also waiting on consents with weather stoppages
Number of new wireless links	4	Projected 4, Elmo, Arlee, Evaro, Heart Butte
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	23	No change, projected 18

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	0
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 (Now Charter)...Dark Fiber IRU
 Montana Skynet...Dark Fiber IRU

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: 20Yr IRU for 2 dark fibers
 Montana Skynet:...20Yr IRU for 4 dark fibers

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).

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)
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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving access to dark fiber	1	Projected 0
	Please identify the speed tiers that are available and the number of subscribers for each	5	100Mb(0), 200Mb(0), 1Gb(0), 2Gb(0), Dark Fiber (2)
Community Anchor Institutions (including Government institutions)	Total subscribers served	29	Projected 33, 18 built, 11 upgraded, 4 remaining on the Blackfeet reservation
	Subscribers receiving new access	1	Valley View School District
	Subscribers receiving improved access	28	Projected 33; 11 upgrades, new fiber was made available to 17 CAI's
	Please identify the speed tiers that are available and the number or subscribers for each	3	50Mb(1), 100Mb(12), 1Gb (1)
Residential / Households	Entities passed	1,210	Projected 1810, Project delays and harsh winters have impacted this projection.
	Total subscribers served	117	Projected 468, Project delays and harsh winters have impacted this projection.
	Subscribers receiving new access	52	Projected 51
	Subscribers receiving improved access	65	Projected 417, Project delays and harsh winters have impacted this projection.
	Please identify the speed tiers that are available and the number of subscribers for each	4	1.5(28), 2.5(5), 4Mb(81), 100Mb(3)
Businesses	Entities passed	160	No change this quarter; projected 186, Project delays and harsh winters have impacted this projection.
	Total subscribers served	22	added 17 business this quarter, all improved access, projected 67, Project delays and harsh winters have impacted this projection.
	Subscribers receiving new access	0	No new access, projected 27, Project delays and harsh winters have impacted this projection.
	Subscribers receiving improved access	22	projected 45, Project delays and harsh winters have impacted this projection.
	Please identify the speed tiers that are available and the number of subscribers for each	4	10Mb(1), 20Mb(1), 50Mb(3), 100Mb(17)

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, businesses, anchor institutions, and residential wireless Internet.

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	Narrative description of how anchor institutions are using BTOP-funded infrastructure

			institution? (Yes / No)	
Browning School District	Browning	School	Yes	Browning Middle School is using 50Mb Internet access from the Montana West backbone for classroom connectivity and teacher's research.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 We plan to continue selling and providing services to anchor institutions and businesses along the backbone already built. If the weather permits and we finish the landowner consent process, we will start back on the Blackfeet to finish the project with fiber from Browning to St. Mary and Babb.
 Remaining work on the Blackfeet: 36.6 miles of fiber to St. Mary and Babb.
 Installation of wireless internet in St. Mary and Babb
 4 CAI's remaining on the Reservation. (School District is connected)

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	99	We are waiting on weather and landowner consents to finish on the Blackfeet reservation. We have received an extension of the construction period to September 30, 2015.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	100	7 landowners remain on the Duck Lake Road route to St. Mary and Babb
2f.	Site Preparation	99	Complete
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc.)	99	Fiber to St. Mary and Babb remains to do.
2i.	Equipment Deployment	99	Fiber to St. Mary and Babb remains to do.
2j.	Network Testing	100	Fiber to St. Mary and Babb remains to do.
2k.	Other (please specify): Admin & Legal	99	Final Audit and Other Closing Costs will remain

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).
 In order to complete the fiber build to St. Mary and Babb, we need to obtain consents from 7 individual landowners. We have hired a consent specialist who is working on it. Weather is always a determining factor as to when we can get started after the winter.

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	\$957,388	\$448,050	\$509,338	\$963,800	\$448,050	\$515,750
b. Land, structures, right-of-ways, appraisals, etc.	\$500,000	\$115,000	\$385,000	\$500,000	\$100,140	\$399,860	\$500,000	\$100,140	\$399,860
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	\$35,000	\$0	\$35,000	\$25,394	\$3,411	\$21,983	\$35,000	\$3,411	\$31,589
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$14,612,135	\$5,285,285	\$9,326,850	\$16,193,474	\$7,104,686	\$9,088,788	\$16,303,800	\$7,104,686	\$9,199,114
j. Equipment	\$2,613,062	\$0	\$2,613,062	\$2,617,945	\$2,346	\$2,615,599	\$2,617,945	\$2,346	\$2,615,599
k. Miscellaneous	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000
l. SUBTOTAL (add a through k)	\$19,738,725	\$5,942,285	\$13,796,440	\$21,293,929	\$7,658,633	\$13,635,296	\$21,420,273	\$7,658,633	\$13,761,640
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$19,738,725	\$5,942,285	\$13,796,440	\$21,293,929	\$7,658,633	\$13,635,296	\$21,420,273	\$7,658,633	\$13,761,640

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: \$2,756,427
---	--