

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 NT10BIX5570068	3. DUNS Number 003866597
4. Recipient Organization Valley Telephone Cooperative, Inc. 480 South 6th Street, Raymondville, TX 78580-2434		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	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 Leonard Beurer Sr. Manager F&A	7c. Telephone (area code, number and extension) 9566421108	
	7d. Email Address lbeurer@vtci.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 01-21-2011	

Project Indicators (This Quarter)

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

Completed and submitted draft of Phase 1 Environmental Assessment (Dec 22, 2010). Awaiting approval.

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	1	Still in early stages
2b.	Environmental Assessment	100	Submitted draft EA Dec 22, 2010
2c.	Network Design	0	Awaiting EA Approval
2d.	Rights of Way	0	Awaiting EA Approval
2e.	Construction Permits and Other Approvals	0	Awaiting EA Approval
2f.	Site Preparation	0	Awaiting EA Approval
2g.	Equipment Procurement	0	Awaiting EA Approval
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Awaiting EA Approval
2i.	Equipment Deployment	0	Awaiting EA Approval
2j.	Network Testing	0	Awaiting EA Approval
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).

We are still in Phase I EA portion of the plan awaiting its approval.

Technical assistance is NOT REQUIRED since we are not in the technical phase of project.

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	0	Awaiting EA Approval
New network miles leased	0	Awaiting EA Approval
Existing network miles upgraded	0	Awaiting EA Approval
Existing network miles leased	0	Awaiting EA Approval
Number of miles of new fiber (aerial or underground)	0	Awaiting EA Approval
Number of new wireless links	0	Awaiting EA Approval
Number of new towers	0	Awaiting EA Approval
Number of new and/or upgraded interconnection points	0	Awaiting EA Approval

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

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

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 of less). Wholesale services description:

Transport Services and Internet Bandwidth Capacity.

See Pricing attachment

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).

We operate and maintain our own network

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 of 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	Awaiting EA Approval
	Providers with signed agreements receiving improved access	0	Awaiting EA Approval
	Providers with signed agreements receiving access to dark fiber	0	Awaiting EA Approval
	Please identify the speed tiers that are available and the number of subscribers for each	0	Awaiting EA Approval
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Awaiting EA Approval
	Subscribers receiving new access	0	Awaiting EA Approval
	Subscribers receiving improved access	0	Awaiting EA Approval

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number or subscribers for each	0	See attachment
Residential / Households	Entities passed	0	Awaiting EA Approval
	Total subscribers served	0	Awaiting EA Approval
	Subscribers receiving new access	0	Awaiting EA Approval
	Subscribers receiving improved access	0	Awaiting EA Approval
	Please identify the speed tiers that are available and the number of subscribers for each	0	Awaiting EA Approval
Businesses	Entities passed	0	Awaiting EA Approval
	Total subscribers served	0	Awaiting EA Approval
	Subscribers receiving new access	0	Awaiting EA Approval
	Subscribers receiving improved access	0	Awaiting EA Approval
	Please identify the speed tiers that are available and the number of subscribers for each	0	Awaiting EA Approval

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? Yes 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
N/A	N/A	N/A	N/A	Awaiting EA Approval

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 Hopefully, receive EA approval, then select engineering contractors to start network design. Close on properties in Brownsville, Edinburg and Weslaco Texas. Schedule meetings with anchor institutions.

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	1	Awaiting EA Approval
2b.	Environmental Assessment	100	Submitted draft EA on Dec 22, 2010
2c.	Network Design	35	Awaiting EA Approval
2d.	Rights of Way	25	Awaiting EA Approval
2e.	Construction Permits and Other Approvals	0	Awaiting EA Approval
2f.	Site Preparation	50	Awaiting EA Approval
2g.	Equipment Procurement	0	Awaiting EA Approval
2h.	Network Build (all components - owned, leased, IRU, etc.)	10	Awaiting EA Approval
2i.	Equipment Deployment	0	Awaiting EA Approval
2j.	Network Testing	0	Awaiting EA Approval
2k.	Other (please specify): Land	50	3 properties under contract

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).
 The EA approval is delaying the entire project. It is doubtful our projections can be met unless EA approval is received ASAP

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$1,679,000	\$503,700	\$1,175,300	\$0	\$0	\$0	\$354,900	\$106,470	\$248,430
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,754,391	\$826,317	\$1,928,074	\$293,438	\$88,031	\$205,407	\$849,928	\$254,978	\$594,950
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	\$51,000	\$15,300	\$35,700	\$0	\$0	\$0	\$51,000	\$15,300	\$35,700
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$15,745,589	\$4,723,677	\$11,021,912	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$2,195,529	\$658,659	\$1,536,870	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$22,425,509	\$6,727,653	\$15,697,856	\$293,438	\$88,031	\$205,407	\$1,255,828	\$376,748	\$879,080
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$22,425,509	\$6,727,653	\$15,697,856	\$293,438	\$88,031	\$205,407	\$1,255,828	\$376,748	\$879,080

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