




FIRST PERFORMANCE PROGRESS REPORT First Quarter 2010

<p>1. Recipient Organization (<i>Name and complete address including zip code</i>) Peoples Telephone Cooperative, Inc., PO Box 228, Quitman, TX 75783-2202</p>	<p>2. Award Identification Number NT10BIX5570131</p>
<p>3. Performance Narrative (Q1) <i>Please describe your project activities and progress for the first quarter of 2010. This should include a description of federal expenditures to date, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any delays or challenges. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i></p> <p>EA: Since our award date of 08/18/2010, Peoples Telephone Cooperative has contracted with an engineering firm named CHR Solutions to perform our environmental assessment and they are progressing steadily. CHR anticipates that the EA will be completed by the end of January, 2011.</p> <p>Construction: Our in-house engineering staff has been working with CHR and Mitchell Engineering (ME) to develop the detailed plan for Phase 1 from the larger application design. They have driven the selected route(s) to identify construction issues and located potential building sites for pre-fabricated buildings to house electronics.</p> <p>Federal Expenditures: To the end of Q1 Peoples Telephone has spent a total of \$112,553.24 for the Environmental Assessment and Engineering Services. We have not yet sought reimbursement for this money but anticipate that we will draw these funds down either Q2 or Q3 of the project.</p>	
<p>4. Performance Projections (Q2) <i>Please describe your anticipated project activities and progress for the next quarter. This should include a description of federal expenditures, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any potential delays or challenges you foresee. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i></p> <p>EA: It is anticipated that CHR will have the draft EA submitted for review by the end of Q2.</p> <p>Construction: In order to help control costs, Peoples Telephone plans to purchase and supply the fiber cable. It is anticipated that specifications will be sent out for bid on the fiber by the end of Q2 with purchases starting Q3. A key component of our strategy will be timely delivery of the fiber directly to the contractor thereby reducing handling damage, vandalism and storage costs. CHR and ME will be field staking and pursuing the necessary highway permits for February construction.</p> <p>Federal Expenditures: We expect Federal Expenditures in Q2 to be \$740,224 primarily for engineering and Environmental Assessment.</p>	
<p>5. 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.</p>	
<p>5a. Typed or Printed Name and Title of Authorized Certifying Official Robbie Allen, General Manager</p>	<p>5c. Telephone (<i>area code, number and extension</i>) 903-878-0104 X2146</p> <p>5d. Email Address rob@peoplescom.net</p>
<p>5b. Signature of Authorized Certifying Official </p>	<p>5e. Date Report Submitted (<i>Month, Day, Year</i>) 11/22/2010</p>
<p>According to the Paperwork Reduction Act, as amended, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 1 hour and 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Anthony G. Wilhelm, Director, Broadband Technology Opportunities Program, Office of Telecommunications and Information Applications, National Telecommunications and Information Administration, U.S. Department of Commerce (DOC), 1401 Constitution Avenue, N.W., HCHB, Room 4887, Washington, D.C. 20230.</p>	