U.S. DEPARTMENT OF COMMERCE	2. Award Or Grant Number
	48-50-M09064
Performance Progress Report	4. Report Date (MM/DD/YYYY)
	10-12-2011

1. Recipient Name	6. Designated Entity On Behalf Of:	
Connected Nation, Inc - Texas	The State of Texas	
3. Street Address	8. Final Report?	9. Report Frequency
1020 College Street,	○ Yes	● Quarterly
5. City, State, Zip Code	● No	○ Semi Annual
Bowling Green, KY 42101-2137		○ Annual
		○ Final

7. Project / Grant Period Start Date: (MM/DD/YYYY)	7a. End Date: (MM/DD/YYYY)	7b. Reporting Period End Date:	9a. If Other, please describe:
01-01-2010	12-31-2014	09-30-2011	N/A

10. Broadband Mapping 10a. Provider Table

Number of Providers Identified	Number of Providers Contacted	Number of Agreements Reached for Data Sharing	Number of Partial Data Sets Received	Number of Complete Data Sets	Number of Data Sets Verified
0	0	0	0	0	0

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office? ○ Yes ● No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project? ● Yes ○ No

10d. If so, describe the discussions to date with each of these providers and the current status

281 Communications, Inc.: In addition to multiple contact attempts made between August 2, 2010 and February 21, 2011, 3 additional attempts were made this period.

AMA TechTel: In addition to multiple contact attempts made between August 11, 2010 and February 1, 2011, 6 additional attempts were made this period.

Anvil Communications: On June 24, 2011 we spoke directly to a company representative who expressed their unwillingness to participate.

Bee Creek Communications: In addition to multiple contact attempts made between July 26, 2010 and January 24, 2011, 10 additional attempts were made this period.

Buffalo Cable TV: Four contact attempts were made between March 1, 2011 and August 5, 2011 with no response.

Buford Media Group: In addition to multiple contact attempts made between August 2, 2010 and February 16, 2011, 5 additional attempts were made this period.

Centrovision: In addition to multiple contact attempts made between August 2, 2010 and February 16, 2011, 5 additional attempts were made this period.

CIT - Campbell Information Technology: On July 27, 2011 a company representative responded to the October 2011 data submission cycle request by requesting removal of current coverage. As stated by the representative, the organization feels there is too much information available for competitors and sees no benefit for their organization or potential new customers.

Cybercom Corporation: In addition to multiple contact attempts made between August 2, 2010 and January 5, 2011, 6 additional attempts were made this period.

Digital Passage: In addition to multiple contact attempts made between January 10, 2011 and February 22, 2011, 5 additional attempts were made this period.

... please refer to the Q3 2011 TEXAS Supplemental Answer Document.

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

No data was collected through extraction or extrapolation.

10f. Please describe the verification activities you plan to implement

ESRI has deployed and is hosting the BroadbandStat (BBStat) web application. ESRI houses the customized application in their highly available, monitored, and managed environment. Their services include maintaining a staging environment for data verification and compatibility as well as a production environment for client access.

Consumer feedback in the form of broadband inquiries is collected. These inquiries represent any type of communications received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the State Broadband Initiative (SBI). This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows Connected Nation to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

Within the Q2 2011 Performance Progress Report (PPR) Connected Nation proposed to target 6 additional companies in order to achieve a total field validation rate equal to or exceeding 63.16% before December 31, 2011. As of this report, field validation on 62.70% of the provider universe has been completed.

10g. Have you initiated verification activities? ⦿Yes ◯No

10h. If yes, please describe the status of your activities

BroadbandStat is publicly available on the Connected Texas website (http://www.connectedtx.org) and received a total of 644 visits between July 1, 2011 and September 30, 2011.

During this quarter, the project received a total of 23 broadband inquiries.

For this reporting period, 10 field verification tests were conducted. Thus far, Connected Nation's staff conducted field extensive validation tests on the following providers: Alenco Communications Inc.; Allegiance Communications; Alpheus (d.b.a. Aspen Communications); AT&T; AwesomeNet Inc.; Basin 2 Way Radio Inc.; Basin Broadband; Big Bend Telephone; Blossom Telephone; Border to Border Communications Inc.; Broadband Data Services of Texas LLC; Broadcomm.US; Broadwaves; Cable One Inc.; Cameron Telephone Company LLC; Cap Rock Telephone Cooperative Inc.; Cebridge (d.b.a. Suddenlink); Central Texas Cable Partners Inc.; Central Texas Telephone Cooperative Inc.; CenturyLink; Cequel Communications; Charter Communications; CKS Wireless; Clearwire Corporation; Coleman County Telephone Cooperative Inc.; Colorado Valley Telephone Cooperative Inc.; Comcast Cable Communications LLC; Community Telephone Company Inc.; Consolidated Communications; Cumby Telephone Cooperative Inc.; DC Texas.Net; Dell Telephone Cooperative Inc.; Digitex.com; East Texas Broadband; East Texas DSL; Eastex Telephone Cooperative Inc.; Eccentrix Technologies; ECTISP; ELC Internet Services Inc.; Electra Telephone Company; Element Networks LLC; eNet; ENMR Telephone Cooperative Inc. (d.b.a. ENMR Plateau Communications Inc.); ERF Wireless; ETAN Industries; Etex Communications LP; ETS Cablevision Company Inc.; Farm to Market Broadband LP; Five Area Telephone Cooperative Inc.; Ganado Telephone Company; GEUS; Gilmer Cable; Gower Computer Support Inc.; Grande Communications; Grayson CableRocket LLC; Greasy Bend Ventures Inc. (d.b.a. Live Air Networks); GTEK Communications; ...

... please refer to the Q3 2011 TEXAS Supplemental Answer Document.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

Verification activities have been initiated.

Staffing

10j. How many jobs have been created or retained as a result of this project?
14.91

Connected Nation has numerous staff working on the Connected Texas project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts in their respective areas, and by leveraging their expertise, the project benefits from their knowledge and skills without the bnecessity of supporting a more expensive full-time resource.

10k. Is the project currently fully staffed? ⦿Yes ◯No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed

The project is fully staffed.

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

14.91

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	4	09/14/2009
Business Programmer Analyst	3	04/02/2007
CAI Coordinator	11	12/13/2004
CAI Data Analyst	6	03/24/2009
ETS Analyst	83	08/24/2009
ETS Analyst	48	02/18/2010
ETS Analyst	40	08/24/2009
ETS Analyst	6	07/13/2009
ETS Analyst	1	11/01/2007
ETS Analyst	1	08/03/2009
ETS Manager	21	07/01/2007
General Counsel	8	01/01/2007
GIS Analyst	52	11/16/2009
GIS Analyst	5	04/01/2010
GIS Analyst	1	10/19/2009
GIS Services Manager	34	05/15/2007
Outreach & Awareness Manager	10	03/24/2009
Outreach & Awareness Specialist	29	01/04/2010
Outreach & Awareness Specialist	9	02/02/2009
Outreach & Awareness Specialist	9	10/01/2007
Outreach & Awareness Specialist	8	01/04/2010

Program Coordinator	97	06/27/2011
Program Director	12	08/04/2008
Program Manager	44	09/09/2009
Program Manager	44	12/20/2004
Project Coordinator	44	04/01/2005
Project Management Director	4	12/16/2009
Project Manager	35	03/16/2010
Project Manager	14	01/14/2008
Project Manager	14	09/01/2006
Project Manager	9	09/04/2007
Provider Relations Manager	11	02/17/2005
Research & GIS Analyst	14	05/14/2007
Research Analyst	90	02/15/2010
Research Analyst	90	02/15/2010
Research Analyst	90	02/15/2010
Research Analyst	90	02/15/2010
Research Analyst	90	02/15/2010
Research Analyst	90	02/15/2010
Research Analyst	89	02/15/2010
Research Analyst	26	06/01/2009
Research Analyst	5	03/22/2010
Research Analyst	4	02/01/2010
Research Manager	9	05/14/2007
State Services Associate	85	12/01/2009
State Services Manager	2	07/01/2007

Add Row	Remove Row

Sub Contracts

10o. Subcontracts Table

Name of Subcontractor	Purpose of Subcontract	RFP Issued (Y/N)	Contract Executed (Y/N)	Start Date	End Date	Federal Funds	In-Kind Funds
Eastern Research Services	Research Survey	Y	Y	02/08/2010	02/07/2012	96,742	0
ESRI	Production Support	N	Y	09/21/2009	12/31/2009	19,271	0
Contract Labor	Contract Labor	N	Y	01/01/2010	12/31/2014	387,989	334,378

Add Row	Remove Row

Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $2,468,287 10q. How much Remains? $5,557,713

10r. How much matching funds have been expended as of the end of last quarter? $537,281 10s. How much Remains? $1,565,998

10t. Budget Worksheet

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Personal Salaries	$2,861,710	$651,821	$3,513,531	$697,621	$89,675	$787,296
Personnel Fringe Benefits	$613,836	$175,076	$788,912	$144,902	$38,571	$183,473
Travel	$436,998	$0	$436,998	$127,664	$582	$128,246
Equipment	$178,963	$0	$178,963	$93,366	$0	$93,366
Materials / Supplies	$86,035	$0	$86,035	$34,512	$0	$34,512
Subcontracts Total	$926,612	$175,690	$1,102,302	$518,920	$334,378	$853,298
Subcontract #1	$321,061	$0	$321,061	$96,742	$0	$96,742
Subcontract #2	$73,819	$0	$73,819	$19,271	$0	$19,271
Subcontract #3	$473,145	$175,690	$648,835	$387,989	$334,378	$722,367
Subcontract #4	$19,904	$0	$19,904	$6,070	$0	$6,070
Subcontract #5	$38,683	$0	$38,683	$8,848	$0	$8,848
Construction	$0	$0	$0	$0	$0	$0
Other	$167,571	$911,067	$1,078,638	$15,867	$44,503	$60,370
Total Direct Costs	$5,271,725	$1,913,654	$7,185,379	$1,632,852	$507,709	$2,140,561
Total Indirect Costs	$2,754,275	$189,625	$2,943,900	$835,435	$29,572	$865,007
Total Costs	$8,026,000	$2,103,279	$10,129,279	$2,468,287	$537,281	$3,005,568
% Of Total	79	21	100	82	18	100

Hardware / Software

10u. Has the project team purchased the software / hardware described in the application? ●Yes ○No

10v. If yes, please list

Hardware/Software purchases for the project to date include the following:
• BroadbandStat-$60,000
• GIS Software Maintenance-$19,979
• Computers & Software-$16,476
• Speed Test Software-$6,337
• Spectrum Analyzer-$5,323

• GPS Unit(s)-$516
• Google Earth Pro-$266

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage server, security application, additional backup replication solution, computers, a spectrum analyzer, GPS units, interactive map upgrades/ maintenance, ESRI ArchInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

10x. Has the project team purchased or used any data sets?　◉Yes　○No

10y. If yes, please list
All datasets used in this project have been contributed in-kind. Data sets used by the project to date and their respective in-kind contribution value are as follows:
• Commission on State Emergency Communications Regional Planning Councils input - $7,395
• District & Municipal Public Safety Answering Point data - $1,419
• K-12 School address data - $26,895
• TX ISD Superintendents and Technology Coordinators - $3,768
• TX orthoimagery - $740,250
• TX Workforce Commission IT - $82
• Workforce Solutions data - $770

10z. Are there any additional project milestones or information that has not been included?　◉Yes　○No

10aa. If yes, please list
*Revised the project schedule, budget, and Work Breakdown Structure with an updated State Broadband Initiatives (SBI) timeline.

*Continued to maintain Connected Texas website, process speed tests, and broadband inquiries.

*Continued to solicit broadband coverage datasets from the Texas broadband provider community.

*Distributed broadband coverage datasets to the Geographic Information Systems mapping team for processing.

*Connected Texas submitted an SBI broadband mapping data update to the National Telecommunications and Information Administration (NTIA) that includes participation of just over 80% of the Texas broadband provider community, or 149 of 185 total providers. There are 146 participating providers and 3 additional non-participating providers whose estimated coverage areas were submitted. Of the 146 participating providers, 54 supplied an update to their network or coverage area(s), while 75 reported no change, 17 providers have previously reported data but were unresponsive to this update effort. The remaining 36 providers have been non responsive to the voluntary program.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing
Connected Texas continues to provide the NTIA with broadband database updates every six months, beginning in May 2010. Contacts and discussions between Connected Texas and the Texas broadband providers began in September 2009, several months before Connected Texas' first data submission to the NTIA. Since that initial submission, Connected Texas has provided the NTIA with three semiannual updates (October 2010, April 2011, and October 2011). Several identified viable providers have yet to provide to Connected Texas a complete broadband availability assessment in Texas. Outreach activities continue in order to obtain the data, however the lack of these broadband availability assessments may have an impact on the broadband maps and data for Texas.

In June of this year, Connected Nation provided a white paper to the Federal Communications Commission describing Connected Nation's validation and verification processes, including an engineering review process and extensive field testing by Connected Nation's engineering team, for estimating broadband service availability for providers who choose not to share data with us for use in the SBI mapping. This strategy may be employed by Connected Texas if outreach activities continue to fail and it is deemed necessary.

The non-federal match reported through this quarter is currently at 18%, 2% less than the required 20%. The Texas Water Development Board has contributed in-kind to the Connected Texas project an orthoimagery dataset valued to the project at $740,250. This dataset will be incorporated as match into the project upon approval by the granting agency. Once incorporated, the non-federal match would exceed the required 20%.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
Connected Texas maps were used to further identify unserved and underserved areas and to expand service to unserved households. http://connectedtx.org/mapping/

During Q3 2011, Connected Texas, working in close coordination with the Texas Department of Agriculture, continued gathering data on the location and broadband connectivity of Community Anchor Institutions (CAI), in accordance with the data requirements of the State Broadband Initiative (SBI) Notice of Funds Availability (NOFA) Technical Appendix. Efforts have been focused on conducting

outreach and raising awareness of this important project through a statewide campaign.

The program continues to identify key CAI contacts with a specific focus this quarter on the education, library and healthcare sectors. We continue to utilize our online survey and raise awareness of the importance of CAI broadband connectivity.

Connected Texas has an ongoing mission to educate CAI throughout the state on the importance of participating in the project. Participation by these institutions will raise awareness about the importance of broadband connectivity and the need to report the requested data for inclusion on the National Broadband Map.

Additionally we continue to utilize a CAI newsletter which was released during Q2 and remains available on the Connected Texas website. An update for this newsletter is planned for Q4 2011.

11. Broadband Planning

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan. Be sure to include a description of each major activity / milestone that you plan to complete and your current status

State Broadband Capacity Building Milestones Year 2, Quarter 3 per approved project plan:
• Connected Texas Program Office Administration –This milestone was met. The Connected Texas Program Office in Austin is fully staffed and interacting with our Texas stakeholders.
• Stakeholder Group Meeting – This milestone was met. Connected Texas conducted program meetings with stakeholders at the Texas Association of Regional Councils (TARC) annual conference in September. In addition, Connected Texas also hosted a Twitter Town Hall event live from the TARC annual conference.

Technical Assistance Milestones Year 2, Quarter 3 per approved project plan:
• Initiate 2011 statewide business survey research – This milestone was met. The 2011 statewide business survey commenced during the quarter.
• Analyze 2011 non-adopter oversample survey results – This milestone was met. On behalf of the state of Texas, Connected Texas conducted the 2011 non-adopter telephone survey, incorporating recommendations received from state stakeholders and third-party consultants where appropriate. In Q3 2011 Connected Texas finished surveying respondents and began analyzing results. Preliminary results were also released to Texas Stakeholders for review.
• Analyze 2011 statewide residential survey research results – This milestone was met. On behalf of the state of Texas, Connected Texas conducted the 2011 Residential Technology Assessment survey incorporating recommendations received from state stakeholders and third-party consultants where appropriate. In Q3 2011 Connected Texas finished surveying respondents, began analyzing results, and released preliminary results to Texas Stakeholders for review.

...please refer to the Q3 2011 TEXAS Supplemental Answer Document.

11b. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Connected Nation has been working closely with the Texas Department of Agriculture to ensure that our work exceeds expectations. During Q3 2011, there were no significant obstacles during the planning process.

11c. Does the Project Team anticipate any changes to the project plan for Broadband Planning? ◯Yes ◉ No

11d. If yes, please describe these anticipated changes. Please note that NTIA will need to approve changes to the Project Plan before they can be implemented

No changes anticipated.

Funding

11e. How much Federal funding has been expended as of the end of the last quarter? $0   11f. How much Remains? $0

11g. How much matching funds have been expended as of the end of last quarter? $0   11h. How much Remains? $0

11i. Planning Worksheet						
Personal Salaries	$0	$0	$0	$0	$0	$0
Personnel Fringe Benefits	$0	$0	$0	$0	$0	$0
Travel	$0	$0	$0	$0	$0	$0
Equipment	$0	$0	$0	$0	$0	$0

11i. Planning Worksheet						
Materials / Supplies	$0	$0	$0	$0	$0	$0
Subcontracts Total	$0	$0	$0	$0	$0	$0
Subcontract #1	$0	$0	$0	$0	$0	$0
Subcontract #2	$0	$0	$0	$0	$0	$0
Subcontract #3	$0	$0	$0	$0	$0	$0
Subcontract #4	$0	$0	$0	$0	$0	$0
Subcontract #5	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Other	$0	$0	$0	$0	$0	$0
Total Direct Costs	$0	$0	$0	$0	$0	$0
Total Indirect Costs	$0	$0	$0	$0	$0	$0
Total Costs	$0	$0	$0	$0	$0	$0
% Of Total	0	0	0	0	0	0

Additional Planning Information

11j. Are there any additional project milestones or information that has not been included?
Connected Nation conducted a survey that oversamples households that do not subscribe to broadband. This second survey was in addition to the previously scheduled residential survey. This updated and improved methodology will provide a greater level of analysis regarding barriers to technology adoption among different socioeconomic and demographic groups by surveying non-adopters in Texas in a way similar to that conducted by the Federal Communications Commission (FCC) as part of the National Broadband Planning effort. This approach will help create a demographic and socioeconomic profile of the population of non-adopters in Texas, which can then be applied at the local level of detail by area planning teams to assist in developing local adoption initiatives that will target the barriers that are unique to that area. In Q3 2011, CN surveyed 2,400 adult heads of households who do not subscribe to broadband across the state of Texas and presented the initial results to state stakeholders.

Connected Texas continues to refine a community engagement program and solicit and implement feedback from our Texas stakeholders on the program prior to initiating the program. During Q3 2011, Connected Texas filled the recently vacated Program Manager position, based in the Connected Texas State Program Office in Austin, whose function is to oversee all aspects of the Connected Texas program.

...please refer to the Q3 2011 TEXAS Supplemental Answer Document.
11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

No obstacles or challenges encountered this quarter.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project
• Texas Broadband Task Force Meeting – Connected Texas presented to the Broadband Task Force on August 22 with attention directed toward the initiative's new focus on planning for broadband access, adoption, and use. Connected Texas reported the beginning of several partnerships with organizations including the Public Utility Commission, the Texas Association of Regional Councils, the State Library, and the Department of Agriculture.
o Blog: Texas Takes Aim at Access, Adoption, and Use - http://connectedtx.org/news/?id=tag%3Ablogger.com%2C1999%3Ablog-6814853205604786677.post-8987208615416735579

• Texas Association of Regional Councils (TARC) Conference – Connected Texas presented to 24 Regional Councils of Governments (COGs) and held a live Twitter Town Hall Q&A on September 15 with TARC's Executive Director to stimulate discussion on regional broadband expansion across the state.

• Connected Texas released business survey data and launched an interactive webpage providing easy-to-use information about business insights. The data shows that approximately 138,000 businesses in Texas are not using broadband. The survey reveals which economic sectors are lagging behind in broadband adoption as well as the types of platforms they are using, the prices they're

paying, and much more.

o Press Release: http://connectedtx.org/press_release/?id=tag%3Ablogger.com%2C1999%3Ablog-6983356658417644055.
post-7471548893983404706

o Findings Summary: http://connectedtx.org/research/

o Business Assessment PDF: http://connectedtx.org/_documents/TX_Biz_Assessment.pdf

o White Paper: http://connectedtx.org/_documents/TX_BizWhitePaper_FINAL.pdf

• Blog: Texas Businesses and Broadband: A New Study Highlights Importance of High-Speed Internet - http://connectedtx.org/news/?
id=tag%3Ablogger.com%2C1999%3Ablog-6814853205604786677.post-3682402869742503615

...please refer to the Q3 2011 TEXAS Supplemental Answer Document.

12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purpose set forth in the award documents.		
12a. Typed or Printed Name and Title of Authorized Certifying Official Bernie Bogle	12c. Telephone (area code, number, and extension)	
	12d. Email Address bbogle@connectednation.org	
12b. Signature of Authorized Certifying Official Submitted Electronically	12e. Date Report Submitted (Month, Day, Year) 11-21-2011	