

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 NT10BIX5570066	3. DUNS Number 066723990
4. Recipient Organization Bristol Virginia Utilities Board 15022 Lee Hwy , Bristol, VA 24202-4256		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	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 Mollie Salyer	7c. Telephone (area code, number and extension) X	
		7d. Email Address msalyer@bvub.com
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-30-2011	

Project Indicators (This Quarter)			
<p>1. Please describe significant project accomplishments completed during this quarter (600 words or less).</p> <p>Earlier in quarter, BVU made minor budget adjustments through the normal budget change process to reflect some minor re-categorizing of expected expenses. Changes were discussed with FPO prior to making adjustment. These changes had no effect on NTIA contribution nor overall project costs.</p> <p>However, during OIG review, BVU was requested to adjust our in-kind match funds, to reflect additional in-kind value for ROW agreement with VDOT and for existing fiber and equipment not taken into account at time of original application. Per OIG Office and our FPO, they have requested that the in-kind changes be reflected in the PPR reports for 2011-Q3, even though other budget alteration documentation has not yet been completed. Expect to make these changes as soon as possible after getting PPR reporting completed. These in-kind additions have no effect on NTIA contribution, but will increase the in-kind matching values by \$8,880,062 and alter overall project value from \$36,220,536 to \$45,100,598.</p> <p>During Q3-2011, BVU Authority continued with building out routes for the project, which included construction and engineering activities, as well as receiving and deploying materials. Both engineering and construction are progressing well, with only slight lingering setbacks due to encountering hard rock during fiber drilling causing anticipated completion of routes to be delayed. It is fully expected that BVU will overcome delay over the next two quarters. Currently, BVU Authority and construction contractor, Edwards Telecommunications, Inc., have finished 2 routes and are working on an additional 10 routes, while engineering firm Thompson & Litton continues engineering on approximately 8 more route sections. As of the end of the quarter, approximately 99.8 miles were constructed.</p> <p>BVU and Thompson & Litton continue to work with USDA Forest Service to complete necessary work on National Forest build permits (during the growing season). This work was anticipated to be finished by the end of Q3-2011, but Forest Service has been slow to process. Expect completion no later than Q1-2012 in time for growing season.</p>			
<p>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).</p>			
	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	55	The project has experienced some slow downs due to drilling complications, and thus the weeks we were ahead last quarter has been consumed and putting us slightly behind original schedule. Percent complete also impacted by the additional in-kind contributions added to the budget per OIG request. Since project complete percentage is based on overall dollars, the percentage will increase somewhat on just the in-kind adjustment versus actual expenses. That is why the current percentage complete reflects a large jump over last quarter's report's projection of 45%, even though we had a slow down in construction.
2b.	Environmental Assessment	100	All known assessments are complete.
2c.	Network Design	45	This category is slightly below projected percentage based on last quarter's report, but still significantly ahead of construction so no delays due to design expected.
2d.	Rights of Way	70	No actual dollars were expended to this category during this period, but as noted in last quarter's report, the percentage was expected to increase slightly due to budget changes discussed previously.
2e.	Construction Permits and Other Approvals	45	Allocation of 5% of Engineering dollars to Construction Permits. Done in conjunction with Network Design, so slightly below projection is consistent with Network Design percentage.
2f.	Site Preparation	56	Allocation of 0.5% of Construction dollars to Site Preparation. Large percentage jump due to additional in-kind dollars to construction discussed previously.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	59	BVU still has not begun equipment procurement, as the PoPs for the equipment are part of a currently-proposed Project Modification. Once approval is received for this modification, we will begin to incur expenses in this category. Dollars charged to this category so far are in-kind dollars. No actual dollars were expended to this category during this period, but as noted in last quarter's report, the percentage was expected to increase slightly due to budget changes discussed previously.
2h.	Network Build (all components - owned, leased, IRU, etc)	56	Network build is ahead of schedule budget-wise mainly because all in-kind was expensed to the project last quarter. Large percentage jump due to additional in-kind dollars to construction discussed previously.
2i.	Equipment Deployment	59	BVU still has not begun equipment deployment, as the PoPs for the equipment are part of a currently-proposed Project Modification. Once approval is received for this modification, we will begin to incur expenses in this category, probably in Q4-2011. Dollars charged to this category so far are in-kind dollars. Large percentage jump due to additional in-kind dollars to equipment discussed previously.
2j.	Network Testing	0	Network testing has not begun to have dollars charged to it, as no electronics are on the network yet.
2k.	Other (please specify): Grant Preparation	100	Completed.

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).

BVU Authority faced particular difficulties in construction due to unusually hard rock encountered during drilling for buried fiber. This has not had a significant impact on the overall schedule, due to construction being several weeks ahead before encountering the drilling obstacles. We feel that the project is back to its original schedule.

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	99	BVU encountered hard rock slowing down burying of fiber. With slow down we are no longer ahead of schedule, but are back to original schedule.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	99	BVU encountered hard rock slowing down burying of fiber. With slow down we are slightly behind original schedule.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	2	Due to delays in starting PoP engineering/build, there are only two routes actually spliced into existing BVU infrastructure at this point. However, as of the end of the quarter, 5 connections were still pending.

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	1
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 or less). Providers:

Virginia Department of Transportation. We provide 12 fiber strands in exchange for right-of-way access, in perpetuity.

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:

We are providing dark fiber access to the Virginia Department of Transportation.

Please see attached sheet for pricing.

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).

N/A

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	N/A
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	1	BVU Authority has an MOU with the Virginia Department of Transportation to provide lease of dark fiber for two routes in exchange for use of VDOT ROW.
	Please identify the speed tiers that are available and the number of subscribers for each	9	10 Mbps (0); 50 Mbps (0); 100 Mbps (0); 200 Mbps (0); 400 Mbps (0); 1000 Mbps (0); 2.5 Gbps (0); 10 Gbps (0); OC-3 Sonet (0)
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A
Residential / Households	Entities passed	0	N/A

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

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	N/A

Project Indicators (Next Quarter)**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**

- Continued engineering of all routes
- Continued construction of 10 routes currently in progress; additional construction on 3-5 more routes
- Continue completion and submittal of pole, RR, and construction permits
- Conduct/finalize all biological work required for National Forest Permits; receive permits.
- Finalize Project Modification In-Kind request and begin engineering of PoPs once new locations are approved.

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)

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	64	Projections for next quarter contain the modified in-kind amounts mentioned previously. This will jump the percentages due to the influx of in-kind dollars. Percentage shown takes this into account.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	58	Projections for next quarter contain the modified in-kind amounts mentioned previously. This will jump the percentages due to the influx of in-kind dollars. Percentage shown takes this into account.
2d.	Rights of Way	70	No actual dollars are expected to be expended to this category during next period, but as noted in last quarter's report, the percentage was expected to increase slightly due to budget changes discussed previously.
2e.	Construction Permits and Other Approvals	58	This category is an allocated 5% of OMB category 4, and will incur proportionately the same amount as Network Design.
2f.	Site Preparation	65	This category is an allocated 0.5% of OMB category 9, and will incur proportionately the same amount as Network Build. Projections for next quarter contain the modified in-kind amounts mentioned previously. This will jump the percentages due to the influx of in-kind dollars. Percentage shown takes this into account.
2g.	Equipment Procurement	60	No actual dollars are expected to be expended to this category during next period, but as noted in last quarter's report, the percentage was expected to increase slightly due to budget changes discussed previously.
2h.	Network Build (all components - owned, leased, IRU, etc.)	65	Network build experienced slow down, but is still on original schedule. Projections for next quarter contain the modified in-kind amounts mentioned previously. This will jump the percentages due to the influx of in-kind dollars. Percentage shown takes this into account.
2i.	Equipment Deployment	60	No actual dollars are expected to be expended to this category during next period, but as noted in last quarter's report, the percentage was expected to increase slightly due to budget changes discussed previously.
2j.	Network Testing	0	Network testing will begin in Q4-2011.
2k.	Other (please specify): Grant Prep	100	Completed.
<p>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).</p> <p>Challenges BVU Authority will face next quarter include:</p> <ul style="list-style-type: none"> -Potential winter weather -Expect completion of National Forest BE studies, assuming no delays. 			

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	\$65,000	\$1,000	\$64,000	\$59,217	\$0	\$59,217	\$65,000	\$1,000	\$64,000
b. Land, structures, right-of-ways, appraisals, etc.	\$991,431	\$751,431	\$240,000	\$691,431	\$691,431	\$0	\$698,345	\$692,814	\$5,531
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,395,176	\$279,035	\$1,116,141	\$624,066	\$124,813	\$499,253	\$813,309	\$162,662	\$650,647
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$638,352	\$127,670	\$510,682	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$39,731,915	\$19,704,727	\$20,027,188	\$22,292,746	\$16,216,893	\$6,075,853	\$25,908,851	\$16,940,114	\$8,968,737
j. Equipment	\$2,278,724	\$1,538,724	\$740,000	\$1,353,724	\$1,353,724	\$0	\$1,367,261	\$1,356,431	\$10,830
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
I. SUBTOTAL (add a through k)	\$45,100,598	\$22,402,587	\$22,698,011	\$25,021,184	\$18,386,861	\$6,634,323	\$28,852,766	\$19,153,021	\$9,699,745
m. Contingencies	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of I and m)	\$45,100,598	\$22,402,587	\$22,698,011	\$25,021,184	\$18,386,861	\$6,634,323	\$28,852,766	\$19,153,021	\$9,699,745

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
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