

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 NT10BIX5570131	3. DUNS Number 044627859
4. Recipient Organization Peoples Telephone Cooperative Inc. 102 N. Stephens St., Quitman, TX 75783-2202		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2011	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 Robbie Allen	7c. Telephone (area code, number and extension) X	
	7d. Email Address rob@peoplescom.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-23-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 We continued construction of Phase IA, nearing the halfway point with approx. 20 miles of duct in the ground. Plans & specifications were developed and a bid was negotiated with the incumbent contractor Gulf Shores for Phase IB. Part of the transmission equipment arrived, consisting of 4 Cisco ASR 9000s and enough access equipment to test them in a lab environment. Testing was completed and the equipment was accepted. A building site was located and acquired in Wills Point. The NTIA site visit was conducted in June.

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	5	No Variance
2b.	Environmental Assessment	68	No Variance
2c.	Network Design	27	We have experienced environmental delays and have made route changes which negatively affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2d.	Rights of Way	0	No Variance
2e.	Construction Permits and Other Approvals	19	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2f.	Site Preparation	0	All site preparation expense to date has been allocated to the construction milestone category.
2g.	Equipment Procurement	1	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2h.	Network Build (all components - owned, leased, IRU, etc)	2	No Variance
2i.	Equipment Deployment	2	Some expenses previously reported under equipment deployment have been allocated to the "miscellaneous" category of expenses, decreasing this percentage.
2j.	Network Testing	2	No Variance
2k.	Other (please specify): Land Acquisition	2	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.

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).
 Federal approval of our environmental assessment was delayed. Fiber optic cable is in short supply and delivery dates have been delayed by more than 6 months. We have several route changes necessary due to the environmental assessment and identified cost savings over the original routes.

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	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
New network miles leased	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
Existing network miles upgraded	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
Existing network miles leased	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
Number of miles of new fiber (aerial or underground)	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
Number of new wireless links	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
Number of new towers	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.
Number of new and/or upgraded interconnection points	0	The non-availability of fiber optic cable has ceased our network deployment activities. When cable is delivered late in the 4th quarter, 2011, these indicators should reflect deployment.

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	3
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:
We have no signed agreements with any wholesale or last mile providers.

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:

Our wholesale pricing is as follows: 10 GigE, \$15,000/month; 1 GigE, \$6,000/month; 500 Meg, \$4,000/month; 100 Meg, \$2,250/month

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	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
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
	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).

We are planning to provide 10 Meg, 100 Meg, 1 GigE and 10 GigE wholesale internet access for last mile providers. We may also provide network configuration and management.

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).
 Revise fiber specifications and make a partial order to develop a second source for the fiber. Complete construction of Phase IA, with the exception of installing the fiber into the duct. Start Phase IB construction. Develop plans & specifications for Phase IC and negotiate pricing with the existing contractor, Gulf Shores. Deploy backbone equipment with the DWDM equipment and test the transport network. Place a building in Wills Point.

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	12	No Variance
2b. Environmental Assessment	68	No Variance
2c. Network Design	37	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2d. Rights of Way	0	No Variance
2e. Construction Permits and Other Approvals	25	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2f. Site Preparation	0	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2g. Equipment Procurement	1	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2h. Network Build (all components - owned, leased, IRU, etc.)	2	No Variance
2i. Equipment Deployment	2	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.
2j. Network Testing	2	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2k.	Other (please specify): Land Acquisition	4	We have experienced environmental delays and have made route changes which affects many of our milestone categories. Our fiber suppliers have not delivered any fiber, so these expenditures have been delayed and pushed back from their anticipated expense dates, again affecting our milestone categories.

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).

We continue to work with Texas state agencies identified by our federal program officer to improve cost effectiveness of construction on state rights-of-way. We are also working through environmental issues identified by our environmental assessment, in addition to construction delays caused by the delay in the environmental assessment FONSI. Fiber optic cable delivery has been delayed by more than 6 months. Without fiber, we cannot properly plan & schedule service to CAIs. This affects all aspects of implementation, as well as anticipated expense planning.

