

RECIPIENT NAME:MCNC
AWARD NUMBER: NT10BIX5570011
DATE: 02/14/2011

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12/31/2013

ANNUAL 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 NT10BIX5570011	3. DUNS Number 018946590
4. Recipient Organization MCNC 3021 Cornwallis Road, Research Triangle Park, NC 27709-2889		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	6. Is this the last Annual 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 Patricia Moody Chief Financial Officer	7c. Telephone (area code, number and extension) 9192481820	7d. Email Address pmoody@mcnc.org
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-14-2011	

OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	\$0	No fiber yet deployed, although at end of quarter conduit placement had occurred.
Average cost per household passed (Last Mile)	N/A	N/A to our project.
Average cost per subscriber (Last Mile)	N/A	N/A to our project.
Maximum broadband speed advertised (Middle Mile)	N/A	No fiber yet deployed.
Maximum broadband speed advertised (Last Mile)	N/A	N/A to our project.
Average broadband speed provided (Middle Mile)	N/A	No fiber yet deployed
Average broadband speed provided (Last Mile)	N/A	N/A to our project.

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
N/A	N/A	N/A	N/A

Add Facility

Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

MCNC has a Definitive Agreement with FRC which provides for IRUs (exclusive, unrestricted and indefeasible right to use the fibers associated with the IRUs) - such IRU grant does not convey any legal title to any real or personal property, including the fibers, the cable or the network; however, the Grantee shall have the exclusive, unrestricted and indefeasible right to use the fibers associated with the IRU for any lawful purpose during the term applicable to such IRU.

- FRC will be getting IRUs in New MCNC Fiber Segments
- MCNC will be getting IRUs in Existing FRC Fiber Segments

For ERC we have a Fiber Optics Exchange Agreement

The agreement defines IRU as an indefeasible right to use a designated number of fiber strands within the other party's cable

- ERC will be getting an exclusive and unrestricted IRU from MCNC
- MCNC will be getting an exclusive and unrestricted IRU from ERC

Peering and Transit Agreements (600 words or less)

N/A

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	0	Public Housing	0
Libraries	0	Other Institutions of Higher Education	0
Medical and Healthcare Providers	0	Other Community Support Organizations	0
Public Safety Entities	0	Other Government Facilities	0
Community Colleges	0	Total Community Anchor Institutions	

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).

No CAI's were explicitly called out for direct service as a part of this project. As of 12/31/2010, no network components had been deployed as part of this project.

6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in \$ per month) associated with each retail service. Retail services description:

N/A

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?

MCNC has Internet/Data Acceptable Use, Nondiscrimination, Interconnection, and Network Management Policies (see <https://www.mcnc.org/about/policies.html> for further details). MCNC does not impose any bandwidth limitations or access limitations to lawful content, service, service provider, or application or prevent any consumers from attaching any legal device to it's existing infrastructure or on proposed BTOP infrastructure.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).

N/A

9. Please provide the following information regarding the number of fiber strand-miles:

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	Leased	Dark
46,274	0	0	2,642	0	0	43,632

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:

N/A

11. Please provide the following information regarding the facility collocation capacity:

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available

0	0	0	0
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12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).

Although we have not yet deployed, access to other network providers will be allowed at all hand holds deployed within the network and all carrier neutral facilities we end up collocating in. .

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).

While our next tier contractors are not SDB, each are including a SDB component via their subcontractors.

14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).

Get your RFP's out as quickly as you can. With folks desperate for work and orders, you might end up with more favorable pricing. Continue to work with incumbents in your area as new opportunities for partnerships arise. Realize that every day will present a new challenge and opportunity, but to keep the big picture in focus.