

### QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information		
<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b> GOL	<b>2. Award Identification Number</b> NT10BIX5570041	<b>3a. DUNS Number</b> 831201483
		<b>3b. EIN</b> XXXXXXXXXXX
<b>4. Recipient Organization (Name and complete address including country, congressional district, and zip code)</b> Level 3 EON, LLC 1025 Eldorado Blvd, Broomfield, CO 80021		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b> 09-30-2010	<b>6. Is this the last Report of the Award Period?</b> <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Monisha Merchant  Director, Product Management	<b>7c. Telephone (area code, number and extension)</b> 1720888603	
	<b>7d. Email Address</b> Monisha.merchant@level3.com	
<b>7b. Signature of Certifying Official</b> Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b> 11-23-2010	

**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (150 words or less).**  
 Satisfied Section 106 SAC and revised ASV SAC. Set up and completed procurement processes for equipment and engineering designs.

**2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 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	30	On track
2b.	Environmental Assessment	100	Complete
2c.	Network Design	15	Managing multiple projects; for efficiency reasons, modified project prioritization. Will be on track in 4Q10 and 1Q11.
2d.	Rights of Way	0	N/A - All construction will be on our own property.
2e.	Construction Permits and Other Approvals	100	Completed all engineering designs for all sites simultaneously.
2f.	Site Preparation	15	See 2c
2g.	Equipment Procurement	0	During 3Q, was in process of fulfilling the Section 106 and the accounting system verification requirements. With these items completed, will get back on schedule in 4Q10 and early 1Q11.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Pending 2g
2i.	Equipment Deployment	0	Pending 2g
2j.	Network Testing	0	On track
2k.	Other (please specify):	0	N/A

**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 (150 words or less).**  
 Ahead of schedule on engineering designs. During 3Q, was in process of fulfilling the Section 106 and the accounting system verification requirements. With these items completed, will get back on schedule in 4Q10 and early 1Q11. Worked closely with BTOP program officer throughout the quarter.

**4. Please report the following information regarding network build progress. Write "N/A" in the second 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 (100 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	N/A
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)	0	See 2g above
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of interconnection points	0	On track

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your subrecipient, 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	0
Average term of signed agreements	0

**5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements. Providers:**  
 N/A

**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. Wholesale services description:**  
 Protected and unprotected transport 50Mbps to 10Gbps to last mile providers. Speeds: 50M, 100M, 150M, 200M, 300M, 400M, 500M, 600M, 1G, 2.5G, 10G, OC-3, OC-12, OC-48, OC-192. Pricing varies based on length of circuit, bandwidth, type of transport, and contract term.

**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 subrecipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (150 words or less).**  
 N/A

**6. Please provide the data according to the type of subscriber. Write "N/A" 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 (100 words or less).**

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
<b>Broadband Wholesalers or Last Mile Providers</b>	Providers with signed agreements receiving new access	0	On track
	Providers with signed agreements receiving improved access	0	On track
	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	See 5c
<b>Community Anchor Institutions (including Government institutions)</b>	Total subscribers served	0	N/A - Will serve anchor institutions via last mile providers.
	Subscribers receiving new access	0	N/A - Will serve anchor institutions via last mile providers.
	Subscribers receiving improved access	0	N/A - Will serve anchor institutions via last mile providers.
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A - Will serve anchor institutions via last mile providers.
<b>Residential / Households</b>	Entities passed	0	N/A - Will serve anchor institutions via last mile providers.
	Total subscribers served	0	N/A - Will serve anchor institutions via last mile providers.

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

**7. Please describe any special offerings you may provide (150 words or less).**

We will provide 17 new access points on Level 3's existing broadband network to enable last mile providers to offer affordable high-speed services to under served areas. The additional points of interconnection will offer broadband speeds between 50 Mbps and 10 Gbps.

**8a. Have your network management practices changed over the last quarter?**  Yes  No

**8b. If so, please describe the changes (150 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. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent calendar year. 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 (100 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 (150 words or less).**  
 Purchase equipment. Deploy equipment. Set up and complete construction RFP process. Begin construction and begin completing interconnection points.

**2. Please provide the percent complete for the following key milestones in your project. Write "N/A" in the second 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 (100 words or less).**

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	35	N/A
2b.	Environmental Assessment	100	Complete
2c.	Network Design	50	.
2d.	Rights of Way	0	N/A constructions will be on our own property.
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	50	Reprioritized states
2g.	Equipment Procurement	40	Reprioritized states
2h.	Network Build (all components - owned, leased, IRU, etc.)	20	Reprioritized states
2i.	Equipment Deployment	35	Reprioritized states
2j.	Network Testing	25	N/A
2k.	Other (please specify):	0	0

**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 (150 words or less).**  
 No challenges anticipated at this time. Possibly limited staff support during Thanksgiving and December holidays.

**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	\$80,000	\$20,000	\$60,000	\$0	\$0	\$0	\$8,000	\$2,000	\$6,000
b. Land, structures, right-of-ways, appraisals, etc.	\$45,101	\$11,275	\$33,826	\$0	\$0	\$0	\$12,000	\$3,000	\$9,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,500	\$625	\$1,875	\$0	\$0	\$0	\$0	\$0	\$0
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$191,250	\$47,813	\$143,438	\$32,500	\$8,125	\$24,375	\$120,000	\$30,000	\$90,000
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$662,200	\$165,550	\$496,650	\$0	\$0	\$0	\$400,000	\$100,000	\$300,000
j. Equipment	\$5,256,000	\$1,314,000	\$3,942,000	\$0	\$0	\$0	\$750,000	\$187,500	\$562,500
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	<b>\$6,237,051</b>	<b>\$1,559,263</b>	<b>\$4,677,789</b>	<b>\$32,500</b>	<b>\$8,125</b>	<b>\$24,375</b>	<b>\$1,290,000</b>	<b>\$322,500</b>	<b>\$967,500</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$6,237,051</b>	<b>\$1,559,263</b>	<b>\$4,677,789</b>	<b>\$32,500</b>	<b>\$8,125</b>	<b>\$24,375</b>	<b>\$1,290,000</b>	<b>\$322,500</b>	<b>\$967,500</b>

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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