



FIRST PERFORMANCE PROGRESS REPORT 2010

<p>1. Recipient Organization (<i>Name and complete address including zip code</i>) Delta Communications, LLC d/b/a Clearwave Communications 2 N. Vine Street, PO Box 808, Harrisburg, IL 62946</p>	<p>2. Award Identification Number NT10BIX5570100</p>															
<p>3. Performance Narrative (Q1) We received our award in August; therefore this is our first Performance Progress Report. There were no federal expenditures made for the quarter ending, September 30, 2010. During this quarter we have become familiar with the grant requirements, in particular all of our SACs. We have identified our preconstruction activities and have begun to set up initial tasks and timelines. Environmental Assessment activities have begun by contracting with a consultant and driving our routes, including alternative routes.</p> <p>Federal Expenditures = 0</p>																
<p>4. Performance Projections (Q2) Activities for the next quarter will be mainly focused on the Environmental Assessment. We will be setting up our project office and will begin our OSP Engineering. During this time we will also begin permitting activities with the Core of Engineers, Illinois Department of Transportation, and other appropriate entities. Two key purchases will be made this quarter; our Data Center Building in Marion, and our fiber Duct that goes under the Mississippi River that will allow us to get to the Carrier Hotel in St. Louis. Although we will purchase these assets during the quarter, no construction activities will occur until after we receive our FONSI. We do not expect any challenges that would cause delays for this upcoming quarter.</p> <p>We expect total federal expenditures for this quarter to be \$ 2,421,243, broken down in the following categories:</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="padding-right: 20px;">Environmental Assessment</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">55,192</td> </tr> <tr> <td>Network Design</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">1,099,054</td> </tr> <tr> <td>Rights of Way</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">138,849</td> </tr> <tr> <td>Network Build</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">1,128,148</td> </tr> <tr> <td></td> <td style="text-align: right;">\$</td> <td style="text-align: right; border-top: 1px solid black;">2,421,243</td> </tr> </table>		Environmental Assessment	\$	55,192	Network Design	\$	1,099,054	Rights of Way	\$	138,849	Network Build	\$	1,128,148		\$	2,421,243
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<p>5. 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.</p>																
<p>5a. Typed or Printed Name and Title of Authorized Certifying Official Ray Cagle – Chief Operating Officer</p>	<p>5c. Telephone (<i>area code, number and extension</i>) 618-294-8026</p> <p>5d. Email Address rcagle@clearwave.com</p>															
<p>5b. Signature of Authorized Certifying Official</p>	<p>5e. Date Report Submitted (<i>Month, Day, Year</i>)</p>															

According to the Paperwork Reduction Act, as amended, no person is required to respond to, nor shall any person be subject to penalty for failure to comply with, a collection of information subject to the requirements of the PRA, unless that collection of information displays a currently valid OMB control number. Public reporting burden for this collection of information is estimated to average 1 hour and 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Anthony G. Wilhelm, Director, Broadband Technology Opportunities Program, Office of Telecommunications and Information Applications, National Telecommunications and Information Administration, U.S. Department of Commerce (DOC), 1401 Constitution Avenue, N.W., HCHB, Room 4887, Washington, D.C. 20230.