

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 NT10BIX5570100	3. DUNS Number 945065498
4. Recipient Organization Delta Communications, L.L.C. 2 N Vine St., 3rd FL, Harrisburg, IL 62946-1561		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	6. Is this the last Report of the Award Period? <div style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </div>	
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 Ray Cagle	7c. Telephone (area code, number and extension) X	7d. Email Address rcagle@clearwave.com
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-18-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

- Environmental Assessment started.
- Network Engineering started.
- Pre-Engineering of Network Equipment Complete.
- Land/Building purchase of Marion Datacenter complete.
- Lease space agreements started for space at 900 Walnut St, (carrier hotel, internet gateway).
- Application process started for collocation of remaining 10 central offices.
- Outside plant Engineering Start (engineering includes application/request for access to rights-of-way on city property and state highways and railroad crossings).

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	7	Baseline is 6%. Slightly ahead of schedule on Environmental Assessment, Network Design, and Rights of Way work.
2b.	Environmental Assessment	80	Baseline is 50%. Ahead of schedule for work being completed.
2c.	Network Design	65	Baseline is 60%. Slightly ahead of schedule for work being completed.
2d.	Rights of Way	5	Baseline is 0%. Ahead of schedule for work being completed.
2e.	Construction Permits and Other Approvals	0	No variance
2f.	Site Preparation	0	No variance
2g.	Equipment Procurement	0	Baseline is 35%.Purchase Orders have been issued but payments will not be made until next quarter. After payments are made this line item will be back on baseline plan.
2h.	Network Build (all components - owned, leased, IRU, etc)	5	No variance
2i.	Equipment Deployment	0	No variance
2j.	Network Testing	0	No variance
2k.	Other (please specify): N/A	0	No variance

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).

Even though we are ahead of schedule on Environmental Assessment dealing with the various agencies in a timely manner has been a challenge. We are ahead of schedule regarding Rights of Way, however this is a time consuming area. Many of the city councils only meet once or twice a month and it will often take 2-4 meetings to get final approval. In some cases we are having to educate the decision makers about the value that the broadband infrastructure will bring to their area.

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	N/A
New network miles leased	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	N/A
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	N/A

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	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:
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 (100 words or less). Wholesale services description:
N/A

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

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
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).

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).

- Environmental Assessment complete.
- Engineering/Design of Marion Datacenter complete.
- Renovations of Marion Datacenter started.
- In place duct purchase to St. Louis carrier hotel complete. Fiber pulled into duct.

- Orders placed for network transport/access/route/switch and CPE equipment.
- Network design complete.
- Construction permit application process started.
- Agreements regarding matching funds for the remainder of the project finalized.

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	25	Baseline is 21%. Slightly ahead of schedule
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	15	Baseline is 10%. Slightly ahead of schedule
2e.	Construction Permits and Other Approvals	15	Baseline is 10%. Slightly ahead of schedule
2f.	Site Preparation	0	No variance
2g.	Equipment Procurement	50	No variance
2h.	Network Build (all components - owned, leased, IRU, etc.)	10	No variance
2i.	Equipment Deployment	0	No variance
2j.	Network Testing	0	No variance
2k.	Other (please specify): N/A	0	No variance

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).

Working through Environmental Assessment and receiving our Finding of No Significant Impact (FONSI). Getting to all of the municipalities for Rights of Way Agreements, and continuing to educate certain municipalities about the value of the broadband infrastructure. Completing rights of way agreements with the Illinois Department of Transportation, in particular Controlled Access areas involving Interstate Highway Rights of Way.

