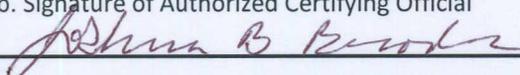


FIRST PERFORMANCE PROGRESS REPORT First Quarter 2010



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| 1. Recipient Organization (Name and complete address including zip code) Maine Fiber Company, Inc., 245 Commercial Street, Suite 203, Portland, ME 04101 (Award made to the Biddeford Internet Co.) | 2. Award Identification Number NT10BIX5570006 |
| 3. Performance Narrative (Q1) <i>Please describe your project activities and progress for the first quarter of 2010. This should include a description of federal expenditures to date, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any delays or challenges. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i> The Maine Fiber Company, Inc. (MFC) has made strong progress to date on advancing the Three Ring Binder project. Since the grant award was made in December of 2009, MFC has: -organized the project team -completed gross engineering and project planning -completed 90 percent of the NEPA mandated environmental assessment requirements -assisted the Maine legislature in authorizing a new class of utility called a 'Dark Fiber Provider' (DFP) -completed PUC filings for said DFP status (pending approval) -established a procurement process in accordance with program and federal rules -stood up a construction management/ERP, billing, and accounting system for the project -completed the majority of the requirements needed to facilitate a grant transfer as contemplated in the application -established a solid working relationship with the program office at NTIA and grant administrators at NOAA -shopped for and bound project insurances -completed 25 percent of the attachment agreements with telecom and pole owners -negotiated a deal with an electric utility for a combined effort of attachment, construction, maintenance and fiber rental (for electric grid control) in the most rural area of Maine, for 266 miles of the project (agreements subject to NTIA approval/review still) -Worked closely with stake holders/customers in determining requirements including the early negotiations for dark fiber IRUs to carriers Federal funds expended in Q1, 2010: \$222,947.38, but these funds have not yet been transferred from the Federal Government to the Maine Fiber Company, Inc. | |
| 4. Performance Projections (Q2) <i>Please describe your anticipated project activities and progress for the next quarter. This should include a description of federal expenditures, key milestones, the primary activities needed to accomplish those milestones, significant project accomplishments, and any potential delays or challenges you foresee. Please use the milestone categories provided in your baseline report (e.g., environmental assessment, design, rights of way) to structure your answer. (500 words or less)</i> MFC projects to spend approximately \$1,000,0000 in federal funds in Q2 The next operational steps for MFC in Q2 are to: -Finalize the grant transfer -Complete the NEPA environmental assessment process and associated consultations with federal and state agencies in including the National Fish and Wildlife Service, the State Historic Preservation Office, the NOAA costal program, tribal lands, and Army Corps of Engineers -Complete attachment agreements with pole owners, both telecom and electrical -Gather pole numbers and submit all pole licenses agreements for approximately 36,000 poles -Commence construction along the costal corridor and Aroostook County -Complete RFP process for cable -Complete RFP for construction vendors -Negotiate construction contracts -Negotiate first IRUs with users of the Three Ring Binder | |

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.

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| 5a. Typed or Printed Name and Title of Authorized Certifying Official Joshua Broder, President, Maine Fiber Company, Inc. | 5c. Telephone (<i>area code, number and extension</i>) 207-653-0573 |
| 5b. Signature of Authorized Certifying Official  | 5d. Email Address jbroder@tilsontech.com 5e. Date Report Submitted (<i>Month, Day, Year</i>) 30 APR 10 |

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.