

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570004	<b>3. DUNS Number</b>  831358234
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<b>4. Recipient Organization</b>  North Georgia Network Cooperative, Inc. 6135 State Hwy 115, Clarkesville, GA 30523-0095
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<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2012	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No
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**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>7a. Typed or Printed Name and Title of Certifying Official</b>  Lisa McClure	<b>7c. Telephone (area code, number and extension)</b>  X
	<b>7d. Email Address</b>  lisam@hemc.coop

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  10-30-2012
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**Project Indicators (This Quarter)**

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

During the third quarter of 2012 Fiber construction continued for core, middle and last mile. Six new SPOP's were deployed during the third quarter of 2012. Evaluation on last mile customers continued, as well as, negotiations with business and anchor institutions. Twenty-two CAI's were connected during third quarter of 2012.

**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	85	Fourth quarter 2012 will reflect additional funds expended for middle and last mile deployment. We do expect to be 100 percent complete. Invoices from contractors were not received until October so they were unable to be paid by September 30.
2b.	Environmental Assessment	100	Environment Assessment Complete and fully expended.
2c.	Network Design	97	Last mile design will not be completed until after the core and middle mile construction is completed. After that time most of the last mile customer will have been determined. Last mile marketing efforts will continue until the end of the project.
2d.	Rights of Way	99	Rights of way cannot be completed until core and middle mile construction is finished and last mile design completed. Last mile marketing efforts will continue until the end of the project.
2e.	Construction Permits and Other Approvals	92	Meets baseline report
2f.	Site Preparation	92	Meets baseline report
2g.	Equipment Procurement	92	Meets baseline report
2h.	Network Build (all components - owned, leased, IRU, etc)	85	Meets baseline report
2i.	Equipment Deployment	90	Meets baseline report
2j.	Network Testing	75	Meets baseline report
2k.	Other (please specify): N/A	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 (600 words or less).**

Our project is scheduled for completion on November 30, 2012. We should be one hundred percent complete with construction. The final close out invoices being paid prior to February 28, 2012.

**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	500	Two miles of middle mile fiber was not completed until the second week of October
New network miles leased	188	Meets baseline report
Existing network miles upgraded	0	N/A NGN had no existing network.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Existing network miles leased	0	N/A NGN had no existing network.
Number of miles of new fiber (aerial or underground)	500	Two miles of middle mile fiber was not completed until the second week of October
Number of new wireless links	0	N/A Not applicable over entire life of project.
Number of new towers	0	N/A Not applicable over entire life of project.
Number of new and/or upgraded interconnection points	250	Meets baseline report

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	5
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	Construction of fiber plant continued during the third quarter of 2012. Meetings have continued with potential wholesale or last mile providers.
	Providers with signed agreements receiving improved access	0	Construction of fiber plant continued during the third quarter of 2012. Meetings have continued with potential wholesale or last mile providers.
	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	Construction of fiber plant continued during the third quarter of 2012. Meetings have continued with potential wholesale or last mile providers.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	22	An additional sixty eight customers will be completed during fourth quarter 2012
	<b>Subscribers receiving new access</b>	0	More customer are receiving improved access instead of new
	<b>Subscribers receiving improved access</b>	22	An additional sixty eight customers will be completed during fourth quarter 2012
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	0	14 - 1000 x 1000 1 - 500 x 500 1 - 10 x 100 2 - 25 x 25 3 - 20 x 20 1 - 10 x 10
<b>Residential / Households</b>	<b>Entities passed</b>	18,268	Last mile marketing efforts will continue until the end of the project which will add additional SPOP's to have more entities passed
	<b>Total subscribers served</b>	6,849	Meets baseline report
	<b>Subscribers receiving new access</b>	907	More customer are receiving improved access instead of new
	<b>Subscribers receiving improved access</b>	5,942	Meets baseline report
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	14 - 3 x 3 23 - 6 x 6 218 - 12 x 12 567 - 15 x 15 85 - 30 x 30
<b>Businesses</b>	<b>Entities passed</b>	1,111	Meets baseline report
	<b>Total subscribers served</b>	639	Meets baseline report
	<b>Subscribers receiving new access</b>	64	Meets baseline report
	<b>Subscribers receiving improved access</b>	575	Meets baseline report
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	4 - 12 x 12 10 - 15 x 15 41 - 20 x 20 3 - 30 x 30 6 - 50 x 50

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	Narrative description of how anchor institutions are using BTOP-funded infrastructure

			institution? (Yes / No)	
Habersham Family Medicine	Habersham	Medical and Healthcare Providers	Yes	Increased broadband speed for tele-medicine application
Blackburn Elementary School	Dawson	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Dawson County Middle School - Middle School	Dawson	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Dawson County Schools - High School	Dawson	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Long Branch Elementary School	Lumpkin	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Habersham Central High School	Habersham	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Habersham County Alternative School	Habersham	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Lumpkin County Board of Education	Lumpkin	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Lumpkin County School Technology Building	Lumpkin	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Towns County Schools - High School	Towns	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Union County Schools - High School	Union	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Union County Schools - Middle	Union	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
White County Middle School	White	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
White County High School	White	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
White County Technology Center	White	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Mountain Education Center	White	Schools (K-12)	Yes	Increased broadband and education network for off net communication with other schools inside NGN network
Habersham County Public Defenders	Habersham	Other Government Facilities	Yes	Increased broadband speeds
Faith Christian Academy	Habersham	Schools (K-12)	Yes	Increased broadband speeds
Tallulah Falls School	Habersham	Schools (K-12)	Yes	Increased broadband speeds

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
Lumpkin County Library	Lumpkin	Libraries	Yes	Increased broadband speeds
Anderson Family Medicine	Dawson	Medical and Healthcare Providers	Yes	Increased broadband speeds
North Georgia College & State University	Lumpkin	Other Institutions of Higher Education	Yes	Increased broadband speeds

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**  
 SPOP construction will continue in fourth quarter of 2012. Turn up of customers will continue in the fourth quarter of 2012. Last mile construction will continue during the fourth quarter. CPOP grand opening are planned in Dawson, Forsyth and Union during November 2012. Installation of 5 SPOP locations will continue during the fourth quarter. We will continue to develop and implement testing plans and procedures. Sixty-eight CAI's will new or improved service will be completed during the fourth quarter of 2012. Two wholesale provider contracts will be executed during the fourth quarter of 2012. Two additional miles of middle mile construction will be completed during the fourth quarter of 2012.

**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	100	Project on schedule for completion as of 11/30/12
2b.	Environmental Assessment	100	Project on schedule for completion as of 11/30/12
2c.	Network Design	100	Project on schedule for completion as of 11/30/12
2d.	Rights of Way	100	Project on schedule for completion as of 11/30/12
2e.	Construction Permits and Other Approvals	100	Project on schedule for completion as of 11/30/12
2f.	Site Preparation	100	Project on schedule for completion as of 11/30/12
2g.	Equipment Procurement	100	Project on schedule for completion as of 11/30/12
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Project on schedule for completion as of 11/30/12
2i.	Equipment Deployment	100	Project on schedule for completion as of 11/30/12
2j.	Network Testing	100	Project on schedule for completion as of 11/30/12
2k.	Other (please specify): N/A	0	N/A

**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).**

We do not anticipate any challenges or issues with meeting our projections for the fourth quarter. Last mile fiber construction will continue during the fourth quarter. CPOP grand openings are planned in Dawson, Forsyth and Union. Installation of additional SPOP locations will continue during the fourth quarter. We will continue to develop and implement testing plans and procedures. Planning and installation of last mile customers and community anchors will continue in the fourth quarter.

**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	\$1,628,750	\$339,643	\$1,289,107	\$2,140,994	\$428,199	\$1,712,795	\$2,686,025	\$560,117	\$2,125,908
b. Land, structures, right-of-ways, appraisals, etc.	\$4,110,896	\$857,245	\$3,253,651	\$5,867,039	\$1,181,347	\$4,685,692	\$5,997,692	\$1,250,699	\$4,746,993
c. Relocation expenses and payments	\$250,000	\$52,133	\$197,867	\$18,779	\$3,756	\$15,023	\$21,625	\$4,510	\$17,116
d. Architectural and engineering fees	\$557,000	\$116,151	\$440,849	\$181,355	\$36,271	\$145,084	\$290,257	\$60,527	\$229,730
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$517,050	\$107,820	\$409,230	\$73,248	\$14,650	\$58,598	\$73,248	\$14,650	\$58,598
g. Site work	\$20,113,922	\$4,194,357	\$15,919,565	\$13,271,019	\$2,649,550	\$10,621,469	\$16,546,688	\$3,452,969	\$13,093,718
h. Demolition and removal	\$37,500	\$7,820	\$29,680	\$11,000	\$2,200	\$8,800	\$11,000	\$2,200	\$8,800
i. Construction	\$269,450	\$56,188	\$213,262	\$101,266	\$20,253	\$81,013	\$209,902	\$43,771	\$166,131
j. Equipment	\$14,660,971	\$3,057,253	\$11,603,718	\$14,499,344	\$2,896,583	\$11,602,761	\$16,270,387	\$3,392,864	\$12,877,523
k. Miscellaneous	\$168,810	\$35,202	\$133,608	\$207,525	\$41,505	\$166,020	\$207,525	\$41,505	\$166,020
<b>l. SUBTOTAL (add a through k)</b>	\$42,314,349	\$8,823,812	\$33,490,537	\$36,371,569	\$7,274,314	\$29,097,255	\$42,314,349	\$8,823,812	\$33,490,537
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$42,314,349	\$8,823,812	\$33,490,537	\$36,371,569	\$7,274,314	\$29,097,255	\$42,314,349	\$8,823,812	\$33,490,537

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: \$188,730