RECIPIENT NAME:North Florida Broadband Authority

AWARD NUMBER: NT10BIX5570023

DATE: 02/26/2013

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 12/31/2013

ANNUAL PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570023	831497651

4. Recipient Organization

North Florida Broadband Authority 1500 Mahan Drive Suite 250, Tallahassee, FL 32308-5177

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Annual Report of the Award Period?
12-31-2012	(●) Yes ( ) No

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	7c. Telephone (area code, number and extension)
Danny Lort	X
	7d. Email Address
	dlort@nfba.net
7b. Signature of Certifying Official	**7e. Date Report Submitted (MM/DD/YYYY):**
Submitted Electronically	02-26-2013

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OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	$28,537	Average cost per new mile is calculated as follows: Cumulative direct capital costs associated with the installation of middle mile transmission infrastructure (through the end of calendar year 2012), divided by the route miles that the middle mile transmission infrastructure traverses. Capital costs are derived from equipment, material, and associated labor costs for the deployment of middle mile transmission infrastructure, such as tower cabling, field-installed equipment cabinets and access platforms (switches), licensed wireless radios and antennas, leased vertical tower space, and donated in kind vertical tower space. Capital costs do not include network access (e.g., core routers, upstream / first mile circuit provisioning, and associated leased co-location space for upstream circuits), customer premise equipment, testing equipment, billing and operational support systems, and professional services. Average cost per new mile, through the end of calendar year 2012: $20,546,768 / 720 miles = $28,537 / mile Route miles are determined as total new miles, which for this project corresponds to total new wireless core network miles. Our baseline plan was based on our original network design. The total new middle mile network miles and average cost per mile indicated in this report reflect our updated network design, which was approved through an Award Action Request.
Average cost per household passed (Last Mile)	0	This project is a Middle Mile network. We will work with our Last Mile providers to assist with the collection of this data as it becomes available.
Average cost per subscriber (Last Mile)	0	This project is a Middle Mile network. We will work with our Last Mile providers to assist with the collection of this data as it becomes available.
Maximum broadband speed advertised (Middle Mile)	1 Gbps	At out Point of Presence we will deliver up to 1 Gbps to Last Mile providers and/or Community Anchor Institutions. Available speed tiers are customizable, generally increasing in increments of 10 Mbps.
Maximum broadband speed advertised (Last Mile)	0	This project is a Middle Mile network. We will work with our Last Mile providers to assist with the collection of this data as it becomes available.
Average broadband speed provided (Middle Mile)	100 Mbps	The NFBA will deliver up to 1 Gbps to Last Mile providers and/or Community Anchor Institutions at our Point of Presence. Available speed tiers will begin at 10 Mbps, increasing in increments of 10 Mbps and 100 Mbps.
Average broadband speed provided (Last Mile)	0	This project is a Middle Mile network. We will work with our Last Mile providers to assist with the collection of this data as it becomes available.

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
N/A. We are leasing co-location facilities and vertical space on existing commercial and in kind towers. There is no new construction for this project.	N/A	N/A	N/A

Add Facility Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

We completed a market and rate study to develop customer growth forecasts for our network services portfolio and to provide current-state assessments and future-state recommendations for business planning and organizational activities. Through this analysis, we developed effective management strategies to plan, deliver, and manage our broadband services. In addition, following a transition period that resulted in significant improvements to our network engineering and deployment processes, our core middle mile network is now complete, fully operational, and available for customer access. We also successfully executed our network enhancement plan to ensure that network performance and capacity requirements are aligned with actual market conditions and forecasted customer demand.

We have entered into 3 interconnection agreements for our organization to sell our wholesale services to last mile providers in our network service region. We are in negotiations for 1 interconnection agreement at this time to sell our wholesale services to another last mile provider. We have not denied any request for interconnection, as it is our policy to remain actively engaged in open customer acquisition.

Peering and Transit Agreements (600 words or less)

Co-location space is available at our upstream (first mile) providers' facilities to allow for last mile Internet service providers and community anchor institutions to acquire space for peering and transit services, which will be negotiated on an as-needed basis.

We currently have signed agreements in place for our organization to sell our wholesale services to 3 last mile providers in our network service region. We are in negotiations for 1 agreement at this time to sell our wholesale services to another last mile provider. We have not denied any request for peering and transit services, as it is our policy to remain actively engaged in open customer acquisition.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	144	**Public Housing**	0
Libraries	29	**Other Institutions of Higher Education**	14
Medical and Healthcare Providers	265	**Other Community Support Organizations**	702
Public Safety Entities	74	**Other Government Facilities**	243
Community Colleges	5	**Total Community Anchor Institutions**	1,476

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).

Our partners at the Florida State University Information Institute conducted needs assessment, benchmarking, and onsite diagnostics at participating community anchor institutions in our network service area. Their research indicates that the current broadband speed available for the majority of community anchor institutions in our service area is 5 Mbps or less, according to survey respondents that were asked to identify their Internet Service Provider's advertised speed. Actual speeds measured at individual workstations can be substantially less than advertised speeds. Therefore, we estimate the average increase in broadband speed provided through our project to be in the range of 5 Mbps to 95 Mbps, as 10 Mbps to 100 Mbps is the level of service range that is typically offered to most community anchor institutions.

6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in $ per month) associated with each retail service. Retail services description:

Planned services include wholesale, enterprise, and e-Rate / discounted government Internet access. Private households and businesses are served through our last mile provider partners.

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?

Network management policies are in compliance with the nondiscrimination and interconnection obligations outlined in the Notice of Funds Availability. This project provides open, ubiquitous, Middle Mile access to broadband Internet services for both private entities (last mile service providers) and community anchor institutions in the underserved areas of northern Florida.

Our non-discrimination policies are available to the public, and we will provide notice to our customers of any changes to these policies. We are fully committed to offering wholesale access at reasonable rates and terms. Our network management practices and policies adhere to the principles contained in the Federal Communications Commission's Internet Policy Statement and do not show favoritism to any lawful Internet applications and content over others. The North Florida Broadband Authority network is not a private, closed network, but instead is connected to the public Internet directly and provides open access to all Internet resources. We will offer interconnection where technically feasible without exceeding current or reasonably anticipated capacity limitations on reasonable rates and terms to be negotiated with requesting parties.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).

N/A. This project is a Middle Mile network. Private households and businesses are served through our Last Mile provider partners.

9. Please provide the following information regarding the number of fiber strand-miles:

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	Leased	Dark
0	0	0	0	0	0	0

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:

N/A. We will not be providing access to dark fiber, as we do not have that access.

In reference to Question 9 above, this project is not constructing any fiber miles, so therefore all 7 fields in Question 9 are N/A, or not applicable. The formatting of this report does not permit us to enter letters (such as "N/A") in these fields, so we entered "0" instead.

11. Please provide the following information regarding the facility collocation capacity:

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available
292	146	0	146

12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).

The North Florida Broadband Authority has co-location space available for interconnection with our network. In addition, as a wireless network, we have 92 interconnection points with ground lease space available at each site for co-location within our core network footprint. Interconnection for customers (last mile providers) is available through switched multi-service access platforms located at each core network tower/wireless link.

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).

N/A. We have not issued any subcontracts or subgrants.

14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).

Our in-house general management staff hosted a series of stakeholder workshops during this past calendar year to build relationships with the local broadband service providers in our service area. These events proved to be effective as we were able to present these local providers with the latest information regarding the status and direction of our network development. We also invited them to discuss their expectations for bandwidth and services in an open forum where they provided us with important feedback. We are continuing to plan workshops and seek other opportunities to build and leverage our relationships with the local broadband service providers in our service area.

We also completed a comprehensive market and rate study to develop customer growth forecasts for our network services portfolio. This analysis supported our internal management strategies for product and service pricing, demand forecasting, capacity planning, network enhancements, capital and operational budgeting, long-term financial planning, and providing value-added services.

15. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide an updated list of Community Anchor Institutions (CAIs) that you have connected and plan to connect to your network.
16. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide a list of community pairs that are receiving new or improved broadband service as a result of BTOP grant funds.
17. Please provide up-to-date network route maps in a single file, in a Google Earth compatible format (e.g., KMZ file).