

RECIPIENT NAME:OpenCape Corporation

AWARD NUMBER: NT10BIX5570039

DATE: 11/09/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### 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>  NT10BIX5570039	<b>3. DUNS Number</b>  825181949
<b>4. Recipient Organization</b>  OpenCape Corporation 2240 Iyannough Road, West Barnstable, MA 02668-1532		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2011	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>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>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Daniel Gallagher  CEO	<b>7c. Telephone (area code, number and extension)</b>  5085245901	
	<b>7d. Email Address</b>  dgallagher@opencape.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-09-2011	

**Project Indicators (This Quarter)**

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

OpenCape's contractor, CapeNet LLC, received the first delivery of approximately thirty-five miles of fiber in nine reels in September, 2011. The manufacturer, Draka Communications, will make monthly deliveries of approximately thirty-five miles of fiber to meet project needs.

Make ready work has begun in the National Grid territory (approximately 20% of the project area). Though this work was negatively effected by the Verizon strike and Hurricane Irene the work will likely be completed in the fourth quarter.

ElecComm Corporation and Hawkeye LLC were selected as sub-contractors to CapeNet LLC to build the fiber backbone of the project. Ciena Corporation was selected as the primary vendor for switching and routing equipment.

OpenCape initiated the process of crossing the Cape Cod Canal via the Vertical Lift Rail Road Bridge at the south end of the Canal by submitting an application for attachment to the Army Corps of Engineers. The north end Canal crossing has been initiated through an application for attachment to the Sagamore Bridge with Verizon New England. Verizon controls the twelve conduits on the bridge through an easement with the Army Corps.

The microwave path was finalized following a process of assessment and engineering to ensure that all links were viable and antenna sizes were kept to a minimum. Engineering will soon be complete to permit the purchase of radios, antennas and power management equipment. OpenCape continues to meet with water commissions, planning boards, and boards of selectman to support the development of the contractual relationship with tower owners.

OpenCape's contractor, Stateside Construction, has nearly completed architectural design for the general renovation of the former Barnstable County Public Safety Building. Permit applications for demolition have been submitted and applications to appear before the Old King's Highway Historical Commission have been filed. Demolition and construction are expected to begin in the fourth quarter.

OpenCape prepared an Environmental Assessment (EA) Addendum and submitted it for informal review by the NTIA. A formal submission will be made in October, 2011. The EA Addendum was necessary as route changes are inevitable in any project as large in scope as the OpenCape project. Unanticipated conditions and events, and detailed engineering reveal over time a large number of issues that must be addressed while balancing objectives, costs, and time. These changes are minor in their impact and scope. They do not substantially change the path originally submitted with the original EA by OpenCape. In nearly all cases they are minor adjustments of a few blocks to avoid a difficult, costly, or time consuming impediment to the project's success.

OpenCape and the 700Mhz Sub-Committee of the Barnstable County Regional Emergency Planning Committee (BCREPC) continue planning for the mobile public safety digital wireless broadband system. OpenCape is including the 700Mhz radio and antenna placement in its access to towers for the microwave public safety backup system. The public safety officials who make up the 700Mhz Sub-Committee are pursuing a 700Mhz waiver under procedures of the Federal Communications Commission (FCC), developing an organizational model, identifying funding sources for mobile equipment, and meeting with vendors and officials to determine the best Evolved Packet Core strategy.

Following the SmarterCape Summit in May, 2011 the Cape Cod Chamber of Commerce, Cape Cod Commission, Cape Cod Technology Council, Cape Cod Economic Development Commission, and OpenCape Corporation began meeting weekly to move the SmarterCape concept forward. A visioning session, facilitated by the Intelligent Community Forum (ICF) will be held on October 4, 2011 to develop the vision of a SmarterCape. The SmarterCape Summit 2012 event is planned for May 14 & 15, 2012 in Falmouth, MA.

**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)

	<b>Milestone</b>	<b>Percent Complete</b>	<b>Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)</b>
	<b>2a. Overall Project</b>	18	<p>OpenCape lags its Baseline Projection and federal expenditure pace for several reasons: 1) OpenCape pursued its grant with a construction contractor as a partner, but had to initiate a new RFP process months into its grant; 2) the process of obtaining a Finding of No Significant Impact was far longer than anticipated; 3) the process of negotiating the many legal contracts associated with the project has taken longer than anticipated; 4) Commonwealth of Massachusetts procurement laws have caused delays in obtaining underlying rights or leases from county and municipal entities; 5) the process of negotiating Master Agreements with utility pole and conduit owners was far longer than anticipated; 6) the capacity of utility companies to perform make ready assessment and make ready work is limited and insufficient using conventional processes; 7) pole survey and make ready work was negatively impacted in the third quarter of 2011 by a Verizon strike from August 7-20 and Hurricane Irene from August 25 to September 9, 2011; 8) the crossing of major waterways under difficult circumstances, lengthy processes, and high cost has required innovative and time consuming alternative strategy development; 9) Verizon New England reassessed its conduit availability and informed OpenCape in the third quarter of 2011 that several thousand feet of underground conduit previously thought to be available for lease was reported in error, which required adjustments by OpenCape; 10) an RFP for the design, build, and operation of the collocation data center in the ground floor of the renovated OpenCape Regional Collocation Center resulted in the need to issue a separate RFQ for the design followed by an RFP for construction and operation of the collocation data center. OpenCape has adapted and adjusted to the challenges that have negatively impacted its time line and expects to complete the project on time.</p>
	<b>2b. Environmental Assessment</b>	100	<p>OpenCape has a continual process of review to ensure compliance with its EA FONSI. Though the EA Assessment and FONSI are complete, an amendment was necessary to record changes from the original submission.</p>
	<b>2c. Network Design</b>	85	<p>Early delays caused by the transition to a new contractor have been overcome and the design of the microwave, fiber optic, transport, and municipal RAN are near complete.</p>
	<b>2d. Rights of Way</b>	60	<p>Early delays caused by the transition to a new contractor have been overcome and OpenCape has submitted necessary applications to obtain access to two crossings of the Cape Cod Canal. Obtaining access to towers for the placement of microwave equipment is underway but the process is slow as the owners of the towers are public entities that must comply with Commonwealth of Massachusetts procurement laws.</p>
	<b>2e. Construction Permits and Other Approvals</b>	55	<p>Early delays caused by the transition to a new contractor have been overcome and OpenCape is fully engaged in the process of submitting applications for and receiving permits locally, with state agencies, railroad owners, and others. Permit applications have been submitted for the renovation of the former Barnstable County Public Safety building with the necessary entities.</p>
	<b>2f. Site Preparation</b>	0	N/A
	<b>2g. Equipment Procurement</b>	30	<p>OpenCape is on a path for procurement consistent with on time completion of the project. The first fiber delivery of nine reels arrived in September, 2011 and deliveries of 35 miles each month are anticipated. Ciena was selected as the provider of routing and switching equipment and orders will be placed early in the fourth quarter. The completion of the microwave path assessment and start of frequency studies will result in the potential order of radio equipment in the fourth quarter.</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2h.	Network Build (all components - owned, leased, IRU, etc)	5	Network Build is greatly dependent on make ready completion. It is therefore delayed. However, sub-contractors for fiber construction have been selected and materials are in hand to begin construction. Make ready has begun in the National Grid territory of the project. Underground work is primed to begin, but awaits a positive Environmental Assessment Amendment review. Microwave construction is dependent on obtaining lease rights from municipal authorities under a complex and slow procurement process required by Commonwealth of Massachusetts Chapter 30B.
2i.	Equipment Deployment	0	Equipment deployment is dependent on the procurement of equipment, obtaining necessary rights and permits, engineering, and construction completion. It is anticipated equipment deployment will follow at an acceptable pace as the vendor has been selected for switching and routing and configuration of DWDM can be achieved in parallel with construction of the fiber.
2j.	Network Testing	2	Network testing shall keep pace with the construction of segments of the network; however, a minor amount is accomplished upon delivery of fiber.
2k.	Other (please specify):	100	Completed

**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).**

Pole survey and make ready work was negatively impacted in this quarter by a strike that was conducted by Verizon employees from August 7-20 and Hurricane Irene from August 25 to September 9,2011.

The primary challenge to on-time completion is the pace at which NSTAR, joint pole owner with Verizon in 80% of the OpenCape project territory, can complete make ready assessment and perform the make ready work. NSTAR has completed approximately 60% of the make ready assessment by the end of this quarter. It has ordered mandatory overtime for its employees and is preparing to issue a request for proposals to bring contract work to bear on the issue. At the same time, the make ready assessment that has been performed has revealed more make ready than was anticipated – largely due to a very old pole base in the region. This is concerning with regard to timeline and cost. OpenCape, NSTAR, and Verizon are discussing innovative approaches to fiber placement on the pole that may reduce dramatically the timeline and cost of make ready if successful, but the result of these efforts will not be known until the fourth quarter. Because OpenCape is using All-Dielectric Self Supporting (ADSS) fiber optic cable, and is using energy space qualified sub-contractors it has options that other projects may not. Any solution developed will be in complete compliance with the National Electric Safety Code, but must be agreed by both NSTAR and Verizon as joint pole owners.

The crossing of the Cape Cod Canal in two locations and the crossing of the Taunton River have represented challenges to the project. In both cases, actions are being taken that may result in reduced cost and timelines with regard to these crossings. 1) OpenCape has decided to pursue its alternative north Canal crossing over the Sagamore Bridge rather than performing a horizontal directional drill underneath the Cape Cod Canal. This decision will have a positive effect on costs and timeline. OpenCape has made a request of Verizon New England, which has an easement for control of all 12 conduits on the Sagamore Bridge, to obtain access for placement of OpenCape’s fiber within one of the existing conduits. 2) OpenCape has also prepared an application for an easement with the Army Corps of Engineers to cross over the Canal via the Vertical Lift Railroad Bridge at the south end of the Canal. 3) OpenCape is in discussion with a private company that has an existing conduit under the Taunton River with positive indication that OpenCape may be able to gain access to this conduit. Successful negotiation for access to the conduit will have a positive impact on timeline and cost.

Verizon New England reassessed its conduit availability and informed OpenCape that several thousand feet of underground conduit previously thought to be available for lease was reported in error. Verizon does not lease conduit it occupies and retains a maintenance conduit that is also not leased to third parties. Both were included mistakenly in earlier assessments. OpenCape has been able to adjust by altering its path and increasing the amount of underground work it will perform.

An RFP for the design, build, and operation of a collocation data center in the ground floor of the renovated OpenCape Regional Collocation Center resulted in no award. There was an inadequate number of responses to the RFP. OpenCape will now issue a separate RFQ for the design followed by an RFP for construction and operation of the collocation data center.

OpenCape prepared an Environmental Assessment (EA) Addendum for submission in the fourth quarter to the National Telecommunications and Information Administration (NTIA). The addendum was necessary because route changes are inevitable in any project as large in scope as the OpenCape project. These changes are minor in their impact and scope. They do not substantially change the path originally submitted with the original EA by OpenCape.

OpenCape expects to complete the project on time by taking advantage of built in flexibility within its original plan and creating flexibility by compressing certain aspects of the project such as the installation of fiber within a more aggressive timeline.

**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	See Sections 2a and 3 above. OpenCape is confident that its build will be completed on time. The construction time line has been adjusted based on new circumstances. Contractors and sub-contractors are prepared to deploy the necessary crews to accomplish the construction with the period of the grant award.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	See Sections 2a and 3 above. OpenCape is confident that its build will be completed on time. The construction time line has been adjusted based on new circumstances. Contractors and sub-contractors are prepared to deploy the necessary crews to accomplish the construction with the period of the grant award.
Number of new wireless links	0	Baseline
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	Baseline

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:**  
None at this time.

**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:**  
No services are yet being offered

**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 third party operates (600 words or less).**

OpenCape awarded a contract to CapeNet LLC to design, build, and operate the OpenCape network. CapeNet LLC is a joint venture of Telecom Global Inc. and CapeNet Partners, Inc. CapeNet LLC is a contractor. The primary contact for CapeNet LLC is Alan Davis 1900 West Park Drive, Suite 280, Westborough, MA 01581, 508-983-1475.

OpenCape has licensed CapeNet LLC to operate sixty percent (60%) of the total fiber optic strands (User Fibers) in both dark and lit services to fulfill the obligations of the grant award.

**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	No signed agreements in place. OpenCape and its design, build and operate contractor are engaging last mile providers in order to develop potential last mile solutions. Several companies are interested in offering services, particularly in underserved areas.
	Providers with signed agreements receiving improved access	0	No signed agreements in place. OpenCape and its design, build and operate contractor are engaging last mile providers in order to develop potential last mile solutions. Several companies are interested in offering services, particularly in underserved areas.
	Providers with signed agreements receiving access to dark fiber	0	No signed agreements for dark fiber lease have been signed with wholesale or last mile providers. OpenCape and its design, build and operate contractor are conducting outreach to encourage wholesalers and last mile provider leases.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No speed tiers are as yet available as no wholesale or last mile provider agreements are yet in place.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	No CAI subscribers are yet served. OpenCape is addressing anchor institutions in several ways, to include aggressive community outreach. OpenCape held a "SmarterCape Summit" in May to bring together the community to discuss OpenCape as an underpinning infrastructure of economic development. OpenCape's engineering contractor is visiting each anchor institution to assess entrance paths, building penetrations, and internal installations. At the same time, OpenCape staff have met with town, school, library, and college leaders, as well as many other stake holders to discuss the build process, timeline, and implications.
	Subscribers receiving new access	0	No CAI subscribers are yet served. OpenCape is addressing anchor institutions in several ways, to include aggressive community outreach. OpenCape held a "SmarterCape Summit" in May to bring together the community to discuss OpenCape as an underpinning infrastructure of economic development. OpenCape's engineering contractor is visiting each anchor institution to assess entrance paths, building penetrations, and internal installations. At the same time, OpenCape staff have met with town, school, library, and college leaders, as well as many other stake holders to discuss the build process, timeline, and implications.
	Subscribers receiving improved access	0	No CAI subscribers are yet served. OpenCape is addressing anchor institutions in several ways, to include aggressive community outreach. OpenCape held a "SmarterCape Summit" in May to bring together the community to discuss OpenCape as an underpinning infrastructure of economic development. OpenCape's engineering contractor is visiting each anchor institution to assess entrance paths, building penetrations, and internal installations. At the same time, OpenCape staff have met with town, school, library, and college leaders, as well as many other stake holders to discuss the build process, timeline, and implications.
	Please identify the speed tiers that are available and the number or subscribers for each	0	No service is yet available. Anticipate the full breadth of speeds from 10Mbps to 1000Mbps Ethernet, Wavelengths of Light, and Dark Fiber availability to CAIs.

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

Discounts for non-profits and government entities.

**8a. Have your network management practices changed over the last quarter?**  Yes  No

**8b. If so, please describe the changes (300 words or less).**

**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
0	0	0	0	0

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**

OpenCape's contractor will receive delivery of nearly half of the fiber reels necessary for construction of the OpenCape fiber optic backbone. All switching and routing equipment will be received and DWDM configured. All microwave radio equipment will possibly be delivered in the fourth quarter.

Make ready work in the National Grid territory (approximately 20% of the project area) will be completed. Make ready work in the NSTAR territory (approximately 80% of the project area) will begin. It is anticipated that in the NSTAR territory an innovative solution to reduce the amount of make ready, and thus improve the time line for completion and its associated costs will be decided and implemented, but this cannot be assured until an agreement is reached with both NSTAR and Verizon.

OpenCape will complete construction of no new network miles in the fourth quarter. The OpenCape project includes no leased network miles. The number of CAI subscribers and broadband wholesalers is at baseline in this quarter.

OpenCape will submit an Environmental Assessment (EA) Addendum early in the fourth quarter. If the EA Addendum is approved by the NTIA early in the fourth quarter OpenCape's contractor will complete a significant portion of the underground dig and conduit placement required of the project; however, road opening restrictions will be in place in the region by Thanksgiving.

ElecComm Corporation and Hawkeye LLC, sub-contractors to CapeNet LLC, will begin mobilization and initial construction of the fiber network.

OpenCape will have substantially progressed toward, if not received, an easement from the Army Corps of Engineers to cross the Cape Cod Canal via the Vertical Lift Rail Road Bridge at the south end of the Canal.

Verizon New England will have received from the Army Corps of Engineers authorization to sub-license a portion of one of twelve conduits it controls on the Sagamore Bridge through an easement from the Army Corps of Engineers. Verizon will begin manhole and access basket assessment, and rod and rope, of the Sagamore Bridge conduits.

OpenCape will have substantially concluded an agreement with a private owner of conduit crossing the Taunton River for access to the conduit for placement of OpenCape fiber backbone.

The microwave engineering is complete and radios, antennas and power management equipment purchases are prepared for purchase in the first quarter of 2012. OpenCape makes significant progress in acquiring rights to access towers for placement of microwave equipment.

OpenCape's contractor, Stateside Construction, will complete interior demolition of the former Barnstable County Public Safety Building, complete architectural designs and cost estimates, receive demolition permits, receive a permit from the Old Kings Highway Historical Association, receive a building permit, issue and receive response bids for construction, and mobilize for construction with a general renovation completion in May, 2012.

An RFQ will be issued for a design consultant for the construction of the collocation data center in the ground level of the Regional Collocation Center.

OpenCape and the 700Mhz Sub-Committee of the Barnstable County Regional Emergency Planning Committee (BCREPC) will review a 911 dispatch study, receive briefings from vendors that provide 700Mhz systems, and submit the 700Mhz waiver application to the FCC.

**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	31	OpenCape remains behind its original baseline for reasons described in Sections 2a and 3 above. OpenCape continues to adjust to challenges with innovative solutions and aggressive action. OpenCape expects to complete the project on time by taking advantage of built in flexibility within its original plan and creating flexibility by compressing certain aspects of the project such as the installation of fiber within a more aggressive timeline. OpenCape anticipates expending up to 45% of its funds by January 31, 2012, but anticipates the true project status to be substantially complete at that time based on an assessment of tasks and milestones that will be complete or near complete.
2b.	Environmental Assessment	100	OpenCape has a continual process of review to ensure compliance with its EA FONSI. Though the EA Assessment and FONSI are complete,an amendment was necessary to record changes from the original submission. Approval of the EA Amendment is anticipated in the fourth quarter.
2c.	Network Design	95	Early delays caused by the transition to a new contractor have been overcome and the design of the microwave, fiber optic, transport, and municipal RAN are near complete.
2d.	Rights of Way	65	Early delays caused by the transition to a new contractor have been overcome and OpenCape has submitted necessary applications to obtain access to two crossings of the Cape Cod Canal. Obtaining access to towers for the placement of microwave equipment is underway but the process is slow as the owners of the towers are public entities that must comply with Commonwealth of Massachusetts procurement laws.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	<b>Construction Permits and Other Approvals</b>	60	Early delays caused by the transition to a new contractor have been overcome and OpenCape is fully engaged in the process of submitting applications for and receiving permits locally, with state agencies, railroad owners, and others. Permit applications have been submitted for the renovation of the former Barnstable County Public Safety building with the necessary entities.
2f.	<b>Site Preparation</b>	0	N/A
2g.	<b>Equipment Procurement</b>	30	OpenCape is on a path for procurement consistent with on time completion of the project. The first fiber delivery of nine reels arrived in September, 2011 and deliveries of 35 miles each month are anticipated. Ciena was selected as the provider of routing and switching equipment and orders will be placed early in the fourth quarter. The completion of the microwave path assessment and start of frequency studies will result in the potential order of radio equipment in the fourth quarter.
2h.	<b>Network Build (all components - owned, leased, IRU, etc.)</b>	7	Network Build is greatly dependent on make ready completion. It is therefore delayed. However, sub-contractors for fiber construction have been selected and materials are in hand to begin construction. Make ready has begun in the National Grid territory of the project. Underground work is primed to begin, but awaits a positive Environmental Assessment Amendment review. Microwave construction is dependent on obtaining lease rights from municipal authorities under a complex and slow procurement process required by Commonwealth of Massachusetts Chapter 30B.
2i.	<b>Equipment Deployment</b>	0	Equipment deployment is dependent on the procurement of equipment, obtaining necessary rights and permits, engineering, and construction completion. It is anticipated equipment deployment will follow at an acceptable pace as the vendor has been selected for switching and routing and configuration of DWDM can be achieved in parallel with construction of the fiber.
2j.	<b>Network Testing</b>	5	Network testing shall keep pace with the construction of segments of the network; however, a minor amount is accomplished upon delivery of fiber.
2k.	<b>Other (please specify):</b>	100	Complete

**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).**

The primary challenges described in Section 3 will remain the primary challenges in the fourth quarter until the resolutions and interventions pursued are concluded. Innovative solutions and aggressive action to address make ready, the Cape Cod Canal crossings, and the Taunton River crossing have been the focus for OpenCape in the third quarter and will remain the focus in the fourth quarter. Resolutions are at hand to these challenges, but cannot be assured until agreements are concluded.

Weather will begin to play a role in the progress of the project as the fourth quarter will begin the winter season. The region is often subjected to violent winter storms that can cause power outages and damage to utility infrastructure that demands all of the utilities' attention for extended periods to the total exclusion of work on the OpenCape project. In addition, the Cape Cod Canal is a wind tunnel and work on the bridges is often halted due to high winds.

OpenCape has several underground sections that can be completed in the fourth quarter but work cannot begin until its Environmental Assessment Amendment is approved by the NTIA. Regional authorities do not permit road openings beyond Thanksgiving.

**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	\$1,280,532	\$419,300	\$861,232	\$1,146,158	\$416,191	\$729,967	\$1,216,000	\$416,191	\$799,809
b. Land, structures, right-of-ways, appraisals, etc.	\$750,000	\$750,000	\$0	\$750,000	\$750,000	\$0	\$750,000	\$750,000	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Other architectural and engineering fees	\$1,515,885	\$325,000	\$1,190,885	\$1,165,838	\$374,135	\$791,703	\$1,300,000	\$395,046	\$904,954
f. Project inspection fees	\$814,114	\$165,000	\$649,114	\$9,000	\$0	\$9,000	\$50,000	\$9,000	\$41,000
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$100,000	\$20,000	\$80,000	\$360	\$360	\$0	\$100,000	\$20,000	\$80,000
i. Construction	\$24,364,298	\$4,110,000	\$20,254,298	\$3,633,645	\$869,070	\$2,764,575	\$5,000,000	\$1,000,000	\$4,000,000
j. Equipment	\$11,336,564	\$2,300,000	\$9,036,564	\$680,187	\$43,547	\$636,640	\$4,000,000	\$750,000	\$3,250,000
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$40,161,393	\$8,089,300	\$32,072,093	\$7,385,188	\$2,453,303	\$4,931,885	\$12,416,000	\$3,340,237	\$9,075,763
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$40,161,393	\$8,089,300	\$32,072,093	\$7,385,188	\$2,453,303	\$4,931,885	\$12,416,000	\$3,340,237	\$9,075,763

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: \$5,000,000	b. Program Income to Date: \$649,913
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