

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 NT10BIX5570055	3. DUNS Number 800021990
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4. Recipient Organization

Navajo Tribal Utility Authority Company Highway 12 N, Fort Defiance, AZ 86504

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2012	6. Is this the last Report of the Award Period? <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.

7a. Typed or Printed Name and Title of Certifying Official Lester Lee	7c. Telephone (area code, number and extension) X
	7d. Email Address lesterl@ntua.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-28-2012
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Project Indicators (This Quarter)			
<p>1. Please describe significant project accomplishments completed during this quarter (600 words or less).</p> <p>1. 465.3 miles of fiber optic backbone construction complete (84%) 2. 4.6 miles of fiber laterals complete for a total of 15 of the 27 community anchor institutions (CAI) are connected. In addition, one CAI connection (Lechee Chapter House) via microwave has been completed. The NTUA is obligated to connect a total of 49 CAI of which 27 are connected via the fiber optic system. 3. 26 towers complete (81%) 4. Data Center/Network Operating Center (100%) 5. 35 LTE base stations installed (87%). ZTE will be on site during the between November through December 2012 to finalize install and testing of all last mile devices. 6. Twenty two Microwave Links have been installed (55%) of which 18 have been fully tested and are traffic ready.</p>			
<p>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).</p>			
	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	84	Variance is due to previous changes in site locations and delays in procurement and design. NTUA has taken steps to assure completion of all construction prior to the end of the next quarter.
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	100	No Variance
2d.	Rights of Way	95	Variance is due to delays in the approval process for the following sites: 1. Fort Defiance Chapter House (CAI) 2. Red Lake Tower (lateral to tower) 3. Hole in the Rock Tower (lateral to tower) The Rights of Way packages have been sent to the Navajo Nation. NTUA is anticipating receiving the notice to proceed with construction prior to the end of October.
2e.	Construction Permits and Other Approvals	100	No Variance.
2f.	Site Preparation	95	Variance is due to the six remaining towers that NTUA is obligated to build. NTUA is waiting for NTIA approval for the sites prior to commencing with any site prep. NTUA anticipates approval for 3 of the 6 sites during the month of October followed by approval for the remaining in November.
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc)	88	Variance in the network build is due to the following: 1. Approval for the change in locations for the remaining six towers. 2. Delays in the microwave installation for the towers not built. NTUA shall commence with construction on the aforementioned sites promptly after approval is obtained.
2i.	Equipment Deployment	90	Variance in deploying equipment is due to the following: 1. Previous delays in finalizing the microwave contract. All microwave equipment will be installed and tested prior to the end of the next quarter. 2. Delays in finalizing the distribution plan for the Last Mile netbooks. NTUA has obtained all the netbooks and anticipates distributing all netbooks prior to the end of the next quarter.
2j.	Network Testing	75	Variance in testing is the result of previous delays in the middle mile build out. NTUA shall complete with all testing prior to the end of the next quarter.
2k.	Other (please specify):		

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).

Challenges faced during the past quarter in achieving the planned progress include the following:

1. Delays in submitting the required information with respect to the award action requests which resulted in the a delayed approval process.
2. Delays in obtaining the easement rights to transverse the Indian Allotments. NTUA has a contingency plan which is currently being executed and will allow NTUA to meet its obligations to the grant.
3. Weather related issues.

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	569	Variance in the number of new miles deployed is due to the contractor allocating some of their resources for clean upon segments already constructed. The clean up is required for final close out and certification in order to commence with the internal audit process. In addition to the 465.3 fiber backbone miles deployed, NTUA also deployed 4.6 miles in fiber laterals and 81.22 miles of point to point microwave to connect the Lechee Chapter House. Total new miles deployed is 569. NTUA shall complete all construction of outside plant prior to the end of the next quarter.
New network miles leased	170	No Variance
Existing network miles upgraded	0	No Variance
Existing network miles leased	0	No Variance
Number of miles of new fiber (aerial or underground)	488	Variance in the number of new miles deployed is due to the contractor allocating some of their resources to clean up and deviations on segments already constructed. NTUA requires the segments already constructed to be ready for final approval and certification in order to commence with the internal audit process. NTUA shall complete all construction of outside plant prior to the end of the next quarter.
Number of new wireless links	18	Variance is due to previous delays in the procurement of the microwave equipment and remaining tower construction. All new wireless links will be installed prior to the end of the next quarter.
Number of new towers	26	Variance is due to changes in the location of the six remaining towers. NTUA anticipates receiving approval and constructing the remaining towers prior to the end of the next quarter.
Number of new and/or upgraded interconnection points	0	Variance is due to delays in the physical network build out.

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	5
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	4

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
NTUA Wireless LLC - As the grant sub-recipient, NTUA Wireless will be working on the wireless services.

NTUA has signed an agreement to provide the Navajo Nation dark fibers. The agreement will be for the life of the fiber optic plant. NTUA anticipates the fiber optic plant to span 20-30 years without replacement.
 Cogent Communications - NTUA has an agreement to purchase bandwidth for one year.
 Cellular One - NTUA has an agreement with Cellular One to lease tower space for one year.
 Conterra Ultra - NTUA has an agreement with Conterra Ultra to lease tower space for one year.

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:

NTUA has finalized their Broadband Rate Study to determine wholesale services and associated pricing. The rate study will cover bandwidth pricing for dark fibers, dedicated internet access (DIA), point to point services, and transport services from their Data Center to a point of presence in Albuquerque. To validate the findings of the rate study, NTUA has hired an independent party to develop a financial pro forma and a sustainability plan. NTUA shall submit the pro forma and sustainability plan to the NTIA prior to the end of the following quarter.

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).

Name: NTUA Wireless LLC
 Type of Entity: Sub-recipient
 CO: Michael Scully
 Address: NTUA Wireless LLC
 P.O. Box 1947
 Chinle, AZ 86503

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	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Providers with signed agreements receiving improved access	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Providers with signed agreements receiving access to dark fiber	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction. NTUA has hired an independent party to review the findings of the Broadband Rate Study and develop a sustainable financial pro forma.
	Total subscribers served	16	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction. A total of 16 community anchor institutions have been connected. 15 via fiber optics and 1 via microwave.
	Subscribers receiving new access	16	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Subscribers receiving improved access	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
Residential / Households	Please identify the speed tiers that are available and the number or subscribers for each	0	The speed tiers that are available for CAIs are listed below: 1.0-3.0 Mbps download speed. 0.5-2.0 Mbps upload speed. If a CAI required additional capacity, NTUA shall have custom solutions available up to 10 Gbps.
	Entities passed	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Total subscribers served	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Subscribers receiving new access	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Subscribers receiving improved access	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction. NTUA has hired an independent party to review the findings of the Broadband Rate Study and develop a sustainable financial pro forma.
Businesses	Entities passed	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Total subscribers served	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Subscribers receiving new access	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Subscribers receiving improved access	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance is due to delays in construction. NTUA has taken the appropriate measures to expedite construction. NTUA has hired an independent party to review the findings of the Broadband Rate Study and develop a sustainable financial pro forma.

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 BTOF 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 BTOF-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 BTOF-funded infrastructure
Coalmine Chapter House	Coalmine	Other Government Facilities	Yes	N/A
Forest Lake Chapter House	Forest Lake	Other Government Facilities	Yes	N/A
Hogback Chapter House	Shiprock	Other Government Facilities	Yes	N/A
Indian Wells Chapter House	Indian Wells	Other Government Facilities	Yes	N/A
Kayenta Chapter House	Kayenta	Other Government Facilities	Yes	N/A
Naschitti Chapter House	Naschitti	Other Government Facilities	Yes	N/A
Nenahnezad Chapter House	Nenahnezad	Other Government Facilities	Yes	N/A

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
Newcomb Chapter House	Newcomb	Other Government Facilities	Yes	N/A
San Juan Chapter House	San Juan	Other Government Facilities	Yes	N/A
Tohatchi Chapter House	Tohatchi	Other Government Facilities	Yes	N/A
Twin Lakes Chapter House	Twin Lakes	Other Government Facilities	Yes	N/A
Upper Fruitland Chapter House	Upper Fruitland	Other Government Facilities	Yes	N/A
St. Michaels Chapter House	St. Michaels	Other Government Facilities	Yes	N/A
Pinon Chapter House	Pinon	Other Government Facilities	Yes	N/A
Greasewood Springs Chapter House	Greasewood	Other Government Facilities	Yes	N/A
Lechee Chapter House	Lechee	Other Government Facilities	Yes	N/A

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 Significant project accomplishments planned for completion during the next quarter include the following:
 1. NTUA anticipates building 86 miles of fiber optic backbone and laterals for a total of 573 new miles fiber miles deployed. This will complete all fiber optic construction.
 2. NTUA anticipates completion of remaining 22 CAI's; this will completed all 49 CAI connections.
 3. NTUA anticipates completion of 7 broadband wholesaler agreements and 3 last mile provider agreements.
 4. NTUA anticipates all microwave installation complete.
 5. NTUA anticipates all towers complete.
 6. All Last mile 4G LTE equipment installed.
 7. Complete distribution of netbooks.

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	97	NTUA anticipates all construction and testing to be complete. A slight variance may occur due to weather related issues or a protracted approval process for the three towers that require NTIA approval. NTUA plans of utilizing the last quarter for auditing and close out procedures.
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	100	No Variance

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2d.	Rights of Way	100	No Variance
2e.	Construction Permits and Other Approvals	100	No Variance
2f.	Site Preparation	100	No Variance
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc.)	95	Variance is due a couple of events including the following: 1. WESODI lost several employees due to the clean up efforts for Hurricane Sandy. 2. The accident at the Little Water Tower site will cause a delay of up to six weeks because a new piece of the tower had to be ordered. 3. Approval for the three remaining tower sites has not been acquired: Blue Gap, Houck, and Hole in the Rock. NTUA will require a minimum of 4 weeks to complete each tower.
2i.	Equipment Deployment	90	Variance is due to delays in the network build. Equipment can not be deployed on towers that are incomplete. Furthermore, NTUA will require time for testing and configuration of the equipment once the network build is complete.
2j.	Network Testing	100	No Variance
2k.	Other (please specify):		

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).

While NTUA does not anticipate any challenges during the next quarter that may impact planned progress, there is a slight possibility of encountering issues in which providing power to the sites is outside of the NTUA service territory. The locations in questions include the following,

1. Cameron Chapter House Monopole - Power provided by APS
2. Mexican Water (Water Tank) - Power provided by Rocky Mountain Power
3. Nageezi Tower- Power provided by Jemez Electric.

With respect to Nageezi, the tower is not grant related however the microwave equipment is grant related. The NTUA has a contingency plan in place for all three sites however NTUA does not foresee any issues. NTUA has scheduled in advance with the various power companies to finish their work before the end of the next 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	\$100,000	\$29,873	\$70,127	\$100,000	\$29,873	\$70,127	\$100,000	\$29,873	\$70,127
b. Land, structures, right-of-ways, appraisals, etc.	\$890,000	\$265,870	\$624,129	\$831,014	\$248,250	\$582,764	\$890,000	\$265,871	\$624,129
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,996,658	\$596,464	\$1,400,194	\$1,597,349	\$477,178	\$1,120,171	\$1,996,658	\$596,464	\$1,400,194
e. Other architectural and engineering fees	\$9,600	\$2,868	\$6,732	\$1,500	\$448	\$1,052	\$9,600	\$2,868	\$6,732
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$3,529,823	\$1,054,468	\$2,475,355	\$3,203,550	\$957,000	\$2,246,550	\$3,529,823	\$1,054,468	\$2,475,355
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$36,736,021	\$10,974,193	\$25,761,828	\$31,108,412	\$9,293,050	\$21,815,362	\$35,757,306	\$10,681,820	\$25,075,486
j. Equipment	\$2,253,000	\$673,041	\$1,579,959	\$1,292,068	\$385,981	\$906,087	\$1,737,006	\$518,898	\$1,218,108
k. Miscellaneous	\$387,500	\$115,758	\$271,742	\$302,671	\$90,417	\$212,254	\$387,500	\$115,758	\$271,742
l. SUBTOTAL (add a through k)	\$45,902,602	\$13,712,535	\$32,190,066	\$38,436,564	\$11,482,197	\$26,954,367	\$44,407,893	\$13,266,020	\$31,141,873
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$45,902,602	\$13,712,535	\$32,190,066	\$38,436,564	\$11,482,197	\$26,954,367	\$44,407,893	\$13,266,020	\$31,141,873

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: \$197,444
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