

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) 03-31-2013	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): 05-28-2013
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Project Indicators (This Quarter)

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

- All outside plant fiber optic construction (both laterals and backbone) are 100% complete.
- 28 of 32 towers are complete equating to 88% complete. NTUA anticipates all tower construction to be completed by next quarter.
- 36 of the 48 microwave links are installed equating to 75% completion.
- 38 of 50 connections to the Community Anchor Institutions (CAI) are installed equating to 76% complete.
- 14 of the 43 Last Mile LTE sites have been tested and commissioned for service; equating to 33% complete.

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	97	NTUA has experienced various circumstances that have caused delays throughout the project. The most significant factor causing delays this quarter is weather. NTUA has faced severe weather conditions throughout the quarter including high winds, adverse snow conditions, and extreme temperatures. The conditions have made rural roads impassable for trucks and heavy machinery required to complete the towers. Furthermore, additional time was required for the rural roads to stabilize once the snow melted due to excessive mud.
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	100	No Variance
2d.	Rights of Way	100	No Variance
2e.	Construction Permits and Other Approvals	100	No Variance
2f.	Site Preparation	98	Variance is due to adverse weather conditions as well as foundation issues at the Piney Hill tower site. The construction company has resolved the foundation issue at Piney Hill and NTUA anticipates completion of all tower sites during the next quarter.
2g.	Equipment Procurement	96	Variance is due to obtaining additional switching electronics at the microwave hub locations. The additional electronics are slated for delivery and installation during the next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	95	Variance is due to the delays in tower construction which have caused delays in microwave installation and LTE 4G installation.
2i.	Equipment Deployment	95	Variance is due to manufacture delays in shipping the microwave hub electronics.
2j.	Network Testing	95	Variance in network testing is due to delays in overall network build.
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 include the following.

- Weather related issues.
- Delays in tower construction.
- Delays in procuring electronics.

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	1,244	Total number of fiber optic network miles deployed is 570 which completes the fiber optic construction. Total number of point to point microwave miles completed is 673.68.
New network miles leased	171	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)	570	No Variance
Number of new wireless links	36	Variance is due to delays in tower construction
Number of new towers	28	Variance is due to weather delays
Number of new and/or upgraded interconnection points	0	No Variance

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	4
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:

1. NTUA Wireless LLC - As the grant sub-recipient, NTUA Wireless will be working on the wireless services.
2. 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.
3. Cellular One - NTUA has an agreement with Cellular One to lease tower space for one year.
4. 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	3	Variance is due to delays in construction.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving improved access	0	No Variance
	Providers with signed agreements receiving access to dark fiber	1	No Variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	See Attachment A
Community Anchor Institutions (including Government institutions)	Total subscribers served	38	Variance is due to delays in tower construction. NTUA has taken the appropriate steps to finish construction.
	Subscribers receiving new access	38	Variance is due to delays in tower construction. NTUA has taken the appropriate steps to finish construction.
	Subscribers receiving improved access	0	No Variance
	Please identify the speed tiers that are available and the number or subscribers for each	0	Variance is due to delays in negotiations between NTUA Wireless and Navajo Nation Telecommunications Regulatory Commission.
Residential / Households	Entities passed	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Total subscribers served	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Subscribers receiving new access	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Subscribers receiving improved access	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
Businesses	Entities passed	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Total subscribers served	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Subscribers receiving new access	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Subscribers receiving improved access	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Variance is due to delays in tower construction which have led to delays in LTE 4G launch.

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	Type of Anchor	Are you also the	Narrative description of how anchor institutions are using BTOP-
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	Area (town or county)	Institution (as defined in your baseline)	broadband service provider for this institution? (Yes / No)	funded infrastructure
Bird Springs Chapter	Leupp	Other Government Facilities	yes	N/A
Cameron Chapter	Cameron	Other Government Facilities	yes	N/A
Coppermine Chapter	Coalmine Mesa	Other Government Facilities	yes	N/A
Dilkon Chapter	Dilkon	Other Government Facilities	yes	N/A
Bodaway/Gap Chapter	Gap	Other Government Facilities	yes	N/A
Kinlichee Chapter	Kinlichee	Other Government Facilities	yes	N/A
Navajo Mountain Chapter	Navajo Mountain	Other Government Facilities	yes	N/A
Red Valley Chapter	Red Valley	Other Government Facilities	yes	N/A
Round Rock Chapter	Round Rock	Other Government Facilities	yes	N/A
Rough Rock Chapter	Rough Rock	Other Government Facilities	yes	N/A
Sanostee Chapter	Sanostee	Other Government Facilities	yes	N/A
Teesto Chapter	Teesto	Other Government Facilities	yes	N/A
Tonalea Chapter	Tonalea	Other Government Facilities	yes	N/A
Tuba City Chapter	Tuba City	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 next quarter include the following:

1. 550 miles of fiber optic backbone and 20 miles of fiber optic laterals shall be constructed equating to 100% complete.
2. 32 of 32 towers constructed equating to 100% complete.
3. 47 of the 48 microwave links installed equating to 98% complete. The remaining microwave link at the Escrito Mesa Site shall be completed in August 2013.
4. 50 of the 50 connections to the Community Anchor Institutions shall be finished equating to 100% complete.
5. NTUA anticipates 40 of the 40 LTE sites to be constructed equating to 100% complete.
6. NTUA anticipates finalizing negotiations with potential wholesale providers.

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	99	Variance due to the following: 1. Clean up process 2. Remaining Microwave Link installation at Escrito Mesa. 3. Close out process.
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	100	No Variance
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.)	98	Variance is anticipated due to an anticipated delay in the Escrito Mesa microwave link. The Escrito Mesa tower is a state funded project however the microwave equipment to be installed on the tower is funded by NTIA. NTUA anticipates the tower to be complete in August with the MW to be installed thereafter.
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	98	Variance due to delayed LTE commissioning
2k.	Other (please specify):		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).

NTUA anticipates potential weather related challenges (High Wind Season).

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	\$265,871	\$624,129	\$890,000	\$265,871	\$624,129	\$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	\$1,996,658	\$596,464	\$1,400,196	\$1,996,658	\$596,464	\$1,400,194
e. Other architectural and engineering fees	\$9,600	\$2,868	\$6,732	\$9,600	\$2,868	\$6,732	\$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	\$3,529,824	\$1,054,468	\$2,475,356	\$3,529,824	\$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	\$25,761,829	\$36,064,314	\$11,035,997	\$25,028,317	\$36,496,119	\$11,146,356	\$25,349,763
j. Equipment	\$2,253,000	\$673,041	\$1,579,959	\$1,842,764	\$550,491	\$1,292,273	\$1,887,011	\$563,709	\$1,323,302
k. Miscellaneous	\$387,500	\$115,758	\$271,742	\$327,485	\$97,830	\$229,655	\$327,956	\$97,970	\$229,985
l. SUBTOTAL (add a through k)	\$45,902,602	\$13,712,536	\$32,190,067	\$44,760,645	\$13,633,862	\$31,126,785	\$45,237,168	\$13,757,579	\$31,479,587
m. Contingencies									
n. TOTALS (sum of l and m)	\$45,902,602	\$13,712,536	\$32,190,067	\$44,760,645	\$13,633,862	\$31,126,785	\$45,237,168	\$13,757,579	\$31,479,587

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: \$304,098
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