

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 NT10BIX5570059	3. DUNS Number 003786126
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4. Recipient Organization Public Utility District of Pend Oreille County 130 N Washington Ave, Newport, WA 99156-9070

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	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 Joe Onley Community Network System Manager	7c. Telephone (area code, number and extension) 5094479333
	7d. Email Address jonley@popud.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-16-2011
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Pend Oreille Public Utility District worked feverishly this quarter to continue it's build of both 'Make Ready' and fiber optic cable placement. Planning took place for additional construction scheduled for next calendar year. Community Outreach efforts included activities at the local County Fair to continue bringing interest and exposure to this project.

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	20	Baseline 49-LQ actual 12-Original Baseline projections had indicated an earlier start to construction of the project. Based on a longer time frame for Environmental and Network Design, the project is lagging an aggressive Baseline projection for overall project completion. It is anticipated that variances will continue until early 2012 when the projection is met.
2b.	Environmental Assessment	100	100-98- No Variance.
2c.	Network Design	50	80-40-Network design is substantially complete and will not expend the full amount of the budget for this metric.
2d.	Rights of Way	85	80-80-Exceeding Baseline projections.
2e.	Construction Permits and Other Approvals	70	95-40-Permitting continues to lag earlier projections. This metric will be met in the second half of 2012. Permitting will continue into the final year of the project which was not originally planned.
2f.	Site Preparation	60	60-40-No Variance.
2g.	Equipment Procurement	7	80-7-Equipment will be purchased going into next year (2012) for installation in the same year. This was originally projected to be purchased early on in the project. Planning is currently taking place for completion during the final project year.
2h.	Network Build (all components - owned, leased, IRU, etc)	20	49-7-Aerial and Make Ready work continue at a strong pace with material supplies not affecting this project so far. Additional crews have been added and will continue to be monitored for successful completion.
2i.	Equipment Deployment	7	25-7-Equipment originally forecasted to be put in service will not be required until 2012. This metric will be attained during the final year of the project.
2j.	Network Testing	0	15-0-Network testing will occur once equipment is connected to the network and services are turned up. Attaining this metric will occur sometime during the final phase of the project.
2k.	Other (please specify):	0	49-Sales tax will be allocated here at a point down the line.

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).
 No specific or identifiable issues stand out with fiber orders being shipped as ordered. Assistance if needed is always appreciated.

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	54	250-Additional crews were utilized to expedite construction with projections of meeting Baseline in year three of the project.
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)	54	See 'new network miles' metric above.
Number of new wireless links	0	1-This metric although in our original application is no longer part of the network design.
Number of new towers	0	2-Although originally called out for in the project, it is no longer included as part of this construction and network.
Number of new and/or upgraded interconnection points	1	1- 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	0
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	3
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 in the project timeline as construction is well underway.

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: Bandwidth Capacity will be provided as a wholesale service to Retail Providers per the previously submitted rate schedule.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (600 words or less).
N/A

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	3-Agreements are in process, however have not been signed at this point in time. Anticipation is that we will bring this category up to milestone projection by the end of Quarter 1, 2012.
	Providers with signed agreements receiving improved access	0	N/A

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 access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Baseline 24-Although originally included in our Baseline, since improvement has not been made to these original lists of 24 Anchor Institutions, they will not be included here for reporting purposes.
	Subscribers receiving new access	0	No Variance.
	Subscribers receiving improved access	0	No Variance.
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A
Residential / Households	Entities passed	0	Baseline 1625- This metric is is currently behind Baseline as construction has recently started. Entities passed will be recorded as we reach that segment of the project.
	Total subscribers served	0	Baseline 494-As with the above metric, we have not reached this milestone of the project cycle as of yet. Indications are sometime in the first half of 2012.
	Subscribers receiving new access	0	No Variance.
	Subscribers receiving improved access	0	No Variance.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No Variance.
Businesses	Entities passed	0	Baseline10- this number was inadvertently used on the Baseline, but should have been in the line below listed as "Total Subscribers served".
	Total subscribers served	0	9- We currently serve ten business subscribers with existing BTOP Funded (In Kind) network services. None have prescribed for improved services at this time, however have the capability to up grade. Once service is 'turned up', these entities will have the capability of redundancy that our Network will provide.
	Subscribers receiving new access	0	No Variance.
	Subscribers receiving improved access	0	No Variance.
	Please identify the speed tiers that are available and the number of subscribers for each	10	10-10 Meg Port

7. Please describe any special offerings you may provide (600 words or less).

None at this time in the project cycle.

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

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

N/A

9. Community Anchor Institutions:

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a

short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
N/A	N/A	N/A	N/A	N/A

Project Indicators (Next Quarter)

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

Construction will continue at a rapid pace as long as the weather allows. Equipment specifications and procurement activities will continue for placement next year. Community Outreach efforts keeping the stakeholders and interested parties informed will continue in preparation for agreements with potential wholesalers being signed. The District has an aggressive strategy to overcome the schedule lapses due to the EA and the challenges of materials availability and weather windows. Pend Oreille PUD has nearly completed in advance of schedule the engineering for the underground project. The District intends on letting the Underground Construction Contract in early Q1 2012 with commitments to complete in Q4 2012. The contractor will be required to provide the crews and necessary workforce to facilitate an aggressive deployment schedule, but we have every confidence that this can occur. In addition, the design strategy includes placing much if not all service duct such that the fiber can be installed in winter weather conditions, specifically allowing underground work in the Q1 2013 to complete the project. The following are projections for Key Metrics to reach by the end of the quarter (cumulative):

New Network Miles Deployed-240

Total CAI Subscribers Served-0

Number of Signed Agreements with Broadband Wholesalers or Last Mile Providers-1

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	30	Baseline 62-LQ 20-The original Baseline projections called for over half of the project completed in first three quarters of year two of the project. Realistically, this was not attainable and current projections show us meeting Baseline at the end of year two. An adjusted project plan has been incorporated to include additional crews being added as necessitated by unforeseen circumstances.
2b.	Environmental Assessment	100	100-100-No Variance.
2c.	Network Design	80	80-50-No Variance.
2d.	Rights of Way	90	80-85-Exceeding Baseline.
2e.	Construction Permits and Other Approvals	75	95-70-Permitting continues into the final year of the project with Baseline metrics met during quarter three of 2012. The permitting schedule was extended into year three to accomodate for the underground build section of the project.
2f.	Site Preparation	70	60-60-Exceeding Baseline.
2g.	Equipment Procurement	10	80-7- Original Baseline projections were inaccurate when depicting the timeline for Equipment Procurement. This process will continue into the final year of the project and lag Baseline until quarter two year three of the project.
2h.	Network Build (all components - owned, leased, IRU, etc.)	35	62-20-An aggressive initial start date from the Baseline has caused a lag in this metric. Projections now indicate meeting Baseline during the first half of 2012. Additional crews as well as favorable weather and conditions have allowed for expeditious construction. The current project plan anticipates requiring additional crews and completion on time.
2i.	Equipment Deployment	7	40-7-Equipment originally forecasted to be put in service will not be required until 2012. This metric will be attained during the final year of the project as equipment necessary for the project is utilized closer towards the end of the project life cycle. The revised project plan has this incorporated to this new timeframe.
2j.	Network Testing	0	25-0-Network testing will occur once equipment is connected to the network and services are turned up. Attaining this metric will occur sometime during the final phase of the project. This is included as part of a revised project plan.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2k.	Other (please specify):	0	62-0-Sales tax will be implemented and segregated out at a future date.

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).

Weather is more than likely going to be a variable in whether our plan comes together as outlined in the above projections. Earlier snowfalls may limit build capability in some areas and force a slow down for periods of time. Technical assistance at this time is not anticipated, however will be appreciated if needed.

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	\$258,100	\$51,620	\$206,480	\$21,462	\$4,292	\$17,170	\$30,000	\$6,000	\$24,000
b. Land, structures, right-of-ways, appraisals, etc.	\$1,073,800	\$214,760	\$859,040	\$186,531	\$184,729	\$1,802	\$250,000	\$200,000	\$50,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,448,373	\$689,675	\$2,758,698	\$2,094,852	\$418,970	\$1,675,882	\$2,400,000	\$480,000	\$1,920,000
e. Other architectural and engineering fees	\$666,811	\$133,362	\$533,449	\$190,273	\$38,055	\$152,218	\$250,000	\$50,000	\$200,000
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$25,505,940	\$5,101,188	\$20,404,752	\$4,189,958	\$2,035,847	\$2,154,111	\$7,000,000	\$2,000,000	\$5,000,000
j. Equipment	\$1,183,317	\$236,663	\$946,654	\$77,653	\$77,653	\$0	\$100,000	\$75,000	\$25,000
k. Miscellaneous	\$1,935,956	\$387,191	\$1,548,765	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$34,072,297	\$6,814,459	\$27,257,838	\$6,760,729	\$2,759,546	\$4,001,183	\$10,030,000	\$2,811,000	\$7,219,000
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$34,072,297	\$6,814,459	\$27,257,838	\$6,760,729	\$2,759,546	\$4,001,183	\$10,030,000	\$2,811,000	\$7,219,000

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: \$0
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