

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) 06-30-2012	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 Joe Onley Community Network System Manager	7c. Telephone (area code, number and extension) 50944479333
	7d. Email Address jonley@popud.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-02-2012
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 The underground construction phase of the project kicked off this quarter as well as continued work on the aerial build and make ready work. Electronics specifications were reviewed, vendors selected, and orders are in process for delivery in the third and fourth quarters of 2012. Efforts to gain approval of all residents in the serving area for fiber connection continues to take place with our 'Get Connected' campaign as we continually reach out to the Community with information.

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	49	LQ35-BL87 Expenditures have started increasing as we are now in the underground phase of construction, and the most expensive. Expectations are to meet the desired Baseline in the first quarter of 2013.
2b.	Environmental Assessment	100	No Variance.
2c.	Network Design	90	70-90 Meeting Baseline.
2d.	Rights of Way	98	95-90 Exceeding Baseline.
2e.	Construction Permits and Other Approvals	95	90-95 Meeting Baseline.
2f.	Site Preparation	90	85-80 Exceeding Baseline.
2g.	Equipment Procurement	40	10-90 Equipment procurement is currently in process with specifications determined, vendors selected, and orders placed. It is anticipated that we will meet this metric in Q1 2013.
2h.	Network Build (all components - owned, leased, IRU, etc)	70	45-87 Although currently lagging as compared to Baseline projections, the network build is progressing according to our revised schedule and anticipated to reach the Baseline metric in the first quarter of 2013. Additional crews are added as deemed necessary to insure an on time completion.
2i.	Equipment Deployment	15	10-60 Equipment will be placed during the last half of 2012 and during the final quarter of the project. This metric will be attained in the first quarter of 2013.
2j.	Network Testing	0	0-40 Testing will commence once equipment has been installed and connected to the network. This metric should attain Baseline projections in the fourth quarter of 2012.
2k.	Other (please specify):	1	1-87 Sales tax has been broken out and will continue to be tracked separately.

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).
 None at this stage in the process.

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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	370	LQ250-BL450 One hundred twenty miles of fiber were placed in the second quarter of 2012, with some underground miles being deployed. It is anticipated that additional mileage for the next quarter will be substantial as we close in on the completion of the aerial build and continue the underground portion.
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)	370	250-450 See 'new network miles deployed' narrative above.
Number of new wireless links	0	This metric, although originally planned for in the project, is no longer part of the design and has been removed from the project.
Number of new towers	0	Although originally identified in the application as being part of the project, towers have been removed from the network and the design.
Number of new and/or upgraded interconnection points	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	2
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
Internet Xpress, Inc.
Pend Oreille Valley Networks, Inc.

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:
The Wholesale services being provided include residential and business class broadband, point-to-point ethernet transport and virtual networks. Pricing plans have not yet been established and will be furnished upon completion and approval.

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)

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	2	BL 4-Two agreements have been signed with additional agreements being negotiated. The goal is to add additional wholesale providers to the existing list as we progress through the remainder of the project.
	Providers with signed agreements receiving improved access	0	N/A
	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 the original list of 24 CAI's, they will not be counted for reporting purposes.
	Subscribers receiving new access	0	No Variance.
	Subscribers receiving improved access	0	Baseline 24- See 'total subscribers served' narrative above.
	Please identify the speed tiers that are available and the number or subscribers for each	0	N/A
Residential / Households	Entities passed	3,364	LQ 1880-Baseline 2705-Exceeding Baseline.
	Total subscribers served	0	0-1116 This metric will continue to lag until the project is completed based on an aggressive Baseline Projection and a later than anticipated construction start date.
	Subscribers receiving new access	0	0-1106 See 'total subscribers served' narrative above.
	Subscribers receiving improved access	0	0-10 See 'total subscribers served' narrative above.
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	24	Baseline 154-Although currently behind projections in this metric, the underground phase of the project is in the initial phase of construction. This section of the build is primarily in the populated and business section of the serving area.
	Total subscribers served	0	Baseline 26-Pend Oreille PUD currently serves ten business with existing BTOP Funded (In Kind) network services. None have subscribed for improved services at this time, however have the capability to upgrade. Once services are turned up, these entities will have the capability of redundancy that our Network will provide.
	Subscribers receiving new access	0	Baseline 16-Service has not yet been turned up as equipment and construction to these entities has not been connected. As services are turned up and the ability to subscribe is available, this metric will show progress towards the projections. It is estimated service will be available in Q4 2012.
	Subscribers receiving improved access	0	Baseline 10-See 'Subscribers receiving new access' narrative above.
	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.

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).
Continued underground construction is planned for the next and continuous quarters as we approach the final three quarters of the project. Community excitement and Wholesale Provider interaction will be integral pieces as we near completion of the project and plan for Equipment integration and eventual service turn ups. Continued efforts to reach out to our community members in receiving 'approvals' for connection to premises is taking place during the next quarter. This process will continue on throughout the remainder of the project time frame in hopes of achieving 100% approval for this connection.

New Network Miles Deployed-110
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	72	LQ40-BL94 By design the last and most costly phase of the project, the underground build, is in full production now as we approach the quarter of the year 2012.
2b.	Environmental Assessment	100	100-100 No Variance.
2c.	Network Design	90	90-90 No Variance.
2d.	Rights of Way	100	98-90 No Variance.
2e.	Construction Permits and Other Approvals	100	95-95 Exceeding Baseline
2f.	Site Preparation	95	90-90 Exceeding Baseline.
2g.	Equipment Procurement	75	40-90 Equipment procurement was intentionally delayed until the final year of the project life cycle. Purchases will not meet this metric until the final reporting quarter for this metric.
2h.	Network Build (all components - owned, leased, IRU, etc.)	80	70-94 Earlier projections had estimated an earlier start to construction, but a prolonged environmental process and fiber shipments has extended out the project completion rate. The aerial build will near completion this quarter as well as the make ready work. Underground construction will forge ahead with completion scheduled for the first quarter of 2013.
2i.	Equipment Deployment	40	15-70 Equipment orders placed are scheduled for arrival during the third and fourth quarters of 2012. Equipment will be installed upon arrival and as the network build allows. this metric will be attained in the first quarter of 2013.
2j.	Network Testing	10	0-60 Network testing is scheduled to begin as soon as equipment is installed and is anticipated to reach Baseline projections in the fourth quarter of 2012.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2k.	Other (please specify): Sales Tax	1	1-94 Sales tax will be incorporated as additional equipment is purchase

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).

None anticipated or expected.

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	\$187,601	\$37,520	\$150,081	\$230,000	\$46,000	\$184,000
b. Land, structures, right-of-ways, appraisals, etc.	\$1,073,800	\$214,760	\$859,040	\$186,531	\$184,729	\$1,802	\$190,000	\$188,000	\$2,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$5,200,000	\$1,040,000	\$4,160,000	\$3,540,321	\$708,064	\$2,832,257	\$3,900,000	\$780,000	\$3,120,000
e. Other architectural and engineering fees	\$666,811	\$133,362	\$533,449	\$393,016	\$78,603	\$314,413	\$450,000	\$90,000	\$360,000
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	\$21,737,630	\$4,347,526	\$17,390,104	\$12,263,437	\$3,097,389	\$9,166,048	\$16,800,000	\$3,600,000	\$13,200,000
j. Equipment	\$3,200,000	\$640,000	\$2,560,000	\$142,179	\$86,221	\$55,958	\$2,900,000	\$580,000	\$2,320,000
k. Miscellaneous	\$1,935,956	\$387,191	\$1,548,765	\$15,324	\$3,065	\$12,259	\$15,324	\$3,065	\$12,259
l. SUBTOTAL (add a through k)	\$34,072,297	\$6,814,459	\$27,257,838	\$16,728,409	\$4,195,591	\$12,532,818	\$24,485,324	\$5,287,065	\$19,198,259
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	\$16,728,409	\$4,195,591	\$12,532,818	\$24,485,324	\$5,287,065	\$19,198,259

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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