

RECIPIENT NAME: Vermont Telephone Company, Inc.

AWARD NUMBER: NT10BIX5570085

DATE: 08/29/2014

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 6/30/2015

ANNUAL 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 NT10BIX5570085	3. DUNS Number 878195239
4. Recipient Organization Vermont Telephone Company, Inc. 354 River Street, Springfield, VT 05156-2242		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2013	6. Is this the last Annual Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No	
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 Catherine Euchre	7c. Telephone (area code, number and extension) X	
	7d. Email Address ceuchre@vermontel.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-29-2014	

OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	88044	Our baseline target of \$82,975 per mile. We fully expect that we will be on or under our baseline target as our miles increase during the last construction phase.
Average cost per household passed (Last Mile)	0	n/a
Average cost per subscriber (Last Mile)	0	n/a
Maximum broadband speed advertised (Middle Mile)	100Gb/s	We are happy to report that we have started offering speeds up to 100Gb/s, which is improved and faster access than in our baseline.
Maximum broadband speed advertised (Last Mile)	0	n/a
Average broadband speed provided (Middle Mile)	72Mb/s	No variance from base line
Average broadband speed provided (Last Mile)	0	n/a

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
Tunbridge Shelter	Equipment Shelter	Orange County, VT	50 017 9595.00
Plattsburgh Shelter	Equipment Shelter	Clinton County, NY	36 019 1008.00
Brandon Shelter	Equipment Shelter	Rutland County, VT	50 021 9622.00

Add Facility

Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

We have 6 pre-existing agreements with broadband wholesale and last mile providers whose connection will be upgraded (all were existing customers prior to our BTOP project) as a result of this project once the core optical network is installed. These customers are: Earthlink, Topsham Telephone, Burlington Telecom, Wavecomm, Great Awk (formerly Finowen and Light Tower (formerly Sidera).

- 6 Interconnection agreements entered.
- 0 Interconnection agreements being negotiated.
- 0 Interconnection agreements denied.

Peering and Transit Agreements (600 words or less)

We are peered with:

1. Netflix
2. Google
3. Apple

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- 4. ISPrime.com
 - 5. FPL FiberNET LLC
 - 6. BroadbandONE
 - 7. Webair
 - 8. Amazon
 - 9. TelX
 - 10. Free Software Foundation (GNU)
 - 11. TowardEX
 - 12. Studsvik Scandpower
 - 13. OCCAID
 - 14. RCN Cable
 - 15. Akamai
- 15 New Peering Relationship entered into (all entered into subsequent to the project starting)
0 Peering or Transit Agreements being negotiated.
0 Peering or Transit Agreements denied.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	56	Public Housing	3
Libraries	15	Other Institutions of Higher Education	10
Medical and Healthcare Providers	27	Other Community Support Organizations	13
Public Safety Entities	2	Other Government Facilities	7
Community Colleges	3	Total Community Anchor Institutions	136

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).

We have reviewed the speeds that our CAI's contracted for before the BTOP project as well as the speeds contracted for now that the grant is underway. We took the average total speed prior and the average total speed subsequent and calculated the delta between the two to come up with a speed increase to be 420 Mbps.

6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in \$ per month) associated with each retail service. Retail services description:

Community Anchor institutions can avail themselves with one of our seven pricing options outlined on the attached CAI pricing sheet. We offer the following: #1 10Mbps of internet access bursting up to 25Mbps #2 25Mbps of internet access with bursting up to 50Mbps #3 50Mbps of internet access with bursting to 100Mbps. #4 100Mbps with bursting to GigE. #5 200Mbps with bursting up to GigE h #6 Dedicated GigE "spoke" back to any of the above #7 100Mbps of dedicated access with bursting to GigE to any of the above

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?

VTel posts our terms of service and network management policies on our web site therefore any and all customers have access them. We do not prevent customers any lawful content, service, service provider, or application or prevent any consumers from attaching any legal device to the network. We are committed to the spirit of the NOFA.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).

n/a

9. Please provide the following information regarding the number of fiber strand-miles:

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	Leased	Dark

18,504	5,965	0	0	12,539	0	0
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10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
n/a

11. Please provide the following information regarding the facility collocation capacity:

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available
544	27	27	490

12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).
Network providers and/or customers can interconnect with VTel at primarily third party collocation facilities/Central Offices. The Central Offices are: White River Junction CO, Chelsea Hut, Montpelier CO, Waterbury CO, Essex CO, Burlington CO, Burlington Telecom CO, New Haven Cabinet, Brandon Hut, Rutland CO, Waterbury CO, Stowe CO, Morrisville CO, Milton CO

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).
Our Prime Construction Contractor is a SDB (Eustis Cable Enterprises) and we have contracted with them to build the entire network.

14. Please describe any best practices/lessons learned that can be shared with other similar BTOP projects (900 words or less).
Management of the make ready process continues to be the most difficult part of this project. Although the utility pole owners have guidelines for time frames in getting the work done, it is necessary to actively manage and track the process in order for the construction deadlines to be met. Consistent scheduled meetings where all parties can see the work work that is being completed, and the work not yet done are key. These status meetings can be used to raised issues, and work through roadblocks to resolution to keep progress on track.

15. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide an updated list of Community Anchor Institutions (CAIs) that you have connected and plan to connect to your network.

16. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide a list of community pairs that are receiving new or improved broadband service as a result of BTOP grant funds.

17. Please provide up-to-date network route maps in a single file, in a Google Earth compatible format (e.g., KMZ file).