

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 NT10BIX5570093	3. DUNS Number 175409010
4. Recipient Organization Citizens' Telephone Co-operative 220 Parkway Ln S, Floyd, VA 24091-4170		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2013	6. Is this the last Report of the Award Period? <div style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </div>	
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 Chris Bond	7c. Telephone (area code, number and extension) X	7d. Email Address chrisbond@citizens.coop
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-27-2013	

Project Indicators (This Quarter)

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

Contract I: Nichols Construction, LLC has completed all fiber construction on the contract as of June 26, 2013. Splicing and testing of all fiber on this contract was completed on July 8, 2013 as well. By the end of the quarter, Nichols had installed a total of 103 miles (100%) of the proposed 103 mile contract.

Contract II: Lambert's Cable Splicing, LLC has completed all construction on this project as of April 4th, 2013. All splicing and testing of the fiber on this contract was completed on May 15, 2013. By the end of the 12th quarter, Lambert's had placed 71 miles (100%) of the proposed 71 miles of fiber on this contract.

Contract IV: Edwards Telecommunications, Inc. completed construction on the underground section of fiber along Route 100 from Dublin (Pulaski Co.) to Pearisburg (Giles Co.) on December 20, 2012. Splicing and testing of this section of fiber was completed on December 28, 2012. Edwards has completed all final clean up on this section of the contract. The remaining section (5.2 miles) of construction is aerial cable located in the Town of Pearisburg and is currently under construction and is scheduled to be completed by July 15, 2013. All splicing and testing of the fiber in this area will be completed by July 17, 2013. By the end of the quarter, Edwards will have completed construction on 21.4 miles (89%) of the proposed 24 miles of fiber for this contract.

By the end of the 12th quarter, a total of 183.4 linear miles (99%) of the proposed 186 linear miles of NTIA/BTOP project had been completed.

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	85	Citizens originally projected having 100% of the project complete by the end of the 12th Quarter. Since this Milestone is calculated on Federal Funds that have been spent, the delay in percentage complete is due to the delay in invoicing from the Contractors performing the construction. Actual construction on the project was 99% complete at the end of the 12th Quarter.
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)	99	Citizens had originally projected having 100% of the network build complete by the end of the 12th quarter. Delays in construction due to aerial make-ready work needed by Verizon and AEP in Pearisburg prevented us from meeting this goal. Extra crews were brought in to complete (100%) by July 15, 2013.
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	99	Citizens had anticipated having 100% of the network testing complete at the end of the 12th quarter. Delays in aerial construction in the town of Pearisburg due to make-ready issues prevented Citizens from meeting this deadline. The remainder of network testing was started immediately after the completion of construction and was completed on July 17th, 2013.
2k.	Other (please specify): N/A	0	No Variance

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).

During the 12th quarter, make ready issues in 2 areas have delayed the completion of construction of this project. On Contract I, there was approximately 1 mile of aerial in Pulaski Co. that could not be built because of pending make ready work by Verizon. When that work was finally completed, Construction on this 1-mile section was completed on June 26, 2013. On Contract IV, a 5.2 mile portion of aerial construction in the town of Pearisburg in Giles Co. has been held up by pending make ready work needed by Verizon and AEP. This make-ready work was completed in mid-June. Construction began on the aerial section in Pearisburg on June 24, 2013 and was completed on July 15th, 2013.

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	183	Citizens had anticipated approximately 186 miles complete by the end of quarter 12. Delays in getting make ready completed has impacted completion of the remaining aerial construction in one location (Pearisburg).
New network miles leased	0	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)	183	Citizens had anticipated approximately 186 miles complete by the end of quarter 12. Delays in getting make ready completed has impacted completion of the remaining aerial construction in one location (Pearisburg).
Number of new wireless links	0	No Variance
Number of new towers	0	No Variance
Number of new and/or upgraded interconnection points	7	Citizens had anticipated having 8 interconnection points in place by the end of the 12th quarter. Delays in construction due to incomplete aerial make ready work resulted in portions of the fiber route needing to be built in order to establish the remaining interconnect point. The construction to this remaining interconnect point was completed on July 15, 2013.

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	2
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

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:

Pricing plan, along with wholesale services being provided, has been attached to PPR submission.

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	Citizens had anticipated having 1 signed agreement with a wholesale provider. Delay in the final approval of the Environmental Assessment and the long lead time in obtaining fiber cable and other materials have impacted the timing of construction, thus impacting the ability to provide new access to wholesalers
	Providers with signed agreements receiving improved access	0	No Variance
	Providers with signed agreements receiving access to dark fiber	0	No Variance
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	No Variance
	Total subscribers served	55	No Variance
	Subscribers receiving new access	46	No Variance
Residential / Households	Subscribers receiving improved access	9	No Variance
	Please identify the speed tiers that are available and the number or subscribers for each	1	1 GB - 5 Subscribers NOT YET ESTABLISHED - 50
	Entities passed	0	No Variance
	Total subscribers served	0	No Variance
	Subscribers receiving new access	0	No Variance
Businesses	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
	Entities passed	0	No Variance
	Total subscribers served	0	No Variance
	Subscribers receiving new access	0	No Variance

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	subscribers for each		

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 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
Giles School Board	Giles County	School (K-12)	No	Have not activated service
Giles High	Giles County	School (K-12)	No	Have not activated service
Giles Hospital	Giles County	School (K-12)	No	Have not activated service
Christiansburg High	Montgomery County	School (K-12)	No	Have not activated service
County Tech Department	Montgomery County	School (K-12)	No	Have not activated service
Christiansburg Elem	Montgomery County	School (K-12)	No	Have not activated service
Christiansburg Primary	Montgomery County	School (K-12)	No	Have not activated service
Old Christiansburg Middle	Montgomery County	School (K-12)	No	Have not activated service

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Contract IV: As of June 30, 2013, Edwards Telecommunications Inc had 2.6 miles of construction remaining to complete. The remaining section (2.6 miles) of construction is aerial cable located in the Town of Pearisburg and is scheduled to be completed by July 15, 2013. All splicing and testing of the fiber in this area was completed on July 17, 2013. By the end of the quarter, Edwards will have completed construction on 24 miles (100%) of the proposed 24 miles of fiber for this contract.

By July 31, 2013, a total of 186 linear miles (100%) of the proposed 186 linear miles of NTIA/BTOP project will have been completed, thus ending the project.

As of July 31, 2013, Citizens will have two signed wholesale agreements. One with LIT Networks and one with Radford University.

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)

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	96	Citizens originally projected this amount to be 100% by the end of the project. Since this percentage is calculated on actual expenditures and Citizens will be coming in under budget on the project, this amount is lower than 100%. As of the end of the project on July 31, 2013, 100% of the project was complete.
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.)	100	No Variance
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	100	No Variance
2k.	Other (please specify): N/A	0	No Variance

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

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$160,000	\$32,000	\$128,000	\$323,896	\$64,779	\$259,117	\$323,896	\$64,779	\$259,117
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$491,739	\$491,739	\$0	\$268,685	\$268,685	\$0	\$272,221	\$272,221	\$0
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	\$9,819,064	\$1,581,304	\$8,237,760	\$8,415,015	\$1,683,003	\$6,732,012	\$9,285,795	\$1,699,659	\$7,586,136
j. Equipment	\$1,090,000	\$218,000	\$872,000	\$871,548	\$174,310	\$697,238	\$1,172,934	\$174,310	\$998,624
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$11,560,803	\$2,323,043	\$9,237,760	\$9,879,144	\$2,190,777	\$7,688,367	\$11,054,846	\$2,210,969	\$8,843,877
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$11,560,803	\$2,323,043	\$9,237,760	\$9,879,144	\$2,190,777	\$7,688,367	\$11,054,846	\$2,210,969	\$8,843,877

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: \$2,583,000	b. Program Income to Date: \$27,500
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