

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 NT10BIX5570098	3. DUNS Number 831438424
4. Recipient Organization California Broadband Cooperative, Inc. 1101 Nimitz Ave, Vallejo, CA 94592-1014		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2013	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 Robert Volker	7c. Telephone (area code, number and extension) X	7d. Email Address Rvolker@digital395.com
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-21-2013	

Project Indicators (This Quarter)

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

Construction:

- Placed an additional 80 miles of backbone conduit for a cumulative total of 501 miles.
- Placed an additional 144 vaults for a cumulative total of 477 vaults.
- Completed an additional 20 project segments.
- Placed an additional 155 miles of backbone and distribution fiber cable for a cumulative total of 503 miles.
- Completed 119 CAIs (155 total) and 28 POIs (32 total) service connections.
- Completed installation of electronics at remaining six nodes, began integration and testing .
- The Reno to Mammoth Lakes backbone was turned up, providing service connection to last mile service provider for testing .

Right of Way:

- Acquired needed permits from Cal Trans for 2 Inyo and 1 Kern County locations.

Environmental

- Finished restoration on Casa Diablo Road (BLM Wilderness Study Area)
- Received clearance and started conduit work on the China Lake Naval Facility.
- Re-surveyed 10 mile backbone segment for a second time in the Inyo National Forest to eliminate high cost long bores .
- Continued discussions over environmental requirements with Inyo National Forest and Bishop Indian Tribe regarding segment long bore strategy.
- Applied for route change into June Lake.
- Received limited clearance to start work in the Inyo National Forest.
- Identified and worked with agencies to conclude anchor site route changes.

Administrative:

- Granted project extension by the NTIA
- Submitted application to the CPUC for \$10.8 million of additional project funds and received all but three segments needing California Environmental Quality Act approvals.

Environmental Quality Act approvals.

- Generated 5 RFPs for incomplete construction segment work. Secured and awarded bids after California Broadband Cooperative Board approval.
- Continued to scale back field and administrative staff.
- Submitted and Approved proportionality Waiver from NTIA
- Annual Audit initiated to satisfy our Special Award Condition

Logistics:

- Closed Coso Junction and Big Pine Depot; consolidating materials into Bishop storage areas
- Recycled conduit and cable reels

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	95	5% Variance - The overall project has been delayed by the completion of Segment M122 and the outcome of the supplemental funding request made to the California Public Utility Commission that was just approved.
2b.	Environmental Assessment	99	1% Variance - Resurveyed and are awaiting approval of Segment M122 delayed construction by the Inyo National Forest Service.
2c.	Network Design	100	No Variance
2d.	Rights of Way	100	No Variance
2e.	Construction Permits and Other Approvals	99	1% Variance - All permits acquired except for the Round Valley School Extension, Lone Pine Tribe Tribal Office and AT&T Poverty Hills Rd connections that are pending CEQA approval.
2f.	Site Preparation	100	No Variance

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc)	95	5% Variance - Due to Completing all remaining distribution cable placing, splicing and anchor service connections in the Bishop, Lone Pine, Mammoth Lakes, June Lake and Walker communities that were delayed pending the outcome of the additional project funding request .
2i.	Equipment Deployment	100	No Variance
2j.	Network Testing	85	15% Variance - The pending construction of M122 is preventing us from testing the the backbone segments from Mammoth Lakes south to Bishop. When done all fiber conformance and characteristic testing will be completed. As the remaining Anchor and Points of Interconnections are completed they are also tested and built into the Network Operations System.
2k.	Other (please specify):	0	NA

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).

We continued to experience delays in acquiring environmental permits particularly with the Inyo National Forest Service. In addition funding issues became problematic restricting planned work on critical laterals and distribution conduit work. The NTIA has been working with us to complete and approve all remaining route changes.

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	503	Variance of 82 miles to target of 583 miles. The variance it due to the incompletion of backbone segment M122, side laterals and distribution conduit work which slowed down due to uncertain project funding.
New network miles leased	0	NA
Existing network miles upgraded	0	NA
Existing network miles leased	0	Variance of 30 miles. We will not be leasing the 30 miles of fiber. The fiber is owned by California Broadband and placed in leased Zayo conduit.
Number of miles of new fiber (aerial or underground)	503	Variance of 82 miles to target of 583 miles. The variance it due to the incompletion of backbone segment M122, side laterals and distribution conduit work which slowed down due to uncertain project funding.
Number of new wireless links	0	NA
Number of new towers	0	No towers constructed on project. While in the base plan, the towers were removed due to Environmental Assessment requirements.
Number of new and/or upgraded interconnection points	32	Variance of 36 due to cable deployed to network end points in Reno and Barstow, Bridgeport and Lee Vining. Points of interconnect will expand next quarter as the result of distribution cable to be deployed

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	8
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	9
Average term of signed agreements (in quarters)	80

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 ZAYO Group, LLC. - Purchased wholesale middle mile dark fiber between Reno and Barstow.
 Suddenlink - Signed agreement for dark fiber
 Level 3 - Signed Interconnection Agreement for collocation and peering for Barstow and Reno
 AT&T Nevada - Signed interconnection agreement for NV
 Verizon California - Signed interconnection agreement for California
 Plumas Sierra - Signed internet and collocation agreement
 Lone Pine TV - Intenet Access
 SchatNet - Internet Access and Transport

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:
 We have signed an agreement with Plumas Sierra, Lone Pine TV and SchatNet (See Attached)

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).
 Inyo Networks is presently designated as the vendor who will operate entire network its upon completion. This party will serve as a contractor when operating the network.
 Michael Ort - Chief Executive Officer
 1101 Nimitz Avenue
 Vallejo, CA 94592-1014
 Phone (510) 599-4062

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	5	Ahead by 3 - Laterals and anchor connections not complete. End point interconnections have not completed. No operational bandwidth is in service.
	Providers with signed agreements receiving improved access	0	Variance of 2 - Laterals and anchor connections not complete. End point interconnections have not completed. No operational bandwidth is in service.
	Providers with signed agreements receiving access to dark fiber	3	Ahead by 1 - Laterals and anchor connections not complete. End point interconnections have not completed. No operational bandwidth is in service.
	Please identify the speed tiers that are available and the number of subscribers for each	0	No services are currently being offered.
Community Anchor Institutions (including Government institutions)	Total subscribers served	155	Variance of 82 - Laterals and anchor connections not complete. End point interconnections have not completed. No operational bandwidth is in service.
	Subscribers receiving new access	155	Variance of 82 - Laterals and anchor connections not complete. End point interconnections have not completed. No operational bandwidth is in service.
	Subscribers receiving improved access	0	Variance of 177 - Laterals and anchor connections not complete. End point interconnections have not completed. No operational bandwidth is in service.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number or subscribers for each	0	There is currently no service operational however all subscribers will have up to 1GB Ethernet connection
Residential / Households	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Businesses	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA

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

Active Ethernet, dark fiber, 10Gbps and wavelength.

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

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

NA

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
See Attached	See Attached	See Attached	See Attached	See Attached

Project Indicators (Next Quarter)

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

Complete all the environmental approvals for the remaining route changes. Complete conduit construction for all laterals, the Benton, June Lake and Walker Communities, Conway Summit and the Pickles Meadows United States Marine Corp Base. We plan to finish placing, splicing and testing all of the remaining backbone fiber cable. We also intend to complete all remaining distribution cable placement, splicing and all remaining Anchor and Points of Interconnection connections. We plan to deploy 570 miles, connect 237 anchors and sign 2 additional broadband wholesaler/last mile provider agreements by the end of the quarter.

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	100	No Variance
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):	0	NA

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).

We will, in fact, over spend the project by 10% as a result of the additional \$9.9M funding provided by the California Public Utility Commission. This will allow us to finish construction work for June Lake, Walker, Benton and Johannesburg. Several additional sites including Round Valley, the Lone Pine Tribe extension and Poverty Hills Road work will be completed in the future using California Broadband Cooperative revenues.

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	\$15,109,345	\$3,021,870	\$12,087,475	\$11,990,484	\$1,695,591	\$10,294,893	\$13,500,000	\$3,205,107	\$10,294,893
b. Land, structures, right-of-ways, appraisals, etc.	\$2,285,826	\$457,166	\$1,828,660	\$2,123,968	\$559,709	\$1,564,259	\$2,132,905	\$568,646	\$1,564,259
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$3,006,194	\$601,239	\$2,404,955	\$4,404,517	\$267,644	\$4,136,873	\$4,601,618	\$464,745	\$4,136,873
e. Other architectural and engineering fees	\$2,906,663	\$581,333	\$2,325,330	\$8,704,103	\$1,384,116	\$7,319,987	\$9,000,000	\$1,680,013	\$7,319,987
f. Project inspection fees	\$164,635	\$32,927	\$131,708	\$933,070	\$233,449	\$699,621	\$961,121	\$261,500	\$699,621
g. Site work	\$314,813	\$62,963	\$251,850	\$1,369,407	\$229,903	\$1,139,504	\$1,500,000	\$360,496	\$1,139,504
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$69,013,409	\$13,802,688	\$55,210,721	\$59,642,229	\$9,712,630	\$49,929,599	\$62,940,353	\$13,010,754	\$49,929,599
j. Equipment	\$8,573,312	\$1,714,663	\$6,858,649	\$6,561,964	\$519,829	\$6,042,135	\$6,700,000	\$657,865	\$6,042,135
k. Miscellaneous	\$61,800	\$12,360	\$49,440	\$45,276	\$23,359	\$21,917	\$100,000	\$78,083	\$21,917
l. SUBTOTAL (add a through k)	\$101,435,997	\$20,287,209	\$81,148,788	\$95,775,018	\$14,626,230	\$81,148,788	\$101,435,997	\$20,287,209	\$81,148,788
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$101,435,997	\$20,287,209	\$81,148,788	\$95,775,018	\$14,626,230	\$81,148,788	\$101,435,997	\$20,287,209	\$81,148,788

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: \$110,000