

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

1. Federal Agency and Organizational Element to Which Report is Submitted

Department of Commerce, National Telecommunications and Information Administration

2. Award Identification Number

NT10BIX5570100

3. DUNS Number

945065498

4. Recipient Organization

Delta Communications, L.L.C. 2 N Vine St., 3rd FL, Harrisburg, IL 62946-1561

5. Current Reporting Period End Date (MM/DD/YYYY)

03-31-2012

6. Is this the last Report of the Award Period?

Yes 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

7c. Telephone (area code, number and extension)

7d. Email Address

7b. Signature of Certifying Official

7e. Date Report Submitted (MM/DD/YYYY):

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

Clearwave continued to take advantage of the favorable weather and made significant progress in our construction. With as many as 15 crews working at different times during the quarter we ended up with 503 miles of conduit buried and 407 miles of fiber installed, including fiber into 15 of our interconnection points.

Clearwave has already exceeded the 67% complete benchmark ahead of schedule, and if construction continues at the current pace it is possible that the project could be 100% complete by the end of first quarter 2013.

Over 200 of Clearwave's projected Community Anchor Institutions have contracted for service and 70 of them have fiber run and equipment installed at their premise. We will begin to light up service for these customers during the next quarter. Clearwave continues to participate in local and regional economic development meetings to help promote the benefits of the project. Our social media efforts continue as well, with over 1050 likes on Facebook, and over 600 followers on Twitter.

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	90	Baseline is 60
2b.	Environmental Assessment	100	Baseline is 100
2c.	Network Design	100	Baseline is 100
2d.	Rights of Way	88	Baseline is 72. In order to keep ahead of construction we have gotten ahead of schedule on obtaining Rights of Way.
2e.	Construction Permits and Other Approvals	82	Baseline is 62. In order to keep ahead of construction we have gotten ahead of schedule on obtaining construction permits.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	79	Baseline is 100. We still have some equipment to purchase, but the main reason for the lower figure is being able to acquire equipment below budgeted costs.
2h.	Network Build (all components - owned, leased, IRU, etc)	83	Baseline is 51, staying ahead of schedule.
2i.	Equipment Deployment	75	Baseline is 50, staying ahead of schedule.
2j.	Network Testing	55	Baseline is 52, slightly ahead of schedule.
2k.	Other (please specify):	0	N/A

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 have managed to meet or exceed almost all of our baseline milestones.

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	407	Ahead of Baseline of 350
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)	407	Ahead of Baseline of 350
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	15	Baseline is 16. Slightly behind getting fiber pulled into central offices.

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	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	8
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:

[REDACTED]

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:

While our agreement has been signed, no services were provided during this quarter. Construction will need to be completed to the various cell sites before services can be delivered. Some will be completed by next quarter.

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 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	Baseline is 0
	Providers with signed agreements receiving improved access	1	Slightly behind baseline of 2. Most providers waiting until network is operational to finalize negotiations.
	Providers with signed agreements receiving access to dark fiber	0	N/A

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 of subscribers for each	0	N/A
Community Anchor Institutions (including Government institutions)	Total subscribers served	63	63 CAIs are connected, but none are currently receiving service.
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	63	63 CAIs are connected, but none are currently receiving service.
	Please identify the speed tiers that are available and the number or subscribers for each	0	63 CAIs are connected, but none are currently receiving service.
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A

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

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
Southwestern Illinois College	Belleville	Community College	No	Anchor is connected, but not yet receiving service
Benton Grade Sch K-4	Benton	School	No	Anchor is connected, but not yet receiving service
Carbondale Comm H S	Carbondale	School	No	Anchor is connected, but not yet receiving service
Shawnee Health Services Administration	Carterville	Healthcare	No	Anchor is connected, but not yet receiving service
Carterville Intermediate School	Carterville	School	No	Anchor is connected, but not yet receiving service
Carterville Family Practice	Carterville	Healthcare	No	Anchor is connected, but not yet receiving service
Eldorado Memorial Public Library District	Eldorado	Library	No	Anchor is connected, but not yet receiving service
Eldorado Rural Health Clinic (REA)	Eldorado	Healthcare	No	Anchor is connected, but not yet receiving service
Harrisburg High School	Harrisburg	School	No	Anchor is connected, but not yet receiving service
Southeastern Illinois Community College	Harrisburg	Community College	No	Anchor is connected, but not yet receiving service
Herrin PD	Herrin	Public Safety	No	Anchor is connected, but not yet receiving service
North Side Primary Center	Herrin	Healthcare	No	Anchor is connected, but not yet receiving service
Herrin Middle School	Herrin	School	No	Anchor is connected, but not yet receiving service
Herrin OB-GYN Clinic (REA)	Herrin	Healthcare	No	Anchor is connected, but not yet receiving service
Herrin C U S D 4 Elem School	Herrin	School	No	Anchor is connected, but not yet receiving service
Herrin Hospital	Herrin	Healthcare	No	Anchor is connected, but not yet receiving service
Shawnee Behavioral Health Services	Marion	Healthcare	No	Anchor is connected, but not yet receiving service
Mt Vernon District 80 Admin Office	Mt. Vernon	School	No	Anchor is connected, but not yet receiving service
Shawnee Dental Center	Murphysboro	Healthcare	No	Anchor is connected, but not yet receiving service
Jackson Co Sheriff	Murphysboro	Public Safety	No	Anchor is connected, but not yet receiving service
Jackson County Health Dept.	Murphysboro	Healthcare	No	Anchor is connected, but not yet receiving service
Murphysboro Health Center	Murphysboro	Healthcare	No	Anchor is connected, but not yet receiving service
Murphysboro High School	Murphysboro	School	No	Anchor is connected, but not yet receiving service

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Clearwave will have CAIs receiving bandwidth and internet service by the end of next quarter. We also expect to meet or exceed

exceed the following milestones:
 Network miles - 461
 New interconnect points - 19
 Community Anchor Institutions Served: 102
 Last Mile Service Provider Contracts: 1

Clearwave has already exceeded the 67% complete benchmark ahead of schedule. If construction continues at the current pace it is possible that the project could be 100% complete by the end of first quarter 2013.

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	97	Remain ahead of baseline of 68.
2b.	Environmental Assessment	100	In line with baseline.
2c.	Network Design	100	In line with baseline.
2d.	Rights of Way	93	Ahead of baseline of 84.
2e.	Construction Permits and Other Approvals	87	Ahead of baseline of 72.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	83	Baseline is 100. We still have some equipment to purchase, but the main reason for the lower figure is being able to acquire equipment below budgeted costs.
2h.	Network Build (all components - owned, leased, IRU, etc.)	90	Ahead of baseline of 64.
2i.	Equipment Deployment	79	Ahead of baseline of 63.
2j.	Network Testing	64	Slightly ahead of baseline of 60.
2k.	Other (please specify):	0	N/A

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).

Wet weather in the spring could slow down construction progress. We do not anticipate any other challenges that would impact our ability to remain ahead of schedule.

Infrastructure Budget Execution Details

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 Cost	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.	\$525,000	\$160,522	\$364,478	\$445,865	\$134,775	\$311,089	\$445,865	\$136,326	\$309,539
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$2,500,000	\$764,388	\$1,735,612	\$5,952,317	\$1,799,258	\$4,153,059	\$6,452,317	\$1,972,830	\$4,479,487
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	\$27,051,500	\$8,271,139	\$18,780,361	\$22,323,722	\$6,747,983	\$15,575,740	\$24,323,722	\$7,437,106	\$16,886,616
j. Equipment	\$15,318,520	\$4,683,718	\$10,634,802	\$12,147,204	\$3,671,839	\$8,475,365	\$12,647,204	\$3,866,949	\$8,780,255
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$45,395,020	\$13,879,767	\$31,515,253	\$40,869,108	\$12,353,855	\$28,515,253	\$43,869,108	\$13,413,211	\$30,455,897
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTALS (sum of l and m)	\$45,395,020	\$13,879,767	\$31,515,253	\$40,869,108	\$12,353,855	\$28,515,253	\$43,869,108	\$13,413,211	\$30,455,897

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