

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

General Information		
<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570101	<b>3. DUNS Number</b>  961720575
<b>4. Recipient Organization</b>  Appalachian Valley Fiber Network 1170 PARKER LN, Lyerly, GA 30730-5017		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2013	<b>6. Is this the last Report of the Award Period?</b>  <div style="text-align: center;"> <input type="radio"/> Yes    <input checked="" type="radio"/> No                     </div>	
<b>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.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Deana Perry  CFO	<b>7c. Telephone (area code, number and extension)</b>  7068574646	<b>7d. Email Address</b>  deanaperry@parkersystems.net
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-14-2013	

**Project Indicators (This Quarter)**

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

Our original baseline goal was to construct 182 miles of fiber and lease 60 miles of fiber for a total of 242 miles. Following approved modifications during our project, and with no budget increase, we were actually able to construct 254 miles and lease 257 miles for a total of 511 miles -- 111% more than our baseline goal. The network connects 24 communities across nine counties in two states; Georgia and Alabama. We have established interconnection agreements with several municipal network providers in these communities, allowing them to expand the reach of the services they provide. The network also provides redundancy and diversity through connections to Internet hubs in Atlanta and Chattanooga.

Our original baseline goal was to connect 80 CAIs. As a result of the increased miles and extensive outreach efforts, we were able to connect 145 CAIs -- 81% above our baseline goal. Schools, libraries, government facilities and healthcare organizations have been able to migrate from T-1 and other legacy services to 50-400 Mbps Internet connections and 1-10 Gbps Ethernet-class services.

The network also passed 23 business and industrial parks, where third-party retail service providers have used our open-access, nondiscriminatory network to connect 15 manufacturers. More than 40 healthcare facilities, many in rural areas that did not previously have connectivity, have also been connected to a virtual "med-net" that enables high-speed, secure transfer of patient records and other clinical and financial data.

Through budget efficiencies and approved project modifications, we were also able to light our entire core and middle mile network with state-of-the-art optical equipment -- which was not contemplated in our original plan.

The federal share expenditures in two categories, Project Inspection and Miscellaneous, net amounts were reduced in Q3 due credits and/or refunds received during this period.

**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	100	Original baseline goal was to be 100% complete. No variance.
2b.	Environmental Assessment	100	Original baseline goal was to be 100% complete. No variance.
2c.	Network Design	100	Original baseline goal was to be 100% complete. No variance.
2d.	Rights of Way	100	Original baseline goal was to be 100% complete. No variance.
2e.	Construction Permits and Other Approvals	100	Original baseline goal was to be 100% complete. No variance.
2f.	Site Preparation	100	We had no costs allocated in our budget specifically for this baseline category. No variance.
2g.	Equipment Procurement	100	Original baseline goal was to be 100% complete. No variance.
2h.	Network Build (all components - owned, leased, IRU, etc)	100	Original baseline goal was to be 100% complete. No variance.
2i.	Equipment Deployment	100	We had no costs allocated in our budget specifically for this baseline category. No variance.
2j.	Network Testing	100	We had no costs allocated in our budget specifically for this baseline category. No variance.
2k.	Other (please specify):	100	Original baseline goal was to be 100% complete. 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).**

We were unable to complete the remaining seven (7) miles of aerial construction in Calhoun County, AL. This was due to swap-outs of utility poles that were planned by Southern Company along a transmission corridor in the national forest.

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**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)
<b>New network miles deployed</b>	254	Our original baseline goal was 261 miles. We were unable to complete the remaining seven miles of aerial construction in Calhoun County, AL. This was due to swap-outs of utility poles that were planned by Southern Company along a transmission corridor in the national forest.
<b>New network miles leased</b>	257	No variance. Exceeding goals from our original baseline. Includes 60 miles from PFN and 197 miles from Norfolk Southern IRU.
<b>Existing network miles upgraded</b>	0	No variance.
<b>Existing network miles leased</b>	0	No variance.
<b>Number of miles of new fiber (aerial or underground)</b>	254	Our original baseline goal was 261 miles. We were unable to complete the remaining seven miles of aerial construction in Calhoun County, AL. This was due to swap-outs of utility poles that were planned by Southern Company along a transmission corridor in the national forest.
<b>Number of new wireless links</b>	0	No variance.
<b>Number of new towers</b>	0	No variance.
<b>Number of new and/or upgraded interconnection points</b>	1,206	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	
<b>Number of signed agreements with broadband wholesalers or last mile providers</b>	3
<b>Number of agreements currently being negotiated with broadband wholesalers or last mile providers</b>	2
<b>Average term of signed agreements (in quarters)</b>	12

**5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:**  
Parker FiberNet, Cartersville FiberCom, Calhoun Telecommunications (Calnet)

**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:**  
AVFN is now providing transport services for Cartersville FiberCom and Calnet, with whom it is also interconnecting with at co-location facilities. Pricing is negotiated between AVFN and FiberCom/Calnet on a per-end-customer (CAI) basis.

**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).**  
Not applicable.

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	No variance.
	Providers with signed agreements receiving improved access	0	No variance.
	Providers with signed agreements receiving access to dark fiber	3	No variance.
	Please identify the speed tiers that are available and the number of subscribers for each	1	Services are Ethernet, which supports speeds up to 10 Gbps.
Community Anchor Institutions (including Government institutions)	Total subscribers served	145	No variance.
	Subscribers receiving new access	144	No variance.
	Subscribers receiving improved access	1	No variance.
	Please identify the speed tiers that are available and the number or subscribers for each	1	Services are Ethernet, which supports speeds up to 10 Gbps.
Residential / Households	Entities passed	0	Not applicable.
	Total subscribers served	0	Not applicable.
	Subscribers receiving new access	0	Not applicable.
	Subscribers receiving improved access	0	Not applicable.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Not applicable.
Businesses	Entities passed	0	Not applicable.
	Total subscribers served	0	Not applicable.
	Subscribers receiving new access	0	Not applicable.
	Subscribers receiving improved access	0	Not applicable.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Not applicable.

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

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

8b. If so, please describe the changes (300 words or less).  
Not applicable.

**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
Haralson County Old Courthouse	Haralson	Government	No	County Courthouse
Cedartown City Hall	Polk	Government	No	City Hall
Heflin Fire Department	Cleburne	Government	No	Fire Department
Aragon City Hall	Polk	Government	No	City Hall
Heflin City Hall	Cleburne	Government	No	City Hall
Heflin Water Dept	Cleburne	Government	No	Utility/Water
Fruithurst Elementary	Cleburne	Education	No	Elementary School
Cleburne County Career Technical	Cleburne	Education	No	Technical School
Cleburne County Elementary	Cleburne	Education	No	Elementary School
Cleburne County High School	Cleburne	Education	No	High School
Cleburne County Middle School	Cleburne	Education	No	Middle School
Redmond Care Facility	Polk	Healthcare	No	Medical Facility
Cleburne County Healthcare	Polk	Healthcare	No	Medical Facility
Heflin Police Department	Cleburne	Government	No	Public Safety Agency
Cane Creek Fire Dept	Cleburne	Government	No	Fire Department

**Project Indicators (Next Quarter)**

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

Our project is now complete. We will work during the next quarter to complete close-out activities.

**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	100	Not applicable. Project was completed this quarter.
2b.	Environmental Assessment	100	Not applicable. Project was completed this quarter.
2c.	Network Design	100	Not applicable. Project was completed this quarter.
2d.	Rights of Way	100	Not applicable. Project was completed this quarter.
2e.	Construction Permits and Other Approvals	100	Not applicable. Project was completed this quarter.
2f.	Site Preparation	100	Not applicable. Project was completed this quarter.
2g.	Equipment Procurement	100	Not applicable. Project was completed this quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Not applicable. Project was completed this quarter.
2i.	Equipment Deployment	100	Not applicable. Project was completed this quarter.
2j.	Network Testing	100	Not applicable. Project was completed this quarter.
2k.	Other (please specify):	100	Not applicable. Project was completed this quarter.

**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).**  
 Not applicable. Project was completed this quarter.

**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	\$3,025,178	\$152,882	\$2,872,296	\$2,696,102	\$152,882	\$2,543,220	\$3,025,178	\$152,882	\$2,872,296
b. Land, structures, right-of-ways, appraisals, etc.	\$2,180,913	\$0	\$2,180,913	\$2,180,913	\$0	\$2,180,913	\$2,180,913	\$0	\$2,180,913
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$800,939	\$0	\$800,939	\$800,342	\$0	\$800,342	\$800,939	\$0	\$800,939
e. Other architectural and engineering fees	\$570,858	\$0	\$570,858	\$570,642	\$0	\$570,642	\$570,858	\$0	\$570,858
f. Project inspection fees	\$119,248	\$0	\$119,248	\$119,248	\$0	\$119,248	\$119,248	\$0	\$119,248
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	\$18,226,586	\$5,002,566	\$13,224,020	\$18,151,900	\$5,002,566	\$13,149,334	\$18,226,586	\$5,002,566	\$13,224,020
j. Equipment	\$1,716,750	\$287,895	\$1,428,855	\$1,636,203	\$287,895	\$1,348,308	\$1,716,750	\$287,895	\$1,428,855
k. Miscellaneous	\$89,786	\$0	\$89,786	\$91,285	\$0	\$91,285	\$89,786	\$0	\$89,786
<b>l. SUBTOTAL (add a through k)</b>	\$26,730,258	\$5,443,343	\$21,286,915	\$26,246,635	\$5,443,343	\$20,803,292	\$26,730,258	\$5,443,343	\$21,286,915
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$26,730,258	\$5,443,343	\$21,286,915	\$26,246,635	\$5,443,343	\$20,803,292	\$26,730,258	\$5,443,343	\$21,286,915

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: \$231,272
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