

RECIPIENT NAME:Nebraskalink, LLC

AWARD NUMBER: NT10BIX5570112

DATE: 11/18/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### 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>  NT10BIX5570112	<b>3. DUNS Number</b>  961773509
<b>4. Recipient Organization</b>  Nebraskalink, LLC 233 S 13TH ST STE 1900, Lincoln, NE 68508-2000		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2011	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<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>  Sheryl Vogle	<b>7c. Telephone (area code, number and extension)</b>  X	
	<b>7d. Email Address</b>  sheryl.vogle@nebraskalink.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-18-2011	

**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**  
 NebraskaLink began placing fiber in the ground at the beginning of the quarter and had simultaneous projects running for construction phases. NebraskaLink was able to complete the total build for one of our towns in our project plan, North Platte, during the later part of the quarter.

**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	33	Our project met a few delays this quarter due to flooding in our construction area and a delay in receiving fiber.
2b.	Environmental Assessment	100	NebraskaLink received their FONSI.
2c.	Network Design	65	NebraskaLink is working closely with our Engineering Consultant on mapping out and staking the remainder of our project plans.
2d.	Rights of Way	60	NebraskaLink is continuing to work with our Engineering Consultant and all applicable parties on this milestone.
2e.	Construction Permits and Other Approvals	60	NebraskaLink is continuing to work on obtaining the necessary permits in our project cities as well as permits for other needs including railroad crossings.
2f.	Site Preparation	36	NebraskaLink is on target for our site preparation.
2g.	Equipment Procurement	66	We are on target for our equipment procurement.
2h.	Network Build (all components - owned, leased, IRU, etc)	60	NebraskaLink is close to their targeted baseline in respects to the Network Build components. With the delivery of fiber, we anticipate being able to be on target with this milestone next quarter.
2i.	Equipment Deployment	50	We are delayed in our equipment deployment due to the delay in receiving our FONSI and weather conditions.
2j.	Network Testing	45	We are delayed in our network testing due to the delay in receiving our FONSI, weather conditions and the delay in receipt of fiber from our manufacturer.
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).**

The challenges that NebraskaLink faced during this past quarter were due to weather conditions and river flooding in our project construction areas. Another issue was the delay in receiving our previously ordered fiber due to availability from the manufacturers, after the effects of the earthquake last quarter.

**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	89	NebraskaLink is behind our target for miles deployed due to the delay in receiving our FONSI and the delay in receiving fiber from the manufacturer as scheduled. We did have 99 miles of conduit in the ground waiting for fiber to be blown in.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles leased	1,003	NebraskaLink is on target with our baseline plan for this quarter.
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	1,092	NebraskaLink is behind our target for miles deployed due to the delay in receiving our FONSI and the delay in receiving fiber from the manufacturer as scheduled.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	27	NebraskaLink is ahead of schedule for new interconnection points.

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	12
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	5
Average term of signed agreements (in quarters)	8

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:

Four U Technology  
Consolidated Telecom  
Nebraska Central Telephone Company  
Hamilton Telecommunications  
Northeast Nebraska Telephone Company  
Great Plains Communications  
American Broadband  
Windstream  
Frontier  
Clarks Telephone Company  
Three Rivers Telephone Company  
K&M Telephone Company

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:

Currently NebraskaLink offers the following wholesale services: Direct Internet Access (DIA), Ethernet Transport, and Private Line/TDM services. These are priced on an individual case basis, based on interconnection ability, local loop availability and distance for the circuit.

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)

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
<b>Broadband Wholesalers or Last Mile Providers</b>	<b>Providers with signed agreements receiving new access</b>	12	NebraskaLink is ahead of projection from our baseline plan on our signed agreements with Broadband Wholesalers and last mile providers.
	<b>Providers with signed agreements receiving improved access</b>	0	N/A
	<b>Providers with signed agreements receiving access to dark fiber</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	10	10 Mbps -2 20 Mbps - 2 50 Mbps - 1 100 Mbps - 3 150 Mbps - 1 200 Mbps - 1 250 Mbps - 500 Mbps - 1 1000 Mbps - 10 Gpbs - 1
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	26	NebraskaLink is ahead of our project baseline for this quarter.
	<b>Subscribers receiving new access</b>	26	NebraskaLink is ahead of our project baseline for this quarter.
	<b>Subscribers receiving improved access</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	12	5 Mbps -2 10 Mbps -6 20 Mbps -3 30 Mbps -3 50 Mbps - 100 Mbps - 2 150 Mbps - 200 Mbps - 250 Mbps - 500 Mbps - 1 1000 Mbps - 10 Gpbs -
<b>Residential / Households</b>	<b>Entities passed</b>	0	N/A
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	N/A
<b>Businesses</b>	<b>Entities passed</b>	0	N/A
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A
	<b>Subscribers receiving improved access</b>	0	N/A
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	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
State of Nebraska - Department of Roads	Hartington	Other Government Facility	No	The State of Nebraska - Department of Roads is using the infrastructure for internet access
State of Nebraska - Department of Roads	Springview	Other Government Facility	No	The State of Nebraska - Department of Roads is using the infrastructure for internet access
State of Nebraska - Department Roads	Mullen	Other Government Facility	No	The State of Nebraska - Department of Roads is using the infrastructure for internet access
State of Nebraska - Department Roads	Laurel	Other Government Facility	No	The State of Nebraska - Department of Roads is using the infrastructure for internet access
State of Nebraska - Department of Roads	Spencer	Other Government Facility	No	The State of Nebraska - Department of Roads is using the infrastructure for internet access
Grand Island Public Library	Grand Island	Library	No	The Grand Island Public Library is using the infrastructure for internet access
State of Nebraska - Games and Parks	Grand Island	Other Government Facility	No	The State of Nebraska - Games and Parks is using the infrastructure for internet access
Nebraska Indian Community College	Macy	Community College	No	The Nebraska Indian Community College is using the infrastructure for internet access
Little Priest Tribal College	Winnebago	Community College	No	The Little Priest Tribal College is using the infrastructure for internet access
Wayne State College	Wayne	Community College	No	Wayne State College is using the infrastructure for internet access
State of Nebraska - NETV (Nebraska Educational TV)	Bassett - Grand Island	Other Government Facility	No	NETV is using the infrastructure for internet access
State of Nebraska - NETV (Nebraska Educational TV)	Carroll - Grand Island	Other Government Facility	No	NETV is using the infrastructure for internet access
North Platte Community College (North Campus)	North Platte	Community College	No	Lateral has been built to the site
State of Nebraska - Department of Roads	North Platte	Community College	No	Lateral has been built to the site
VA North Platte Clinic	North Platte	Medical or Healthcare Provider	No	Lateral has been built to the site

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
Great Plains Regional Medical Center	North Platte	Medical or Healthcare Provider	No	Lateral has been built to the site
McKinley School	North Platte	School (k-12)	No	Lateral has been built to the site
St Pat's Catholic School	North Platte	School (k-12)	No	Lateral has been built to the site
McDaid Elementary	North Platte	School (k-12)	No	Lateral has been built to the site
North Platte State Building	North Platte	Other Government Facility	No	Lateral has been built to the site
North Platte Federal Building	North Platte	Other Government Facility	No	Lateral has been built to the site

**Project Indicators (Next Quarter)**

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

During the next quarter, NebraskaLink expects to complete their first of three fiber optic rings of our project. NebraskaLink will complete their builds in the cities of Kearney, O'Neil and Valentine and bury approximately 50 miles of fiber build in the south western area of the state of Nebraska. We are expecting to lease an additional 12 miles of fiber and deploy an additional 90 miles of fiber - weather permitting. We anticipate the addition of at least 9 more CAI's on our routes. We are currently working on adding 4 signed agreements with last mile provider or broadband wholesalers.

**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	53	We expect to be on target with our baseline for next quarter.
2b.	Environmental Assessment	100	Completed
2c.	Network Design	75	We are currently on target with our baseline for next quarter. We continue to work closely with our Engineering firm to map/ stake our routes.
2d.	Rights of Way	80	We expect to be on target with our baseline for next quarter by working closely with our consultants and state agencies to obtain right of way permits.
2e.	Construction Permits and Other Approvals	80	We are working closely with our Engineering Consultant to align this closer with our baseline for 1st quarter 2012.
2f.	Site Preparation	36	We are currently on target with our baseline for next quarter.
2g.	Equipment Procurement	70	We are currently on target with our baseline for next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	62	We expect to be slightly behind target with our baseline for next quarter due to our miles of fiber constructed.
2i.	Equipment Deployment	70	We anticipate being on target with our baseline for next quarter.
2j.	Network Testing	55	We anticipate being behind target with our baseline for next quarter due to the our miles of fiber constructed.
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).**

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NebraskaLink does not anticipate any challenges during the next quarter other than possible weather related issues with the onset of winter.

**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.	\$604,700	\$181,410	\$423,290	\$8,031	\$0	\$8,031	\$32,031	\$7,200	\$24,831
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,366,720	\$410,016	\$956,704	\$603,645	\$188,110	\$415,535	\$848,645	\$296,610	\$552,035
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$125,718	\$37,715	\$88,003	\$0	\$0	\$0	\$50,000	\$15,000	\$35,000
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	\$9,349,257	\$2,804,777	\$6,544,480	\$1,734,997	\$71,004	\$1,663,993	\$4,284,997	\$871,004	\$3,413,993
j. Equipment	\$3,706,362	\$1,111,909	\$2,594,453	\$2,353,241	\$1,136,423	\$1,216,818	\$2,753,231	\$1,316,423	\$1,436,808
k. Miscellaneous	\$1,344,195	\$403,259	\$940,936	\$585,537	\$19,966	\$565,571	\$770,537	\$110,466	\$660,071
<b>l. SUBTOTAL (add a through k)</b>	\$16,496,952	\$4,949,086	\$11,547,866	\$5,285,451	\$1,415,503	\$3,869,948	\$8,739,441	\$2,616,703	\$6,122,738
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$16,496,952	\$4,949,086	\$11,547,866	\$5,285,451	\$1,415,503	\$3,869,948	\$8,739,441	\$2,616,703	\$6,122,738

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: \$195,771