

RECIPIENT NAME:Nebraskalink, LLC

AWARD NUMBER: NT10BIX5570112

DATE: 02/07/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### 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**

NT10BIX5570112

**3. DUNS Number**

961773509

**4. Recipient Organization**

Nebraskalink, LLC 233 S 13TH ST STE 1900, Lincoln, NE 68508-2000

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

12-31-2011

**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**

Sheryl Vogle

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

X

**7d. Email Address**

sheryl.vogle@nebraskalink.com

**7b. Signature of Certifying Official**

Submitted Electronically

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

02-07-2012

**Project Indicators (This Quarter)**

**1. Please describe significant project accomplishments completed during this quarter (600 words or less).**  
 NebraskaLink has continued to build out our grant project through the 4th quarter of 2011. In the third quarter we had completed our builds to CAI's in the city of North Platte. In Q4, we completed a middle-mile build of 93.5 miles stretching from Gibbon to Brady. This section included 3 hut locations as well. After turning up this section the NebraskaLink ring 1 is now complete. This is an important milestone for NebraskaLink as this new ring is now the largest redundant fiber optic ring in Nebraska. Also in Q4 we completed a middle-mile build of 20 miles from North Platte to Sutherland. Other projects that are ongoing in Q4 include fiber laterals to CAI's in the towns of O'Neill, Valentine and Kearney as well as middle-mile builds from Imperial to Wauneta and Wauneta to Trenton. These projects will all be complete in Q1 of 2012.

**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	41	NebraskaLink is behind their baseline projection for this quarter due to the slow construction start due to spring/summer flooding in our construction area and due to the initial delay in receiving fiber. We continue to work closely with all consultants and contractors to align closer with our baseline plan,
2b.	Environmental Assessment	100	NebraskaLink received their FONSI.
2c.	Network Design	75	NebraskaLink is on target with their baseline plan.
2d.	Rights of Way	75	NebraskaLink is continuing to work with our Engineering Consultant and all applicable parties on this milestone.
2e.	Construction Permits and Other Approvals	80	NebraskaLink continues to work with our Engineering Consultant and Construction Contractor in identifying and obtaining all necessary permits for our project. NebraskaLink has completed work during this quarter that will be invoiced after the quarter.
2f.	Site Preparation	40	NebraskaLink is currently on target with our baseline plan for this quarter.
2g.	Equipment Procurement	70	NebraskaLink is on target with our baseline plan for this quarter.
2h.	Network Build (all components - owned, leased, IRU, etc)	65	NebraskaLink is on target with this milestone.
2i.	Equipment Deployment	70	NebraskaLink is on target with this milestone.
2j.	Network Testing	55	NebraskaLink is slightly behind on this milestone due to our miles of constructed fiber.
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 late spring/summer flooding in much of our project construction areas resulted in delays in NebraskaLink meeting their desired project 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	192	NebraskaLink is slightly behind on this milestone. We are working closely with our Construction Contractor to align this with our baseline project plan for next quarter.
New network miles leased	1,415	NebraskaLink is on target with our baseline 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)	1,607	NebraskaLink is ahead of schedule on this milestone.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	33	NebraskaLink is ahead of schedule for new interconnections 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	15
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	4
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  
 Hershey Telephone  
 AT&T  
 SDN Communications

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)
<b>Broadband Wholesalers or Last Mile Providers</b>	<b>Providers with signed agreements receiving new access</b>	15	NebraskaLink is ahead of projection from our baseline plan on our signed agreements with Broadband Wholesales 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: 3 20 Mbps: 2 50 Mbps: 1 100 Mbps: 4 150 Mbps: 1 200 Mbps: 1 250 Mbps: 500 Mbps: 1 1000 Mbps: 10 Gpbs: 1 DS3: 1
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	48	NebraskaLink is ahead of our project baseline for this quarter.
	<b>Subscribers receiving new access</b>	48	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: 11 20 Mbps: 3 30 Mbps: 3 50 Mbps: 100 Mbps: 4 150 Mbps: 200 Mbps: 250 Mbps: 500 Mbps: 1 1000 Mbps: 10 Gpbs: NebraskaLink does not currently supply service to all CAI's - some have laterals built to their sites.
<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

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

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 BTOF 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 BTOF-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 BTOF-funded infrastructure
State of Nebraska - Department of Roads	Bartlett	Other Government Facility	No	The State of Nebraska - Department of Roads is using the infrastructure for internet access.
State of Nebraska - Department of Roads	Neligh	Other Government Facility	No	Lateral has been built to the site
State of Nebraska - Department of Roads	Arapahoe	Other Government Facility	No	State of Nebraska Department of Roads is using the infrastructure for internet access.
Region II Health and Human Services	North Platte	Other Government Facility	No	Region II Health and Human Services is using the infrastructure for internet access.
State of Nebraska - Work Ethic Camp	McCook	Other Government Facility	No	State of Nebraska - Work Ethic Camp is using the infrastructure for internet access.
Valentine High School	Valentine	School (k-12)	No	Lateral has been built to the site
Valentine Middle School	Valentine	School (k-12)	No	Lateral has been built to the site
Valentine Elementary School	Valentine	School (k-12)	No	Lateral has been built to the site
Valentine Medical Clinic	Valentine	Medical or Healthcare Provider	No	Lateral has been built to the site
Cherry County Courthouse	Valentine	Other Government Facility	No	Lateral has been built to the site
Valentine City Office	Valentine	Other Government Facility	No	Lateral has been built to the site
Valentine Public Library	Valentine	Library	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
Education Serving Unit #17	Valentine	Other Community Support Organization	No	Lateral has been built to the site
MidPlains Community College	Valentine	Community College	No	Lateral has been built to the site
Niobrara National Scenic River Center	Valentine	Other Government Facility	No	Lateral has been built to the site
Valentine Fire Department	Valentine	Public Safety Entity	No	Lateral has been built to the site
Nebraska Department of Roads	Valentine	Other Government Facility	No	Lateral has been built to the site
Central Community College	Grand Island	Community College	No	Central Community College is using the infrastructure for internet access
Central Community Collge	Columbus	Community College	No	Central Community College is using the infrastructure for internet access
Cherry County Hospital	Valentine	Medical or Healthcare Provider	No	Lateral has been built to the site
Cherry County Clinic	Valentine	Medical or Healthcare Provider	No	Lateral has been built to the site
Avera Creighton Hospital	Creighton	Medical or Healthcare Provider	No	Avera Creighton Hospital is using the infrastructure for internet access

**Project Indicators (Next Quarter)**

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

Heading into Q1 of 2012, NebraskaLink has 5 projects in process that will be complete before the end of the quarter. Those include the middle mile builds from Trenton to Wauneta (32 miles) and Wauneta to Imperial (19 miles). Along these routes we will be interconnecting with one new last mile provider. NebraskaLink will also be completing 3 city lateral builds, which include many CAI's. Valentine is a 4.8 mile build that will connect 14 CAI's. O'Neill is a 5.2 mile build that will connect 10 or more CAI's. Kearney is a 7.7 mile build that will connect 13 CAI's. In addition to these fiber builds, NebraskaLink will also be extending our network through leasing fiber and adding network nodes. NebraskaLink plans to build an additional 70 network miles, lease an additional 15-20 miles of network and connect / pass an additional 20+ CAI's. We will also sign agreements with at least an additional two broadband wholesalers or last mile providers.

**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	52	NebraskaLink expects to be behind on this target compared to the baseline plan due to the the winter season.
2b.	Environmental Assessment	100	Completed
2c.	Network Design	80	NebraskaLink expects to be on target with our baseline plan.
2d.	Rights of Way	90	NebraskaLink expects to be on target with our baseline plan.
2e.	Construction Permits and Other Approvals	90	NebraskaLink will continue to work closely with our Engineering Consultant to align this with our baseline plan for next quarter.
2f.	Site Preparation	50	NebraskaLink is on target with our baseline report for next quarter.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2g.	Equipment Procurement	75	NebraskaLink is on target with our baseline report for next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	74	NebraskaLink expects to be on target with our baseline report for next quarter.
2i.	Equipment Deployment	75	NebraskaLink expects to be on target with our baseline for next quarter.
2j.	Network Testing	60	We anticipate being slightly behind with our baseline for the next quarter due to our miles of fiber constructed during the peak winter season.
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).**

The only possible challenges facing NebraskaLink for the upcoming quarter would be weather during the winter season and if our fiber and /or pipe deliveries would be delayed not any reason.

**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	\$26,623	\$5,578	\$21,045	\$51,623	\$13,078	\$38,545
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	\$732,125	\$242,340	\$489,785	\$907,125	\$294,840	\$612,285
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	\$10,000	\$3,000	\$7,000
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	\$2,587,316	\$407,151	\$2,180,165	\$3,837,316	\$782,151	\$3,055,165
j. Equipment	\$3,706,362	\$1,111,909	\$2,594,453	\$2,578,721	\$1,211,484	\$1,367,237	\$2,828,721	\$1,286,484	\$1,542,237
k. Miscellaneous	\$1,344,195	\$403,259	\$940,936	\$720,912	\$91,746	\$629,166	\$870,912	\$136,746	\$734,166
<b>l. SUBTOTAL (add a through k)</b>	\$16,496,952	\$4,949,086	\$11,547,866	\$6,645,697	\$1,958,299	\$4,687,398	\$8,505,697	\$2,516,299	\$5,989,398
m. Contingencies									
<b>n. TOTALS (sum of l and m)</b>	\$16,496,952	\$4,949,086	\$11,547,866	\$6,645,697	\$1,958,299	\$4,687,398	\$8,505,697	\$2,516,299	\$5,989,398

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
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