

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 NT10BIX5570113	3. DUNS Number 809929821
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4. Recipient Organization Finance, Oklahoma Office of State 2300 N. Lincoln Blvd. Room 122, Oklahoma City, OK 73105-4801

5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Richard Clark	7c. Telephone (area code, number and extension) 4055224971
	7d. Email Address richard.clark@osf.ok.gov

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-06-2012
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Project Indicators (This Quarter)

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

Significant accomplishments on the Oklahoma Community Anchor Network (OCAN) project during the quarter April 1, 2012 through June 30, 2012:

- 1) Conference calls continued with the National Telecommunications and Information Administration (NTIA) to review the Oklahoma Community Anchor Network (OCAN) project status.
- 2) A Site Visit by the NTIA Federal Program Officer was completed during the first week of June.
- 3) Construction was completed on the sixteen new communications huts for the OCAN project.
- 4) Deliveries of all inside plant and outside plant fiber optic cable were completed.
- 5) Evaluations of the responses to the RFP for network equipment were completed and all network equipment was ordered.
- 6) The State received approval from NTIA to execute one additional Indefeasible Right of Use (IRU) Agreement for 47 miles of existing fiber optic cable infrastructure that will allow the State to meet the purpose of the grant.
- 7) The State received several additional Railroad Permits and is awaiting several.
- 8) The State completed all remaining Memorandums of Understanding (MOUs) with Oklahoma communities the OCAN project is passing through. The MOUs grant the OCAN project access to right of way through the communities.
- 9) Construction was begun on 12 of 21 segments of the OCAN project with 497 miles of conduit construction completed and 157 miles of fiber optic cable pulled.
- 10) The detailed OCAN Project Plan was updated and submitted to the NTIA Federal Program Officer.

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	51	Variance from Baseline. As noted in number 1, construction has been completed on the sixteen new communications huts, deliveries of all inside plant and outside plant fiber optic cable have been completed and construction was begun on 12 of 21 segments of the OCAN project with 497 miles of conduit construction completed and 157 miles of fiber optic cable pulled. All critical milestones of the project are being expedited to meet the overall 67 percent project completion milestone by the end of year two of the award.
2b.	Environmental Assessment	100	No variance from Baseline. Note: This milestone was not budgeted separately so the percent complete is based on completion of the milestone, not on percent of planned expenditure.
2c.	Network Design	100	Variance from Baseline. This Milestone has been completed. All engineering design has been completed, reviewed and approved. As noted in the Actuals in Row d in the Infrastructure Budget Execution Details, the cost for engineering design was \$4,817,836, all of which is State match.
2d.	Rights of Way	100	NOTE: This milestone was not included in the Baseline as the State donated Right of Way as match. The match value of \$4,522,500 for Right of Way has been booked to the OCAN project and posted to Actuals in Row b in the Infrastructure Budget Execution Details.
2e.	Construction Permits and Other Approvals	98	Variance from Baseline. The State has acquired all required construction permits and is awaiting the last few railroad permits. As noted in number 1, item 7, the State has received permits from all but a few affected railroads for the OCAN project. Also, as noted in number 1, item 8, the State completed all remaining Memorandums of Understanding (MOUs) with Oklahoma communities the OCAN project is passing through. The MOUs grant the OCAN project access to right of way through the communities.
2f.	Site Preparation	0	N/A

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	48	Variance from Baseline. Most expenditures to date are State Match as noted in the Infrastructure Budget Execution Details. As noted in number 1, item 4, deliveries of all inside plant and outside plant fiber optic cable have been completed. Also, as noted in number 1, item 5, evaluations of the responses to the RFP for network equipment were completed and all network equipment has been ordered.
2h.	Network Build (all components - owned, leased, IRU, etc)	22	Variance from Baseline. The State has executed one IRU for 60 miles of existing infrastructure on the OCAN route and, as noted in number 1, item 9, 497 miles of conduit construction have been completed and 157 miles of fiber optic cable pulled. The percent complete is based on the IRU and miles of completed construction with fiber pulled.
2i.	Equipment Deployment	20	No variance from Baseline. Equipment donated as match for the OCAN project has been deployed. Also, as noted in number 1, item 5, evaluations of the responses to the RFP for network equipment were completed and all network equipment has been ordered.
2j.	Network Testing	20	No variance from Baseline. Network testing has been completed on the network delivered to the OCAN project on the first executed IRU and on the 157 constructed miles with fiber optic cable pulled.
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).

Other than those covered above there were no other significant challenges faced during this 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	157	Variance from Baseline. As noted in number 1, item 9, the State has 497 miles of conduit construction completed, 157 miles with fiber pulled. The State continues to expedite this process with the goal of completing this milestone on schedule.
New network miles leased	60	Variance from Baseline. As noted in 2h above, the State has executed one IRU for 60 miles of existing infrastructure on the OCAN route and connecting one Community Anchor Institution (CAI) as noted in number 9 below.
Existing network miles upgraded	0	N/A
Existing network miles leased	0	No variance from Baseline.
Number of miles of new fiber (aerial or underground)	157	Variance from Baseline. As noted above the State has completed construction of 157 miles of the OCAN route with new underground fiber.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No variance from Baseline.

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	0
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
None at this time.

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:
None at this time.

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	No variance from Baseline.
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	No variance from Baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	The speed tier available is planned to be 100MB. There is no variance from Baseline.
Community Anchor Institutions (including Government institutions)	Total subscribers served	1	Variance from Baseline target of 6. As noted in number 9 below, 1 Community Anchor Institution (CAI) has been connected.
	Subscribers receiving new access	0	Variance from Baseline target of 3. No CAI's receiving new access have yet been connected.
	Subscribers receiving improved access	1	Variance from Baseline target of 3. As noted in number 9 below, 1 CAI receiving improved access has been connected.
	Please identify the speed tiers that are available and the number or subscribers for each	1	No variance from Baseline - the speed tier available is 1GB. One Community Anchor Institution, as noted in number 9 below, has been connected.
Residential / Households	Entities passed	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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
Western Oklahoma State College	Altus, Oklahoma	Community College	Yes	This anchor institution has been connected as part of the first IRU executed as noted in number 4 above. This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.

Project Indicators (Next Quarter)

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

- 1) Complete conduit construction on all segments of the OCAN project.
- 2) Complete pulling all fiber optic cable on all segments of the OCAN project.
- 3) Execute IRU's for 8 more segments of the OCAN project covering 197 miles of the OCAN route and connecting 7 Community Anchor Institutions (CAI).
- 4) Begin installing network Routers, Switches, DWDM, etc. equipment in the OCAN project Huts and Community Anchor Institutions (CAI's).
- 5) Review and update the OCAN Project Sustainability Plan and document the OCAN Pricing Plans.
- 6) Begin negotiating agreements with providers requesting access to the OCAN fiber.
- 7) Complete connection of fiber optic cable to an additional 20 CAI's, 7 through IRU's as noted above.

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	93	Variance from Baseline. All critical milestones of the project are being expedited to meet the overall 67 percent project completion milestone by the end of year two of the project.
2b.	Environmental Assessment	100	No variance from Baseline.
2c.	Network Design	100	Variance from Baseline. This milestone was completed ahead of schedule.
2d.	Rights of Way	100	NOTE: This milestone was not included in the Baseline as the State is donating Right of Way as match. The match value of \$4,522,500 for Right of Way has been booked to the OCAN project and posted to Actuals in Row b in the Infrastructure Budget Execution Details.
2e.	Construction Permits and Other Approvals	100	No variance from Baseline.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	100	No variance from Baseline. All equipment is projected to be purchased by end of next quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Variance from Baseline. The State will execute two additional Indefeasible Right of Use (IRU) Agreements for existing fiber optic facility to meet the purpose of the grant on certain segments of the OCAN project. The State is projecting to have all OCAN project segments, not included in the IRU's, constructed and fiber pulled.
2i.	Equipment Deployment	40	No variance from Baseline. Equipment donated as match for the OCAN project has been deployed. New network equipment will be deployed when delivered, initially on segments included in the IRU Agreements. Remaining network equipment will be deployed when fiber optic cable is installed.
2j.	Network Testing	40	No variance from Baseline. Network testing has been completed on the network delivered to the OCAN project on the first executed IRU and will be completed on the network delivered on the two additional IRU Agreements. Network equipment will be tested when it is deployed, initially on segments included in the IRU Agreements. Remaining network equipment will be tested when deployed after fiber optic cable is installed.
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).

- 1) The State must complete the conduit construction and pulling all fiber optic cable on all segments of the OCAN project.
- 2) The State must begin installing network Routers, Switches, DWDM, etc. equipment in the OCAN project Huts and Community Anchor Institutions (CAI's).
- 3) The State must execute the remaining Indefeasible Right of Use (IRU) Agreements.
- 4) The State must begin lighting segments of the OCAN fiber and providing improved services to CAI subscribers.

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.	\$8,663,120	\$4,522,500	\$4,140,620	\$8,131,479	\$4,522,500	\$3,608,979	\$8,663,120	\$4,522,500	\$4,140,620
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,777,170	\$1,493,438	\$283,732	\$4,817,836	\$4,817,836	\$0	\$5,101,568	\$4,817,836	\$283,732
e. Other architectural and engineering fees	\$600,000	\$0	\$600,000	\$47,435	\$0	\$47,435	\$49,435	\$0	\$49,435
f. Project inspection fees	\$3,834,807	\$3,834,807	\$0	\$1,159,171	\$1,159,171	\$0	\$3,067,845	\$3,067,845	\$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	\$48,945,894	\$0	\$48,945,894	\$18,974,225	\$0	\$18,974,225	\$44,407,233	\$0	\$44,407,233
j. Equipment	\$28,860,022	\$8,850,000	\$20,010,022	\$13,840,540	\$8,850,000	\$4,990,540	\$24,627,734	\$8,850,000	\$15,777,734
k. Miscellaneous	\$226,803	\$208,803	\$18,000	\$460,548	\$460,548	\$0	\$515,351	\$497,351	\$18,000
l. SUBTOTAL (add a through k)	\$92,907,816	\$18,909,548	\$73,998,268	\$47,431,234	\$19,810,055	\$27,621,179	\$86,432,286	\$21,755,532	\$64,676,754
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$92,907,816	\$18,909,548	\$73,998,268	\$47,431,234	\$19,810,055	\$27,621,179	\$86,432,286	\$21,755,532	\$64,676,754

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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