## QUARTERLY PERFORMANCE  PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

**General Information**

| 1. Federal Agency and Organizational Element to Which Report is Submitted | 2. Award Identification Number | 3. DUNS Number |
|---|---|---|
| Department of Commerce, National Telecommunications and Information Administration | NT10BIX5570113 | 809929821 |

**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) | 6.  Is this the last Report of the Award Period? |
|---|---|
| 06-30-2013 | ◯ 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) |
|---|---|
| Allison   McMichael | (405) 521-6753 |
| Administrative Officer | 7d.  Email Address<br><br>Allison.mcmichael@omes.ok.gov |

| 7b.  Signature of Certifying Official | 7e.  Date Report Submitted (MM/DD/YYYY): |
|---|---|
| Submitted Electronically | 07-30-2013 |

| 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, 2013 through June 30, 2013:

1) Conference calls continued with the National Telecommunications and Information Administration (NTIA) to review the Oklahoma Community Anchor Network (OCAN) project status.

2) The OCAN project expended 83.57 percent of Federal funds by June 30, 2013.

3) 47 of the additional 140 distribution points approved for construction by NTIA were completed by end of 2013-Q2, and the remaining 93 access points are on schedule for completion by grant end.

**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 | 89 | Variance from Baseline. As we neared close-out it became apparent that we needed to initiate change orders for several grant purchase orders to accommodate expenses. The change order process slowed some payments for the grant, causing our percent complete to appear less than actual. The State continues to expedite remaining critical milestones of the project. |
| 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 | No variance from Baseline. |
| 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 | 100 | The State has acquired all required construction and railroad permits. The total cost for permits of $49,435 came in well under the grant amount of $600,000. |
| 2f. | Site Preparation | 0 | N/A |
| 2g. | Equipment Procurement | 86 | Variance from Baseline. As indicated in number 1, item 3, OCAN continues to install additional optical equipment and ground vaults to utilize remaining BTOP grant funds. There was a delay in generator procurement/installation due to local natural disasters affecting our vendor. Also, the change order process slowed payments for equipment, causing our percent complete to appear less than actual (as mentioned in 2a). |
| 2h. | Network Build (all components - owned, leased, IRU, etc) | 85 | Variance from Baseline. 827 miles of conduit construction and fiber optic cable have completed all 21 project segments. The State continues to expedite remaining critical milestones of the project. Also, the change order process slowed payments for construction causing our percent complete to appear less than actual (as mentioned in 2a). |
| 2i. | Equipment Deployment | 86 | Variance from Baseline. As indicated in number 1, item 3, OCAN continues to install additional optical equipment and ground vaults to utilize remaining BTOP grant funds. There was a delay in generator procurement/installation due to local natural disasters affecting our vendor. Also, the change order process slowed payments for equipment, causing our percent complete to appear less than actual (as mentioned in 2a). |
| 2j. | Network Testing | 77 | Variance from Baseline. Network testing continues on additional access points (referenced number 1, item 3) with plans to conclude testing by grant end. Since this percent complete is based on expenditures and |

| | Milestone | Percent Complete | Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer) |
|---|---|---|---|
| | | | network testing costs are lower than initially projected, the percent complete appears less than actual. |
| 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 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** | 827 | Variance from Baseline. 827 miles of conduit construction and fiber optic cable have completed all 21 project segments. |
| **New network miles leased** | 294 | Variance from Baseline. The State has executed three IRU Agreements for a total of 294 miles of existing infrastructure on the OCAN route. |
| **Existing network miles upgraded** | 0 | N/A |
| **Existing network miles leased** | 1,010 | Variance from Baseline. The total 1100 miles of existing State fiber was not joined with OCAN due to issues with Oklahoma Turnpike Authority fibers from Muskogee to Webbers Falls (approx. 90 miles); issues were resolved and remaining 90 miles of fiber leased July 26th (2013-Q3). |
| **Number of miles of new fiber (aerial or underground)** | 827 | Variance from Baseline. As noted above, the State has completed construction of 827 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** | 47 | No variance from Baseline; however, the project has connected fiber optic cable to 31 CAI's including an additional CAI, Gordon Cooper Technology Center, that was not included in original Baseline projection, and 16 communication huts. Fiber remains to be connected to Choctaw Hospital and Southeastern OSU CAI's pending IRU closure for a projected total of 49 new and/or upgraded interconnection points by grant end. |

**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 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** | 31 | Variance from Baseline target of 32. 31 Community Anchor Institutions (CAI's) have been connected including Gordon Cooper Technology Center, which was not included in the original Baseline projection. The remaining 2 CAI's are pending IRU closure and completion is anticipated by grant end. |
| | **Subscribers receiving new access** | 4 | Variance from Baseline target of 16. 4 CAI's receiving new access have been connected. Since the original application, we've determined that some of the planned CAIs should be considered improved rather than new. We plan to complete all 33 CAI connections, 4 with new access and 29 with improved access, by the end of the grant. |
| | **Subscribers receiving improved access** | 27 | Variance from Baseline target of 16. 27 CAI's receiving improved access have been connected. Since the original application, we've determined that some of the planned CAIs should be considered improved rather than new. We plan to complete all 33 CAI connections, 4 with new access and 29 with improved access, by the end of the grant. |
| | **Please identify the speed tiers that are available and the number or subscribers for each** | 2 | No variance from Baseline - the backbone will be 10GB with two speed tiers available to customers, 100 MBPS and 1 GB. The 32 CAI's included in the grant will be provided 1GB service. Additional customers (CAI's, last mile providers, etc.) may select either 100 MBPS or 1GB service. |
| **Residential / Households** | **Entities passed** | 0 | N/A |
| | **Total subscribers served** | 0 | N/A |
| | **Subscribers receiving new access** | 0 | N/A |

| Subscriber Type | Access Type | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|---|---|---|---|
| | 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 |
|---|---|---|---|---|
| Carl Albert State College | Sallisaw, Oklahoma | Community College | Yes | This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth. |
| Conners College | Warner, Oklahoma | Community College | Yes | This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth. |
| Eastern Oklahoma State College | McAlester, Oklahoma | Community College | Yes | This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth. |
| Seminole State College | Seminole, Oklahoma | Community College | Yes | This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth. |
| Gordon Cooper Technology Center | Shawnee, Oklahoma | Community College | Yes | This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth. |
| Jefferson County Hospital | Waurika, Oklahoma | Health Care/ Hospital | Yes | This hospital currently has one T1 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth. |
| CLEET | Ada, Oklahoma | Public Safety | Yes | This public safety facility currently has two T1 connections 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 connecting the remaining 2 of 33 Community Anchor Institutions (CAIs) included in the grant.  Both of these CAIs will be receiving improved access.

2) Continue installing the new network Routers, Switches, DWDM, etc. equipment in the OCAN project Huts and CAIs; continue network testing.

3) Review and update the OCAN Project Sustainability Plan and document the OCAN Pricing Plans.

4) Continue holding meetings with providers requesting access to the OCAN fiber.  There are no plans to execute agreements until after the OCAN project is completed.

5) Complete installation of remaining 93 additional access points along the route to provide greater opportunity to connect last-mile providers and CAI's.

6) Adjusted Anticipated Actuals for next quarter as shown on the Infrastructure Budget Execution Details page: Decrease Federal item B, Land/Huts, costs lower than initial projection; Decrease Match & Increase Federal item D, Engineering, for NTIA approved reimbursement to ODOT; Decrease Match item F, Inspections, costs lower than initial projection; Decrease Federal item I, Construction, costs lower than initial projection; Increase Federal item J, Equipment, for additional access points and network equipment approved by NTIA; Decrease Match & Increase Federal item K, Miscellaneous, for NTIA approved internal engineering salaries to ODOT. *NOTE that ODOT's TOTAL obligated Match $5,328,245 (Engineering $1,493,438 + Inspections $3,834,807) remains the same though the anticipated Match values for these categories next quarter have changed (Engineering $2,328,245 + Inspections $3,000,000).

**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 | 100 | No variance from Baseline. |
| 2b. | Environmental Assessment | 100 | No variance from Baseline. |
| 2c. | Network Design | 100 | No variance from Baseline. |
| 2d. | Rights of Way | 100 | No variance from Baseline. |
| 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. |
| 2h. | Network Build (all components - owned, leased, IRU, etc.) | 100 | No variance from Baseline. |
| 2i. | Equipment Deployment | 100 | No variance from Baseline. |
| 2j. | Network Testing | 100 | No variance from Baseline. |
| 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 State must remain on schedule with the installation of additional ground vaults, network generators, Routers, Switches, DWDM, etc. equipment in the OCAN project Huts and Community Anchor Institutions (CAI's).

## 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.

| Cost Classification | 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 | | |
|---|---|---|---|---|---|---|---|---|---|
| | 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 | $8,262,553 | $4,522,500 | $3,740,053 | $8,566,508 | $4,522,500 | $4,044,008 |
| 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 | $4,140,895 | $3,857,163 | $283,732 | $4,346,956 | $2,328,245 | $2,018,711 |
| e. Other architectural and engineering fees | $600,000 | $0 | $600,000 | $49,435 | $0 | $49,435 | $49,435 | $0 | $49,435 |
| f. Project inspection fees | $3,834,807 | $3,834,807 | $0 | $2,942,750 | $2,942,750 | $0 | $3,000,000 | $3,000,000 | $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 | $41,758,670 | $0 | $41,758,670 | $46,598,524 | $0 | $46,598,524 |
| j. Equipment | $28,860,022 | $8,850,000 | $20,010,022 | $24,843,181 | $8,850,000 | $15,993,181 | $29,819,683 | $8,850,000 | $20,969,683 |
| k. Miscellaneous | $226,803 | $208,803 | $18,000 | $871,799 | $854,608 | $17,191 | $899,493 | $581,586 | $317,907 |
| l. SUBTOTAL (add a through k) | $92,907,816 | $18,909,548 | $73,998,268 | $82,869,283 | $21,027,021 | $61,842,262 | $93,280,599 | $19,282,331 | $73,998,268 |
| 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 | $82,869,283 | $21,027,021 | $61,842,262 | $93,280,599 | $19,282,331 | $73,998,268 |

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 |
|---|---|