

RECIPIENT NAME:Troy Cablevision, Inc.

AWARD NUMBER: NT10BIX5570128

DATE: 11/07/2011

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 NT10BIX5570128	3. DUNS Number 153589288
4. Recipient Organization Troy Cablevision, Inc. 1006 S Brundidge St, Troy, AL 36081-3121		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> 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 Vicki F. McPherson	7c. Telephone (area code, number and extension) 3347700937	
	7d. Email Address vfm@troycable.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-07-2011	

Project Indicators (This Quarter)

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

Listed below are the SmartBand Project accomplishments completed during the quarter ending September 30, 2011:

-Team Members are continuously working to monitor progress of the total Project by tracking budget to actual to measure financial milestones.

-Approximately 96% of map field work and 87% of the AutoCAD (mapping) work has been completed. The SmartBand Project is approximately 25% complete of the post construction (As-Built) or final mapping.

-The Mapping and Permitting Team Members continue to request the necessary permits and have submitted required permitting documentation to pole owners for areas included in Phase 2 of the Build Out Plan.

- Procurement Team Members have continued receiving signed contracts for numerous Request for Proposals that were awarded during the end of the Second Quarter 2011.

-Troy Cable has continued to order and receive materials from the awarded Vendors for Construction and Head End Materials for nineteen (19) of approximately fifty (50) job segments.

-Construction has continued with the awarded Contractor for Construction Services. Construction has continued on Phase 1 of the Build Out Plan and includes three of five counties, Pike, Dale & Coffee, as outlined in the Southeast Alabama SmartBand Project Plan.

-Although last quarter Troy Cable projected an aggressive goal of 152 fiber miles constructed through the end of the Third Quarter, Troy Cable has completed 177.57 fiber miles of the total 595 mile Project. Troy Cable has also placed 2.43 miles of empty pipe and 2.98 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 120.25 fiber miles were constructed during the third quarter. The total fiber miles constructed represents 29.84% completion of the overall fiber construction.

-Procurement Team Members released numerous Request for Proposals during July, August, and September for equipment, including: Business Support Systems ("OSS/BSS"); DC Power System; VOD System; Bucket Truck(s); GPON and Access Equipment; DWDM Network; Installer Truck(s); Switches; and Routers.

-The Team has awarded contracts and has begun ordering and receiving equipment for Business Support Systems ("OSS/BSS"); DC Power System; Edge Decoder Equipment; Bucket Truck(s).

-Troy Cable has connected fiber to twenty-eight (28) Community Anchor Institutions during Third Quarter 2011.

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	18	<p>Project Team Members will continually monitor progress of the total Project using % complete construction reports along with budget to actual reports to measure financial milestones.</p> <p>Overall Project was delayed from original Baseline due to Environmental Assessment process delay. Variance from last quarter PPR projecting was related to aggressive projection from prior quarter with a more realistic goal.</p> <p>Troy Cable has connected to twenty-eight (28) Community Anchor Institutions during the Third Quarter and has turned-up twenty (20) of those.</p>
2b.	Environmental Assessment	86	<p>The Environmental Assessment was completed and approved by the National Telecommunications and Information Administration during the First Quarter. The percent complete is misleading for the Environmental Assessment because our consultant completed the task 14% under budget.</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2c.	Network Design	79	Our Engineering Consultants have completed 100% of the mapping field work. Troy Cable employees have engineered twenty-three (23) of the fifty (50) Project segments based on maps received from our consultants. Troy Cable employees have engineered and produced nineteen (19) Bill of Materials for current Project segments.
2d.	Rights of Way	79	Troy Cable has continued requesting the necessary permits for Rights of Way for areas included in Phase 2 of the Build Out Plan.
2e.	Construction Permits and Other Approvals	79	Troy Cable has begun requesting the necessary permits and have submitted partial permitting documentation to pole owners on thirty (30) of the fifty (50) Project segments as of September 30, 2011.
2f.	Site Preparation	0	This section is misleading. Based on discussions with the Project's cash match lender and NTIA, Troy Cable elected to remove land for the hub sites from the Project. Troy Cable did not use cash match or grant funds to purchase land for the Project. Additionally, Troy Cable elected not to use match or grant funds to make improvements to the land. The following activities have been completed outside of the Project - the purchase of one hub site with an existing building and the purchase of two other parcels of land for hub site locations; with the completion of concrete foundations, ground work and fencing for these two locations. Prefabricated Hub Sites have been delivered to Enterprise # 2 and Midland City and the other Hub Site in Enterprise has been secured but none of those sites have been brought on line.
2g.	Equipment Procurement	37	Procurement Team Members released numerous Request for Proposals during July, August, and September for equipment, including: Business Support Systems ("OSS/BSS"); DC Power System; VOD System; Bucket Truck(s); GPON and Access Equipment; DWDM Network; Installer Truck(s); Switches; and Routers. The Team has awarded contracts and has begun ordering and receiving equipment for Business Support Systems ("OSS/BSS"); DC Power System; Edge Decoder Equipment; Bucket Truck(s). The Team plans to launch various Request for Proposals during the Fourth Quarter for additional Equipment and order additional equipment and materials for Request for Proposals that were released in late September 2011, including: GPON and Access Equipment; DWDM Network; Installer Truck(s); Switches; VOD System; and Routers.
2h.	Network Build (all components - owned, leased, IRU, etc)	14	Troy Cable has constructed 177.57 fiber miles of the total 595 mile Project and has placed 2.43 miles of empty pipe and 2.98 miles of bare strand and has activated certain portions of the constructed job segments. Total fiber miles constructed represents 29.84% of the fiber miles construction. Troy Cable has activated approximately 82.32 miles of fiber.
2i.	Equipment Deployment	32	Troy Cable has constructed 177.57 fiber miles of the total 595 mile Project and has placed 2.43 miles of empty pipe and 2.98 miles of bare strand and has activated certain portions of the constructed job segments. Total fiber miles constructed represents 29.84% of the fiber miles construction. Troy Cable has activated approximately 82.32 miles of fiber.
2j.	Network Testing	14	SmartBand has tested 7 of the 50 completed job segments.
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).

During this Quarter, Troy Cable has experienced extended delivery times for fiber for the Project. In the Second Quarter, Troy Cable was notified by Vendor that delivery times would be extended from three weeks to six to eight weeks. Troy Cable has made every effort to order materials at least six weeks before anticipated start date to ensure timely arrival of materials before construction is scheduled to begin. To ensure that the Project construction continues to run on schedule Troy Cable has ordered enough fiber to

construct and complete 278.5 fiber miles. If the Project runs out of fiber Troy Cable will continue to put up strand and install conduit in anticipation of receiving fiber.

State Highway DOT permit changes are creating delays in approval of ongoing permits. Anticipating no relief other than loading the system early to meet requirements. Pole applications for make ready with APCO continue to take extended periods of time for approval, APCO has secured additional engineering resources to work through the problem. Troy Cable anticipates by Second Quarter 2012 that we should see some relief.

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	177	Due to lead times on materials the Project did not get as many miles as projected after receiving the FONSI. Troy Cable has added one additional Underground crew and three additional construction employees to existing Aerial Crew. The awarded Construction Contractor has also added one additional Aerial crew to their construction crew. A total of five (5) Aerial Crews and two (2) Underground Crews are currently working on the Project to catch Troy Cable up to the Projections. The Contractor added one (1) additional Underground crew in August. Troy Cable has constructed 177.57 fiber miles of the total 595 mile Project and has placed 2.43 miles of empty pipe and 2.98 miles of bare strand and has deployed 177.57 new network miles.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	177	Troy Cable has constructed 177.57 fiber miles of the total 595 mile Project and has placed 2.43 miles of empty pipe and 2.98 miles of bare strand. Of the 177.57 fiber miles constructed 177.57 miles consist of new fiber.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	6	Although all upgrades are not complete at each Hub Site interconnection points are accessible at the Troy Headend and the following Points of Presence (POP): Ozark, Elba, Brantley, Luverne, and Daleville. Prefabricated Hub Sites have been delivered to Enterprise # 2 and Midland City and the other Hub Site in Enterprise has been secured , both Enterprise sites were brought on-line in October 2011. As of July 1, 2011, Information Transport Solutions, Inc. (ITS) has installed equipment at the Troy Headend to provide Last Mile services to the Ozark City School System. Also on July 1, 2011 SmartBand connected New Brockton City Schools to the SmartBand network. SmartBand is currently delivering the New Brockton traffic back to Alabama Connecting Classrooms via previously non-federal funded inter-connections to Troy University. Traffic is then delivered via AT&T back to Montgomery.

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	2

Indicators	
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
Average term of signed agreements (in quarters)	36

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

Computer Sciences Corporation (CSC) - Alabama Connecting Classrooms, Educators and Students Statewide (ACCESS)

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:
Computer Sciences Corporation (CSC) - 10 Mbps Transport for \$700 a month.

Information Transport Solutions, Inc. (ITS) - Fiber connections to Ozark School Systems, rack space in Troy Headend and Ozark Hub and internet bandwidth. Revenue for this connection is \$5,325 per month. This pricing structure was determined by ITS's state required bid for E-rate services. Traffic is then delivered to Troy University through non-BTOP funded connection. Traffic is transported from Troy University to Montgomery via AT&T.

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).
There will be no third party operators of our network.

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	2	No Variance.
	Providers with signed agreements receiving improved access	0	No Variance.
	Providers with signed agreements receiving access to dark fiber	0	No Variance.
	Please identify the speed tiers that are available and the number of subscribers for each	2	10Mbps = 1 subscriber 100 Mbps = 1 subscriber
Community Anchor Institutions (including Government institutions)	Total subscribers served	28	In the Third Quarter SmartBand has connected to twenty-eight (28) Community Anchor Institutions and is diligently working to catch back up with projections.
	Subscribers receiving new access	28	In the Third Quarter SmartBand has connected to twenty-eight (28) Community Anchor Institutions and is diligently working to catch back up with projections. Twenty-eight (28) Community Anchor Institutions are receiving new access.
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	28	1 Mbps - 1 Gbps are available. The Community Anchor Institutions took the following: 1 Mbps = 11 subscribers 10 Mbps = 3 subscribers 50 Mbps = 3 subscribers 100 Mbps = 8 subscribers 3 subscribers are taking no service or video or voice only.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Residential / Households	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
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
DA Middle School	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS)
New Brockton High School	New Brockton	Schools	No	Interconnect the school with the Coffee County Board of Education. This connection to the Board of Education will allow the school to share resources with the other county schools and the Alabama Connecting Classrooms, Educators and Students Statewide (ACCESS) through previously non-BTOP funded connections.
Carroll High School	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS)
Ozark City Board of Education - Maintenance Building	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS)
Troy University Dining Hall	Troy	Other Higher Learning Institution	Yes	To allow students and faculty to access the internet.

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
Rural Home - Goshen Cell Tower	Goshen	Public Safety	Yes	SmartBand transports data via point to point Metro Ethernet connections. The data is delivered to regional interconnection points for long haul carriers, who then make final data delivery to the cell service provider. The final contract has been reviewed and approved by management with the document scheduled for execution by both parties in November. The contract calls for services to be turned up in the first quarter 2012.
City of Troy - George Wallace Water Well to Firehouse 2	Troy	Public Safety	Yes	To allow inter connections between various City facilities and utilities.
Southeast Alabama Regional Health Authority (SARHA)	Troy	Public Safety	Yes	To allow access to Internet and Phone services. Metro Ethernet connections to various other health care facilities are currently under negotiations. Once these Metro Ethernet connections are made data, phone and internet bandwidth will be able to be shared over WAN.
City of Troy - Industrial Park Water Well to Recycling Center	Troy	Government Facilities	Yes	To allow inter connections between various City facilities and utilities.
Lisenby Elementary School	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS)
Mixon School	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS).
Thompkins Early Childhood Center School	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS)
Ozark Vocational School	Ozark	Schools	No	E-rate connection with last mile services provided by Information Transport Solutions, Inc. (ITS)
Monticello Substation	Banks	Public Safety	Yes	Monitor electrical distribution facilities, equipment and consumption. These point to point Metro Ethernet connections will also allow the electric coop to implement SmartGrid to local members. Services scheduled to be turned up 4th quarter 2011.
Kyzar Substation	Troy	Public Safety	Yes	Monitor electrical distribution facilities, equipment and consumption. These point to point Metro Ethernet connections will also allow the electric coop to implement SmartGrid to local members. Services scheduled to be turned up 4th quarter 2011.
Troy Substation	Troy	Public Safety	Yes	Monitor electrical distribution facilities, equipment and consumption. These point to point Metro Ethernet connections will also allow the electric coop to implement SmartGrid to local members. Services scheduled to be turned up 4th quarter 2011.
Brundidge Substation	Brundidge	Public Safety	Yes	Monitor electrical distribution facilities, equipment and consumption. These point to point Metro Ethernet connections will also allow the electric coop to implement SmartGrid to local members. Services scheduled to be turned up 4th quarter 2011.
Three Notch Cell Tower	Troy	Public Safety	Yes	SmartBand transports data via point to point Metro Ethernet connections. The data is delivered to regional interconnection points for long haul carriers, who then make final data delivery to the cell service provider. The final contract has been reviewed and approved by management with the document scheduled for execution by both parties in November. The contract calls for services to be turned up in the first quarter 2012.
Orion Cell Tower	Troy	Public Safety	Yes	SmartBand transports data via point to point Metro Ethernet connections. The data is delivered to regional interconnection points for long haul carriers, who then make final data delivery to the cell service provider. The final contract has been reviewed and approved by management with the document scheduled for execution by both parties in November. The contract calls for services to be turned up in the first quarter 2012.

City of Troy - Warehouse	Troy	Government Facilities	Yes	To allow inter connections between various City facilities and utilities. Phone and internet services may also be accessed and and shared with these connections.
City of Troy - Recycling Center	Troy	Government Facilities	Yes	To allow inter connections between various City facilities and utilities.
City of Troy - Waste Department	Troy	Government Facilities	Yes	To allow inter connections between various City facilities and utilities.
Dale Medical Center	Ozark	Medical Facilities	Yes	Currently Dale Medical Center is using connections to receive video services, but SmartBand is in the final stages of a multi year contract. When the contract is finalized, the medical center will use infrastructure to receive internet bandwidth along with multiple point to point Metro Ethernet connections which will allow secure interconnection of various medical facilities. The Medical Center is waiting for current contract to expire before executing a new contract for bandwidth services.
Troy University - Stadium / Media Room	Troy	Other Higher Learning Institution	Yes	To allow broadband access to various visitor originations and the media.
Banks Substation	Banks	Public Safety	Yes	Monitor electrical distribution facilities, equipment and consumption. These point to point Metro Ethernet connections will also allow the electric coop to implement SmartGrid to local members. Services scheduled to be turned up 4th quarter 2011.
Ozark City Board of Education - IT Room	Ozark	Schools	Yes	To allow broadband access and interconnect other school buildings. These interconnections will also allow the schools IT department to monitor communication and telephone equipment. The IT department will also be able to monitor computers and security equipment from on central location.
Ozark Aviation Center Campus	Ozark	Community College	Yes	To allow broadband access.
Ozark Economic Development	Ozark	Government Facility	Yes	To allow broadband access.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 The SmartBand Project Team proposes to complete the following tasks during the Fourth Quarter 2011:

- Troy Cable will award and contract various Request for Proposals during the Fourth Quarter for additional Equipment and order additional equipment and materials for Request for Proposals that were released in late September 2011, including: GPON and Access Equipment; DWDM Network; Installer Truck(s); Switches; VOD System; and Routers. New Request for Proposals scheduled to be released in Fourth Quarter 2011 include Headend Upgrade for Fiber Management.
- Project Team will continue to monitor progress to total Project using % complete construction reports along with budget to actual reports to measure financial milestones.
- Although Troy Cable projected an aggressive goal of 152 fiber miles constructed through the end of the Third Quarter, the Construction Team has completed 177.57 fiber miles of the total 595 mile Project. Troy Cable has also placed 2.43 miles of empty pipe and 2.98 miles of bare strand pending the arrival of additional materials needed for completion. During the Fourth Quarter, Troy Cable will continue construction with a projection of 270 fiber miles being completed of the total 595 mile Project which represents 45.38% construction completion through Fourth Quarter 2011. Troy Cable also anticipates the completion of the following: both Enterprise Hubs are scheduled to be brought on-line, Overlap build with Trillion Communications (other BTOP recipient), Fiber connections to Dothan wholesale Internet Service Providers with service turned up the following quarter, and fiber connection to Midland City Hub Site with the possibility of it coming online by the end of Fourth Quarter 2011.
- Troy Cable anticipates adding one to two additional Broadband wholesalers or Last Mile providers during the Fourth Quarter 2011.
- Troy Cable also plans to connect to an additional forty-five (45) Community Anchor Institutions during the Fourth Quarter 2011.

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	27	Overall Project was slowed down by the Environmental Assessment process.
2b.	Environmental Assessment	86	The Environmental Assessment was completed and approved by the National Telecommunications and Information Administration during the First Quarter. The percent complete is misleading for the Environmental Assessment because our consultant completed the task 14% under budget.
2c.	Network Design	90	Overall Project was slowed down by the Environmental Assessment process.
2d.	Rights of Way	90	Troy Cable has hired an additional contractor to assist the mapping department with the initial Project projections contained within the baseline.
2e.	Construction Permits and Other Approvals	90	Troy Cable has hired an additional contractor to assist the mapping department with the initial Project projections contained within the baseline.
2f.	Site Preparation	0	This section is misleading. Based on discussions with the Project's cash match lender and NTIA, Troy Cable elected to remove land for the hub sites from the Project. Troy Cable did not use cash match or grant funds to purchase land for the Project. Additionally, Troy Cable elected not to use match or grant funds to make improvements to the land. The following activities have been completed outside of the Project - the purchase of one hub site with an existing building and the purchase of two other parcels of land for hub site locations; with the completion of concrete foundations, ground work and fencing for these two locations. Prefabricated Hub Sites have been delivered to Enterprise # 2 and Midland City and the other Hub Site in Enterprise has been secured but none of those sites have been brought on line.
2g.	Equipment Procurement	67	Troy Cable will award and contract various Request for Proposals during the Fourth Quarter for additional Equipment and order additional equipment and materials for Request for Proposals that were released in late September 2011, including: GPON and Access Equipment; DWDM Network; Installer Truck(s); Switches; VOD System; and Routers.
2h.	Network Build (all components - owned, leased, IRU, etc.)	33	Due to lead times on materials the Project did not get as many miles as projected after receiving the FONSI. Troy Cable has added one additional Underground crew and three additional construction employees to existing Aerial Crew. The awarded Construction Contractor has also added one additional Aerial crew to their construction crew. A total of five (5) Aerial Crews and two (2) Underground Crews are currently working on the Project to catch Troy Cable up to the Projections.
2i.	Equipment Deployment	61	Troy Cable will award and contract various Request for Proposals during the Fourth Quarter for additional Equipment and order additional equipment and materials for Request for Proposals that were released in late September 2011, including: GPON and Access Equipment; DWDM Network; Installer Truck(s); Switches; VOD System; and Routers.
2j.	Network Testing	35	Network testing is based on fiber deployment and build out. Troy Cable has implemented an aggressive plan to catch up to the projections as outlined in the original 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).

There is the potential for problems in receiving fiber for the Project due to extended lead times from Vendor. During the previous quarter, Troy Cable had experienced extended delivery times for fiber for the Project due to an announcement by the awarded fiber Vendor that delivery times would be extended from three weeks to six to eight weeks. Troy Cable has and will continue to make every effort to order materials at least six weeks before anticipated start date to ensure timely arrival of materials before construction is scheduled to begin. To ensure that the Project construction continues to run on schedule Troy Cable has ordered enough fiber to construct and complete 278.5 fiber miles. If the Project runs out of fiber Troy Cable will continue to put up strand and install conduit in anticipation of receiving fiber.

State Highway DOT permit changes are creating delays in approval of ongoing permits. Anticipating no relief other than loading the system early to meet requirements. Pole applications for make ready with APCO continue to take extended periods of time for approval, APCO has secured additional engineering resources to work through the problem. Troy Cable anticipates by Second Quarter 2012 that we should see some relief.

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	\$1,770,811	\$355,337	\$1,415,474	\$799,758	\$160,482	\$639,276	\$934,801	\$187,581	\$747,220
b. Land, structures, right-of-ways, appraisals, etc.	\$1,394,639	\$279,853	\$1,114,786	\$258,162	\$51,804	\$206,358	\$509,603	\$102,259	\$407,344
c. Relocation expenses and payments	\$21,600	\$4,333	\$17,267	\$5,102	\$1,024	\$4,078	\$10,204	\$2,048	\$8,156
d. Architectural and engineering fees	\$847,460	\$170,055	\$677,405	\$388,172	\$77,892	\$310,280	\$431,821	\$86,651	\$345,170
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$78,006	\$15,653	\$62,353	\$14,831	\$2,976	\$11,855	\$29,662	\$5,952	\$23,710
g. Site work	\$10,411,565	\$2,089,224	\$8,322,341	\$1,642,246	\$329,539	\$1,312,707	\$2,542,879	\$510,264	\$2,032,615
h. Demolition and removal	\$27,400	\$5,498	\$21,902	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$16,923,915	\$3,396,017	\$13,527,898	\$2,334,063	\$468,362	\$1,865,701	\$3,545,439	\$711,441	\$2,833,998
j. Equipment	\$1,137,016	\$228,158	\$908,858	\$424,654	\$85,213	\$339,441	\$764,964	\$153,501	\$611,463
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$32,612,412	\$6,544,128	\$26,068,284	\$5,866,988	\$1,177,292	\$4,689,696	\$8,769,373	\$1,759,697	\$7,009,676
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$32,612,412	\$6,544,128	\$26,068,284	\$5,866,988	\$1,177,292	\$4,689,696	\$8,769,373	\$1,759,697	\$7,009,676

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: \$44,805
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