

RECIPIENT NAME:Troy Cablevision, Inc.

AWARD NUMBER: NT10BIX5570128

DATE: 08/07/2012

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570128	<b>3. DUNS Number</b>  153589288
<b>4. Recipient Organization</b>  Troy Cablevision, Inc. 1006 S Brundidge St, Troy, AL 36081-3121		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  06-30-2012	<b>6. Is this the last Report of the Award Period?</b>  <input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.</b>		
<b>7a. Typed or Printed Name and Title of Certifying Official</b>	<b>7c. Telephone (area code, number and extension)</b>	
	<b>7d. Email Address</b>	
<b>7b. Signature of Certifying Official</b>	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>	

**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 June 30, 2012:

- Team Members are continuously working to monitor progress of the total Project by tracking budget to actual to measure financial milestones.
- Approximately 98% of map field work and 91% of the AutoCAD (mapping) work has been completed. The SmartBand Project is approximately 37% 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.
- Approximately fifty-five (55) job segments have been engineered and mapped by our Engineering Consultants.
- Procurement Team Members have continued receiving signed contracts from Vendors for Request for Proposals awarded during the previous quarters.
- Troy Cable has continued to order and receive materials from the awarded Vendors for Construction and Headend Materials for forty-nine (49) of the approximate fifty-five (55) job segments.
- Construction has continued with the awarded Contractor for Construction Services. Construction has begun on Phase 2 of the Build Out Plan and covers all six counties as outlined in the Southeast Alabama SmartBand Project. Counties where construction has begun include: Pike, Dale, Crenshaw, Coffee and key internet points of presence or "on-ramps" to global Internet in Montgomery and Houston Counties.
- Troy Cable has hired additional crews to aide in the construction of the fiber route which includes the construction on forty-seven (47) of the fifty-five (55) job segments. The construction crews consist of seven (7) Underground crews, six (6) Aerial crews, five (5) Fiber Splicers, and three (3) Construction Inspectors. The addition of the construction related personnel reflects the progress Troy Cable is making to meet or exceed the requirements outlined in the Baseline Budget for Fiber Miles Constructed.
- Last quarter, Troy Cable projected an aggressive goal of 475 fiber miles through the end of the Second Quarter. Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction. Troy Cable has activated 336.73 miles of fiber as of June 30,2012.
- The Engineering Team has implemented software & equipment to support the Business Support System & is currently operating the system. The Team is continuing to order & receive materials from the awarded Vendors for additional Equipment & materials for Request for Proposals that were released in prior Quarters. Troy Cable has deployed the following Network Equipment: DWDM Network; Routers; Switches; and Access Gear.
- Troy Cable has connected and turned-up forty-nine (49) Community Anchor Institutions throught the Second Quarter. Troy Cable has connected and turned-up forty-one (41) Businesses through the Second Quarter.
- The following existing Hub Sites and colocation facilities were connected to the DWDM Network: Dothan; Atlanta; Dallas; Daleville; Enterprise #1 (South); Enterprise #2 (North); Elba; Troy; Luverne; Ozark; Brundidge; Midland City; and Montgomery. The Brantley Hub Site is currently online but is receiving improvements and will be connected to the DWDM Network by Third Quarter 2012.
- The Team has brought online a temporary ring to meet colocation requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta & Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.
- Troy Cable has constructed approximately 28 fiber miles of the Overlap Build.

**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	58	<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 previous quarters' Performance Progress Report projection was related to an aggressive projection from previous quarters with a more realistic goal.</p> <p>Troy Cable has connected and turned-up forty-nine (49) Community Anchor Institutions. Troy Cable has connected and turned up forty-one (41) Businesses.</p>
2b.	Environmental Assessment	86	<p>The Environmental Assessment was completed and approved by the National Telecommunications and Information Administration during the First Quarter 2011. The percent complete is misleading for the Environmental Assessment because our consultant completed the task 14% under budget.</p>
2c.	Network Design	85	<p>Our Engineering Consultants have completed 100% of the mapping field work. Troy Cable employees have engineered forty-seven (47) of the fifty-five (55) job segments based on maps received from our consultants. Troy Cable employees have engineered and produced forty-nine (49) bills of materials for current job segments.</p>
2d.	Rights of Way	90	<p>Troy Cable has continued requesting the necessary permits for Rights of Way for areas included in Phase 2 of the Build Out Plan.</p>
2e.	Construction Permits and Other Approvals	90	<p>Troy Cable has continued 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.</p>
2f.	Site Preparation	0	<p>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 (1) Hub Site with an existing building; and the purchase of two (2) other parcels of land for Hub Site locations with the completion of concrete foundations, prefab Telecom Shelters, ground work and fencing for these two locations.</p> <p>The following existing Hub Sites and co-location facilities were connected to the DWDM Network: Dothan; Atlanta; Dallas; Daleville; Enterprise #1 (South); Enterprise #2 (North); Elba; Troy; Luverne; Ozark; Brundidge; Midland City; and Montgomery. The Brantley Hub Site is currently online but is receiving improvements and will be connected to the DWDM Network by Third Quarter 2012.</p>
2g.	Equipment Procurement	88	<p>Troy Cable has ordered and installed equipment for the following Request for Proposals: Headend Upgrade for Fiber Distribution System; Billing Support System ("OSS/BSS"); DWDM Network Equipment; Routers; Switches; and Access Gear.</p> <p>The following existing Hub Sites and co-location facilities were connected to the DWDM Network: Dothan; Atlanta; Dallas; Daleville; Enterprise #1 (South); Enterprise #2 (North); Elba; Troy; Luverne; Ozark; Brundidge; Midland City; and Montgomery. The Brantley Hub Site is currently online but is receiving improvements and will be connected to the DWDM Network by Third Quarter 2012.</p> <p>The Team has brought online a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location</p>

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed colocation with a Carrier Neutral Hotel in Atlanta & Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.
2h.	Network Build (all components - owned, leased, IRU, etc)	44	<p>Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction.</p> <p>Troy Cable has activated certain portions of the constructed job segments. Troy Cable has activated approximately 336.73 miles of fiber as of June 30, 2012.</p> <p>The Team has brought on line a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta &amp; Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.</p>
2i.	Equipment Deployment	83	<p>Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction.</p> <p>Troy Cable has activated certain portions of the constructed job segments. Troy Cable has activated approximately 336.73 miles of fiber as of June 30, 2012.</p> <p>The Team has brought on line a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta &amp; Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.</p>
2j.	Network Testing	58	SmartBand has tested approximately thirty-two (32) of the fifty-five (55) job segments.
2k.	Other (please specify):	0	Not Applicable.

**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).**

Troy Cable has made every effort to order materials at least eight to twelve weeks before anticipated construction start dates to ensure timely arrival of materials needed before construction is scheduled to begin. To ensure that the Project construction continues to run on schedule, Troy Cable ordered enough fiber to construct and complete 521.52 fiber miles with the delivery of materials scheduled through June 2012. 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 continuing to create delays in approval of ongoing permits. Troy Cable is not anticipating any relief other than preparing permit requirements earlier to meet construction needs. Troy Cable is also experiencing longer delays regarding Alabama Power Company pole applications for make-ready. Alabama Power Company has secured additional resources to help eliminate most of the delays. Troy Cable is having periodic meetings with Alabama Power Management, which has helped move

the Project forward.

**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)
<b>New network miles deployed</b>	478	<p>Due to extended delivery lead times on materials the Project did not construct as many miles as projected after receiving the FONSI.</p> <p>Construction has continued with the awarded Contractor for Construction Services. Construction has begun on Phase 2 of the Build Out Plan and covers all six counties as outlined in the Southeast Alabama SmartBand Project. Counties where construction has begun include: Pike, Dale, Crenshaw, Coffee and key internet points of presence or "on-ramps" to global Internet in Montgomery and Houston Counties.</p> <p>Troy Cable has hired additional crews to aide in the construction of the fiber route which includes the construction on forty-seven (47) of the fifty-five (55) job segments. The construction crews consist of seven (7) Underground crews, six (6) Aerial crews, five (5) Fiber Splicers, and three (3) Construction Inspectors. The addition of the construction related personnel reflects the progress Troy Cable is making to meet or exceed the requirements outlined in the Baseline Budget for Fiber Miles Constructed.</p> <p>Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction.</p>
<b>New network miles leased</b>	0	Not Applicable.
<b>Existing network miles upgraded</b>	0	Not Applicable.
<b>Existing network miles leased</b>	0	Not Applicable.
<b>Number of miles of new fiber (aerial or underground)</b>	478	<p>Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction.</p>
<b>Number of new wireless links</b>	0	Not Applicable.
<b>Number of new towers</b>	0	Not Applicable.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of new and/or upgraded interconnection points	14	<p>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, Enterprise #1 (South), Enterprise #2 (North); Brundidge, Luverne, and Daleville. The following existing Hub Sites and colocation facilities were connected to the DWDM Network: Dothan; Atlanta; Dallas; Daleville; Enterprise #1 (South); Enterprise #2 (North); Elba; Troy; Luverne; Ozark; Brundidge; Midland City; and Montgomery. The Brantley Hub Site is currently online but is receiving improvements and will be connected to the DWDM Network by Third Quarter 2012.</p> <p>As of July 1, 2011 [REDACTED] installed equipment at the Troy Headend to provide Last Mile services to the [REDACTED]. Also on July 1, 2011 SmartBand connected [REDACTED] to the SmartBand Network. SmartBand is currently delivering the [REDACTED] traffic back to [REDACTED] via [REDACTED] previously non-federally funded inter-connections to [REDACTED]. Traffic is then delivered via [REDACTED] back to Montgomery.</p> <p>The Team has brought on line a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta &amp; Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.</p>

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	10
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	5
Average term of signed agreements (in quarters)	12

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

[REDACTED] as a Wholesale Provider.

[REDACTED] as a Wholesale Provider.

[REDACTED] as a Last Mile Provider and Wholesale Provider for transport of cell traffic.

[REDACTED] as a Last Mile Provider and Wholesale Provider for transport of cell traffic - [REDACTED] Ethernet (unprotected) from [REDACTED] to [REDACTED] POP in Dothan.

[REDACTED] as a Wholesale Provider.

[REDACTED] Inc. as a Carrier Neutral Hotel.

[REDACTED] as a Tier 1 Internet Service Provider to Atlanta, Georgia and Dallas, Texas.

[REDACTED] as a Last Mile Provider.

[REDACTED] as a Dark Fiber Agreement paid for by non-federal funds.

[REDACTED] as a Wholesale Provider and Local Exchange Carrier to accept local phone traffic.

-Troy Cable is currently in negotiations for five (5) Interconnection and Transport Agreements with [REDACTED] and [REDACTED].

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:

1 [REDACTED] 20 Mbps Transport for \$ [REDACTED] per month, upgraded from 10 Mbps; 2 [REDACTED] fiber connections to [REDACTED] racks in Headend & Hub, internet bandwidth for [REDACTED] per month. Pricing structure

determined by [redacted] required bid for E-rate services. Traffic is delivered to [redacted] on non-BTOP funded connection, traffic is transported from [redacted] to Montgomery;3 [redacted] a LM & Wholesale Provider for transport of cell traffic [redacted] Ethernet to [redacted] POP in Dothan, AL for [redacted] 4 [redacted] of Dothan, a LM & Wholesale Provider for transport of cell traffic [redacted] Ethernet from [redacted] to [redacted] POP in Dothan for [redacted] per month. Metro Ethernet Connection for a business, which resides in Troy, AL, is delivered to [redacted] over a non-federally funded interconnection. [redacted] then delivers the traffic to [redacted] who is the LM Provider to [redacted] 5 [redacted] a Wholesale Provider which provides transport to Atlanta, GA & Dallas, TX;6 [redacted] a Carrier Neutral Hotel - co-location space;7 [redacted] a Tier 1 Internet Service Provider in Atlanta, GA & Dallas, TX, [redacted] 8 [redacted] a LM Provider;9 [redacted] a Dark Fiber Agreement over a non-federally funded connection;10 [redacted] Wholesale Provider & LEC.

**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).**

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	10	No variance from Baseline.
	Providers with signed agreements receiving improved access	0	No variance from Baseline.
	Providers with signed agreements receiving access to dark fiber	1	No variance from Baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	10	10 Mbps = 1 subscribers 20 Mbps = 1 subscriber(s) 100 Mbps = 2 subscriber(s) 450 Mbps = 1 subscriber(s)  The other 5 Providers with signed agreements are only currently Providing Wholesale Services to the Project.
Community Anchor Institutions (including Government institutions)	Total subscribers served	49	SmartBand has connected to forty-nine (49) Community Anchor Institutions and is aggressively working to catch up to Baseline Projections.
	Subscribers receiving new access	49	SmartBand has connected to forty-nine (49) Community Anchor Institutions and is aggressively working to catch up to Baseline Projections. Forty-nine (49) Community Anchor Institutions are receiving new access.
	Subscribers receiving improved access	0	SmartBand has connected to forty-nine (49) Community Anchor Institutions and is aggressively working to catch up to Baseline Projections.
	Please identify the speed tiers that are available and the number or subscribers for each	49	1 Mbps to 1 Gbps are available.  The Community Anchor Institutions took the following: 1 Mbps = 19 subscribers 5 Mbps = 0 subscribers 10 Mbps = 10 subscribers 15 Mbps = 1 subscribers 20 Mbps = 1 subscribers 45 Mbps = 0 subscribers 50 Mbps = 4 subscribers 100 Mbps = 8 subscribers  6 subscribers are taking no services 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)
<b>Residential / Households</b>	Entities passed	0	Not Applicable.
	Total subscribers served	0	Not Applicable.
	Subscribers receiving new access	0	Not Applicable.
	Subscribers receiving improved access	0	Not Applicable.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Not Applicable.
<b>Businesses</b>	Entities passed	179	SmartBand has passed one hundred seventy-nine (179) Businesses as a result of the Southeast Alabama SmartBand Project.
	Total subscribers served	41	SmartBand has connected to forty-one (41) Businesses as a result of the Southeast Alabama SmartBand Project.
	Subscribers receiving new access	33	SmartBand has connected to forty-one (41) Businesses as a result of the Southeast Alabama SmartBand Project. Thirty-three (33) Businesses are receiving new access.
	Subscribers receiving improved access	8	SmartBand has connected to forty-one (41) Businesses as a result of the Southeast Alabama SmartBand Project. Eight (8) Businesses are receiving improved access.
	Please identify the speed tiers that are available and the number of subscribers for each	41	1 Mbps to 1 Gbps are available.  The Businesses took the following: 1 Mbps = 4 subscribers 5 Mbps = 0 subscribers 10 Mbps = 22 subscribers 15 Mbps = 4 subscribers 20 Mbps = 3 subscribers 45 Mbps = 1 subscribers 50 Mbps = 0 subscribers 100 Mbps = 0 subscribers  7 subscribers are taking no services or video or voice only.

7. Please describe any special offerings you may provide (600 words or less).  
Not Applicable.

8a. Have your network management practices changed over the last quarter?  Yes  No

8b. If so, please describe the changes (300 words or less).  
Not Applicable.

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
	Pike	Public Safety Entities	Yes	To allow interconnection between various city, county & state facilities.

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
[REDACTED]	Pike	Public Safety Entities	Yes	To allow interconnection between various city, county & state facilities.
[REDACTED]	Crenshaw	Other Government Facilities	Yes	To allow interconnection between various city, county & state facilities.
[REDACTED]	Crenshaw	Public Safety Entities	Yes	To allow interconnection between various city, county & state facilities.
[REDACTED]	Dale	Schools (K-12)	No	E-rate connection with last mile services provided by [REDACTED]
[REDACTED]	Dale	Other Community Support Organizations	Yes	To allow broadband access.
[REDACTED]	Dale	Schools (K-12)	No	E-rate connection with last mile services provided by [REDACTED]
[REDACTED]	Coffee	Schools (K-12)	No	E-rate connection with last mile services provided by [REDACTED]

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

Listed below are the SmartBand Project accomplishments completed during the quarter ending September 30, 2012:

- Team Members are continuously working to monitor progress of the total Project by tracking budget to actual to measure financial milestones.
- Procurement Team Members will continue receiving signed contracts from Vendors for Request for Proposals awarded during the previous quarters.
- Troy Cable will continue to order and receive materials from the awarded Vendors for Construction and Headend Materials for approximate fifty-five (55) job segments.
- Construction will continue on Phase 2 of the Build Out Plan which covers all six counties as outlined in the Southeast Alabama SmartBand Project. Counties where construction is taking place includes: Pike, Dale, Crenshaw, Coffee and key internet points of presence or "on-ramps" to global Internet in Montgomery and Houston Counties.
- Troy Cable has hired additional crews to aide in the construction of the fiber route. The addition of the construction related personnel reflects the progress Troy Cable is making to meet or exceed the requirements outlined in the Baseline Budget for Fiber Miles Constructed.
- Troy Cable projects an aggressive goal of 545 fiber miles constructed through the end of the Third Quarter. The total fiber miles constructed represents 91.60% completion of the overall fiber construction.
- The Engineering Team will continue to order & receive materials from the awarded Vendors for additional Equipment & materials for Request for Proposals that were released in prior Quarters.
- Troy Cable anticipates connecting to an additional twelve (12) Community Anchor Institutions during the Third Quarter.
- Troy Cable is in negotiations on five (5) Interconnection Agreements and plans to add five (5) additional Broadband Wholesale or Last Mile Providers during the Third Quarter.
- The Brantley Hub Site will be connected to the DWDM Network by the close of the Third Quarter 2012.

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.	<b>Overall Project</b>	67	<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 previous quarters' Performance Progress Report projection was related to an aggressive projection from previous quarters with a more realistic goal.</p> <p>Troy Cable has connected and turned-up forty-nine (49) Community Anchor Institutions. Troy Cable has connected and turned up forty-one (41) Businesses.</p>
2b.	<b>Environmental Assessment</b>	86	<p>The Environmental Assessment was completed and approved by the National Telecommunications and Information Administration during the First Quarter 2011. The percent complete is misleading for the Environmental Assessment because our consultant completed the task 14% under budget.</p>
2c.	<b>Network Design</b>	89	<p>Our Engineering Consultants have completed 100% of the mapping field work. Troy Cable employees have engineered forty-seven (47) of the fifty-five (55) job segments based on maps received from our consultants. Troy Cable employees have engineered and produced forty-nine (49) bills of materials for current job segments.</p>
2d.	<b>Rights of Way</b>	92	<p>Troy Cable has continued requesting the necessary permits for Rights of Way for areas included in Phase 2 of the Build Out Plan.</p>
2e.	<b>Construction Permits and Other Approvals</b>	92	<p>Troy Cable has continued 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.</p>
2f.	<b>Site Preparation</b>	0	<p>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 (1) Hub Site with an existing building; and the purchase of two (2) other parcels of land for Hub Site locations with the completion of concrete foundations, prefab Telecom Shelters, ground work and fencing for these two locations.</p> <p>The following existing Hub Sites and colocation facilities were connected to the DWDM Network: Dothan; Atlanta; Dallas; Daleville; Enterprise #1 (South); Enterprise #2 (North); Elba; Troy; Luverne; Ozark; Brundidge; Midland City; and Montgomery. The Brantley Hub Site is currently online but is receiving improvements and will be connected to the DWDM Network by Third Quarter 2012.</p>
2g.	<b>Equipment Procurement</b>	89	<p>Troy Cable has ordered and installed equipment for the following Request for Proposals: Headend Upgrade for Fiber Distribution System; Billing Support System ("OSS/BSS"); DWDM Network Equipment; Routers; Switches; and Access Gear.</p> <p>The following existing Hub Sites and colocation facilities were connected to the DWDM Network: Dothan; Atlanta; Dallas; Daleville; Enterprise #1 (South); Enterprise #2 (North); Elba; Troy; Luverne; Ozark; Brundidge; Midland City; and Montgomery. The Brantley Hub Site is currently online but is receiving improvements and will be connected to the DWDM Network by Third Quarter 2012.</p> <p>The Team has brought online a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta &amp; Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.</p>

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	<b>Network Build (all components - owned, leased, IRU, etc.)</b>	48	<p>Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction.</p> <p>Troy Cable has activated certain portions of the constructed job segments. Troy Cable has activated approximately 336.73 miles of fiber as of June 30, 2012.</p> <p>The Team has brought online a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta &amp; Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.</p>
2i.	<b>Equipment Deployment</b>	84	<p>Troy Cable has completed 477.79 fiber miles of the total 595 mile Project. Troy Cable has also placed 26.44 miles of empty pipe and 15.52 miles of bare strand pending the arrival of additional materials needed for completion. Of the reported total, 94.75 fiber miles were constructed during the Second Quarter. The total fiber miles constructed represents 80.30% completion of the overall fiber construction.</p> <p>Troy Cable has activated certain portions of the constructed job segments. Troy Cable has activated approximately 336.73 miles of fiber as of June 30, 2012.</p> <p>The Team has brought online a temporary ring to meet co-location requirements in Houston and Montgomery Counties. Co-location equipment has been installed in both Houston and Montgomery Counties. Troy Cable has completed co-location with a Carrier Neutral Hotel in Atlanta &amp; Dallas. Troy Cable is in negotiations on five (5) Interconnection Agreements.</p>
2j.	<b>Network Testing</b>	62	SmartBand has tested approximately thirty-four (34) of the fifty-five (55) job segments.
2k.	<b>Other (please specify):</b>	0	Not Applicable.
<p><b>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).</b></p> <p>Troy Cable has made every effort to order materials at least eight to twelve weeks before anticipated construction start dates to ensure timely arrival of materials needed before construction is scheduled to begin. To ensure that the Project construction continues to run on schedule, Troy Cable ordered enough fiber to construct and complete 521.52 fiber miles with the delivery of materials scheduled through June 2012. If the Project runs out of fiber, Troy Cable will continue to put up strand and install conduit in anticipation of receiving fiber.</p> <p>State Highway DOT permit changes are continuing to create delays in approval of ongoing permits. Troy Cable is not anticipating any relief other than preparing permit requirements earlier to meet construction needs. Troy Cable is also experiencing longer delays regarding Alabama Power Company pole applications for make-ready. Alabama Power Company has secured additional resources to help eliminate most of the delays. Troy Cable has begun having periodic meetings with Alabama Power Management, which has helped move the Project forward.</p>			

**Infrastructure Budget Execution Details**

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	\$1,044,302	\$209,553	\$834,749	\$1,086,074	\$217,936	\$868,139
b. Land, structures, right-of-ways, appraisals, etc.	\$1,394,639	\$279,853	\$1,114,786	\$776,016	\$155,718	\$620,298	\$1,020,347	\$204,747	\$815,600
c. Relocation expenses and payments	\$21,600	\$4,333	\$17,267	\$8,896	\$1,785	\$7,111	\$8,896	\$1,785	\$7,111
d. Architectural and engineering fees	\$847,460	\$170,055	\$677,405	\$640,609	\$128,547	\$512,062	\$685,091	\$137,473	\$547,618
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	\$72,304	\$14,509	\$57,795	\$78,006	\$15,653	\$62,353
g. Site work	\$10,411,565	\$2,089,224	\$8,322,341	\$7,558,472	\$1,516,712	\$6,041,760	\$8,893,093	\$1,784,522	\$7,108,571
h. Demolition and removal	\$27,400	\$5,498	\$21,902	\$1,300	\$261	\$1,039	\$1,300	\$261	\$1,039
i. Construction	\$16,923,915	\$3,396,017	\$13,527,898	\$7,542,650	\$1,513,537	\$6,029,112	\$8,962,660	\$1,798,481	\$7,164,179
j. Equipment	\$1,137,016	\$228,158	\$908,858	\$1,024,534	\$205,587	\$818,947	\$1,046,055	\$209,905	\$836,149
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	\$18,669,083	\$3,746,209	\$14,922,873	\$21,781,522	\$4,370,763	\$17,410,759
m. Contingencies									
n. TOTALS (sum of l and m)	\$32,612,412	\$6,544,128	\$26,068,284	\$18,669,083	\$3,746,209	\$14,922,873	\$21,781,522	\$4,370,763	\$17,410,759

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: <input type="text"/>	b. Program Income to Date: <input type="text"/>
--	---

--