

RECIPIENT NAME:Troy Cablevision, Inc.

AWARD NUMBER: NT10BIX5570128

DATE: 08/05/2011

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) 06-30-2011	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): 08-05-2011	

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 June 30, 2011:

- Team Members are continuously working to monitor progress of the total Project by tracking budget to actual to measure financial milestones.
- Procurement Team Members have continued receiving signed contracts for numerous Requests for Proposals that were awarded during the end of First Quarter and Second Quarter 2011.
- Troy Cablevision, Inc. (Troy Cable) has continued to order and receive materials from the awarded Vendors for Construction and Head end Materials for seven of approximately fifty project segments.
- Engineering Consultants have mapped approximately fifty project segments.
- Construction has begun, with the awarded Contractor for Construction Services, on Phase 1 of the Build Out Plan which encompasses three of five counties: Pike, Dale, and Coffee, as outlined in the Southeast Alabama SmartBand Project Plan.
- Troy Cable has completed 57.32 fiber miles of the total 595 mile Project which represents 9.63% construction completion through Second Quarter 2011.
- Procurement Team Members released numerous Requests for Proposals during April, May and, June for Equipment, including: Telecom Shelters; OTDR and Fusion Splicing Equipment; Cable Modem Termination System (CMTS); Splicing Trailers; RF Passive Combining/Management; Return Path Receiver; Provisioning; Generators and Batteries for DC Power System; Switches and Routers; Tools; GX2 Chassis; EDFA; 1550 Transmitter and WDM Filters; Edge Decoder and Digital Head end Equipment; Fire Suppression Units.
- Procurement Team Members awarded contracts and has begun ordering & receiving Equipment for Cable Modem Termination System (CMTS); Telecom Shelters; Fusion Splicing Equipment; RF Passive Combining/Management; EDFA, 1550 Transmitter and WDM Filters; Return Path Receivers; Provisioning Equipment; Generators and Batteries for DC Power System; Switches and Routers; Tools; and GX2 Chassis.
- Approximately 95% of map field work has been completed and 85% of the AutoCAD (mapping) work has been completed.
- 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 1 of the Build Out Plan.

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	9	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. Overall project was delayed from original Baseline due to Environmental Assessment process delay. Variance from last quarter PPR projection was related to aggressive projection from prior quarter to catch up with Baseline. We have revised this quarter's projection with a more realistic goal.
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.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2c.	Network Design	40	Our Engineering Consultants have completed 100 % of the mapping field work. Troy Cable employees have engineered nine of fifty project segments based on maps received from our Consultants. Troy Cable Employees have engineered and produced nine (9) Bill of Materials for current job segments.
2d.	Rights of Way	40	Troy Cable has continued requesting the necessary permits for Rights of Way for areas included in Phase 1 of the Build Out Plan.
2e.	Construction Permits and Other Approvals	40	Troy Cable has begun requesting the necessary permits and have submitted partial permitting documentation to pole owners on thirty of fifty project segments as of June 30, 2011.
2f.	Site Preparation	0	This section is misleading. Based on discussions with the Project's cash match lender, 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.
2g.	Equipment Procurement	7	The Procurement Team released numerous Requests for Proposals for the purchase of Equipment, including: Telecom Shelters; OTDR and Fusion Splicing Equipment; Cable Modem Termination System (CMTS); Splicing Trailers; RF Passive Combining/Management; Return Path Receiver; Provisioning; Generators and Batteries for DC Power System; Switches and Routers; Tools; GX2 Chassis; EDFA; 1550 Transmitter and WDM Filters; Edge Decoder and Digital Head end Equipment; and Fire Suppression Units.
2h.	Network Build (all components - owned, leased, IRU, etc)	7	Fiber has been constructed but not yet activated.
2i.	Equipment Deployment	4	Fiber has been constructed but not yet activated.
2j.	Network Testing	0	Not yet deployed.
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).

No challenges or issues noted.

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	57	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 5 Aerial Crews and 2 Underground Crews are currently working on the Project to

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
		catch Troy Cable up to the Projections. Contractor is looking at adding an additional Underground crew in August.
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)	57	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 5 Aerial Crews and 2 Underground Crews are currently working on the Project to catch Troy Cable up to the Projections. Contractor is looking at adding an additional Underground crew in August.
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 but none of those sites have been brought on line. 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	0
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	2
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:
In process - Information Transport Solutions, Inc.
Computer Sciences Corporation - 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:

In process - Transport and bandwidth to local schools

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	0	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	0	No Variance
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Due to Environmental Assessment Process delay SmartBand was not able to meet Baseline Projections. As of July 1, 2011 SmartBand connected the first two anchors and is working diligently to catch back up with projections.
	Subscribers receiving new access	0	Due to Environmental Assessment Process delay SmartBand was not able to meet Baseline Projections. As of July 1, 2011 SmartBand connected the first two anchors and is working diligently to catch back up with projections.
	Subscribers receiving improved access	0	Due to Environmental Assessment Process delay SmartBand was not able to meet Baseline Projections. As of July 1, 2011 SmartBand connected the first two anchors and is working diligently to catch back up with projections.
	Please identify the speed tiers that are available and the number or subscribers for each	0	Due to Environmental Assessment Process delay SmartBand was not able to meet Baseline Projections. As of July 1, 2011 SmartBand connected the first two anchors and is working diligently to catch back up with projections.
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
N/A	N/A	N/A	N/A	N/A

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 Third Quarter 2011:

- Troy Cable will launch numerous Requests for Proposals during the Third Quarter 2011 for Equipment and Machinery as it pertains to the SmartBand Project to include the following: DC Power Systems; VOD System; Operations Support System / Business Support Systems (OSS/BSS); Van / Installer Trucks; GPON System; Switches; Routers; and DWDM Network.
- Project Team Members will continue to monitor progress to total Project using % complete construction reports along with budget to actual reports to measure financial milestones.
- Troy Cable has connected one (1) Community Anchor Institution via a Last Mile service provider & connected the school to Alabama Connecting Classrooms, Educators and Students Statewide (ACCESS) which installed equipment in Troy Head end.
- Troy Cable intends to connect five (5) other Community Anchor Institutions during Third Quarter 2011.
- Troy Cable will continue construction with a projection of 152 fiber miles being completed of the total 595 mile Project which represents 25.5% construction completion through Third 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	25	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	60	N/A
2d.	Rights of Way	60	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	60	Troy Cable has hired an additional contractor to assist the mapping department with the initial Project projections contained within the baseline.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2f.	Site Preparation	0	This section is misleading. Based on discussions with the Project's cash match lender, 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 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.
2g.	Equipment Procurement	21	Overall Project was slowed down by the Environmental Assessment process.
2h.	Network Build (all components - owned, leased, IRU, etc.)	25	Overall Project was slowed down by the Environmental Assessment process.
2i.	Equipment Deployment	17	Overall Project was slowed down by the Environmental Assessment process.
2j.	Network Testing	5	Overall Project was slowed down by the Environmental Assessment process.
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. Troy Cable was notified by Vendor that delivery times would be extended from three weeks to six to eight weeks. Troy Cable is making every effort to order materials six weeks before anticipated start date to ensure timely arrival of materials before construction is scheduled to begin. If the Project runs out of fiber Troy Cable will continue to put up strand and install conduit in anticipation of receiving fiber.

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	\$664,715	\$133,384	\$531,331	\$815,700	\$163,681	\$652,019
b. Land, structures, right-of-ways, appraisals, etc.	\$1,394,639	\$279,853	\$1,114,786	\$6,721	\$1,349	\$5,372	\$348,660	\$69,963	\$278,697
c. Relocation expenses and payments	\$21,600	\$4,333	\$17,267	\$0	\$0	\$0	\$5,400	\$1,084	\$4,316
d. Architectural and engineering fees	\$847,460	\$170,055	\$677,405	\$344,523	\$69,133	\$275,390	\$404,523	\$81,173	\$323,350
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	\$0	\$0	\$0	\$7,800	\$1,565	\$6,235
g. Site work	\$10,411,565	\$2,089,224	\$8,322,341	\$741,613	\$148,815	\$592,798	\$2,602,891	\$522,306	\$2,080,585
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	\$1,108,103	\$224,693	\$883,410	\$4,230,979	\$849,004	\$3,381,975
j. Equipment	\$1,137,016	\$228,158	\$908,858	\$84,344	\$16,925	\$67,419	\$284,254	\$57,040	\$227,214
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	\$2,950,019	\$594,299	\$2,355,720	\$8,700,207	\$1,745,816	\$6,954,391
m. Contingencies									
n. TOTALS (sum of l and m)	\$32,612,412	\$6,544,128	\$26,068,284	\$2,950,019	\$594,299	\$2,355,720	\$8,700,207	\$1,745,816	\$6,954,391

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0	b. Program Income to Date: \$0
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