

RECIPIENT NAME: Maine Fiber Company, Inc.

AWARD NUMBER: NT10BIX5570139

DATE: 05/10/2012

OMB CONTROL NUMBER: 0660-0037  
EXPIRATION DATE: 12/31/2013

### QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

#### General Information

<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>  NT10BIX5570139	<b>3. DUNS Number</b>  833111102
<b>4. Recipient Organization</b>  Maine Fiber Company, Inc. 245 Commercial St, Suite 203, Portland, ME 04101-4606		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  03-31-2012	<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>  Dwight L. Allison  Vice President, Maine Fiber Comapny, Inc.	<b>7c. Telephone (area code, number and extension)</b>  6038600605	
	<b>7d. Email Address</b>  dallison@mainefiberco.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  05-10-2012	

**Project Indicators (This Quarter)**

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

- This quarter 95% of make-ready was completed. This continues our trending of faster than anticipated make-ready completion and is accelerating construction completion.
- We constructed over 650 miles to date. This mileage exceeds our targeted projection for this quarter by 400 miles. We anticipate continuing at this accelerated pace next quarter.
- We are in the process of crossing another three bridges and will complete these crossings next quarter.
- We successfully obtained equipment for the University of Maine to use on the network.
- We have connected 32 CAI's to the network to date.

**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	64	Better than anticipated make-ready survey completion generated more make-ready costs for the project to pay the pole owners accelerating make-ready completion.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	75	No variance
2e.	Construction Permits and Other Approvals	95	Better than anticipated make-ready completion.
2f.	Site Preparation	91	Better than anticipated make-ready completion generated better than expected pole licenses.
2g.	Equipment Procurement	0	The RFP award winner has shipped 90% of the equipment. We anticipate them shipping the remaining items early next quarter. The supplier will invoice only after full shipment. We will be ahead of our baseline schedule at that time as all the equipment was ordered at one time.
2h.	Network Build (all components - owned, leased, IRU, etc)	56	Better than anticipated make-ready completion generated better than anticipated construction completion.
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	50	Better than anticipated make-ready completion allowed for better than anticipated construction completion and subsequent testing.
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).**

- Third-party make-ready communication remains challenging, particularly in two segments. However, daily communication and coordination is moving this make-ready forward and isn't impacting our baseline projections.
- The project management team remains in close communication with its fiber vendor to ensure timely delivery. This collaboration ensures that the rationing imposed on the project has limited impact to the project schedule.
- The winter weather in the northernmost part of the state did slow down productivity rates, but has not impacted the overall construction schedule.

**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)

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	653	Better than anticipated make-ready completion and better than anticipated construction completion allowed the project to pull ahead of its baseline projections by 403 miles.
New network miles leased	0	No variance; no leases planned - dark fiber.
Existing network miles upgraded	0	No variance; none planned.
Existing network miles leased	0	No variance; none planned.
Number of miles of new fiber (aerial or underground)	653	Completed construction on 403 miles over the baseline to date.
Number of new wireless links	0	None planned.
Number of new towers	0	None planned.
Number of new and/or upgraded interconnection points	72	Better than anticipated customer interest in connecting to the network.

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	9
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	9
Average term of signed agreements (in quarters)	80

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: - GWI, Axiom Technologies, Pioneer Broadband, University of Maine System, Cornerstone, Town of Scarborough, OTT, Oxford and Mid-Coast

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:

- Dark fiber; prices are listed on the MFC website at www.mainefiberco.com.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this third party operates (600 words or less).

- N/A; this is a dark fiber 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	9	Better than expected service provider take-rate; results of earlier efforts of carrier outreach resulted in faster than expected sign-ups.
	Providers with signed agreements receiving improved access	0	N/A; the baseline showed target numbers for agreements with improved access, but current NTIA guidelines indicate that our agreements reflect new access and are being tracked as such.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving access to dark fiber	9	Better than expected service provider take-rate; results of earlier efforts of carrier outreach resulted in faster than expected sign-ups.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Dark fiber only; speed will vary depending on last mile provider equipment.
Community Anchor Institutions (including Government institutions)	Total subscribers served	32	The baseline projects that 40 CAI's will be connected by the end of this quarter. We have constructed 43 CAI's to date, but have only connected 32 CAI's to the network by quarter end. The variance is due to coordination requirements with the CAI's that take additional time to schedule. The remaining CAI's will be connected to the network early next quarter. Note that last quarter's PPR total CAI number included non-publicly funded CAI's connected to the network. This quarter's total CAI count includes only grant-funded CAI's.
	Subscribers receiving new access	32	The baseline lists 0 CAI's with new access this quarter, but we connected a cumulative total of 32 CAI's with new access.
	Subscribers receiving improved access	0	All of the CAI's connected have received new access.
	Please identify the speed tiers that are available and the number of subscribers for each	0	Dark fiber only; speed will vary depending on last mile provider equipment.
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	MFC is not collecting this data.
	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	Dark fiber only; speed will vary depending on last mile provider equipment.

**7. Please describe any special offerings you may provide (600 words or less).**

- Dark fiber network.

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

**8b. If so, please describe the changes (300 words or less).**

- No variance.

**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
WHCA	Milbridge	Municipal	No	Dark fiber provider only.
UMS Torrey Hall	Machias	Education	No	Dark fiber provider only.
DECH	Machias	Health Care	No	Dark fiber provider only.
UMS WCCC	Calais	Education	No	Dark fiber provider only.
UMS Houlton Higher Ed	Houlton	Education	No	Dark fiber provider only.
KVHC	Houlton	Health Care	No	Dark fiber provider only.
KVHC	Patten	Health Care	No	Dark fiber provider only.
UMS Katahdin Higher Ed	East Millinocket	Education	No	Dark fiber provider only.
Dover-Foxcroft Town Hall	Dover-Foxcroft	Municipal	No	Dark fiber provider only.
Community Dental	Biddeford	Health Care	No	Dark fiber provider only.
Center Theatre	Dover-Foxcroft	Municipal	No	Dark fiber provider only.
UMS Nokomis	Newport	Education	No	Dark fiber provider only.
SeDoMoCha	Dover-Foxcroft	Education	No	Dark fiber provider only.
Piscataquis County Courthouse	Dover-Foxcroft	Municipal	No	Dark fiber provider only.
Piscataquis County Commissioner	Dover-Foxcroft	Municipal	No	Dark fiber provider only.
Charleston Town Hall	Charleston	Municipal	No	Dark fiber provider only.
Faith School	Charleston	Education	No	Dark fiber provider only.
WHCA	Ellsworth	Municipal	No	Dark fiber provider only.
WHCA	Machias	Municipal	No	Dark fiber provider only.
Piscataquis County DA	Dover-Foxcroft	Municipal	No	Dark fiber provider only.
Piscataquis County Jail	Dover-Foxcroft	Municipal	No	Dark fiber provider only.

**Project Indicators (Next Quarter)**

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

- We anticipate continued successful completion with third-party pole owners to maintain the fast pace of make-ready completion and receiving additional attachment licenses.
- We anticipate completing construction of the remaining miles of the 1,100 mile backbone which is 750 miles ahead of our baseline projections.
- We anticipate completing construction on the three remaining bridges.

**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	76	Better than anticipated make-ready completion will allow for faster than anticipated construction.
2b.	Environmental Assessment	100	No variance.
2c.	Network Design	100	No variance.
2d.	Rights of Way	90	Better than anticipated make-ready completion will allow for faster than anticipated complete rights of way.
2e.	Construction Permits and Other Approvals	97	Better than anticipated make-ready completion; the site preparation tracks closely with the construction permits and other approvals.
2f.	Site Preparation	92	Better than anticipated make-ready completion; the site preparation tracks closely with the construction permits and other approvals.
2g.	Equipment Procurement	100	The final materials have shipped and the vendor shall invoice for the equipment; payment will be made in accordance with the contract terms and should complete in the upcoming quarter.
2h.	Network Build (all components - owned, leased, IRU, etc.)	70	Better than anticipated make-ready completion will allow for faster than anticipated construction.
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	65	Better than anticipated make-ready completion will allow for faster than anticipated network testing.
2k.	Other (please specify):	0	N/A

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

- The remaining make-ready is quite complicated in some areas and we need to maintain the same level of communication and coordination to assist the pole owners to complete this work.
- We are working very closely with our contractor to continue this assertive push toward construction completion including working multiple segments at one time.
- The project's fiber vendor needs to continue making timely fiber deliveries to make the current schedule. We anticipate the fiber vendor making these deliveries through this upcoming quarter.
- We anticipate connecting an additional 16 CAI's by the end of next quarter.
- We are negotiating an additional 9 leases for broadband wholesale. We anticipate that 2 leases will sign by June 30, 2012.

**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	\$1,923,334	\$384,667	\$1,538,667	\$1,102,181	\$220,436	\$881,745	\$1,352,181	\$270,436	\$1,081,745
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$8,673,583	\$1,734,717	\$6,938,866	\$7,802,210	\$1,560,442	\$6,241,768	\$8,302,210	\$1,660,442	\$6,641,768
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$19,341,835	\$3,868,367	\$15,473,468	\$10,811,734	\$2,162,347	\$8,649,387	\$13,011,734	\$2,602,347	\$10,409,387
j. Equipment	\$799,970	\$159,994	\$639,976	\$0	\$0	\$0	\$799,970	\$159,994	\$639,976
k. Miscellaneous	\$20,000	\$4,000	\$16,000	\$8,800	\$1,760	\$7,040	\$8,800	\$1,760	\$7,040
<b>l. SUBTOTAL (add a through k)</b>	\$30,758,722	\$6,151,745	\$24,606,977	\$19,724,925	\$3,944,985	\$15,779,940	\$23,474,895	\$4,694,979	\$18,779,916
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$30,758,722	\$6,151,745	\$24,606,977	\$19,724,925	\$3,944,985	\$15,779,940	\$23,474,895	\$4,694,979	\$18,779,916

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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