## QUARTERLY PERFORMANCE  PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

**General Information**

| 1.  Federal Agency and Organizational Element to Which Report is Submitted | 2.  Award Identification Number | 3.  DUNS Number |
|---|---|---|
| Department of Commerce, National Telecommunications and Information Administration | NT10BIX5570139 | 833111102 |

**4.  Recipient Organization**

Maine Fiber Company, Inc.  245 Commercial St, Suite 203, Portland, ME 04101-4606

| 5.  Current Reporting Period End Date (MM/DD/YYYY) | 6.  Is this the last Report of the Award Period? |
|---|---|
| 09-30-2012 | ◯ Yes  ◉ No |

**7. Certification:  I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.**

| 7a.  Typed or Printed Name and Title of Certifying Official | 7c.  Telephone (area code, number and extension) |
|---|---|
| Dwight L. Allison | 6038600605 |
| Vice President, Maine Fiber Comapny, Inc. | **7d.  Email Address**<br>dallison@mainefiberco.com |

| 7b.  Signature of Certifying Official | 7e.  Date Report Submitted (MM/DD/YYYY): |
|---|---|
| Submitted Electronically | 11-21-2012 |

## Project Indicators  (This Quarter)

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

Past progress and achievements to get us ahead of schedule and Baseline projections continue to allow for favorable reporting. Steady progress continued this quarter.

-All testing of the 1,056 mile backbone was completed, as were all necessary correctives.
-Construction on the approved route extension (Biddeford to Dover) was completed, and only testing remains.
-An additional 39 CAI's were connected, for a total of 88 out of 100 approved CAIs now complete.
-Increased focus on regeneration shelters including placement and leasing of first shelter in Sherman, ME complete.

**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 | 83 | We are ahead of budget because we achieved a better than anticipated rate of construction completion. |
| 2b. | Environmental Assessment | 100 | No variance |
| 2c. | Network Design | 100 | No variance |
| 2d. | Rights of Way | 98 | Better than anticipated make-ready completion will allow for faster than anticipated complete rights of way. |
| 2e. | Construction Permits and Other Approvals | 99 | Better than anticipated make-ready completion. |
| 2f. | Site Preparation | 98 | Continued ahead of schedule progress; the site preparation tracks closely with the construction permits and other approvals. |
| 2g. | Equipment Procurement | 100 | All DWDM gear has been received |
| 2h. | Network Build (all components - owned, leased, IRU, etc) | 96 | While the backbone is complete, we are working on finishing up the approved route extension remaining CAI's and regeneration shelters. |
| 2i. | Equipment Deployment | 0 | N/A |
| 2j. | Network Testing | 98 | Testing only remains on the approved route extension and the remaining CAI's; testing follows construction completion. |
| 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 issues or challenges to report.

**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 | 1,143 | Progress on CAIs and the approved extension resulted in additional mileage above the 1,100 mile baseline projection for the project. |
| New network miles leased | 0 | No variance; no leases planned - dark fiber. |
| Existing network miles upgraded | 0 | No variance; none planned. |

| Indicator | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|---|---|---|
| Existing network miles leased | 0 | No variance; none planned. |
| Number of miles of new fiber (aerial or underground) | 1,143 | Completed 643 miles over the baseline projection for Q3 2012. |
| Number of new wireless links | 0 | No variance; none planned. |
| Number of new towers | 0 | No variance; none planned. |
| Number of new and/or upgraded interconnection points | 144 | Continued Success with Customer Sign-ups and Connections |

**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 | 14 |
| Number of agreements currently being negotiated with broadband wholesalers or last mile providers | 6 |
| 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, segTEL, Southern Maine Community College, Town of Greenwood, BayRing, unnamed party (under NDA) and TDS Telecom.

Mid-Coast, a CLEC previously reported as a signed agreement has merged with another client.  As the Agreement has been assigned, we are counting the 2 previous agreements as 1 moving forward.

**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 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 | 14 | Success from focused leasing/sales efforts allows us to continue to outperform Baseline projections. |
| | 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. |
| | Providers with signed agreements receiving access to dark fiber | 14 | All access is dark fiber. |
| | 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. |

| Subscriber Type | Access Type | Total | Narrative (describe your reasons for any variance from the baseline plan or any other relevant information) |
|---|---|---|---|
| Community Anchor Institutions (including Government institutions) | Total subscribers served | 88 | Previous construction progress ahead of schedule allowed for focus on CAI construction this quarter. We are now ahead of Baseline projections. |
| | Subscribers receiving new access | 88 | The baseline lists 0 CAI's with new access this quarter, but we connected a cumulative total of 88 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 or subscribers for each | 0 | Dark fiber only; speed will vary depending on last mile provider equipment. |
| Residential / Households | 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. |
| 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).**

**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 |
|---|---|---|---|---|
| UMS Lincoln Academy | Newcastle | Education | No | Dark fiber provider only. |

| 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 |
|---|---|---|---|---|
| UMS Stevens Brook | Bridgton | Education | No | Dark fiber provider only. |
| UMS Region 9 Tech Center | Mexico | Education | No | Dark fiber provider only. |
| Greenwood Public Works Dept. | Greenwood | Municipal | No | Dark fiber provider only. |
| Greenwood Fire Safety | Greenwood | Municipal | No | Dark fiber provider only. |
| UMS Farmington Computer Center | Farmington | Education | No | Dark fiber provider only. |
| Madison Area HS | Madison | Education | No | Dark fiber provider only. |
| Northport Town Hall | Northport | Municipal | No | Dark fiber provider only. |
| Viola Rand School | Bradley | Education | No | Dark fiber provider only. |
| 678 Riverside Dr. | Eddington | Education | No | Dark fiber provider only. |
| Penobscot Nation School | Indian Res. | Education | No | Dark fiber provider only. |
| Old Town City Hall | Old Town | Municipal | No | Dark fiber provider only. |
| Old Town Airport | Old Town | Municipal | No | Dark fiber provider only. |
| Old Town Public Works | Old Town | Municipal | No | Dark fiber provider only. |
| 33 Jefferson St. | Old Town | Education | No | Dark fiber provider only. |
| Old Town Public Safety | Old Town | Municipal | No | Dark fiber provider only. |
| Old Town Rec. Center | Old Town | Municipal | No | Dark fiber provider only. |
| Old Town Public Library | Old Town | Municipal | No | Dark fiber provider only. |
| RSU 34 Elementary School | Old Town | Education | No | Dark fiber provider only. |
| RSU 34 Middle School (J.A. Leonard) | Old Town | Education | No | Dark fiber provider only. |
| RSU 34 High School | Old Town | Education | No | Dark fiber provider only. |
| Stillwater Montessori School | Old Town | Education | No | Dark fiber provider only. |
| RSU 34 Regional School | Old Town | Education | No | Dark fiber provider only. |
| 664 College Ave | Orono | Education | No | Dark fiber provider only. |
| UMS Neville Hall | Orono | Education | No | Dark fiber provider only. |
| Bath Middle School | Bath | Education | No | Dark fiber provider only. |

| | | | | |
|---|---|---|---|---|
| Dike Newell Elementary School | Bath | Education | No | Dark fiber provider only. |
| Patten Free Library | Bath | Municipal | No | Dark fiber provider only. |
| Morse High School | Bath | Education | No | Dark fiber provider only. |
| Hyde School | Bath | Education | No | Dark fiber provider only. |
| Fisher-Mitchell Elementary School | Bath | Education | No | Dark fiber provider only. |
| West Bath Elementary School | West Bath | Education | No | Dark fiber provider only. |
| Woolwich Central Elementary School | Woolwich | Education | No | Dark fiber provider only. |
| Stockton Springs Community Library | Stockton Springs | Municipal | No | Dark fiber provider only. |
| Searsport District High School | Searsport | Education | No | Dark fiber provider only. |
| Carver Library | Searsport | Municipal | No | Dark fiber provider only. |
| East Belfast Elementary School | Belfast | Education | No | Dark fiber provider only. |
| Belfast Free Library | Belfast | Municipal | No | Dark fiber provider only. |
| Edna Drinkwater Elementary School | Northport | Education | 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).**

The focus of the efforts will be on completing the remaining CAIs to get us to 100 complete by the end of Q4 2012, as well as finishing any testing that remains outstanding, such as the Extension route. In addition, an increase in efforts on the regeneration shelters will occur this quarter with a focus on procurement activities including various RFPs. There is also be a continued efforts on leasing/sales and customer interconnection.

Other key metrics include:
-Deployment of 7 additional miles bringing to total deployed to 1,150 (which is also the total for the project inclusive of the backbone, the Biddeford extension, and the CAIs).
-An additional 12 CAI's connected, for a total of 100 out of 100 approved CAIs completed.
-2 additional broadband wholesaler/last mile provider agreements being executed bringing the total to 16.

**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 | 86 | We will remain ahead of baseline due to backbone construction completing ahead of schedule. |
| 2b. | Environmental Assessment | 100 | No variance. |
| 2c. | Network Design | 100 | No variance. |
| 2d. | Rights of Way | 100 | All Rights-of-Ways should be complete |
| 2e. | Construction Permits and Other Approvals | 99 | Better than anticipated make-ready completion. |
| 2f. | Site Preparation | 99 | Continues ahead of schedule progress; the site preparation tracks closely with the construction permits and other approvals. |
| 2g. | Equipment Procurement | 100 | All DWDM gear has been received. |

|  |  | Planned Percent Complete | Narrative (describe reasons for any variance from baseline plan or any other relevant information) |
|---|---|---|---|
| 2h. | **Network Build (all components - owned, leased, IRU, etc.)** | 97 | All construction on remaining CAIs and route extensions is expected to be complete, with Regeneration Shelter work to continue into 2013 |
| 2i. | **Equipment Deployment** | 0 | N/A |
| 2j. | **Network Testing** | 100 | All testing on remaining CAIs and route extensions is expected to be complete |
| 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 are no issues or challenges that should impact testing and CAI completion over the course of the quarter. With regards to the increased focus on regeneration shelter construction, winter weather could begin to be a factor.

RECIPIENT NAME:Maine Fiber Company, Inc.

AWARD NUMBER: NT10BIX5570139
DATE: 11/21/2012

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

## Infrastructure Budget Execution Details

### Activity Based Expenditures (Infrastructure)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

| Cost Classification | Budget for Entire Project | | | Actuals from Project Inception through End of Current Reporting Period | | | Anticipated Actuals from Project Inception through End of Next Reporting Period | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total Cost (plan) | Matching Funds (plan) | Federal Funds (plan) | Total Cost | Matching Funds | Federal Funds | Total Costs | Matching Funds | Federal Funds |
| a. Administrative and legal expenses | $1,923,334 | $384,667 | $1,538,667 | $1,526,409 | $305,282 | $1,221,127 | $1,676,409 | $335,282 | $1,341,127 |
| 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 | $8,334,310 | $1,666,862 | $6,667,448 | $8,409,310 | $1,681,862 | $6,727,448 |
| h. Demolition and removal | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| i. Construction | $19,341,835 | $3,868,367 | $15,473,468 | $15,073,977 | $3,014,795 | $12,059,181 | $15,573,638 | $3,114,728 | $12,458,910 |
| j. Equipment | $799,970 | $159,994 | $639,976 | $799,770 | $159,954 | $639,816 | $799,770 | $159,954 | $639,816 |
| k. Miscellaneous | $20,000 | $4,000 | $16,000 | $9,000 | $1,800 | $7,200 | $10,000 | $2,000 | $8,000 |
| l. SUBTOTAL (add a through k) | $30,758,722 | $6,151,745 | $24,606,977 | $25,743,466 | $5,148,693 | $20,594,772 | $26,469,127 | $5,293,826 | $21,175,301 |
| m. Contingencies | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| n. TOTALS (sum of l and m) | $30,758,722 | $6,151,745 | $24,606,977 | $25,743,466 | $5,148,693 | $20,594,772 | $26,469,127 | $5,293,826 | $21,175,301 |

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: $240,000 | b. Program Income to Date: $303,384 |
|---|---|