

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 NT10BIX5570139	3. DUNS Number 833111102
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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) 12-31-2011	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Dwight L Allison President, Maine Fiber Company (MFC)	7c. Telephone (area code, number and extension) 6039644767
	7d. Email Address dwight.allison@comcast.net

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-16-2012
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Project Indicators (This Quarter)

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

- This quarter 82% of make-ready completion was accomplished. This faster than anticipated pace of make-ready continued to generate accelerated construction completion.
- We constructed and tested over 500 miles of fiber optics on the network. This mileage exceeded our baseline projections by 250 miles. We anticipate gaining additional mileage during the next quarter as long as make-ready completion continues at its current pace.
- The new pole vendor completed installation of the new poles this quarter.
- We successfully crossed three bridges during this quarter. We are in preparation to cross another three bridges possibly as early as next quarter.
- We released an RFP for an equipment procurement for the University of Maine system to use on the network.

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	56	Better than anticipated make-ready survey completion generated more make-ready costs for the project to pay to the pole owners pushing make-ready completion along at a faster pace.
2b.	Environmental Assessment	100	No variance
2c.	Network Design	100	No variance
2d.	Rights of Way	65	No variance
2e.	Construction Permits and Other Approvals	82	Better than anticipated make-ready completion generated better than expected pole licenses.
2f.	Site Preparation	78	Better than anticipated make-ready completion.
2g.	Equipment Procurement	0	The RFP for this equipment was awarded in this quarter. The contract negotiations have started with the award winner.
2h.	Network Build (all components - owned, leased, IRU, etc)	48	Better than anticipated make-ready completion allowed for better than anticipated construction completion.
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	48	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 continues successfully among the project's team and the pole owners. Third-party make-ready remains in advance of baseline milestones.
- The project management team continues to work closely with its fiber vendor to ensure that the fiber production rationing imposed suddenly on the project earlier in the year did not have a negative affect to the project's schedule. This collaboration ensures that fiber is delivered to the project in a timely manner and in conjunction with the anticipated construction schedule. The construction schedule pulled in advance of baseline milestones. The BTOP program's drop-in calls focusing on the shortage of fiber in the global market and its subsequent consequences across the BTOP programs was very helpful in understanding the nature of the fiber shortage; its large-scale impact; and various ideas for achieving success within this challenge.
- Shorter days due to the northern, winter months did impact construction production rates, but the contractor successfully completed 500 miles of constructed and tested fiber even with the shorter days.
- The hurricane in the fall did reduce availability of make-ready crews as many pole owners sent crews out of state to assist with recovery. However, the impact to the project was limited to certain pole owners and make-ready completion continued to increase.

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	530	Better than anticipated make-ready completion and better than anticipated construction completion allowed the project to pull ahead of its baseline by 250 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)	530	Completed construction on 250 miles over the baseline.
Number of new wireless links	0	None planned.
Number of new towers	0	None planned.
Number of new and/or upgraded interconnection points	31	Better than expected service provider take-rate/private investment. The positive rate of make-ready completion continues to demonstrate project success to the community and the project is tracking ahead of the baseline.

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	6
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:
- Not applicable this quarter.

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.maineiberco.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	6	Better than expected service provider take-rate; results of earlier efforts of carrier outreach resulted in faster than expected sign-ups.

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 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	6	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	25	The baseline projects that 30 CAI's will be connected by the end of this quarter. We were able to construct the fiber for 30 CAI's, but we're only able to physically connect 25 to the network by the end of the quarter as the contractors focused on building the required portion of the network backbone first. In addition, make-ready completion for some of these CAI's took longer than anticipated. We anticipate connecting the remaining 6 CAI's to the network early next quarter as well as making our baseline projections for the next quarter.
	Subscribers receiving new access	25	The baseline lists 0 CAI's with new access this quarter, but we connected a cumulative total of 25 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	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
Ellsworth City Hall	Hancock County	Municipal	No	Dark fiber provided only.
Hutchinson Center	Waldo County	Education	No	Dark fiber provided only.
BMS Medical	Cumberland County	Medical	No	Dark fiber provided 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 coordination with third-party pole owners to maintain the fast pace of make-ready completion and receiving additional attachment licenses.
- If the fast-pace of make-ready completion continues, we anticipate completing an additional 150 miles of fiber deployment keeping the project in advance of its baseline estimates.
- We anticipate awarding directional boring and conduit installation on one of the project's bridges and beginning construction on this scope of work. We anticipate installing fiber within leased conduit on one additional bridge.
- We will continue to engineer service provider use of the network and to negotiate agreements.
- We anticipate awarding an equipment procurement for optical equipment to the University of Maine system to use on the network.
- We anticipate continued CAI make-ready and construction completion.
- Projected Key Indicators:
 - * New network miles deployed: We anticipate completing an additional 150 miles of fiber deployment by the end of the next quarter.
 - * New network miles leased: We anticipate leasing a total of 100 miles by the end of next quarter.
 - * Total CAI's connected: We anticipate having a cumulative total of 44 CAI's connected to the network by the end of next quarter.
 - * Number of signed agreements with ISP's: We anticipate having a total of seven agreements with ISP's by the end of next quarter.

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	70	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	75	No variance.
2e.	Construction Permits and Other Approvals	85	Better than anticipated make-ready completion; the site preparation tracks closely with the construction permits and other approvals.
2f.	Site Preparation	82	Better than anticipated make-ready completion; the site preparation tracks closely with the construction permits and other approvals.
2g.	Equipment Procurement	100	In the next quarter, we anticipate executing the contract, ordering the equipment, receiving the equipment and paying for the equipment. This will complete this section.
2h.	Network Build (all components - owned, leased, IRU, etc.)	55	Better than anticipated make-ready completion continues to allow for faster than anticipated construction.
2i.	Equipment Deployment	30	No variance.
2j.	Network Testing	55	Better than anticipated make-ready and construction completion continues to allow for faster than anticipated network testing.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
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 current pace of make-ready completion by the third-party pole owners needs to continue to achieve the projected construction completion mileages. The possibility of heavy snow may slow productivity, but we don't anticipate any significant impact to the anticipated construction completion mileage.
- 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 in 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	\$640,161	\$128,032	\$512,129	\$893,245	\$178,649	\$714,596	\$1,168,245	\$233,649	\$934,596
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	\$8,821,039	\$1,764,208	\$7,056,831	\$6,972,344	\$1,394,469	\$5,577,875	\$7,472,344	\$1,494,469	\$5,977,875
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$20,427,522	\$4,085,504	\$16,342,018	\$9,222,293	\$1,844,459	\$7,377,834	\$12,222,293	\$2,444,459	\$9,777,834
j. Equipment	\$800,000	\$160,000	\$640,000	\$0	\$0	\$0	\$800,000	\$160,000	\$640,000
k. Miscellaneous	\$70,000	\$14,000	\$56,000	\$8,800	\$1,760	\$7,040	\$9,800	\$1,960	\$7,840
l. SUBTOTAL (add a through k)	\$30,758,722	\$6,151,744	\$24,606,978	\$17,096,682	\$3,419,337	\$13,677,345	\$21,672,682	\$4,334,537	\$17,338,145
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$30,758,722	\$6,151,744	\$24,606,978	\$17,096,682	\$3,419,337	\$13,677,345	\$21,672,682	\$4,334,537	\$17,338,145

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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