

RECIPIENT NAME: Ronan Telephone Co.

AWARD NUMBER: NT10BIX5570148

DATE: 11/20/2013

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 6/30/2015

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 NT10BIX5570148	3. DUNS Number 006827927
4. Recipient Organization Ronan Telephone Co. 312 SW Main St., Ronan, MT 59864-2707		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2013	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 Gerald Beeks	7c. Telephone (area code, number and extension) 4066769215	
	7d. Email Address beeks@ronan.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-20-2013	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 July August September---Montana West was granted a one-year extension until August 31, 2014. This was necessary due to delays to the schedule brought about by difficulties in obtaining rights of way. 54 new miles of fiber were deployed, mostly by blowing in fiber to conduit that was placed last quarter. Progress has also been made during this quarter in obtaining rights of way for access to and location of a microwave site on Horn Ridge, which will be used to provide high speed Internet to the community of Heart Butte on the Blackfeet Reservation. Wireless Internet has been provided to Elmo/Big Arm.

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	91	Projected 100%. (Based on the pre-extension schedule) Difficulties in obtaining rights of way has impacted the project schedule.
2b.	Environmental Assessment	100	Projected 100%.
2c.	Network Design	100	Projected 100%.
2d.	Rights of Way	96	Projected 100%. (Based on the pre-extension schedule) Difficulties in obtaining rights of way has impacted the project schedule.
2e.	Construction Permits and Other Approvals	100	Projected 100%
2f.	Site Preparation	34	Projected 100%. (Based on the pre-extension schedule) Site prep is still required for the final wireless sites and the microwave sites above Heart Butte and in East Glacier on the Blackfeet Reservation.
2g.	Equipment Procurement	100	Projected 100%
2h.	Network Build (all components - owned, leased, IRU, etc)	63	Projected 100%. (Based on the pre-extension schedule) Difficulties in obtaining rights of way has impacted the project schedule.
2i.	Equipment Deployment	96	Projected 100%. (Based on the pre-extension schedule) Difficulties in obtaining rights of way has impacted final equipment deployment.
2j.	Network Testing	100	Projected 100%
2k.	Other (please specify): Admin & Legal	80	Projected 100%. Holding in Kind Labor Match to Fund with Program Income Match.

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).

g. Site Work on "The Infrastructure Budget Execution Details" went down due to a refund from Mission Valley Power on the electrical requirements for the Big Arm site.
 We experienced some delays waiting for response from Native American Tribes regarding Cultural concerns on the Blackfeet Reservation. The contractor building the fiber route on the east shore of Flathead Lake delayed their progress for a variety of reasons, which impacted our 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)
New network miles deployed	197	Projected 295. 54 new miles were deployed this quarter. We were working on getting easements on the Blackfeet reservation and the contractor building fiber between Kalispell and Pablo had delays in their schedule.
New network miles leased	797	Projected 321

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Existing network miles upgraded	106	Projected 106, no variance
Existing network miles leased	0	Projected 0
Number of miles of new fiber (aerial or underground)	197	Projected 295. 54 new miles were deployed this quarter. We were working on getting easements on the Blackfeet reservation and the contractor building fiber between Kalispell and Pablo had delays in their schedule.
Number of new wireless links	2	Projected 4, added Elmo/Big Arm wireless this quarter. Remaining wireless is scheduled for the end of the middle mile build, so overall project slippage has impacted this schedule.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	17	Projected 18. Overall project slippage has impacted the number of connection points.

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	3
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
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:

Bresnan
Cutthroat Communications
Montana Skynet

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:

Bresnan: 20 Year prepaid IRU for 2 dark fibers
Cutthroat Communications: 2Gb ethernet Missoula to Seattle, \$5600 per month.
Montana Skynet: 200Mb Internet, \$18/Mb/Mo., @1400/Mo/Port

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).

Montana West operates its own network with a network operations center.

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	Projected 0
	Providers with signed agreements receiving improved access	2	Projected 4, Project delays have impacted this projection.

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	1	Projected 1, prepaid IRU with Bresnan for dark fiber
	Please identify the speed tiers that are available and the number of subscribers for each	4	100Mb (1), 1Gb , 2Gb (1), dark fiber (1)
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	Projected 33, Difficulties in obtaining rights of way has impacted the project schedule, and EA review have slipped this planned service provision.
	Subscribers receiving new access	0	Projected 0
	Subscribers receiving improved access	0	Projected 33, Difficulties in obtaining rights of way has impacted the project schedule, and EA review have slipped this planned service provision.
	Please identify the speed tiers that are available and the number or subscribers for each	2	100Mb and 1Gb
Residential / Households	Entities passed	190	Projected 1810. Overall project slippage has impacted the planned provision of services.
	Total subscribers served	96	Projected 468. Overall project slippage has impacted the planned provision of services. 96 wireless customers in Arlee, 60 upgraded and 36 new customers.
	Subscribers receiving new access	36	Projected 51. Overall project slippage has impacted the planned provision of services.
	Subscribers receiving improved access	60	Projected 417. Overall project slippage has impacted the planned provision of services.
	Please identify the speed tiers that are available and the number of subscribers for each	3	1.5Mb (66), 2.5Mb, 4Mb (30)
Businesses	Entities passed	12	Projected 186. Overall project slippage has impacted the planned provision of services.
	Total subscribers served	0	Projected 67. Overall project slippage has impacted the planned provision of services.
	Subscribers receiving new access	0	Projected 22. Overall project slippage has impacted the planned provision of services.
	Subscribers receiving improved access	0	Projected 45. Overall project slippage has impacted the planned provision of services.
	Please identify the speed tiers that are available and the number of subscribers for each	4	10Mb, 20Mb, 50Mb, 100Mb

7. Please describe any special offerings you may provide (600 words or less).
 We do not anticipate any special offerings other than wholesale bandwidth and Internet connectivity to other providers and to businesses and anchor institutions.

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

8b. If so, please describe the changes (300 words or less).
 Our network management practices have not changed.

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	Are you also the broadband service provider	Narrative description of how anchor institutions are using BTOP-funded infrastructure
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		baseline)	for this institution? (Yes / No)	
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).
 Once the northern route to Kalispell is delivered by the contractor, and we receive our route change approval, we expect to be able to offer service from Missoula all the way through both the Mission and Flathead valleys to Kalispell.
 We expect to complete the requirements necessary to obtain EA approval of our CAI builds and will aggressively pursue these builds. We will have completed builds to 6 CAI's by the end of this quarter. We do not have any planned sales to additional broadband/wholesaler/last mile providers for this quarter.
 We plan on completing the microwave build to Heart Butte, and will start delivering wireless broadband to that community on the Blackfeet Reservation.
 Total cumulative miles deployed will be 197 + 42 (Kalispell to Pablo) + 31 (Microwave to Heart Butte) or 270 network miles.

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	92	Projected 100%. Our project slipped due to contractor delays, and Difficulties in obtaining rights of way has impacted the project schedule.. We have been granted another year to finish. After completion of construction on the West side, and microwave to Heart Butte, what will remain is the fiber build to St. Mary/Babb on the Blackfeet Reservation, or the remaining 42 miles.
2b.	Environmental Assessment	100	Projected 100%. Our project slipped due to contractor delays, and Difficulties in obtaining rights of way has impacted the project schedule.. We have been granted another year to finish. We are waiting on EA approval on our CAI builds and project modification regarding route changes.
2c.	Network Design	100	Projected 100%
2d.	Rights of Way	100	Projected 100%. Our project slipped due to contractor delays, and Difficulties in obtaining rights of way has impacted the project schedule.. We have been granted another year to finish. After completion of construction on the West side, and microwave to Heart Butte, what will remain is the fiber build to St. Mary/Babb on the Blackfeet Reservation, or the remaining 42 miles, for which we will need to obtain rights of way. (14% of the miles of the project)
2e.	Construction Permits and Other Approvals	100	Projected 100%
2f.	Site Preparation	100	Projected 100%. Our project slipped due to contractor delays, and Difficulties in obtaining rights of way has impacted the project schedule.. We have been granted another year to finish. The only site prep left is the wireless sites. We have installed two (Arlee and Elmo/Big Arm) of the five wireless sites with three left. (Evaro, Heart Butte and St. Mary)
2g.	Equipment Procurement	100	Projected 100%
2h.	Network Build (all components - owned, leased, IRU, etc.)	63	Projected 100%. Our project slipped due to contractor delays, and Difficulties in obtaining rights of way has impacted the project schedule.. We have been granted another year to finish. After completion of construction on the West side, and microwave to Heart Butte, what will remain is the fiber build to St. Mary/Babb on the Blackfeet Reservation, or the remaining 42 miles.
2i.	Equipment Deployment	97	Projected 100%
2j.	Network Testing	100	Projected 100%. Our project slipped due to contractor delays, and Difficulties in obtaining rights of way has impacted the project schedule.. We have been granted another year to finish. After completion of construction on the West side, and microwave to Heart Butte, what will remain is the fiber build to St. Mary/Babb on the Blackfeet Reservation, or the remaining 42 miles, which when done, will need network testing. (14% of the miles of the network)
2k.	Other (please specify): Admin & Legal	88	Projected 100%

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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).

EA approval of our project modifications regarding route changes, and the CAI builds are the only issues that could potentially impact our schedule. Weather is always a factor in our area, however we expect to finish both the western side of the network and the microwave build to Heart Butte this next quarter, hopefully before the snow flies and the ground freezes.

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	\$978,800	\$542,000	\$436,800	\$845,552	\$403,211	\$442,341	\$902,577	\$460,236	\$442,341
b. Land, structures, right-of-ways, appraisals, etc.	\$500,000	\$115,000	\$385,000	\$479,995	\$82,442	\$397,553	\$500,000	\$102,447	\$397,553
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	\$51,728	\$0	\$51,728	\$51,728	\$0	\$51,728	\$51,728	\$0	\$51,728
g. Site work	\$35,200	\$0	\$35,200	\$1,278	\$0	\$1,278	\$35,200	\$0	\$35,200
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$14,612,135	\$5,285,285	\$9,326,850	\$13,014,033	\$5,215,892	\$7,798,141	\$13,105,000	\$5,215,892	\$7,889,108
j. Equipment	\$2,613,062	\$0	\$2,613,062	\$2,613,599	\$0	\$2,613,599	\$2,613,599	\$0	\$2,613,599
k. Miscellaneous	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000
l. SUBTOTAL (add a through k)	\$19,738,925	\$5,942,285	\$13,796,640	\$17,954,185	\$5,701,545	\$12,252,640	\$18,156,104	\$5,778,575	\$12,377,529
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$19,738,925	\$5,942,285	\$13,796,640	\$17,954,185	\$5,701,545	\$12,252,640	\$18,156,104	\$5,778,575	\$12,377,529

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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