

RECIPIENT NAME: Ronan Telephone Co.

AWARD NUMBER: NT10BIX5570148

DATE: 11/17/2014

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

### 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>  NT10BIX5570148	<b>3. DUNS Number</b>  006827927
<b>4. Recipient Organization</b>  Ronan Telephone Co. 312 SW Main St., Ronan, MT 59864-2707		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  09-30-2014	<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>  Gerald Beeks	<b>7c. Telephone (area code, number and extension)</b>  4066769215	
	<b>7d. Email Address</b>  beeks@ronan.net	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  11-17-2014	

**Project Indicators (This Quarter)**

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

Fiber was installed from Babb to Hwy464 on Hwy89, a total of 2 miles of new fiber.  
 A microwave tower was placed on Horn Ridge for delivery of service to Heart Butte  
 Easements for wireless base stations were secured in St. Mary and Babb.  
 An easement for microwave radio placement was secured for East Glacier.  
 An easement for microwave radio placement was secured for Horn Ridge.

**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	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. This program income and more has been added to the project.
2b.	Environmental Assessment	100	100% Complete
2c.	Network Design	100	100% Complete
2d.	Rights of Way	100	100% Complete
2e.	Construction Permits and Other Approvals	100	100% Complete
2f.	Site Preparation	62	Finishing the Wireless Installations
2g.	Equipment Procurement	100	100% Complete
2h.	Network Build (all components - owned, leased, IRU, etc)	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. This program income and more has been added to the project.
2i.	Equipment Deployment	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. This program income and more has been added to the project.
2j.	Network Testing	100	100% of the original budgeted funds have been spent. The joint build between HIEM and RTC generated additional costs and produced additional program income. This program income and more has been added to the project.
2k.	Other (please specify): Admin & Legal	95	Consent Work on the Blackfeet Reservation and Final Close Out Audit to Complete

**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).**

Obtaining landowner consents on the Blackfeet reservation has been and is continuing to be a challenge.

**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	256	Buried fiber on Hwy89 between Babb and Hwy464-2 new miles
New network miles leased	797	No change, projected 321
Existing network miles upgraded	106	No change, projected 106, no variance
Existing network miles leased	0	Projected 0
Number of miles of new fiber (aerial or underground)	256	2 new miles, Buried fiber on Hwy89 between Babb and Hwy464
Number of new wireless links	3	Elmo, Arlee, Evaro--Projected 4-
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	23	No change, projected 18

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	2
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 (Now Charter)...Dark Fiber IRU  
Montana Skynet...Dark Fiber IRU

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: 20Yr prepaid IRU for 2 dark fibers  
Montana Skynet...20Yr IRU for 4 dark fibers  
The Cutthroat contract reported last quarter was terminated.

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	1	Projected 4, Project delays have impacted this projection.
	Providers with signed agreements receiving access to dark fiber	1	Projected 0

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number of subscribers for each	5	100Mb(0), 200Mb(0), 1Gb(0), 2Gb(0), Dark Fiber(1)
Community Anchor Institutions (including Government institutions)	Total subscribers served	28	Projected 33, 17 built, 11 upgraded, 5 remaining on the Blackfeet reservation.
	Subscribers receiving new access	1	Valley View School District
	Subscribers receiving improved access	27	Projected 33, 11 upgrades, new fiber was made available to 16 CAI's
	Please identify the speed tiers that are available and the number of subscribers for each	2	100Mb(12), 1Gb(1)
Residential / Households	Entities passed	1,210	Projected 1810..Project delays and harsh winters have impacted this projection.
	Total subscribers served	117	Projected 468.. Project delays and harsh winters have impacted this projection.
	Subscribers receiving new access	52	Projected 51..Project delays and harsh winters have impacted this projection.
	Subscribers receiving improved access	65	Projected 417..Project delays and harsh winters have impacted this projection.
	Please identify the speed tiers that are available and the number of subscribers for each	4	1.5Mb(28), 2.5Mb(5), 4Mb(81), 100Mb(3)
Businesses	Entities passed	160	Projected 186..Project delays and harsh winters have impacted this projection.
	Total subscribers served	5	Projected 67..Project delays and harsh winters have impacted this projection.
	Subscribers receiving new access	0	Projected 22..Project delays and harsh winters have impacted this projection.
	Subscribers receiving improved access	5	Projected 45..Project delays and harsh winters have impacted this projection.
	Please identify the speed tiers that are available and the number of subscribers for each	4	10Mb(0), 20Mb(0), 50Mb(2), 100Mb(3)

**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, businesses, anchor institutions, and residential wireless Internet.

**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 baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure

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	No new CAI's this quarter

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**  
 We intend to finish construction on the Blackfeet reservation and close out the grant.  
 Projected mile completed: 43.6 miles of fiber to St. Mary and Babb; 21 miles of microwave to Heart Butte (Horn Ridge)  
 Projected CAI's to be completed: 5 remaining on the Blackfeet.

**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	100	Complete
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Complete
2e.	Construction Permits and Other Approvals	100	Complete
2f.	Site Preparation	100	Complete
2g.	Equipment Procurement	100	Complete
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Complete
2i.	Equipment Deployment	100	Complete
2j.	Network Testing	100	Complete
2k.	Other (please specify): Admin & Legal	95	Final Audit and Other Closing Costs will remain

**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).**  
 In order to complete the fiber build to St. Mary and Babb, we need to finish obtaining landowner consents. That and the weather will be our biggest challenges.

**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	\$925,780	\$416,442	\$509,338	\$978,800	\$416,442	\$562,358
b. Land, structures, right-of-ways, appraisals, etc.	\$500,000	\$115,000	\$385,000	\$500,000	\$100,140	\$399,860	\$500,000	\$100,140	\$399,860
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	\$21,983	\$0	\$21,983	\$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	\$16,023,652	\$7,092,520	\$8,931,132	\$16,278,415	\$7,092,520	\$9,185,895
j. Equipment	\$2,613,062	\$0	\$2,613,062	\$2,617,945	\$2,346	\$2,615,599	\$2,617,945	\$2,346	\$2,615,599
k. Miscellaneous	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000	\$948,000	\$0	\$948,000
<b>l. SUBTOTAL (add a through k)</b>	\$19,738,925	\$5,942,285	\$13,796,640	\$21,089,088	\$7,611,448	\$13,477,640	\$21,410,088	\$7,611,448	\$13,798,640
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$19,738,925	\$5,942,285	\$13,796,640	\$21,089,088	\$7,611,448	\$13,477,640	\$21,410,088	\$7,611,448	\$13,798,640

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: \$2,709,242
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