ANNUAL PERFORMANCE PROGRESS REPORT FOR SUSTAINABLE BROADBAND ADOPTION

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 53-43-B10595	3. DUNS Number 002799641

4. Recipient Organization

Toledo Telephone Company, Inc. 183 Plomondon Road, Toledo, WA 98591-9709

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	6. Is this the last Annual Report of the Award Period? ○ 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 Dale Merten C.O.O.	7c. Telephone (area code, number and extension) (360) 864-2044
	7d. Email Address BTOP@toledotel.com
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-24-2011

PROJECT INDICATORS

1. Does your Sustainable Broadband Adoption (SBA) project foster a particular broadband technology or technologies? If so, please describe this technology (or technologies) (600 words or less).

Our project promotes both DSL and WildBlue broadband connectivity. Each household will receive one well configured Dell or HP 15" laptop with 4gbs RAM, 250gb Hard Drive, USB Mouse, 100mb Ethernet and 54mb Wireless connections, 8x DVD Burner, HD Audio and Graphics, Integrated Web Cam, and Microsoft Office Home and Student Edition. Participants will receive up to 40 hours of hands-on classroom training ranging from very basic classes like "Introduction to Windows 7", and connecting and exploring the internet, to intermediate training on file sharing, printing, network connections, PC troubleshooting, to Advanced classes in Word, Excel, Powerpoint , on-line learning and job search skills. All students are instructed on the use of wireless and wireline connections, as well as the advantages and disadvantages of both.

2a. Please list all of the broadband equipment and/or supplies you have purchased during the most recent calendar year using BTOP grant funds or other (matching) funds, including any customer premises equipment or end-user devices. If additional space is needed, please attach a list of equipment and/or supplies. Please also describe how the equipment and supplies have been deployed (100 words or less).

Manufacturer	Item	Unit Cost per Item	Number of Units	Narrative description of how the equipment and supplies were deployed
N/A	N/A	0	0	No Equipment or Supplies were procured during this year
Totals		0	0	

Add Equipment	Remove Equipment

2b. To the extent you distribute equipment/supplies to beneficiaries of your project, please describe the equipment/supplies you distribute, the quantities distributed, and the specific populations to whom the equipment/supplies are distributed **(600 words or less).**

We did not purchase nor distribute equipment/supplies during the calendar year. However, at the writing of this report we have purchased the first round of laptops and intend to begin distribution first quarter, 2011.

3. For SBA access and training provided with BTOP grant funds, please provide the information below. Unless otherwise indicated in the instructions, figures should be reported underlined cumulatively from award inception to the end of the most recent calendar year. For each type of training (other than open access), please count only the participants who underlined completed the course.

Types of Access or Training	Number of People Targeted	Number of People Participating	Total Training Hours Offered
Open Lab Access	0	0	0
Multimedia	0	0	0
Office Skills	0	0	0
ESL	0	0	0
GED	0	0	0
College Preparatory Training	0	0	0
Basic Internet and Computer Use	400	0	0
Certified Training Programs	0	0	0
Other (please specify): N/A	0	0	0
Total	400	0	0

4. Please describe key economic and social successes of your project during the past year, and why you believe the project is successful thus far (600 words or less).

Three local newspapers printed stories on our grant award and included information on how to contact our office. Before we could even begin our outreach program we received over 400 applications in less than two weeks! The demand from the public has been amazing, we have scheduled classes to begin in January 2011 and have 90 people registered to attend the first class series. We are working through the applications to verify qualifications. We see a high number of qualified applicants as most do not currently subscribe to broadband. We also have many inquires from people who currently have broadband and a computer that simply wish to take the classes.

5. Please estimate the level of broadband adoption in the community(ies) and/or area(s) your project serves, explain your methodology for

estimating the level of broadband adoption, and explain changes in the broadband adoption level, if any, since the project began.

5a. Adoption Level (%):	Narrative description of level, methodology, and change from the level at project inception (600 words or less).
50	**Toledo Telephone is the primary broadband provider in the area, therefore we know our current subscription rate and can measure the increase in subscribers from this program. We are able to provide broadband to 100% of the business and households, yet only 50% currently subscribe to the service. Our cable plant facility records indicate each address / location where broadband is currently provisioned as well as where it is not. Based on survey's to Tribal Members outside of our DSL service area, the Cowlitz Tribe estimates less than 50% of Tribal members subscribe to broadband. We plan to survey our participants during and after training, and at the end of the program to determine sustained subscription rates.**

6. Please describe the two most common barriers to broadband adoption that you have experienced this year in connection with your project. What steps did you take to address them (600 words or less)?

The two most common barriers are understanding how to use a computer (education) and the cost of the broadband subscription. Our program offers training on the use of computers, software and the internet, access to broadband for two years, and a quality laptop computer at no cost to the participant. Initial public response has been very impressive.

7. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities. (150 words or less)

We have arranged with the Cowlitz Indian Tribe to provide teachers to train participating students on a sub-recipient basis.

8. Please describe any best practices / lessons learned that can be shared with other similar BTOP projects (900 words or less).

Make sure you talk with local newspapers and television stations. Take the time to really discuss the details. We received over 400 applications because the local newspapers printed stories regarding our grant and included specifics about who may qualify, where to call, hours of operation etc. All of these applications required no marketing effort, or expense.