

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 NT10BIX5570076	3. DUNS Number 829946784
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4. Recipient Organization

 Vermont Telecommunications Authority One National Life Drive, Montpelier, VT 05602-3377

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2010	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 Jennine Poulin	7c. Telephone (area code, number and extension) X
	7d. Email Address jpoulin@telecomVT.org

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-22-2011
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Draft Environmental Assessment filed with NTIA December 2010; RFP issued for Professional Services Contract; initial pole attachment applications filed; continued network design to select optimal routes for CAI Interconnection and contacted CAI's to discuss service options and confirm commitments to purchase services. Obtained a Certificate of Public Convenience and Need (CPCN) to provide telecommunications services in Vermont.

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	1	Baseline report estimated 2% to be completed, behind schedule due to the project overlap.
2b.	Environmental Assessment	25	Draft Environmental Assessment filed with NTIA early in December 2010, due date was 1/2/2011. Baseline report estimated 75% to be completed. Project behind baseline plan due to ongoing issue with project overlap.
2c.	Network Design	1	The baseline report estimated 10% completion. Behind baseline plan due to ongoing issue with project overlap; in Q4 continued discussion of project overlap with NTIA and other BTOP awardee; RFP issued for Professional Services Contract; initial pole attachment applications filed; continued network design to select optimal routes for CAI interconnection and contacted CAI's to discuss service options and confirm commitments to purchase services.
2d.	Rights of Way	0	N/A - Project uses public rights of way
2e.	Construction Permits and Other Approvals	1	CPCN obtained to provide telecommunications services in VT; filed initial pole attachment applications. Baseline report estimated 10% completion. Behind baseline due to overlap issue.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	0	N/A
2h.	Network Build (all components - owned, leased, IRU, etc)	0	N/A
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	0	N/A
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).
 Project behind baseline plan due to ongoing issue with project overlap; in Q4 continued discussion of project overlap with NTIA and other BTOP awardee. Currently waiting for overlap SAC to be lifted, expect it by 01/28/2011. Once we receive our FONSI from NTIA, we anticipate getting back on schedule with the project as follows:
 Network Design - Work with consulting engineers to accelerate the schedule. Engineers haven't yet been selected.
 Construction Permits and Other Approvals - Accelerate the schedule by working with the selected contractors to generate pole attachment and other required applications.

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	0	N/A
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	N/A
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	N/A

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	0
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	0

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: N/A

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:

The project is not yet providing services.

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).

Sovernet Fiber Corp, 5 Canal Street, Bellows Falls, VT 05101

Sub recipient

Sovernet will operate the entire network when completed

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	N/A
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A

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	0	N/A
Community Anchor Institutions (including Government institutions)	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
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	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

7. Please describe any special offerings you may provide (600 words or less).

N/A

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

8b. If so, please describe the changes (300 words or less).

N/A

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
None at this time	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).

Execute sub grant agreement with sub grantee; enter into service agreement with State of VT and other CAI's; complete EA; complete

consultations with Environmental Agencies; revise Draft EA to Final; continue design of fiber routing, electronic locations, architecture and configuration; applications for pole attachment to be filed; applications for state/local permits to be filed; begin make ready of pole routes.

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	3	Delayed by overlap issue; working to resolve EA action items. Baseline report estimated 5%.
2b.	Environmental Assessment	100	Baseline report estimated 100%.
2c.	Network Design	15	Previously delayed by overlap issue; working to resolve EA action items. Baseline report estimated 25%. Once the FONSI is received, the schedule will be accelerated.
2d.	Rights of Way	0	N/A - Project uses Public Right of Way
2e.	Construction Permits and Other Approvals	25	Previously delayed by overlap issue; working to resolve EA action items. Baseline report estimated 30%. Once the FONSI is received, the schedule will be accelerated.
2f.	Site Preparation	10	Previously delayed by overlap issue; working to resolve EA action items. Baseline report estimated 20%. Once the FONSI is received, the schedule will be accelerated.
2g.	Equipment Procurement	0	N/A
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	N/A
2i.	Equipment Deployment	0	N/A
2j.	Network Testing	0	N/A
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).

Pole owning utilities may need to increase staff or contractor resources to support necessary pace of pole surveys and make ready. The Vermont Department of Public Service (regulator of telecom and electric utilities in Vermont) has scheduled a pole attachment coordination group, including Sovernet Fiber Corporation (SFC), Vermont's largest electric utilities, incumbent local exchange telephone company and ARRA grantees to discuss the scope of projects, confirm pole owners and attachees with information regarding the scope of projects, coordinate the exchange of information and identify any carriers or constraints upon the ability of all parties to complete the make-ready necessary to accommodate SFC's aerial cables within the timeline required by the BTOP grant to the Vermont FiberConnect project. SFC has communicated its concerns to the principal pole owners. To date, all pole owners have indicated they have the resources to meet SFC's desired timeline, provided they have information regarding the scope of the entire project. The coordination group will meet February 17 to discuss methods to share information.

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	\$1,951,241	\$585,372	\$1,365,869	\$292,306	\$87,692	\$204,614	\$375,871	\$112,761	\$263,110
b. Land, structures, right-of-ways, appraisals, etc.	\$1,151,500	\$345,450	\$806,050	\$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	\$3,017,040	\$905,112	\$2,111,928	\$0	\$0	\$0	\$480,000	\$144,000	\$336,000
e. Other architectural and engineering fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$3,400,000	\$1,020,000	\$2,380,000	\$8,757	\$2,627	\$6,130	\$308,757	\$92,627	\$216,130
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$30,720,083	\$9,216,025	\$21,504,058	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$7,054,996	\$2,116,499	\$4,938,497	\$0	\$0	\$0	\$30,000	\$9,000	\$21,000
k. Miscellaneous	\$410,000	\$123,000	\$287,000	\$0	\$0	\$0	\$250,000	\$75,000	\$175,000
l. SUBTOTAL (add a through k)	\$47,704,860	\$14,311,458	\$33,393,402	\$301,063	\$90,319	\$210,744	\$1,444,628	\$433,388	\$1,011,240
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$47,704,860	\$14,311,458	\$33,393,402	\$301,063	\$90,319	\$210,744	\$1,444,628	\$433,388	\$1,011,240

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: \$4,900

b. Program Income to Date: \$4,900