

RECIPIENT NAME:OpenCape Corporation

AWARD NUMBER: NT10BIX5570039

DATE: 08/05/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

### 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>  NT10BIX5570039	<b>3. DUNS Number</b>  825181949
<b>4. Recipient Organization</b>  OpenCape Corporation 2240 Iyannough Road, West Barnstable, MA 02668-1532		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  06-30-2011	<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>  Daniel Gallagher  CEO	<b>7c. Telephone (area code, number and extension)</b>  5085245901	
	<b>7d. Email Address</b>  dgallagher@opencape.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  08-05-2011	

**Project Indicators (This Quarter)**

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

UC Synergetic has completed the field survey, license application, and make ready assessment in the NGrid territory where make ready work will begin in the third quarter of 2011. UC Synergetic began the process of field survey within the NSTAR territory during this quarter. OpenCape's goal is to complete the make ready assessment in the NSTAR territory by September 1, 2011. Make ready work will be performed in the 3rd and 4th quarters of 2011.

All required applications for access to existing Verizon conduit have been submitted and make ready rod and roping has begun on the conduit requested. A small amount of new underground will be required and necessary permit applications associated with that activity are being submitted.

CapeNet LLC placed its first order for 35 miles of fiber. CapeNet is executing a detailed competitive process for the selection in August, 2011 of sub-contractors to install the fiber. CapeNet has also been meeting with active equipment (optronics, switching, etc.) providers in preparation for selecting a provider of equipment for the network.

OpenCape met with the owners of towers that will host its microwave radios, antennas, and associated equipment. Engineers visited each of the sites on the Cape to assess specific requirements for each location. All of this work is required to develop the contractual basis and engineering specifications needed for accessing each of the towers.

OpenCape continues to develop the microwave options to link Martha's Vineyard to the Cape in a way that will ensure that all of OpenCape's project objectives are achieved.

OpenCape selected Stateside Construction to renovate the former Barnstable County Public Safety Building. Stateside will complete the general renovation in the first quarter of 2012. An RFP for the design, build, and operation of a collocation data center in the ground floor of the renovated OpenCape Regional Collocation Center was issued in June, 2011.

Governor Deval Patrick and Dr. Anthony Wilhelm addressed more than 300 attendees of the two day "SmarterCape Summit" in May. The Summit was jointly hosted by the Cape Cod Chamber of Commerce, Cape Cod Commission, Cape Cod Technology Council, and OpenCape. This represents the beginning of a transition from building the network to using the network to its greatest effect.

OpenCape has held as many as three meetings in each of the Cape Cod towns in the 2nd Quarter and met with stake holders in the region to include the library directors, water district managers, college CIOs, USAF 102nd Intelligence Wing, and the Barnstable County Commissioners to ensure that communities and stake holders are kept informed and are provided the opportunity to contribute to OpenCape's planning.

The 700Mhz Sub-Committee of the Barnstable County Regional Emergency Planning Committee is pursuing a 700Mhz waiver under proscribed procedures of the Federal Communications Commission (FCC), developing an organizational model, identifying funding sources for mobile equipment, and meeting with vendors and officials to determine the best Evolved Packet Core strategy for the system.

OpenCape met with the Massachusetts Homeland Security Southeast Regional Advisory Council (SRAC) to discuss opportunities for improved public safety communications throughout the region.

An EA amendment is being prepared for submission to the NTIA to ensure that any path changes required by detailed field survey and engineering not discerned prior to the original EA submission are reflected.

OpenCape continues to reach out to the Army Corps of Engineers as it prepares necessary filings for its proposed horizontal directional drill (HDD) underneath the Cape Cod Canal at its east end, the Rail Road Bridge crossing at the west end of the Canal, and a riverbed crossing of the Taunton River in Fall River, MA.

**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	15	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2b.	Environmental Assessment	100	OpenCape has a continual process of review to ensure compliance with its EA FONSI. This process involves OpenCape, its field survey and engineering contractor, and its environmental engineering contractor. Potential deviations from the original EA are identified and will be consolidated into a future submission for amendment of the EA. OpenCape has also engaged the Army Corps of Engineers for the crossing of the Cape Cod Canal and will fulfill the specific EA requirement of their process as stated in the EA and FONSI.
2c.	Network Design	80	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details. The design of the microwave, fiber optic, transport, and municipal RAN are near complete. As engineering site visits are conducted and detailed analysis performed there are issues that arise to delay completion of the Network Design. For example, OpenCape has intended to use an existing fire tower on Martha's Vineyard for a microwave link from Cape Cod to the Island. Preliminary analysis indicates this tower is currently overloaded. A detailed engineering evaluation is scheduled to determine if the tower can be altered to accommodate OpenCape equipment while simultaneously alternative towers are being evaluated.
2d.	Rights of Way	50	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details. OpenCape is fully engaged in the process of submitting special permits, developing the contractual basis of leases to towers to support the microwave component, and applying for access to Verizon Central Offices. The Army Corps of Engineers permitting of critical crossings at the Cape Cod Canal and the Taunton River process is underway, but is slow and represents a critical element of delay in this category. Obtaining access to towers for the placement of microwave equipment is also a time consuming process because the tower owners must go through a process required by Chapter 30B of the Massachusetts General Laws; however, this process is moving forward at an acceptable pace.
2e.	Construction Permits and Other Approvals	45	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details. OpenCape has contracted with Stateside Construction to renovate the former Barnstable County Public Safety Building to become the OpenCape Regional Collocation Center. An RFP was issued to select a contractor to build the Collocation Data Center in the ground floor of the renovated building. The submission of special permit applications, obtaining licenses to towers, and application for securing an FCC 700Mhz waiver are well underway and progressing at an acceptable pace.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	15	OpenCape's contractor has engaged vendors of fiber optics, optronics, and other equipment to determine qualified bidders and issue bid documents. The first order of 35 miles of fiber has been placed with an anticipated delivery in September, 2011. The delivery date was 8 weeks after order placement. This is consistent with the timeline of anticipated completed make ready and sub-contractor selection for installation of the fiber beginning in October 2011.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details.
2i.	Equipment Deployment	0	Equipment deployment is dependent on the procurement of equipment, obtaining necessary rights and permits, engineering, and construction completion. It is anticipated equipment deployment will follow at an acceptable pace.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2j.	Network Testing	0	Network testing shall keep pace with the construction of segments of the network.
2k.	Other (please specify):	100	Completed.

**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).**

OpenCape remains behind its Baseline Projection of 40% for this quarter at slightly over 15% in Overall Project expenditures; however, the delta between Baseline Projection and the percentage of Overall Project expenditures is decreasing as projected.

OpenCape lags its Baseline Projection and federal expenditure pace for several reasons: 1) OpenCape pursued its grant with a construction contractor as a partner. After consultation with legal experts and the NTIA, OpenCape concluded that federal procurement regulations would not permit it to conclude a contract with this partner. Rather, OpenCape had to issue new RFPs for all aspects of construction of the network; 2) the process of obtaining a Finding of No Significant Impact was far longer than anticipated; 3) the process of negotiating the many legal contracts associated with the project has taken longer than anticipated; 4) though OpenCape has a partnership with Barnstable County to renovate the regional collocation center, a determination was made that the County was required to pursue a lengthy RFP process under Chapter 30 of the Massachusetts General Laws; and 5) the process of negotiating Master Agreements with utility pole and conduit owners was far longer than anticipated.

OpenCape has successfully adjusted to items 1 through 5 in the previous paragraph and transitioned in a manner that will permit it to increase pace and ensure on-time completion. OpenCape established a new normal for its baseline following completion of its contract with CapeNet LLC to design and build the network. OpenCape expects to complete the project on time by taking advantage of built in flexibility within its original plan and creating flexibility by compressing certain aspects of the project such as the installation of fiber within a more aggressive timeline.

The primary challenge to on-time completion is the pace at which the utility pole owners can complete make ready assessment and perform the make ready work. The utilities have crews to maintain their infrastructure, but are not prepared to accommodate a massive influx of 12,000 pole applications and make ready in a highly aggressive time line. They are attempting to find ways to be more flexible; however, this can require difficult and potentially precedent setting modification of existing procedures, policies and labor agreements. The OpenCape project is divided 20% in NGrid territory and 80% in NSTAR territory. All make ready assessment is complete in NGrid territory and an arrangement has been made to ensure completion of the make ready work in a timely fashion consistent with OpenCape's time-line. Make ready assessment is underway in the NSTAR territory, but is not yet at an acceptable pace. NSTAR is working with OpenCape to alter process in order to meet OpenCape's requirement to complete make ready assessment in September, 2011 and make ready work by the end of the year.

An additional continuing challenge in this quarter is securing necessary permits and real estate instruments from the Army Corps of Engineers for the crossing of the Cape Cod Canal and the Taunton River. The process is slow, complex, and expensive. OpenCape is taking every action possible to move this process forward as the crossings are critical to its goals. OpenCape is also pursuing alternative crossings of the Cape Cod Canal that may be more easily obtained should its preferred routes prove too difficult to secure.

**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	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details. OpenCape is confident that its build will complete on time within the existing timeline. We have adjusted the construction timeline based on the new circumstances. Fiber deliveries will begin in September, 2011. Make Ready will be complete in 20% of the territory in Fall 2011. Sub-contractors will be in place to begin installation in Fall 2011. Fiber deliveries are guaranteed for 35 miles per month from the manufacturer. We expect construction of fiber miles to begin in Fall 2011 with a total construction time of one year, with the ability to compress

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
		the timeline even further if necessary and if fiber production and delivery can be increased.
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	Due primarily to a requirement to issue new RFPs and select new contractors this item has been delayed. See section 3 for details.
Number of new wireless links	0	OpenCape planned in its baseline to build the microwave links in the latter stages of the project. OpenCape's design build contractor is currently assessing qualifications and issuing bids requests for sub-contractors to build the microwave component. At the same time, OpenCape is negotiating with water district and other tower owners for a license to attach to their towers with a follow-on process for obtaining a long term lease. It is anticipated the licenses will be obtained within six months and the installation of the microwave radios will follow shortly thereafter. OpenCape is evaluating issues with the intended tower on Martha's Vineyard for the primary link from the mainland. There are capacity issues and OpenCape is working with several state and private entities to determine a resolution.
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	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	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:

None at this time.

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:

No services are yet being offered.

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).

OpenCape awarded a contract to CapeNet LLC to design, build, and operate the OpenCape network. CapeNet LLC is a joint venture of Telecom Global Inc. and CapeNet Partners, Inc. CapeNet LLC is a contractor. The primary contact for CapeNet LLC is Alan Davis 1900 West Park Drive, Suite 280, Westborough, MA 01581, 508-983-1475.

OpenCape has licensed CapeNet LLC to operate sixty percent (60%) of the total fiber optic strands (User Fibers) in both dark and lit services to fulfill the obligations of the grant award.

**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)
<b>Broadband Wholesalers or Last Mile Providers</b>	<b>Providers with signed agreements receiving new access</b>	0	No signed agreements in place. OpenCape and its design, build and operate contractor are engaging last mile providers in order to develop potential last mile solutions. Several companies are interested in offering services, particularly in underserved areas and low income areas.
	<b>Providers with signed agreements receiving improved access</b>	0	No signed agreements in place. OpenCape and its design, build and operate contractor are engaging last mile providers in order to develop potential last mile solutions. Several companies are interested in offering services, particularly in underserved areas and low income areas.
	<b>Providers with signed agreements receiving access to dark fiber</b>	0	No signed agreements for dark fiber lease have been signed with wholesale or last mile providers. OpenCape and its design, build and operate contractor are conducting outreach to encourage wholesalers and last mile provider leases.
	<b>Please identify the speed tiers that are available and the number of subscribers for each</b>	0	No speed tiers are as yet available as no wholesale or last mile provider agreements are yet in place.
<b>Community Anchor Institutions (including Government institutions)</b>	<b>Total subscribers served</b>	0	No CAI subscribers are yet served. OpenCape is addressing anchor institutions in several ways, to include aggressive community outreach. OpenCape held a “SmarterCape Summit” in May to bring together the community to discuss OpenCape as an underpinning infrastructure of economic development. OpenCape’s engineering contractor is visiting each anchor institution to assess entrance paths, building penetrations, and internal installations. At the same time, OpenCape staff have met with town, school, library, and college leaders, as well as many other stake holders to discuss the build process, timeline, and implications.
	<b>Subscribers receiving new access</b>	0	No CAI subscribers are yet served. OpenCape is addressing anchor institutions in several ways, to include aggressive community outreach. OpenCape held a “SmarterCape Summit” in May to bring together the community to discuss OpenCape as an underpinning infrastructure of economic development. OpenCape’s engineering contractor is visiting each anchor institution to assess entrance paths, building penetrations, and internal installations. At the same time, OpenCape staff have met with town, school, library, and college leaders, as well as many other stake holders to discuss the build process, timeline, and implications.
	<b>Subscribers receiving improved access</b>	0	No CAI subscribers are yet served. OpenCape is addressing anchor institutions in several ways, to include aggressive community outreach. OpenCape held a “SmarterCape Summit” in May to bring together the community to discuss OpenCape as an underpinning infrastructure of economic development. OpenCape’s engineering contractor is visiting each anchor institution to assess entrance paths, building penetrations, and internal installations. At the same time, OpenCape staff have met with town, school, library, and college leaders, as well as many other stake holders to discuss the build process, timeline, and implications.
	<b>Please identify the speed tiers that are available and the number or subscribers for each</b>	0	No service is yet available. Anticipate the full breadth of speeds from 10Mbps to 1000Mbps Ethernet, Wavelengths of Light, and Dark Fiber availability to CAIs.
<b>Residential / Households</b>	<b>Entities passed</b>	0	N/A
	<b>Total subscribers served</b>	0	N/A
	<b>Subscribers receiving new access</b>	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	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).**

Discounts for non-profits and government entities.

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

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

**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
0	0	0	0	0

**Project Indicators (Next Quarter)**

**1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).**

OpenCape's contractor, Stateside, will begin the general renovation of the future Regional Collocation Center. OpenCape will select a design, build and operation contractor for the Collocation Data Center that will be constructed in the ground floor level of the Regional Collocation Center.

Make ready work will begin in the NationalGrid territory. Make ready assessment within the NSTAR territory will largely be completed. The nearly 50,000 feet of conduit applications with Verizon will have completed rod and roping to determine availability and innerduct placement will begin on those that are clear and available.

OpenCape's network design, build and operate contractor, CapeNet, will receive shipment of its first order of 35 miles of fiber and select sub-contractors to install fiber. CapeNet will select a vendor for optronic equipment.

OpenCape will submit an Environmental Assessment amendment.

OpenCape will submit applications and permits to the Army Corps of Engineers for both canal crossings and the Taunton River crossing. OpenCape will also apply to Verizon for conduit access, with Army Corps authorization, on the Sagamore and Bourne Bridges as part of OpenCape's crossing alternative development.

OpenCape's contractor, UC Synergetic will continue to develop and submit all necessary special permits required for network construction.

OpenCape will continue to develop the basis of contracts for access to towers that will host OpenCape microwave and 700Mhz equipment.

OpenCape will further refine analysis and options related to its microwave network to and on Martha's Vineyard.

OpenCape will work with stakeholders to further develop the SmarterCape concept and related partnerships to ensure the fullest possible exploitation of the OpenCape infrastructure.

**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	25	The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. OpenCape adjusted to that disruption and established a new normal for its baseline following completion of its contract with CapeNet LLC to design and build the network. Since that time there has been substantial program progress. OpenCape expects to complete the project on time by taking advantage of built in flexibility within its original plan and creating flexibility by compressing certain aspects of the project such as the installation of fiber within a more aggressive timeline.
2b.	Environmental Assessment	100	OpenCape has a continual process of review to ensure compliance with its EA FONSI. This process involves OpenCape, its field survey and engineering contractor, and its environmental engineering contractor. Potential deviations from the original EA are identified and will be consolidated into a future submission for amendment of the EA. OpenCape has also engaged the Army Corps of Engineers for the crossing of the Cape Cod Canal and will fulfill the specific EA requirement of their process as stated in the EA and FONSI.
2c.	Network Design	85	The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. Apart from the general delay described in Section 3, Network Design specifically has also been delayed by discoveries during site visits and detailed engineering. For example, OpenCape intends to use an existing fire tower on Martha's Vineyard for a microwave link from Cape Cod to the Island. Preliminary analysis indicates this tower is currently overloaded. A detailed engineering evaluation is scheduled to determine if the tower can be altered to accommodate OpenCape equipment while simultaneously evaluating alternative towers. The design of the microwave, fiber optic, transport, and municipal RAN are near complete and expected to be completed well within required parameters to order equipment and perform installation.
2d.	Rights of Way	60	The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. Apart from the general delay described in Section 3, Rights of Way specifically has also been delayed by a far more lengthy process for obtaining rights than was anticipated. OpenCape is fully engaged in the process of submitting special permits, developing the contractual basis of leases to towers to support the microwave component, and applying for access to Verizon Central Offices. The Army Corps of Engineers permitting of critical crossings at the Cape Cod Canal and the Taunton River is very slow and represents a critical element of delay in this category. Obtaining access to towers for the placement of microwave equipment is also a time consuming process because the tower owners must go through a process required by Chapter 30B of the Massachusetts General Laws; however, this process is moving forward at an acceptable pace at this time to accommodate the build schedule.



	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2e.	<b>Construction Permits and Other Approvals</b>	55	The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. Apart from the general delay described in Section 3, Construction permits is also delayed by the unexpected slow pace of make ready assessment by utility pole owners with regard to the fiber optic component of the project. OpenCape is focusing on completing make ready work in the NGrid territory where it has more control and confidence in obtaining licenses time coincident with the delivery of fiber. OpenCape is monitoring very closely the performance of NSTAR in performing make ready assessment and requesting improved performance when the pace falls short of requirements. The company has responded to these requests and we will continue to work together to ensure that the pace reaches a level that is acceptable to OpenCape and supportive of its goals. The collocation center portion is progressing appropriately as OpenCape has contracted with Stateside Construction to renovate the former Barnstable County Public Safety Building to become the OpenCape Regional Collocation Center. An RFP was issued to select a contractor to build the Collocation Data Center in the ground floor of the renovated building. The submission of special permit applications, obtaining licenses to towers, and application for securing an FCC 700Mhz waiver are well underway and progressing at an acceptable pace that will ensure on time completion.
2f.	<b>Site Preparation</b>	0	N/A
2g.	<b>Equipment Procurement</b>	20	At baseline. OpenCape's contractor has engaged vendors of fiber optics, optronics, and other equipment to determine qualified bidders and issue bid documents. The first order of 35 miles of fiber has been placed with an anticipated delivery in September, 2011. The delivery date was 8 weeks after order placement. This is consistent with the timeline of anticipated completed make ready and sub-contractor selection for installation of the fiber beginning in October 2011.
2h.	<b>Network Build (all components - owned, leased, IRU, etc.)</b>	5	The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. The Network Build is significantly delayed, but readily recoverable by compressing the installation of fiber within a more aggressive time line. There is a significant dependency in this category on the make ready assessment and make ready work being completed. OpenCape is focusing its initial network build area on the NGrid territory where it has more control and confidence in obtaining licenses time coincident with the delivery of fiber. This will permit the contractor to begin work as early as possible in 20% of the territory with the anticipation that when that work is complete there will be NSTAR licenses forthcoming for work in that territory.
2i.	<b>Equipment Deployment</b>	0	The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. Equipment deployment is dependent on the procurement of equipment, obtaining necessary rights and permits, engineering, and construction completion. It is anticipated equipment deployment will follow at an appropriate pace. OpenCape expects to have equipment available, rights secured, and construction complete in adequate time for network equipment deployment.
2j.	<b>Network Testing</b>	0	At baseline. The original baseline submitted by OpenCape was disrupted by the need to issue new RFPs for the project. This is explained in Section 3. Network Testing is dependent on the procurement of equipment, obtaining necessary rights and permits, engineering, construction completion, and equipment deployment. It is anticipated that Network Testing will follow at an appropriate pace. OpenCape expects to have equipment available, rights secured, construction complete, and equipment deployed in adequate time for Network Testing to be completed on time.
2k.	<b>Other (please specify):</b>	100	Complete

**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).**

OpenCape continues in its concern that the lack of capacity within NSTAR to process license applications or perform make ready work is the greatest risk to on time completion of the project.

OpenCape remains concerned with the cost and pace of processing applications for crossings of the Cape Cod Canal through the

Army Corps of Engineers.

OpenCape has discovered that its planned crossing over an existing bridge at the Taunton River in Fall River, MA is not possible. The existing bridge is being replaced by a new draw bridge without permanent catenaries. OpenCape must seek an alternative route. OpenCape will seek to lay a cable on the river bed at a designated cable crossing area on the river just south of the new bridge. Verizon and ATT currently have riverbed cables in this location. This type of crossing will be more complicated and will require Army Corps permitting on a navigable waterway.

Although fiber manufacture is a major concern among many grant recipients, OpenCape's contractor has secured an eight week delivery commitment for all fiber orders related to our project. This is an acceptable time-line, but OpenCape will continue to monitor actual delivery times to ensure no issues arise.

**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	\$1,280,532	\$419,300	\$861,232	\$1,057,284	\$416,184	\$641,100	\$1,131,676	\$416,184	\$715,492
b. Land, structures, right-of-ways, appraisals, etc.	\$750,000	\$750,000	\$0	\$750,000	\$750,000	\$0	\$750,000	\$750,000	\$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	\$1,515,885	\$0	\$1,515,885	\$881,077	\$264,633	\$616,444	\$1,181,077	\$264,633	\$916,444
f. Project inspection fees	\$814,114	\$0	\$814,114	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$100,000	\$0	\$100,000	\$0	\$0	\$0	\$50,000	\$0	\$50,000
i. Construction	\$24,364,298	\$6,920,000	\$17,444,298	\$3,038,204	\$648,259	\$2,389,945	\$6,000,000	\$1,000,000	\$5,000,000
j. Equipment	\$11,336,564	\$0	\$11,336,564	\$352,931	\$43,547	\$309,384	\$1,000,000	\$43,457	\$956,543
k. Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>l. SUBTOTAL (add a through k)</b>	<b>\$40,161,393</b>	<b>\$8,089,300</b>	<b>\$32,072,093</b>	<b>\$6,079,496</b>	<b>\$2,122,623</b>	<b>\$3,956,873</b>	<b>\$10,112,753</b>	<b>\$2,474,274</b>	<b>\$7,638,479</b>
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	<b>\$40,161,393</b>	<b>\$8,089,300</b>	<b>\$32,072,093</b>	<b>\$6,079,496</b>	<b>\$2,122,623</b>	<b>\$3,956,873</b>	<b>\$10,112,753</b>	<b>\$2,474,274</b>	<b>\$7,638,479</b>

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: \$5,000,000	b. Program Income to Date: \$555,413
---	--------------------------------------