

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 NT10BIX5570047	3. DUNS Number 127973282
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4. Recipient Organization Northwest Open Access Network 5802 Overlook Avenue NE, Tacoma, WA 98422-1435
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5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2012	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 Dave Spencer	7c. Telephone (area code, number and extension) 2083436477
	7d. Email Address noanet@chrsolutions.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-18-2012
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Project Indicators (This Quarter)

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

The first quarter of 2012 saw continued progress in route construction and moving toward completion with fiber pulls and splicing being a new construction activity on NoaNet's projects. NoaNet's team is collaborating with the NTIA-BTOP program on any additional modifications required to complete the remaining, unfinished routes. Sub Recipient projects continued to move ahead with construction related activities and progress towards completing routes. Sub-recipient routes were substantially completed in Clallam and Franklin Counties with Anchor Institution implementations to follow. Final permitting and easement acquisition is being completed for routes scheduled for construction during the remainder of the year. Project Team meetings and sub-recipient meetings continue to take place to assure compliance, monitor project budget and scope. NoaNet has had much success working with the BTOP Program Team on reporting, cultural coordination and route modification processes. The team continues to progress towards connecting Community Anchor Institutions as routes are completed and equipment is installed.

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	56	This metric continues to lag as we enter the final year of the project. This gap will narrow as we reach the final quarters of 2012. Project completion will occur on time with final construction slated for December 2012.
2b.	Environmental Assessment	100	No variance.
2c.	Network Design	100	No variance.
2d.	Rights of Way	95	This metric is nearing completion with minimal ROW acquisition remaining. Completion of this metric is slated for end of Q2 2012.
2e.	Construction Permits and Other Approvals	95	No variance.
2f.	Site Preparation	80	Site preparation has lagged baseline with delays in approval of the environmental assessment. Final Site preparation will be taking place in quarter three of 2012.
2g.	Equipment Procurement	90	Equipment procurement will lag into the final stages of the project with minimal purchasing yet to be completed. Final procurement will occur in the third quarter of 2012.
2h.	Network Build (all components - owned, leased, IRU, etc)	57	The Network Build will continue to lag as construction was scheduled to start much earlier in the project time line. All available resources will continue to be utilized to bring this metric to baseline projections by end of year three. At the end of Q1, 243 miles of fiber and 229 miles of conduit have been placed bringing the percent complete to 57.
2i.	Equipment Deployment	65	Equipment is being deployed as fiber routes are completed. Delays in fiber shipment has forced equipment deployment to follow final fiber splicing projected in quarter four of 2012.
2j.	Network Testing	25	Network testing will be performed as the build progresses and services are turned up. Current projections indicate this metric will lag until quarter three of 2012 of the project time line and follow the same metric as Network Build.
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).

The continued lag in Baseline projection to actual along with unanticipated cultural and easement issues, has created some challenges as it relates to measuring performance. With fiber shipments arriving in this quarter, Northwest Open Access Network is aggressively blowing in fiber and will continue to build at a rapid pace in order to make up this shortfall.

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	472	NoaNet has been aggressively blowing in fiber with recent shipments arriving as scheduled. An aggressive project schedule for the remainder of the time frame will allow for completion according to the BTOP guidelines. Projections are to meet this metric in Q4 2012 of the project timeline.
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)	472	See narrative under 'new network miles deployed' above.
Number of new wireless links	0	Original projections indicated that the project would have been further along than currently reporting. Due to unanticipated delays associated with environmental, permitting, and easement processes, wireless links are projected to be incorporated during Q3 of 2012.
Number of new towers	0	Original projections indicated that the "build" of new towers would have been higher than current actuals and is delayed due to unanticipated timing of environmental approval, permitting, and easement processes. Tower placement in NW-1 is currently in jeopardy with permitting dependant upon approval from Federal Agencies. The one additional new tower slated for the SW-1 is being replaced with wet cable placement as outlined in EA Addendum 2. Additional tower sites are projected for completion in quarter three of 2012 and work has begun on SC3 tower at Diamond Lake.
Number of new and/or upgraded interconnection points	17	Original projections indicated that this "build" metric would have been higher than current actuals and is due to unanticipated delays associated with environmental, permitting, and easement processes. Interconnection points will be available as fiber routes are placed and services are turned up throughout the life of the project. Current projections indicate this metric will meet Baseline projections in quarter three of 2012.

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	45
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 The 45 signed agreements referred to above are comprised of 34 pre-existing wholesale customers of NoaNet with Agreement start dates pre-dating the Broadband Technology Opportunities Program award and eleven (11) new agreements in the past eight quarters. These contracts have non-disclosure provisions that prohibit public release of their specific names with out prior consent. The list of pre-existing customers has been previously provided to NTIA under separate cover as "Privileged and Confidential" sales and marketing information.

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:

Northwest Open Access Network provides wholesale services to telecommunications companies, Internet providers, application service providers and cable companies throughout the State of Washington. Ethernet, Wave, IP and TDM Transport Services are among the services provided and available to interested parties.

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).

Sub- Recipients:

Sawnet, c/o Sawtooth Technologies, 50 SE Cascade Ave., Stevenson, WA 98648 509-427-4865
 Black Rock Cable, Inc., 1512 Fairview St., Bellingham, WA 98229 360-783-3116

Network drawings have been previously submitted.

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	4	One existing service provider is predominantly the Broadband Wholesale provider for the recent additions to new service locations in the network. Current projections indicate this metric to meet Baseline projections in quarter three of 2012.
	Providers with signed agreements receiving improved access	1	See narrative above.
	Providers with signed agreements receiving access to dark fiber	0	N/A
	Please identify the speed tiers that are available and the number of subscribers for each	5	3-10 Meg, 1-30 Meg, and 1-100 Meg
Community Anchor Institutions (including Government institutions)	Total subscribers served	15	Initial connections to Community Anchor Institutions began to take place over the last two quarters. Initial projections had construction and subscribers starting in quarter three of year one. With the delay in construction, permitting and the environmental process, this metric will lag into the final year of the project. The compressed construction schedule will require an accelerated rate of build to meet the allowed time frame. Current projections indicate this metric to be attained in quarter three of 2012. It should be noted that per instructions received from the Program Office after submission of the last PPR and APR, there was an error in reporting of CAI's. A Round 2 Community Anchor Institution was inadvertently listed as a Round 1 CAI in the last quarterly report. Steps to eliminate this type of error going forward have been implemented to include furnishing an updated list by award to each member of the reporting team. In addition, the listed CAI's are cross checked by both NoaNet and the consultant team to verify correct placement on the respective report.
	Subscribers receiving new access	12	See narrative above under 'total subscribers served' above.
	Subscribers receiving improved access	3	See narrative above under 'total subscribers served' above.
	Please identify the speed tiers that are available and the number or subscribers for each	15	7-10 Meg, 1-30 Meg, 7-100 Meg, 0-1 Gig
Residential / Households	Entities passed	0	N/A
	Total subscribers served	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 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).

None at this time in the project life cycle.

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

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

None

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
North Bonneville Library	North Bonneville	Libraries	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Mid-Columbia Family Health	Stevenson	Medical and Healthcare Provider	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Skamania County PHD	Stevenson	Medical and Healthcare Providers	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Mid-Columbia Library Kahlotus	Kahlotus	Libraries	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Coyote Ridge Correction Center	Connell	Public Safety Entities	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Lourdes Family Health	Connell	Medical and Healthcare Provider	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.

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
Jamestown S'Klallam Clinic	Sequim	Medical and Healthcare Provider	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Jamestown S'Klallam Indian Tribe	Sequim	Other Government Facilities	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.
Jamestown S'Klallam Library	Sequim	Libraries	N	Broadband Connection to assist schools, libraries, and other institutions with additional bandwidth for learning and educational purposes.

Project Indicators (Next Quarter)

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

Next quarter plans are focused on continued construction of routes scheduled for completion, connecting to additional Community Anchor Institutions and completion of all necessary permits and Right of Ways to complete the project. The metric below are forecasts through quarter two and cumulative project to date:

- New Network Miles Deployed-632
- New Network Miles Leased- N/A
- Total CAI Subscribers Served (CAI's Connected)-29
- Number of Signed Agreements with Wholesale or Last Mile Providers-46

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	65	Although lagging for the entire project, this metric continues to keep stride with the current gap. Significant progress is occurring in the construction phase as we surpass our second year of the project. Current projections are to attain the baseline projection for this category in quarter four of 2012.
2b.	Environmental Assessment	100	No variance.
2c.	Network Design	100	No variance.
2d.	Rights of Way	100	No variance.
2e.	Construction Permits and Other Approvals	98	The majority of permitting will be completed with minimal approvals remaining for projects that required modifications to the originally designed routes. This metric will attain baseline projections in Q3 2012.
2f.	Site Preparation	90	We are currently lagging Baseline projections as we enter the final year of the project. Some additional site preparation will linger into the second half of 2012 as final route preparation is performed prior to construction. This metric will achieve baseline in Q3 2012.
2g.	Equipment Procurement	95	Equipment procurement will lag into the final stages of the project with minimal purchasing yet to be completed. We are anticipating finalizing purchases in Q3 2012.
2h.	Network Build (all components - owned, leased, IRU, etc.)	76	The Network Build will continue to lag as construction was scheduled to start much earlier in the project time line. All available resources will continue to be utilized to bring this metric to baseline projections by Q4 2012.
2i.	Equipment Deployment	80	Equipment is being deployed as fiber routes are completed. Delays in fiber shipment has forced equipment deployment to follow final fiber splicing projected in quarter four of 2012.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2j.	Network Testing	40	Network testing will be performed as the build progresses and services are turned up. Current projections indicate this metric will lag until quarter three of 2012 and follow the same metric as Network Build.
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).
 None are anticipated at this time.

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	\$1,385,673	\$0	\$1,385,673	\$470	\$0	\$470	\$500	\$0	\$500
b. Land, structures, right-of-ways, appraisals, etc.	\$3,845,935	\$3,574,685	\$271,250	\$3,456,204	\$3,438,187	\$18,017	\$3,550,000	\$3,500,000	\$50,000
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$5,193,245	\$0	\$5,193,245	\$4,278,912	\$0	\$4,278,912	\$5,266,912	\$0	\$5,266,912
e. Other architectural and engineering fees	\$2,136,368	\$0	\$2,136,368	\$4,440,091	\$0	\$4,440,091	\$4,440,091	\$0	\$4,440,091
f. Project inspection fees	\$8,194,858	\$0	\$8,194,858	\$6,089,689	\$0	\$6,089,689	\$6,800,000	\$0	\$6,800,000
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	\$70,065,546	\$11,209,538	\$58,856,008	\$26,447,066	\$6,329,759	\$20,117,307	\$34,000,000	\$7,000,000	\$27,000,000
j. Equipment	\$15,517,288	\$7,414,371	\$8,102,917	\$14,807,631	\$8,925,408	\$5,882,223	\$15,500,000	\$8,926,000	\$6,574,000
k. Miscellaneous	\$207,678	\$0	\$207,678	\$158,181	\$0	\$158,181	\$160,000	\$0	\$160,000
l. SUBTOTAL (add a through k)	\$106,546,591	\$22,198,594	\$84,347,997	\$59,678,244	\$18,693,354	\$40,984,890	\$69,717,503	\$19,426,000	\$50,291,503
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$106,546,591	\$22,198,594	\$84,347,997	\$59,678,244	\$18,693,354	\$40,984,890	\$69,717,503	\$19,426,000	\$50,291,503

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: \$16,302
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