

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 NT10BIX5570065	3. DUNS Number 046251963
4. Recipient Organization Buggs Island Telephone Cooperative 100 Nellie Jones Road , Bracey, VA 23919-1732		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> 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 Mickey Sims	7c. Telephone (area code, number and extension) 4346362274	
	7d. Email Address msims@bit.coop	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-28-2013	

Project Indicators (This Quarter)

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

Airspan completed optimization of the network.

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	80	The percent completion reflects the required build-out of 66 & 2/3rds percent plus the installation of the core network.
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	50	The 700 network is ongoing change due to interference issues. The 3.65 network is virtually completed.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	100	No Variance
2f.	Site Preparation	100	No Variance
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc)	78	Airspan did complete optimization on the network but problems exist with reliability and speeds, so the system is yet to be deemed commercially ready to market.
2i.	Equipment Deployment	79	24 of the 35 sites have been deployed, but not yet accepted.
2j.	Network Testing	8	The 3.65 network is 95% tested and only lacks lab testing. The 700 network is being reconfigured.
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).

Aispan has sent over 30 firmware upgrades for the customer premise equipment, but the default to factory settings problem exists.

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	72	Six of the sites are connected with wireless links and are completed. The remaining one wireless link will be established in the final phase of the build-out of the remaining 11 sites.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of miles of new fiber (aerial or underground)	0	N/A
Number of new wireless links	6	Six wireless links are installed.
Number of new towers	24	24 leased towers have had equipment installed.
Number of new and/or upgraded interconnection points	14	BIT has connected with the fiber backbone with these interconnection points and they are tested and ready.

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	3
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:
None

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:

Broadband wholesale reseller 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 third party operates (600 words or less).

Not applicable.

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	BIT has negotiated with three wholesale entities and are awaiting the launch of commercial service before finalizing the agreements.
	Providers with signed agreements receiving improved access	0	Three entities are being considered.
	Providers with signed agreements receiving access to dark fiber	0	No Variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	BIT is negotiating with three entities.
Community Anchor Institutions (including Government institutions)	Total subscribers served	6	BIT is awaiting re-configuration of the 700 megahertz network before marketing the service and signing up subscribers.

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 or subscribers for each	6	1-6mbps 2-3mbps 3-1.5mbps
Residential / Households	Entities passed	62,159	Total households in the 15 county service area.
	Total subscribers served	82	82 beta-testers.
	Subscribers receiving new access	0	Service not yet being marketed.
	Subscribers receiving improved access	0	Not Applicable.
	Please identify the speed tiers that are available and the number of subscribers for each	82	3-6 mbps 79-1.5mbps
Businesses	Entities passed	9,177	Total businesses in service area.
	Total subscribers served	10	The businesses are all beta-testers.
	Subscribers receiving new access	0	Awaiting completion of the 3.65 testing by year end.
	Subscribers receiving improved access	0	Not applicable.
	Please identify the speed tiers that are available and the number of subscribers for each	4	1-10 mbps 2-6 mbps 1-3 mbps

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

BIT will offer discounted service to all CAI's.

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

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

Not applicable.

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
N/A	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).

Airspan will have completed the 3.65 network and the testing will have been completed. Service offerings will commence within 1.5 miles of the six sites. BIT will have complied with all of the Corrective Action Plan provisions.

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	80	Projection of commercially ready to market service and final build-out of the additional 11 sites is undetermined.
2b.	Environmental Assessment	100	No Variance
2c.	Network Design	80	3.65 network will be tested and accepted and 700 network will be re-designed.
2d.	Rights of Way	0	N/A
2e.	Construction Permits and Other Approvals	100	No Variance
2f.	Site Preparation	100	No Variance
2g.	Equipment Procurement	100	No Variance
2h.	Network Build (all components - owned, leased, IRU, etc.)	80	3.65 network build completed and 700 network optimized.
2i.	Equipment Deployment	80	3.65 network build completed and 700 network optimized.
2j.	Network Testing	56	3.65 network virtually tested and 700 network being re-configured.
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).

3.65 network has to be accepted and the 700 network must be re-designed and re-configured to BIT's satisfaction.

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	\$267,558	\$59,975	\$207,583	\$232,830	\$16,814	\$216,016	\$232,830	\$16,814	\$216,016
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$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	\$591,877	\$100,423	\$491,454	\$608,569	\$94,070	\$514,499	\$608,569	\$94,070	\$608,569
e. Other architectural and engineering fees	\$361,435	\$61,324	\$300,111	\$150,731	\$121,876	\$28,855	\$150,731	\$121,876	\$28,855
f. Project inspection fees	\$142,800	\$24,229	\$118,571	\$79,807	\$37,485	\$42,322	\$79,807	\$37,485	\$42,322
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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$22,003,511	\$4,143,394	\$17,860,117	\$17,305,121	\$3,217,963	\$14,087,158	\$17,305,121	\$3,217,963	\$14,087,158
k. Miscellaneous	\$591,516	\$585,704	\$5,812	\$801,959	\$529,876	\$272,083	\$801,959	\$529,876	\$272,083
l. SUBTOTAL (add a through k)	\$23,958,697	\$4,975,049	\$18,983,648	\$19,179,017	\$4,018,084	\$15,160,933	\$19,179,017	\$4,018,084	\$15,255,003
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$23,958,697	\$4,975,049	\$18,983,648	\$19,179,017	\$4,018,084	\$15,160,933	\$19,179,017	\$4,018,084	\$15,255,003

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: \$5,804
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