

RECIPIENT NAME:COM Net, Inc.  
AWARD NUMBER: NT10BIX5570072  
DATE: 03/16/2013

OMB CONTROL NUMBER: 0660-0037  
EXPIRATION DATE: 12/31/2013

## ANNUAL 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> NT10BIX5570072	<b>3. DUNS Number</b> 957284334
<b>4. Recipient Organization</b>  COM Net, Inc. 13888 County Road 25 A, Wapakoneta, OH 45895-8316		
<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2012	<b>6. Is this the last Annual 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>  Timothy Berelsman	<b>7c. Telephone (area code, number and extension)</b>  X	
	<b>7d. Email Address</b>  tberelsman@cniteam.com	
<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  03-16-2013	

**OVERALL PROJECT PERFORMANCE INDICATORS**

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	28,525	This price includes all outside plant construction firm charges, fiber-optic plant materials, private easement costs, authority having jurisdiction (AHJ) permit application costs, conduit costs, pole attachment application costs, pole make ready costs, Railroad (RR) crossing occupancy costs, RR liability insurance cost and RR flagman costs.
Average cost per household passed (Last Mile)	NA	NA
Average cost per subscriber (Last Mile)	NA	NA
Maximum broadband speed advertised (Middle Mile)	10 Gbps	Baseline indicated 10 Gbps in Year 2 of the project. No Variance
Maximum broadband speed advertised (Last Mile)	NA	NA
Average broadband speed provided (Middle Mile)	139	CNI's most common service being sold is point-to-point Ethernet service, so this number is based on the average committed data rate being ordered. In 2011 CNI saw limited customer's subscribing for service but with several requesting connection speeds in excess of 100 Mbps. In 2012 CNI has seen more moderate capacity requirements from Community Anchor Institutions and wholesale customers.
Average broadband speed provided (Last Mile)	NA	NA

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
See Addendum	See Addendum	See Addendum	See Addendum

Add Facility

Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

**Interconnection Agreements (600 words or less)**

In Com Net Incorporated's (CNI's) 2011 annual performance progress report it was noted that eleven (11) agreements classified as an interconnection, peering and/or transit arrangement were established. It was later determined that four (4) of these should not have been reported in OARnet and OneCommunity as sub-recipients, as well as Tier 2 Communications and Independents Fiber Network as wholly owned subsidiaries of CNI making the adjusted total agreements seven (7) for 2011.

As of year-end 2012 CNI had established 34 agreements classified as interconnection, peering and/or transit arrangements.

CNI had established mid-span meet-point (MSMP), meet-point billed points of interconnection as services are sold with Telephone Service Company; Bascom Mutual Telephone Company; Wabash Mutual Telephone Company; Sherwood Mutual Telephone Association; Vaughnsville Telephone Company; Farmers Mutual Telephone Company; Kalida Telephone Company; Glandorf Telephone Company; Defiance Holdings property Qualstar; SAA bright.net; New Knoxville Telephone Company; Buckland Telephone Company; Waldron Telephone Company; Ayersville Telephone Company; Fort Jennings Telephone Company; Ridgeville Telephone Company; Ogden Telephone Company; Sand Creek Telephone Company; McClure Telephone Company and Champaign Telephone Company. Com Net was in the process of negotiating one such additional agreement.

CNI had established or upgraded Mid-Span Meet Point Network-to-Network Interconnection (NNI) agreement with carriers with the purchase and/or

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sale of transport services with Columbus Grove, a Fairpoint Communications property; AVETEC; Buckeye Telesystem and MediaCom as well as Bowling Green Municipal Utilities. Com Net was in the process of negotiating one such additional agreement.

CNI had established intrabuilding mid-span point-of-meet interconnections with Level3 at its network center located at 1946 N. 13th Street, Toledo, OH; US Signal at 121 N. Erie Street through an intrabuilding cross connect at 1946 N. 13th Street, Toledo, OH to US Signal fiber facilities; XO Communications at 535/545 Scherers Court, Columbus, OH; and INDATEL Service at 305 E. Cermak Street, Chicago, IL through leased DWDM service from 535 Scherers Court to the INDATEL Services collocation cage.

CNI had entered into agreement to provide new or improved transient transport for connectivity to CNI's regional transient IP network to WATCH Communications; Bascom Communications; Wabash Communications; and Securus Technologies.

CNI sub-recipient ZAYO had reported it had entered into an agreement with one undisclosed customer to provide two dark fiber under an IRU.

Com Net has not denied any request for service and/or use of the facilities. Com Net has only expressed a potential for limited capabilities to deliver an Indefeasible Right to Use (IRU) dark fiber as a fiber tail service under a managed service agreement based on jointly provided service plans to a Community Anchor Institutions (CAIs) in certain areas of the network.

**Peering and Transit Agreements (600 words or less)**

CNI did not enter into any peering or transit agreement as part of the federally funded project. Com Net's legacy core IP routers that host BGP announcements/peers with Tier 1 carriers, Tier 2 Carriers, Content Delivery Networks, IP Exchanges, Ethernet Exchanges, other regional IP network operators and with other autonomous system numbers of other providers were not made part of the GigEPAC project as in-kind nor were they purchased with federal funds. The only network equipment made part of the project was MPLS Network Equipment strictly utilized in providing Layer 2 and Layer 3 Ethernet Transport Services.

**CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS**

**4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.**

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	705	Public Housing	377
Libraries	165	Other Institutions of Higher Education	16
Medical and Healthcare Providers	279	Other Community Support Organizations	504
Public Safety Entities	322	Other Government Facilities	488
Community Colleges	12	Total Community Anchor Institutions	2,868

**5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (600 words or less).**

The average increase in broadband speed was by a factor of ~4.0. This is based on the actual increase in committed data rate on port connections for point-to-point and private virtual local area network services. All service provided to date are private network services of the subscribing Community Anchor Institution; therefore, actual bandwidth usage is not a monitored characteristic. In calculating this number, Com Net summed the data rate of all subscribing entities prior to implementation of the new or improved service and then post implementation. Com Net then divided the post implementation aggregate committed data rate by the pre-implementation committed data rate to establish broadband speed increase factor.

**6. What retail services are being provided by this project? Please describe below. (600 words or less). As an attachment to this report, please provide pricing plans (in \$ per month) associated with each retail service. Retail services description:**

CNI's offering of Ethernet Transport Services is focused on ELINE; ELAN, ETREE and dual-homed satellite to primary and disaster recovery hub site connectivity. CNI offers wholesale last mile connectivity with Internet Access Port and Bandwidth for the service providers' resale use. CNI, also, offers managed fiber-tail service, which is the management of a fiber-tail to a customer location or a mid-span meet-point interconnect or customer provided access facility through CNI's network operation center to deliver jointly provided lit services. The availability of GigE PLUS fiber facilities managed and operated by CNI is limited on two major segments at the present time. This is on the segment from Toledo-to-Lima and Lima-to-Dayton where CNI manages 48 of the 96 fiber and ZAYO Group manages the remaining 48 fiber. In the 48 fiber CNI is managing over these major metro segments, it has committed a majority of the fiber for serving Community Anchor Institutions, establishing Ethernet Network-to-Network mid-span meet-point interconnects and reserved additional fiber for quotes to wireless carrier sites that are in various states of award. On these two major segments, the use of the remaining dark fiber is reserved for satisfying the primary purpose of the grant, which is to serve Community Anchor Institutions and to bring broadband to unserved and underserved rural areas. The monthly lease of fiber facilities has not been offered to date.

**7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?**  
 At the present time Com Net maintains an open network policy as published on its web site at www.cniteam.com. Com Net does not practice any bandwidth limitation outside of port limiting that is based on customer's ordered capacity. Com Net does not currently prioritize traffic in any form. Com Net has never limited or blocked consumers from accessing lawful content, service, service provider, application or prevented any consumer from attaching any legal device to the network.

**8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).**  
 CNI has not experienced any dropped subscriber to date for the GigE Plus project. CNI is not tracking and reporting on dropped subscribers of its Broadband Service Partners. CNI has lost the opportunity to serve prospective community anchor institutions that were included in its initial projections to competitive broadband providers on price and service availability at the time of customer commitment.

**9. Please provide the following information regarding the number of fiber strand-miles:**

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	Leased	Dark
64,396	761	287	29,732	9,026	3,406	21,184

**10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:**  
 Ottoville Mutual Telephone Company, 8.5 route miles, 1 Fiber or 8.5 Fiber Miles for the purpose of providing service to a K-12 educational institution  
 Benton Ridge Telephone Company, 5.85 Route Miles, 1 Fiber, 5.85 Fiber Miles for the purpose of serving a K-12 Community Anchor Institution, 1 Fiber for serving the a K-12 school district, 1 Fiber for serving a K-12 school district, 1 Fiber for serving a K-12 school district  
 Wabash Mutual Telephone Company 2 Fiber for Serving a K-12 school district  
 SAA bright.net 2 fiber for serving a K-12 school district  
 Telephone Service Company 1 Fiber for serving the a K-12 school district and one fiber for delivering IP service to a K-12 school district.  
 McClure Telephone Company 2 Fiber for customer access to Com Net Findlay Point-of-Presence for protected network connectivity as part of Network Interface connection  
 Bascom Mutual Telephone Company 2 Fiber for establishing mid-span meet-point interconnect with the Sycamore Telephone Company.  
 Sycamore Telephone Company 2 Fiber for establishing mid-span meet-point interconnect with the Bascom Mutual Telephone Company  
 Northwest Net 2 Fiber for providing service to a K-12 school district.  
 Northwest Net 1 Fiber for providing service to a commercial entity  
 2 fiber Toledo to Dayton route to be used by ZAYO for leasing to an undisclosed customer

**11. Please provide the following information regarding the facility collocation capacity:**

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available
708	420	36	252

**12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).**  
 The square footage reported is comprised of (i) one sites where in-kind equipment along with DWDM network upgraded equipment is placed in leased collocation space of an ISP; (ii) addition of a rack in 2012 at one site to house the Cyan chassis where in-kind equipment is located in carrier neutral space of the data center operator as reported in 2011; (iii) addition of a rack in 2012 at one site where in-kind MPLS Network equipment had to be separated from DWDM network upgrade equipment for cooling purpose, which is located in carrier neutral space of the data center operator as reported in 2011; (iv) three newly constructed 12x10 concrete hut enclosures in 2012; (v) in one site where upgraded DWDM equipment of CNI was installed in occupied space at an ISP's Point-of-Presence as part of a mid-span meet-point interconnect agreement whereby CNI will lease facilities as service are sold; (vi) in one site where upgraded DWDM equipment of CNI was installed in occupied space at an Cable TV provider's central network distribution office as part of a mid-span meet-point interconnect agreement whereby CNI will lease facilities as service are sold; and (vi) in 24 sites where upgraded DWDM equipment of CNI was installed in occupied space at an incumbent Local Exchange Carrier Central Office as part of a mid-span meet-point interconnect agreement whereby CNI will lease facilities as services are sold.

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Other network providers can also connect to Com Net's federally funded backhaul network through mid span meet-point interconnect arrangements at one or more of the multiple non-environmentally controlled outdoor enclosures housing splice points located along the new construction routes.

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

Continental Resources - Women Owned

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

Although aerial plant may be lucrative from a construction cost standpoint, do not underestimate the application fees and make ready costs in aerial construction as well as time line impacts and on-going repair costs. A thorough inspection of pole facilities should be completed prior to making a final determination to go aerial versus underground from a cost and timing perspective. At the same time, when making the decision to go underground, one should pursue all resource information available on subsurface soil and rock conditions. The presence of quarries in or around the planned route is a good indication you may encounter obstructions during construction. It is also important to engage with the authorities having jurisdiction to establish a working relationship, especially if the authorities have encountered problems with workmanship associated with the placement of communication facilities in the past. You may encounter resistance to certain methods of construction that can only be overcome through relationship building and/or negotiation of special agreements to repair any disturbed underground facilities.

**15. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide an updated list of Community Anchor Institutions (CAIs) that you have connected and plan to connect to your network.**

**16. Using the Excel spreadsheet template titled "Annual PPR CCI Addendum", please provide a list of community pairs that are receiving new or improved broadband service as a result of BTOP grant funds.**

**17. Please provide up-to-date network route maps in a single file, in a Google Earth compatible format (e.g., KMZ file).**