

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 NT10BIX5570073	3. DUNS Number 830534082
4. Recipient Organization Bend Cable Communications, LLC 63090 Sherman Road, Bend, OR 97701-5750		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2011	6. Is this the last Report of the Award Period? <div style="text-align: center;"> <input type="radio"/> Yes <input checked="" type="radio"/> No </div>	
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 Melanie Grandjacques	7c. Telephone (area code, number and extension) 5413126561	7d. Email Address mgrandjacques@bendbroadband.net
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-18-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 The following has been completed during this quarter:
 *Received Environmental Assessment Finding of No Significant Impact (FONSI)
 *Signed two out of two franchise agreements required. (Madras and La Pine)
 *Received most permits required except for USFS, BLM and Bureau of Rec. These are in progress as they were contingent on our receipt of our FONSI.
 *Signed an additional two Community Anchor Institutions for a total of four.
 *Reviewed project at the city of La Pine's council meeting.
 *We have received all of our construction materials including fiber.

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	2	The EA process took longer than anticipated from our baseline project plan.
2b.	Environmental Assessment	100	We received FONSI on July 19, 2011.
2c.	Network Design	100	Network design of the fiber infrastructure and GePON technology is complete.
2d.	Rights of Way	95	We have all necessary ROW for the main infrastructure legs and laterals for Community Anchor Institutions. We still need to obtain one ROW for one GePON build.
2e.	Construction Permits and Other Approvals	95	We have received all of our permits except for the federal agencies of BLM, USFS and Bureau of Rec and one utility (in progress). We anticipate to receive these very soon. We are working with an utility company as a large percentage of our pole attachment permits were rejected.
2f.	Site Preparation	0	We have not started construction, therefore no site preparation has been started.
2g.	Equipment Procurement	0	We have received all materials except for the specific technologies of OTN and GePON.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
2i.	Equipment Deployment	0	NA - we are providing middle mile only.
2j.	Network Testing	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
2k.	Other (please specify): NA	0	No other progress milestones at this time.

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).
 None.

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	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
New network miles leased	0	NA
Existing network miles upgraded	0	NA
Existing network miles leased	0	NA
Number of miles of new fiber (aerial or underground)	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
Number of new wireless links	0	NA
Number of new towers	0	NA
Number of new and/or upgraded interconnection points	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.

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:
None at this time.

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).
NA

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	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving improved access	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Providers with signed agreements receiving access to dark fiber	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
Community Anchor Institutions (including Government institutions)	Total subscribers served	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Subscribers receiving new access	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Subscribers receiving improved access	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Please identify the speed tiers that are available and the number or subscribers for each	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
Residential / Households	Entities passed	0	NA - middle mile project
	Total subscribers served	0	NA - middle mile project
	Subscribers receiving new access	0	NA - middle mile project
	Subscribers receiving improved access	0	NA - middle mile project
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA - middle mile project
Businesses	Entities passed	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Total subscribers served	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Subscribers receiving new access	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Subscribers receiving improved access	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.
	Please identify the speed tiers that are available and the number of subscribers for each	0	We anticipate to start construction mid September contingent on an utility company's response for pole attachment.

7. Please describe any special offerings you may provide (600 words or less).
Community Anchor Institutions receive 25% discount on service if sign five year contract.

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

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

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	Type of Anchor	Are you also the	Narrative description of how anchor institutions are using BTOP-
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	Area (town or county)	Institution (as defined in your baseline)	broadband service provider for this institution? (Yes / No)	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).
 We anticipate to have the following complete next quarter:
 *Receipt of our outstanding construction permits (BLM, USFS, BoR) and one last utility.
 *Purchase of OTN technology equipment and re-bid GePON technology equipment.
 *Begin construction on three of the five main infrastructure legs.
 *Groundbreaking ceremonies in Madras, Sunriver and La Pine.

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	27	Received FONSI and will begin construction
2b.	Environmental Assessment	100	Complete
2c.	Network Design	100	Complete
2d.	Rights of Way	100	Anticipate to be complete
2e.	Construction Permits and Other Approvals	100	Anticipate to be complete
2f.	Site Preparation	30	We will begin construction of 3 out of the five legs and five GePON builds.
2g.	Equipment Procurement	90	We have received all materials except for the specific technologies of OTN and GePON.
2h.	Network Build (all components - owned, leased, IRU, etc.)	1	Start construction mid September
2i.	Equipment Deployment	0	Start construction mid September
2j.	Network Testing	0	The infrastructure will not be completely constructed yet.
2k.	Other (please specify):	0	NA

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).
 If we need to determine multiple re-routes due to an utility company's response, it may delay construction due to performing EA due diligence.

