

RECIPIENT NAME:ONWAV INC.
AWARD NUMBER: NT10BIX5570080
DATE: 12/09/2013

OMB CONTROL NUMBER: 0660-0037
EXPIRATION DATE: 6/30/2015

ANNUAL 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 NT10BIX5570080	3. DUNS Number 800782943
4. Recipient Organization ONWAV INC. 201 W. Gore Ave., Gainesboro, TN 38562-9601		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2013	6. Is this the last Annual Report of the Award Period? <input checked="" type="radio"/> Yes <input 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 Sam Hariton	7c. Telephone (area code, number and extension) X	
	7d. Email Address sam.hariton@widelity.com	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 12-09-2013	

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)	\$10920	OnWav signed an IRU for 215.955 miles of Middle Mile fiber (2 strands) including both existing dark fiber and newly constructed fiber, for a total cost of \$2,358,228.60. OnWav's cost per mile of fiber was \$10,920
Average cost per household passed (Last Mile)	\$182.51	The direct cost of deployment at all six last mile sites is \$833,722. There are 4567 households in OnWav's Service Area, for an average cost of \$182.51 per household passed
Average cost per subscriber (Last Mile)	N/A	The direct cost of deployment at all six last mile sites is \$833,722. OnWav does not have any households subscribers. As a result, this section does not apply.
Maximum broadband speed advertised (Middle Mile)	1 Gbps	OnWav is capable of offering service as high as 1Gbps. OnWav has not actively marketed this speed tier, but is available if approached.
Maximum broadband speed advertised (Last Mile)	16 Mbps / 2 Mbps	OnWav highest offered service tier is currently 16 Mbps download with 2 Mbps upload.
Average broadband speed provided (Middle Mile)	460 Mbps	OnWav currently measures approximately 460Mbps Down and 230 Mbps Up as an average speed on the middle mile portion of the network. However, because the CAIs current use the service primarily as backup, there is not currently sufficient traffic on the network to gauge this value with complete confidence.
Average broadband speed provided (Last Mile)	8 Mbps / 1 Mbps	Based on a combination of the average speed tier selected by customers and an average of the performance supplied by the network.

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
Jamestown Water Tank	Wireless Basestation	Fentress County, TN	965100
Allardt Water Tank	Wireless Basestation	Fentress County, TN	965200
Byrdstown Tower	Wireless Basestation	Pickett County, TN	985100
Celina Tower	Wireless Basestation	Clay County, TN	955000
Gainesboro Tower	Wireless Basestation	Jackson County, TN	960300
Livingston Tower	Wireless Basestation	Overton County, TN	950300
Gainesboro CO	Collocated Internet Gateway	Jackson County, TN	960300

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)

OnWav has signed two agreements with last mile wholesalers to provide wholesale service through them. No additional agreements are currently

DATE: 12/09/2013

under negotiation. OnWav has not denied any requests for interconnection.

Peering and Transit Agreements (600 words or less)

OnWav has signed two agreements with last mile wholesalers to provide wholesale service through them. No additional agreements are currently under negotiation. OnWav has not denied any requests for interconnection.

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)	20	Public Housing	15
Libraries	4	Other Institutions of Higher Education	2
Medical and Healthcare Providers	4	Other Community Support Organizations	25
Public Safety Entities	27	Other Government Facilities	55
Community Colleges	2	Total Community Anchor Institutions	154

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).

OnWav is currently offering CAIs free service as a backup to their existing service. As a result, while there has been no increase in broadband speed for these providers, the reliability and redundancy of their service has significantly improved as they now have two sources of Internet access. In the event of a failure of service to their primary access,

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:

OnWav is currently only offering Internet services to CAI customers. In the future OnWav plans to offer backup VoIP lines to all customers as well.

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)?

Currently OnWav is only offering last mile customers speed tiers as backup service to their primary Internet service. As a result, OnWav is throttling customers to provide service within their relevant speed tier.

Other than the aforementioned speed tier limitations, OnWav is not limiting or blocking customer from accessing any Lawful content, service, service provider or applications. Nor has OnWav prevented any consumers 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).

Two of the locations OnWav had previously listed as served CAIs are no longer being listed as served CAIs by OnWav: One has since closed and was removed from our CAI list in a September 2013 CAI Change AAR. The other had some uncertainty of its current operational status as a valid CAI and in order to remain conservative it was also removed in the September 2013 AAR. As a result, we are not reporting them as subscribers. OnWav's final total subscribers are 154 CAIs (126 from Q2 2013, minus 2 dropped, plus 30 added Q3 2013)

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
432	432	0	0	0	0	0

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
 N/A

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
0	0	0	0

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).

OnWav currently leases space at the Freeze St. Tower (with non-grant funds) which it already currently subleases some space to Solutions IT Consulting for collocation and Interconnection. More space is available for future Interconnection partners.

OnWav also leases rackspace in Gainesboro from Twin Lakes Telephone Cooperative for its Core Network Equipment and Internet Access.

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).

OnWav has not made any subcontracts or sub grants to small disadvantaged Businesses (SDB).

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

OnWav has a couple lessons learned that can be shared with other similar BTOP projects:

- Make sure to schedule a meeting between your Operations teams and Accounting Department to ensure that expenses and invoices are being booked to the correct accounts. Many vendor invoices are not explicit on what they are for and it's important to ensure that equipment is being booked to the correct account so it can be depreciated at the correct rate.
- Document everything as soon as possible after work is complete. The longer you wait the harder it is for those involved to remember the details of the project as it happened.

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).