

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 NT10BIX5570082	3. DUNS Number 111089470
4. Recipient Organization University System of New Hampshire 51 College Road Service Building 107, Durham, NH 03824-3585		
5. Current Reporting Period End Date (MM/DD/YYYY) 06-30-2012	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 Scott A Valcourt Director	7c. Telephone (area code, number and extension) 6038624489	
	7d. Email Address sav@unh.edu	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 08-10-2012	

Project Indicators (This Quarter)

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

Accomplishments in Q2 2012:

A - Middle Mile Fiber, New Hampshire Optical Systems (NHOS) - (68% of total project):

- Surveys on the entire Middle Mile route are 99.9% complete and 92% of Make-Ready estimates have been be paid.
- The Award Action Request (AAR) submitted in December 2011 was revised and resubmitted for approval.
- Currently have 75 Community Anchor Institutions (CAIs) requests to connect to the Middle Mile network. NHOS has completed construction on an additional 3 building entrances to prepare for connection to the Middle Mile network.
- 169 reels of fiber have been acquired. The remaining 19 reel of fiber are expected to be delivered in September 2012.
- Continued to hang strand in licensed portions of the route for a total strand and fiber amount of just over 107 miles.
- NHOS had a hearing with the New Hampshire Public Utilities Commission on June 7, 2012 to request an investigation into excessive Make-Ready charges, but no relief was realized from the regulatory process. Time Warner Cable has agreed to engage NHOS to perform third party Make-Ready on the Middle Mile route. NHOS and the project are negotiating directly with others for third party Make-Ready work.
- NHOS is in final negotiations on 1 ISP agreement and anticipates having 1 signed by the end of September 2012.

B - Middle Mile DOT Fiber, New Hampshire Department of Transportation (NH DOT) - (10.5% of total project):

- Pre-construction kickoff meetings were conducted in April 2012.
- Material procurement commenced in June 2012.
- Construction commenced June 2012.

C - Middle Mile Microwave, NHSafeNet Public Safety Microwave Network - (9.2% of total project):

- Total completed installations of new antennas, waveguides, and radio equipment on 16 of the 20 sites in the microwave network for public safety.
- Negotiating Memorandum of Understanding (MOU) documents with Maine and Massachusetts State Police.
- Continued engineering MPLS design for network.
- Attended National Association of Broadcasters (NAB) conference in April 2012 in preparation for issuing an RFP for datacasting in Q3 2012.

D - Last Mile Fiber- NH FastRoads - (11.6% of total project):

Due to match funding issues the NH FastRoads project was on hold during the month of June. Spending and construction progress goals were not achieved in this quarter. This issue is expected to be resolved in July 2012 along with project plan reviews for possible scope changes. The following activity was completed in April and May:

- Pole applications for Phases 1 (Enfield) and 2 (Rindge) have been submitted.
- Make-Ready commenced for Phases 1 and 2.
- Phase 3 applications were queued for submission to pole owners.
- Network Equipment vendors were finalized and RFP will be awarded in July 2012.

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	62	Baseline forecast 74 (Variance -12) Q2 PPR forecast 70 (Variance -8). Network New Hampshire Now came very close to reaching its target of 67% expenditure by the end of this quarter but missed that target due to two timing issues: -Delays in match funding for the the New Hampshire FastRoads project delayed anticipated expenditures. NH FastRoads has expended 19% of their budget. NH FastRoads anticipates receipt of match funding in early Q3 2012 and will expedite expenses to substantially improve the timeline in this area. -NHDOT had projected to spend an additional \$2 million, but the State of NH approval process pushed this into Q3 2012.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2b.	Environmental Assessment	100	Completed
2c.	Network Design	100	Actual is 118% Baseline forecast 100 (Variance +18) Q2 PPR forecast 122 (Variance - 4). New Hampshire FastRoads network design spending was lower than forecast. Match is being secured and progress should be near completion in Q3 2012.
2d.	Rights of Way	100	No expenditures scheduled in this milestone
2e.	Construction Permits and Other Approvals	47	Baseline forecast 87 (Variance -40) Q2 PPR forecast 56 (Variance -9) Three projects had forecast expenditures in this milestone, but only totaled \$127K: NHOS (\$99K); NH FastRoads (\$15K); and Green Mountain Communications (\$13K). No actual expenditures occurred in this quarter due to process timing issues, but will be expended in the coming quarter.
2f.	Site Preparation	100	Actual 102% Baseline forecast 87 (Variance +13) Q2 PPR forecast 56 (Variance +46) Tower Match was posted against this category, but will be transferred to a different category after approval of a budget revision through the Award Action Request (AAR) process.
2g.	Equipment Procurement	59	Baseline forecast 47 (Variance +12) Q2 PPR forecast 66 (Variance -7) NH FastRoads had projected to award their networking equipment during this quarter, but was unable to solidify the required match funding. Match funding is expected in Q3 2012, which will put this milestone back on track.
2h.	Network Build (all components - owned, leased, IRU, etc)	45	Baseline forecast 57 (Variance -12) Q2 PPR forecast 56 (Variance -11) NHDOT had projected to spend 15% more than what was actually spent. The shortfall was due to a longer than expected approval process with the State of NH. This shortfall will be made up in the next quarter.
2i.	Equipment Deployment	38	Baseline forecast 59 (Variance -21) Q2 PPR forecast 34 (Variance +4) We are slightly ahead of forecast from our previous quarter PPR projections. The project baseline will be met upon completion of Microwave equipment deployment in Q2 2013.
2j.	Network Testing	0	Baseline forecast 14 (Variance -14) Q2 PPR forecast 0 (No Variance). Network testing is anticipated to begin in Q3 2012.
2k.	Other (please specify): Project Management	56	Baseline forecast 66 (Variance -10) Q2 PPR forecast 60 (Variance -4)

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).

Finalizing agreements for public safety interoperability in the microwave network is taking longer than anticipated. The New Hampshire State Police continue to work with their counterparts in Maine and Vermont to complete agreements and enable construction to begin. We anticipate agreements to be in place in Q3 2012 and construction to start in Q4 2012. This delay will not

impact delivery of the microwave service by Q2 2013.

In New Hampshire, third party Make-Ready costs and timelines stand as primary roadblocks to constructing broadband networks. The Make-Ready process requires coordination between the pole owners and the telecommunications firms that have already attached to the pole. In New Hampshire, each third party is responsible for moving its own wires and equipment. As a result, each third party is free to establish its own pricing and timelines, and no rules or procedures exist to prevent excessive pricing or payment demands that contravene the policies underlying PUC 1300 and the federal and state broadband policies. In addition to meeting with the New Hampshire Public Utilities Commission, NTIA, and Federal and NH state representatives, NHOS continues to work with the utility pole owners and Competitive Local Exchange Carriers (CLECs) to complete Make-Ready for this project.

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	74	Baseline 48.1; Variance 25.6
New network miles leased	0	No variance.
Existing network miles upgraded	0	No variance.
Existing network miles leased	0	Baseline 165.5, Variance -165.5 We had anticipated 165.5 miles of in-kind fiber from vendors that had made initial commitments before our RFP process. These vendors did not receive the award. The project continues to negotiate in-kind fiber donations in pursuit of this target.
Number of miles of new fiber (aerial or underground)	74	Baseline 213.6; Variance -139.6 Although we are ahead of projections in new network miles deployed, we had anticipated 165.6 miles of in-kind fiber from vendors that had made initial commitments before our RFP process. These vendors did not receive the award. We are considering alternative approaches which have been included in a recent Award Action Request.
Number of new wireless links	0	Baseline 13; Variance -13 We had anticipated completion of 13 wireless links in the microwave public safety network in our baseline. Due to the critical nature of public safety communications, this project was re-engineered to construct and test a parallel system alongside the existing TDM system. Once operational, we will transfer existing services to the new links and then decommission the old links, expected somewhere in the periods of Q1/Q2 2013.
Number of new towers	0	No variance.
Number of new and/or upgraded interconnection points	3	Baseline 7, Variance -4. The microwave project had estimated 4 additional connections this quarter. As the network will be brought online in Q2 2013, these connections have not yet been established. Existing connections are in Durham (University of New Hampshire), Manchester (DSCI), and Keene (Keene State College).

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

Indicators	
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	8
Average term of signed agreements (in quarters)	0
<p>5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: None this quarter.</p>	
<p>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 this quarter.</p>	
<p>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). None this quarter.</p>	

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	No variance.
	Providers with signed agreements receiving improved access	0	No variance.
	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	No variance.
Community Anchor Institutions (including Government institutions)	Total subscribers served	7	Variance -8. Baseline had estimated 15 CAIs connected. Due to a delayed start in subprojects, CAI connections are below projections. To date, the project has 260 commitments to connect once the network is available. The project has also completed work on 26 building entrances with fiber installed from the building to the pole line. These CAIs are poised to connect to the Middle Mile network once it is installed.
	Subscribers receiving new access	0	Variance -4. Baseline had estimated 4 CAIs with new access. Due to a delayed start in subprojects, CAI connections are below projections. To date, the project has 260 commitments to connect once the network is available.
	Subscribers receiving improved access	7	Variance -4. Due to a delayed start in subprojects, CAI connections are below projections. To date, the project has 260 commitments to connect once the network is available.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Please identify the speed tiers that are available and the number or subscribers for each	7	Provided up to 10GB backbone between the University of New Hampshire and corresponding CAIs.
Residential / Households	Entities passed	0	Variance -360. New Hampshire FastRoads has had challenges securing matching funds, which has delayed construction to their Phase 1 households in Enfield, NH. Phase 1 construction should be completed by Q4 2012.
	Total subscribers served	0	Variance -108. New Hampshire FastRoads has had challenges securing matching funds, which has delayed construction to their Phase 1 households in Enfield, NH. Phase 1 construction should be completed by Q4 2012.
	Subscribers receiving new access	0	Variance -81. New Hampshire FastRoads has had challenges securing matching funds, which has delayed construction to their Phase 1 households in Enfield, NH. Phase 1 construction should be completed by Q4 2012.
	Subscribers receiving improved access	0	Variance -27. New Hampshire FastRoads has had challenges securing matching funds, which has delayed construction to their Phase 1 households in Enfield, NH. Phase 1 construction should be completed by Q4 2012.
	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
Businesses	Entities passed	0	Variance -109. FastRoads engineering is underway and Phase 1 construction should be completed by Q4 2012.
	Total subscribers served	0	Variance -12. FastRoads engineering is underway and Phase 1 construction should be completed by Q4 2012.
	Subscribers receiving new access	0	Variance -2. FastRoads engineering is underway and Phase 1 construction should be completed by Q4 2012.
	Subscribers receiving improved access	0	Variance -10. FastRoads engineering is underway and Phase 1 construction should be completed by Q4 2012.
	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).

No variance.

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

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

No changes.

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	No additional CAIs connected this quarter

Project Indicators (Next Quarter)

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

Upcoming accomplishments in Q3 2012:

A - Middle Mile Fiber, New Hampshire Optical Systems (NHOS) - (68% of total project):

- Surveys on the entire Middle Mile route will be 100% complete and 99% of Make-Ready estimates will be paid.
- The Award Action Request (AAR) submitted in December 2011 will be reviewed and routes will be updated upon approval.
- Continue to solicit Community Anchor Institutions (CAIs) to connect to the Middle Mile network.
- Complete an additional 4 committed CAI building entrances to prepare for connection to the Middle Mile network.
- Remaining 19 reels of fiber will be received completing the acquisition of 187 reels total.
- Hang strand and fiber in licensed portions of the route (307 miles strand cumulative; 250 miles of fiber cumulative).
- Monitor and report on increased third party Make-Ready costs.
- Monitor and report on third party Make-Ready delays affecting project time line.
- Solicit ISPs to offer services using BTOP assets.

B - Middle Mile DOT Fiber, New Hampshire Department of Transportation (NH DOT) - (10.5% of total project):

- 50% of construction will be completed and 75% materials received.

C - Middle Mile Microwave, NHSafeNet Public Safety Microwave Network - (9.2% of total project):

- Completed installations of new antennas, waveguides, and radio equipment on 17 of the 20 sites in the microwave network for public safety.
- Finalize Interoperability Memorandum of Understanding (MOU) documents with Maine and Massachusetts State Police.
- Receive two remaining FCC licenses currently in PCN (public comment period).
- Continue MPLS design for network.
- Commence RFP process for Datacasting equipment.

D - Last Mile Fiber- NH FastRoads - (11.6% of total project):

- All pole applications for all phases will be completed and submitted.
- Make-Ready work will continue for all phases.
- Third party Make-Ready work will begin for Phase 1.
- Equipment required for Phase 1 will be ordered for network build and core and access network equipment.

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	74	Baseline forecast 85.
2b.	Environmental Assessment	100	Completed.
2c.	Network Design	100	Baseline forecast 100; Forecast to be at 130%.
2d.	Rights of Way	100	No expenditures scheduled in this milestone.
2e.	Construction Permits and Other Approvals	59	Baseline forecast 100.
2f.	Site Preparation	100	Baseline forecast 100; Forecast to be 111%.
2g.	Equipment Procurement	67	Baseline forecast 96.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2h.	Network Build (all components - owned, leased, IRU, etc.)	63	Baseline forecast 83.
2i.	Equipment Deployment	40	Baseline forecast 71.
2j.	Network Testing	0	Baseline forecast 23.
2k.	Other (please specify): Project Mgmt.	64	Baseline forecast 75.

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).

Third party Make-Ready continues to be the most significant challenge in completing this network. We are working with several CLECs to negotiate the ability to complete third party work. We have also engaged local, state, and federal assistance with this process.

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	\$5,210,963	\$87,543	\$5,123,420	\$2,942,507	\$79,695	\$2,862,812	\$3,357,628	\$101,716	\$3,255,912
b. Land, structures, right-of-ways, appraisals, etc.	\$72,000	\$21,482	\$50,518	\$4,819	\$1,300	\$3,519	\$72,000	\$21,482	\$50,518
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$4,792,609	\$551,338	\$4,241,271	\$5,121,067	\$394,864	\$4,726,203	\$5,684,118	\$483,518	\$5,200,600
e. Other architectural and engineering fees	\$176,530	\$18,860	\$157,670	\$143,430	\$16,360	\$127,070	\$154,463	\$17,193	\$137,270
f. Project inspection fees	\$153,939	\$45,930	\$108,009	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$7,359,864	\$2,061,461	\$5,298,403	\$9,087,915	\$2,061,461	\$7,026,454	\$9,403,967	\$2,061,461	\$7,342,506
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$23,982,324	\$2,555,718	\$21,426,606	\$7,301,695	\$458,804	\$6,842,891	\$12,530,658	\$1,393,954	\$11,136,704
j. Equipment	\$23,073,047	\$15,918,723	\$7,154,324	\$15,923,486	\$13,175,137	\$2,748,349	\$17,095,177	\$13,555,274	\$3,539,904
k. Miscellaneous	\$1,026,617	\$105,846	\$920,771	\$124,054	\$29,400	\$94,654	\$480,126	\$106,007	\$374,119
l. SUBTOTAL (add a through k)	\$65,847,893	\$21,366,901	\$44,480,992	\$40,648,973	\$16,217,021	\$24,431,952	\$48,778,137	\$17,740,605	\$31,037,533
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$65,847,893	\$21,366,901	\$44,480,992	\$40,648,973	\$16,217,021	\$24,431,952	\$48,778,137	\$17,740,605	\$31,037,533

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: \$0
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