

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 Bldg 107, Durham, NH 03824-3585		
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 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): 08-15-2011	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Network New Hampshire Now began this quarter announcing the approved sub-recipient to the Request for Proposal (RFP) to assemble/construct the high speed Internet access (middle mile) fiber network. The sub-recipient has already trimmed the entire fiber optic network pathway of poles and existing conduit and has filed all of the existing pathway pole access licenses with pole owners. A number of Award Action Requests (AARs) have been filed that address a change in the configuration of the microwave network for public safety (NHSafeNet) as well as budget category changes for the overall project that are under 10% of the federal award. A RFP for the high speed Internet access (middle mile) microwave network was awarded as the quarter ended. A final contract to an equipment vendor in response to a RFP for dense wave-division multiplexing (DWDM) equipment has been completed and the first phase of equipment has been delivered (but not yet invoiced). The NH FastRoads last-mile project has a current RFP for engineering and construction underway with an expectation to close with a selected vendor(s) in Q3 2011. Overall, the project has returned to the baseline schedule in most categories, and anticipates moving along the timeline swiftly in the next quarter.

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	7	(Baseline 24%; -17% Variance) - Previous PPR had estimated this amount at 9%, and this included work to be done by the NH Department of Transportation that will be performed later in the year.
2b.	Environmental Assessment	100	Completed
2c.	Network Design	61	(Baseline 80%; -19% Variance) Actual completion of construction RFPs has occurred later than in baseline plan. Network design behind baseline estimates due to delays in signing agreements with construction vendors. The last construction vendor will be hired as of Q5 (Q3 2011). Work in this area should be complete as forecasted in the baseline by the end of Q8 (Q2 2012).
2d.	Rights of Way	0	(Baseline 18%; -18% Variance) Delays in hiring construction vendor have delayed work in submitting applications for pole licenses. Pole license applications were submitted on the route in Q4, and we expect a substantial amount of progress on Make Ready estimates on the route in Q5 (Q3 2011).
2e.	Construction Permits and Other Approvals	0	(Baseline 38%; -38% Variance) Delays in hiring construction vendor have delayed work in submitting applications for pole licenses. Pole license applications were submitted on the route in Q4, and we expect a substantial amount of progress on Make Ready estimates on the route in Q5 (Q3 2011). Licensing should be completed by Q3 2012.
2f.	Site Preparation	0	(Baseline 100%; -100% Variance) NH DOT is the only area of the project with site preparation work, and this has been moved to a completion date of May 2012. State reviews on the open toll project in Hooksett, NH are a contributing factor to this delay. DOT project will only take six months to complete, and accounts for only 10% of the overall project budget, so despite the delay in starting this area, it will not affect our ability to complete the project on schedule.
2g.	Equipment Procurement	0	(Baseline 27%; -27% Variance) Fiber optic cabling quotes have been solicited for the entire middle mile route, and purchases are expected to be completed by Q4 2011. This bulk purchase is necessary as a result of the fiber optic cabling market supply drought that several national and worldwide disasters has caused.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	(Baseline 6%; -6% Variance) Strand and Fiber placement expected to begin in Q4 2011. Crews will be working through the winter months. This will enable the project to be closer to our original baseline.

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2i.	Equipment Deployment	0	(Baseline 27%; -27% Variance) Project work in this area is underway, but expenditures have not yet been incurred. The majority of equipment deployment at this stage of the project should have been within the NHDOT project area, but is delayed until Q9.
2j.	Network Testing	0	(Baseline 3%; -3% Variance) Project work in this area is underway, but expenditures have not yet been incurred.
2k.	Other (please specify): Project Management	32	(Baseline 31%; +1% Variance) As the majority of vendors have been signed, project management activities are back on baseline plan.

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).

As mentioned above, delay in signing construction vendors has compressed time frames, and the project has identified the following areas that will assist us in returning to our baseline projections:

- * Construction Activities will occur through the winter.
- * Vendors are adding resources and streamlining processes to assist in accelerating the completion of Make Ready work, enabling us to shorten original project time frames for Rights of Way activities.
- * Fiber will be acquired ahead of baseline schedule to minimize delays as a result of any possible commodity shortages.
- * FCC licenses are being expedited for microwave tower equipment installation.

NHDOT work has been delayed due to state project reviews and delays on other state projects being performed in our route. This will push these tasks that were planned to start and complete in 2011 to start and complete in 2012, well-ahead of the June 30, 2013 project deadline.

The project continues discussions with vendors on options for contributions of in-kind fiber into the network.

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	No variance
New network miles leased	0	No variance
Existing network miles upgraded	0	No variance
Existing network miles leased	0	Variance due to originally proposed in-kind donation on fiber mileage not yet realized; considering the replacement of in-kind fiber by cash match and moving leased miles to new fiber miles that need to be built.
Number of miles of new fiber (aerial or underground)	0	No variance
Number of new wireless links	0	Variance due to delay in completing Microwave vendor agreement. Construction agreement signed in late June 2011 and vendor is currently working toward construction commencing in Q4 2011.
Number of new towers	0	No variance
Number of new and/or upgraded interconnection points	0	No variance

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	0
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	0	-3 variance due to NHDOT delay - this will move out to Q4 2012
	Subscribers receiving new access	0	-2 variance due to NHDOT delay - this will move out to Q4 2012
	Subscribers receiving improved access	0	-1 variance due to NHDOT delay - this will move out to Q4 2012
	Please identify the speed tiers that are available and the number or subscribers for each	0	The above CAIs will be connected by the end of Q4 2012
Residential / Households	Entities passed	0	No variance
	Total subscribers served	0	No variance
	Subscribers receiving new access	0	No variance

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance
Businesses	Entities passed	0	No variance
	Total subscribers served	0	No variance
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance

7. Please describe any special offerings you may provide (600 words or less).
IRU leases across the network will be provided to the University System of New Hampshire, NH FastRoads, and project partners.

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 resulted this quarter.

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
none this quarter	none this quarter	none this quarter	none this quarter	none this quarter

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
Make Ready work estimates will be majority completed and Make Ready work will be underway for the aerial middle mile network. Routes for the middle mile are being evaluated and some changes will need to be submitted for review as an Award Action Request (AAR). The project anticipates sections of the route will begin to receive their pole licenses near the end of Q3 2011. FCC licenses for microwave permitting will be complete. Microwave material acquisition work will be substantially complete. Two technicians for NNSafeNet will be hired. NH FastRoads will be registered with the State of New Hampshire as a CLEC and will complete Joint Use Agreements with NH utilities. NH FastRoads will award a contract based on the RFP for Engineering and Construction work to last mile vendor(s). NH FastRoads will issue a RFP for core network management. NH FastRoads will be nearly complete on its network engineering for the phase 1 communities (Enfield, Orford, Lyme, Hanover, and Lebanon).

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)

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	13	(Baseline 42% - Variance from baseline is -29%. We anticipate accelerated progress as vendor work progresses.
2b.	Environmental Assessment	100	Complete
2c.	Network Design	80	(Baseline 92% - Variance from Baseline is -12%) FastRoads will be hiring a construction vendor (Q5) and once that occurs, it is expected much of the remaining Network Design will be addressed.
2d.	Rights of Way	25	(Baseline 44% Variance from baseline is -19%) Awaiting results of required Make Ready estimates - unknown at this time as to actual costs and timeframes that will be required to complete this work. Anticipate Make-Ready estimates to be returned in earnest in Q5 and Q6.
2e.	Construction Permits and Other Approvals	10	(Baseline 53% Variance from baseline is -43%) Dependent on rights of way make ready work.
2f.	Site Preparation	0	(Baseline 100% Variance from baseline is -100%) NHDOT's site preparation will be complete in 2012. Originally planned for 2011. The DOT portion of the project budget is 10%.
2g.	Equipment Procurement	20	(Baseline 20% - anticipate no variance in baseline) Working with vendors to acquire fiber. There could be challenges in delivery from vendors as current quotes do not offer any commitments to a delivery timeframe. DWDM equipment phase 1 equipment will be invoiced. A substantial portion of the microwave equipment will be ordered.
2h.	Network Build (all components - owned, leased, IRU, etc.)	5	(Baseline 15% - Variance from baseline is -10%) Dependent on rights of way make ready work. NH Department of Transportation delay and all project vendor hire delays will push this activity into subsequent quarters.
2i.	Equipment Deployment	0	(Baseline 35% - Variance from baseline is -35%) Dependent on success in equipment procurement.
2j.	Network Testing	0	(Baseline 8%- Variance from baseline is -8%) Dependent on success in equipment procurement, make ready work, and construction work.
2k.	Other (please specify): Project Management	40	(Baseline 40% - anticipate no variance in baseline) On track to meet baseline

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).

As mentioned previously in this report, we are confident we will be back on baseline as we accelerate completion of make ready work and extend the construction season into the winter months. There are some unknown risks as we enter the next quarter including cost and duration of make ready work and fiber availability. These risks are being closely monitored.

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	\$5,386,259	\$87,018	\$5,299,241	\$1,644,827	\$20,000	\$1,624,827	\$1,785,347	\$33,403	\$1,751,944
b. Land, structures, right-of-ways, appraisals, etc.	\$72,000	\$21,485	\$50,515	\$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	\$4,792,609	\$282,874	\$4,509,735	\$698,824	\$467,493	\$231,331	\$2,057,577	\$1,341,176	\$716,401
e. Other architectural and engineering fees	\$176,530	\$0	\$176,530	\$110,118	\$11,956	\$98,162	\$143,430	\$16,360	\$127,070
f. Project inspection fees	\$153,939	\$46,182	\$107,757	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$5,298,403	\$0	\$5,298,403	\$2,396,829	\$596,829	\$1,800,000	\$4,022,546	\$596,829	\$3,425,717
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$30,815,467	\$18,555,862	\$12,259,605	\$0	\$0	\$0	\$27,900	\$8,370	\$19,530
j. Equipment	\$18,481,355	\$2,321,328	\$16,160,027	\$0	\$0	\$0	\$449,772	\$252,360	\$197,412
k. Miscellaneous	\$671,330	\$52,151	\$619,179	\$29,400	\$29,400	\$0	\$98,000	\$29,400	\$68,600
l. SUBTOTAL (add a through k)	\$65,847,892	\$21,366,900	\$44,480,992	\$4,879,998	\$1,125,678	\$3,754,320	\$8,584,572	\$2,277,898	\$6,306,674
m. Contingencies									
n. TOTALS (sum of l and m)	\$65,847,892	\$21,366,900	\$44,480,992	\$4,879,998	\$1,125,678	\$3,754,320	\$8,584,572	\$2,277,898	\$6,306,674

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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