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** NT10BIX5570086	**3. DUNS Number** 079792722

4. Recipient Organization

Enventis Telecom, Inc. 2950 Xenium N Ste 138, Minneapolis, MN 55441-2623

5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2011	**6. Is this the last Annual Report of the Award Period?** ◯ Yes ◉ 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 Joann Jennings	**7c. Telephone (area code, number and extension)** X
	7d. Email Address joann.jennings@hickorytech.com
7b. Signature of Certifying Official Submitted Electronically	**7e. Date Report Submitted (MM/DD/YYYY):** 02-27-2012

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)	53,972.95	Due to location and conditions this was the most expensive part of the project. Remaining miles will be less bringing the overall average down.
Average cost per household passed (Last Mile)	0	N/A
Average cost per subscriber (Last Mile)	0	N/A
Maximum broadband speed advertised (Middle Mile)	10Gig	N/A
Maximum broadband speed advertised (Last Mile)	0	N/A
Average broadband speed provided (Middle Mile)	50mbps	We are providing 50mbps service to one CAI site at this time.
Average broadband speed provided (Last Mile)	0	N/A

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
Mayo Clinic Health System Mankato in Lake Crystal	Medical Provider	Blue Earth, MN	27013971000

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)

Enventis has completed three interconnection agreements during the reporting period. Completion of one agreement provided Enventis access to a major carrier hotel in Minneapolis which is the preferred endpoint for three customers; the associated dark fiber agreements are currently in negotiation. Enventis also entered into two joint construction agreements with other BTOP recipients to collaborate on de minimus shared segments along the long haul route. Enventis adheres to a defined policy on Network Openness and Non-Discrimination and fully explores each interconnection request received.

Peering and Transit Agreements (600 words or less)

Enventis is in active negotiations with three customers on four dark fiber agreements. Enventis adheres to a defined policy on Network Openness and Non-Discrimination and fully explores each request for new or improved service that is received.

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)	2	**Public Housing**	0
Libraries	4	**Other Institutions of Higher Education**	2
Medical and Healthcare Providers	4	**Other Community Support Organizations**	0
Public Safety Entities	7	**Other Government Facilities**	4
Community Colleges	1	**Total Community Anchor Institutions**	24

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).

We are currently serving one community anchor institution. They were upgraded from a point to point T1 to 50Mbps Ethernet service.

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:

Enventis has completed a build to a Mayo Clinic site and now provide improved access at this location. The site previously had a T1 of service and now enjoys 50Mbps. This project seeks to provide 100Mg to 10G lit capacity as well as leased dark fiber. We provide Individual Case Basis (ICB) pricing to potential customers that are based on speed and fiber proximity as we continue to reassess the broader retail market to determine competitive rates and standard pricing.

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)?
Network usage will not be limited to anything less than the purchased bandwidth; users on Enventis' network will have a choice of service levels. By default, Layer 1 TDM service is a guaranteed bandwidth service; Layer 2 and 3 services will be offered with a choice of five classes of service and user defined bandwidth profiles. Enventis will employ generally acceptable network management practices and its interconnection policies will be displayed on its web site. Enventis will provide its customers with notice of changes to these policies. To date, Enventis has not blocked customers from accessing lawful content or services unless in doing so, they would cause harm or degradation to the Enventis 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).
N/A

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**
41,721	0	0	15,072	0	0	26,649

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
Enventis intends to wholesale dark fiber as part of this project and we are actively negotiating four Agreements with three customers. We have not yet signed these documents and as such are not currently leasing any dark fiber to customers.

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

300	200	0	100

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).

In addition to the collocation space available at the two new Point of Presence sites, Enventis will provide interconnections to the BTOP funded network through existing interconnection locations where Enventis is a current tenant. Interconnections with new customers will also be made at these existing locations. They include carrier hotels such as the 511 Building and TriTech buildings in Minneapolis as well as Qwest central office collocations throughout the state.

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).
N/A

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

Through the implementation of this federal project, Enventis has learned some valuable lessons that may benefit other federal recipients. These include:

Federal projects require consistent and thorough documentation; it is easier to track progress and document open issues as they unfold versus revisiting the matter afterward and trying to recall important facts, decisions or dates.

Census tracts and census blocks can vary significantly in geographic size; it may benefit a recipient to carefully review each before requesting one versus the other as it may unexpectedly narrow the proposed funded service area.

Use the guidance and information that is available on the BTOP websites. Take advantage of conferences, drop in calls and webinars that are offered to stay up to date on processes. Make every effort to ensure that all employees who are part of the project are aware of requirements to stay in compliance.

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).