

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 NT10BIX5570113	3. DUNS Number 809929821
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4. Recipient Organization

Finance, Oklahoma Office of State 2300 N. Lincoln Blvd.
 Room 122, Oklahoma City, OK 73105-4801

5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No
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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 Richard Clark	7c. Telephone (area code, number and extension) 4055224971
	7d. Email Address richard.clark@osf.ok.gov

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-09-2012
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 Significant accomplishments on the Oklahoma Community Anchor Network (OCAN) project during the quarter July 1, 2012 through September 30, 2012:
 1) Conference calls continued with the National Telecommunications and Information Administration (NTIA) to review the Oklahoma Community Anchor Network (OCAN) project status.
 2) The detailed OCAN Project Plan was updated and submitted to the NTIA Federal Program Officer.
 3) The OCAN project met the year two milestone of 67 percent completion with 70.84 percent of Federal funds expended by July 31, 2012.
 4) The State received all remaining Railroad Permits.
 5) A majority of the new network equipment was delivered.
 6) The State executed one additional Indefeasible Right of Use (IRU) Agreement for 47 miles of existing fiber optic cable infrastructure that will allow the State to meet the purpose of the grant.
 7) Construction continued on the 12 project segments begun last quarter and commenced on the remaining 9 segments with 713 miles of conduit construction completed and 471 miles of fiber optic cable pulled.
 8) Eighteen of the 32 Community Anchor Institutions (CAIs) included in the OCAN project were connected to OCAN fiber. Four of the CAIs are being provided with new access and fourteen are being provided with improved access.

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	81	Variance from Baseline. As noted in number 1, item 7, construction continued on 12 of 21 segments and commenced on the remaining 9 segments with 713 miles of conduit construction completed and 471 miles of fiber optic cable pulled. All critical milestones of the project continue to be expedited. The OCAN project met the year two milestone of 67 percent completion with 70.84 percent of Federal funds expended by July 31, 2012.
2b.	Environmental Assessment	100	No variance from Baseline. Note: This milestone was not budgeted separately so the percent complete is based on completion of the milestone, not on percent of planned expenditure.
2c.	Network Design	100	Variance from Baseline. This Milestone has been completed. All engineering design has been completed, reviewed and approved. As noted in the Actuals in Row d in the Infrastructure Budget Execution Details, the total cost for engineering design was \$5,101,568, including \$4,817,836 match and \$283,732 federal.
2d.	Rights of Way	100	NOTE: This milestone was not included in the Baseline as the State donated Right of Way as match. The match value of \$4,522,500 for Right of Way has been booked to the OCAN project and posted to Actuals in Row b in the Infrastructure Budget Execution Details.
2e.	Construction Permits and Other Approvals	100	The State has acquired all required construction and railroad permits. The total cost for permits of \$49,435 came in well under the grant amount of \$600,000.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	83	Variance from Baseline. A significant portion of the expenditures to date are State Match as noted in the Infrastructure Budget Execution Details. As noted in number 1, item 5, a majority of the new network equipment has now been delivered.
2h.	Network Build (all components - owned, leased, IRU, etc)	72	Variance from Baseline. As noted in number 1, item 6, the State executed one additional Indefeasible Right of Use (IRU) Agreement for 47 miles of existing infrastructure on the OCAN route. The State now has executed three IRU Agreements for a total of 257 miles of existing infrastructure on the OCAN route. Also, as noted in number 1, item 7,

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
			713 miles of conduit construction has been completed and 471 miles of fiber optic cable pulled. The State continues to expedite construction to meet the 100 percent milestone by Q3 of year 3 of the project.
	2i. Equipment Deployment	40	No variance from Baseline. Equipment donated as match for the OCAN project has been deployed. Also, as noted in number 1, item 5, a majority of the new network equipment has been delivered and deployment of this equipment has begun.
	2j. Network Testing	55	Variance from Baseline. Network testing has been completed on the network delivered to the OCAN project on the IRU's and on the 471 constructed miles with fiber optic cable pulled.
	2k. Other (please specify):	0	N/A

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).

Other than those covered above there were no other significant challenges faced during this quarter.

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	471	Variance from Baseline. As noted in number 1, item 7, the State has 713 miles of conduit construction completed, 471 miles with fiber pulled. The State is a bit ahead of Baseline on this milestone.
New network miles leased	257	Variance from Baseline. As noted in 2h above, the State has executed three IRU Agreements for a total of 257 miles of existing infrastructure on the OCAN route.
Existing network miles upgraded	0	N/A
Existing network miles leased	0	No variance from Baseline.
Number of miles of new fiber (aerial or underground)	471	Variance from Baseline. As noted above the State has completed construction of 471 miles of the OCAN route with new underground fiber.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	18	Variance from Baseline. The project has connected fiber optic cable to 18 Community Anchor Institutions (CAI's).

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 third party operates (600 words or less).
N/A.

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 from Baseline.
	Providers with signed agreements receiving improved access	0	N/A
	Providers with signed agreements receiving access to dark fiber	0	No variance from Baseline.
	Please identify the speed tiers that are available and the number of subscribers for each	0	The speed tier available is planned to be 100MB. There is no variance from Baseline.
Community Anchor Institutions (including Government institutions)	Total subscribers served	18	Variance from Baseline target of 12. 18 Community Anchor Institutions (CAI's) have been connected.
	Subscribers receiving new access	4	Variance from Baseline target of 6. 4 CAI's receiving new access have been connected.
	Subscribers receiving improved access	14	Variance from Baseline target of 6. 14 CAI's receiving improved access have been connected.
	Please identify the speed tiers that are available and the number or subscribers for each	2	No variance from Baseline - the backbone will be 10GB with two speed tiers available to customers, 100MBPS and 1GB. The 32 CAIs included in the grant will be provided 1GB service. Additional customers (CAIs, last mile providers, etc.) may select either 100MBPS or 1GB service.
Residential / Households	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	Please identify the speed tiers that are available and the number of	0	N/A

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	subscribers for each		
Businesses	Entities passed	0	N/A
	Total subscribers served	0	N/A
	Subscribers receiving new access	0	N/A
	Subscribers receiving improved access	0	N/A
	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).
N/A

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

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

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
Southwestern Oklahoma State University-Sayre	Sayre, Oklahoma	University	Yes	This anchor institution has been connected as part of the first IRU executed as noted in number 4 above. This university currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Southwestern Oklahoma State University-Weatherford	Weatherford, Oklahoma	University	Yes	This anchor institution has been connected as part of the first IRU executed as noted in number 4 above. This university currently has two DS3 connections and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Cheyenne Arapaho Tribal College	Weatherford, Oklahoma	Community College	No	This anchor institution has been connected as part of the first IRU executed as noted in number 4 above. This community college currently has no connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Redlands Community College	El Reno, Oklahoma	Community College	Yes	This anchor institution has been connected as part of the first IRU executed as noted in number 4 above. This community college currently has a Fast Ethernet (100Mbps) connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Seiling Municipal Hospital	Seiling, Oklahoma	Healthcare / Hospital	No	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This hospital currently has no connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.

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
Northwestern Oklahoma State University	Woodward, Oklahoma	University	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This university currently has a Fast Ethernet (100Mbps) connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Woodward Regional Hospital	Woodward, Oklahoma	Healthcare / Hospital	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This hospital currently has two T1 connections and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Northern Oklahoma College	Enid, Oklahoma	Community College	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Lawton Indian Hospital	Lawton, Oklahoma	Healthcare / Hospital	No	This anchor institution has been connected as part of the third IRU executed as noted in number 4 above. This hospital currently has no connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Commanche Nation College	Lawton, Oklahoma	Community College	Yes	This anchor institution has been connected as part of the third IRU executed as noted in number 4 above. This community college currently has two T1 connections and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Eastern Oklahoma State College	Wilburton, Oklahoma	Community College	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This community college currently has one DS3 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Carl Albert State College	Poteau, Oklahoma	Community College	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This community college currently has two DS3 connections and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Department of Public Safety Highway Patrol HQ	Durant, Oklahoma	Public Safety	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This public safety facility currently has one T1 connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Southeastern Oklahoma State University	Durant, Oklahoma	University	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This university currently has two DS3 connections and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Mary Hurley Hospital	Coalgate, Oklahoma	Healthcare / Hospital	No	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This hospital currently has no connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
Atoka Memorial Hospital	Atoka, Oklahoma	Healthcare / Hospital	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This hospital currently has two T1 connections and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.
East Central University	Ada, Oklahoma	University	Yes	This anchor institution has been connected as part of the OCAN project as noted in number 4 above. This university currently has a Fast Ethernet (100Mbps) connection and will utilize the BTOP infrastructure to gain high-speed internet access with 1GB of bandwidth.

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 1) Complete conduit construction on the remaining 35 miles of uncompleted segments of the OCAN project.

- 2) Complete pulling all fiber optic cable on the remaining 277 miles of uncompleted segments of the OCAN project.
- 3) Complete connecting the remaining fourteen of 32 Community Anchor Institutions (CAIs) included in the grant. Each of these CAIs will be receiving improved access.
- 4) Continue installing the new network Routers, Switches, DWDM, etc. equipment in the OCAN project Huts and CAIs.
- 5) Begin lighting segments of the OCAN fiber and providing either new or improved Broadband services to CAI subscribers.
- 6) Review and update the OCAN Project Sustainability Plan and document the OCAN Pricing Plans.
- 7) Continue holding meetings with providers requesting access to the OCAN fiber. There are no plans to execute agreements until after the OCAN project is completed during Q1 2013.

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	97	Variance from Baseline. All critical milestones of the project are being expedited to meet the overall 98 percent project completion milestone by the end of Q2 of year three of the project.
2b.	Environmental Assessment	100	No Variance from Baseline.
2c.	Network Design	100	No variance from Baseline.
2d.	Rights of Way	100	NOTE: This milestone was not included in the Baseline as the State is donating Right of Way as match. The match value of \$4,522,500 for Right of Way has been booked to the OCAN project and posted to Actuals in Row b in the Infrastructure Budget Execution Details.
2e.	Construction Permits and Other Approvals	100	No variance from Baseline.
2f.	Site Preparation	0	N/A
2g.	Equipment Procurement	93	Variance from Baseline. All equipment is projected to be purchased by end of Q2 of year three of the project.
2h.	Network Build (all components - owned, leased, IRU, etc.)	93	Variance from Baseline. The State is projecting to have all OCAN project segments constructed and fiber pulled by the end of the first month in Q3 of year three of the project.
2i.	Equipment Deployment	70	No variance from Baseline. Equipment donated as match for the OCAN project has been deployed. New network equipment is in process of being deployed.
2j.	Network Testing	70	No variance from Baseline. Network testing has been completed on the network delivered to the OCAN project on the executed IRU Agreements and completed segments of the OCAN project.
2k.	Other (please specify):	0	N/A

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).

- 1) The State must remain on schedule to complete the conduit construction and pulling of all fiber optic cable on all uncompleted segments of the OCAN project.
- 2) The State must remain on schedule with the installation of network Routers, Switches, DWDM, etc. equipment in the OCAN project Huts and Community Anchor Institutions (CAI's).
- 3) The State must remain on schedule lighting segments of the OCAN fiber and providing new or improved services to CAI subscribers.

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$8,663,120	\$4,522,500	\$4,140,620	\$8,218,666	\$4,522,500	\$3,696,166	\$8,322,603	\$4,522,500	\$3,800,103
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,777,170	\$1,493,438	\$283,732	\$5,101,568	\$4,817,836	\$283,732	\$5,101,568	\$4,817,836	\$283,732
e. Other architectural and engineering fees	\$600,000	\$0	\$600,000	\$49,435	\$0	\$49,435	\$49,435	\$0	\$49,435
f. Project inspection fees	\$3,834,807	\$3,834,807	\$0	\$2,092,090	\$2,092,090	\$0	\$3,758,111	\$3,758,111	\$0
g. Site work	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$48,945,894	\$0	\$48,945,894	\$35,344,776	\$0	\$35,344,776	\$45,459,304	\$0	\$45,459,304
j. Equipment	\$28,860,022	\$8,850,000	\$20,010,022	\$23,887,755	\$8,850,000	\$15,037,755	\$26,789,340	\$8,850,000	\$17,939,340
k. Miscellaneous	\$226,803	\$208,803	\$18,000	\$544,732	\$528,547	\$16,185	\$625,020	\$607,829	\$17,191
l. SUBTOTAL (add a through k)	\$92,907,816	\$18,909,548	\$73,998,268	\$75,239,022	\$20,810,973	\$54,428,049	\$90,105,381	\$22,556,276	\$67,549,105
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$92,907,816	\$18,909,548	\$73,998,268	\$75,239,022	\$20,810,973	\$54,428,049	\$90,105,381	\$22,556,276	\$67,549,105

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