

**QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS**

**General Information**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Department of Commerce, National Telecommunications and Information Administration	<b>2. Award Identification Number</b>  NT10BIX5570113	<b>3. DUNS Number</b>  809929821
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<b>4. Recipient Organization</b>  Finance, Oklahoma Office of State 2300 N. Lincoln Blvd. Room 122, Oklahoma City, OK 73105-4801
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<b>5. Current Reporting Period End Date (MM/DD/YYYY)</b>  12-31-2011	<b>6. Is this the last Report of the Award Period?</b>  <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.

<b>7a. Typed or Printed Name and Title of Certifying Official</b>  Richard Clark	<b>7c. Telephone (area code, number and extension)</b>  4055224971
	<b>7d. Email Address</b>  richard.clark@osf.ok.gov

<b>7b. Signature of Certifying Official</b>  Submitted Electronically	<b>7e. Date Report Submitted (MM/DD/YYYY):</b>  02-07-2012
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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 October 1, 2011 through December 31, 2011:  
 1) Conference calls continued with the National Telecommunications and Information Administration (NTIA) to review the Oklahoma Community Anchor Network (OCAN) project status.  
 2) Detailed engineering plans for the OCAN project were submitted for review. The engineering design project was divided into thirty-one (31) segments corresponding to the thirty-one construction segments spanning the OCAN project. The thirty-one segments were split between six (6) separate engineering firms to complete the detailed designs. Twenty-five of the detailed engineering plans have been reviewed and approved. One engineering firm is in process of finalizing the six remaining detailed engineering plans and will submit them in January, 2012.  
 3) Construction continued on the sixteen (16) new communications huts for the OCAN project.  
 4) The State completed evaluations of the bids for Fiber Optic Cable. Due to increased demand from communities and anchor institutions for strands of the OCAN Fiber Optic Cable, the State submitted an Award Action Request (AAR) to NTIA requesting to increase the number of strands over what was specified in the grant application: 48 strand fiber to 96 strand and 96 strand fiber to 144 strand. NTIA approved the AAR.  
 5) The State completed the Railroad Permitting process and has received permits from all but a few affected railroads for the OCAN project.  
 6) The State executed Memorandums of Understanding (MOUs) with Oklahoma communities the OCAN project is passing through. The MOUs grant the OCAN project access to right of way through the communities.  
 7) The State advertised for bids for construction of the OCAN project. There will be bid lettings in January, February and March, 2012.  
 8) The State was requested by NTIA to complete a Project Performance Improvement Plan. The State completed and submitted the Plan to NTIA on November 18, 2011.  
 9) The State submitted a Project Modification Request on October 31, 2011 to change the route of the OCAN fiber in six locations due to planned road construction. The State is completing the Environmental Assessments (EA) for the six locations and will submit an EA Addendum when those are completed.  
 10) The OCAN Project Plan was updated and submitted to the NTIA Program Officer.

**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	17	Variance from Baseline. The majority of Actual Expenditures are State Match as noted in the Infrastructure Budget Execution Details.
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	81	Variance from Baseline. This milestone is ahead of schedule. As noted in number 1, the engineering design project was divided into 31 segments. 25 segments have been completed and reviewed. All engineering design is due for completion in January, 2012.
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	90	Variance from Baseline. The State has continued work on this milestone, developing and submitting the required documents for acquiring needed construction permits, railroad permits and other approvals. As noted in number 1, item 6, the State has received permits from all but a few affected railroads for the OCAN project. Also, as noted in number 1, item 7, the State executed Memorandums of Understanding (MOUs) with Oklahoma communities the OCAN project is passing through. The MOUs grant the OCAN project access to right of way through the communities. The State is expediting this process with the goal of completing this milestone on schedule.
2f.	Site Preparation	0	N/A

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2g.	Equipment Procurement	31	Variance from Baseline. All expenditures to date are State Match as noted in the Infrastructure Budget Execution Details. The State will issue Purchase Orders for Fiber Optic Cable for the OCAN project in early January, 2012. The State will also post a Request for Proposal (RFP) in early January, 2012 for the additional network equipment required for the OCAN project.
2h.	Network Build (all components - owned, leased, IRU, etc)	5	Variance from Baseline. As noted in number 1, item 5, The State completed review of proposed Indefeasible Right of Use (IRU) Agreements for existing fiber optic strands that will allow the State to meet the purpose of the grant. The State submitted an Award Action Request (AAR) to NTIA requesting to execute three separate IRUs that will incorporate ten (10) of the thirty-one OCAN project segments, reducing the number of segments to be constructed from 31 to 21. The State is awaiting NTIA approval of this AAR. Also, as noted in number 1, item 8, the State advertised for bids for construction of the OCAN project. There will be bid lettings in January, February and March, 2012. The State is expediting this process with the goal of completing this milestone on schedule.
2i.	Equipment Deployment	0	No variance from Baseline.
2j.	Network Testing	0	No variance from Baseline.
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 the past 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	0	Variance from Baseline. As noted in number 1, item 5, The State completed review of proposed Indefeasible Right of Use (IRU) Agreements for existing fiber optic strands that will allow the State to meet the purpose of the grant. The State submitted an Award Action Request (AAR) to the National Telecommunications and Information Administration (NTIA) requesting to execute three separate IRUs that will incorporate ten (10) of the thirty-one OCAN project segments, reducing the number of segments to be constructed from 31 to 21. The State is awaiting NTIA approval of this AAR. Also, as noted in number 1, item 8, the State advertised for bids for construction of the OCAN project. There will be bid lettings in January, February and March, 2012. The State is expediting this process with the goal of completing this milestone on schedule.
New network miles leased	0	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	No variance from Baseline.

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Number of miles of new fiber (aerial or underground)	0	No variance from Baseline.
Number of new wireless links	0	N/A
Number of new towers	0	N/A
Number of new and/or upgraded interconnection points	0	No variance from Baseline.

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 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	0	No variance from Baseline.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Subscribers receiving new access	0	No variance from Baseline.
	Subscribers receiving improved access	0	No variance from Baseline.
	Please identify the speed tiers that are available and the number or subscribers for each	0	The speed tier available is planned to be 1GB. There is no variance from Baseline.
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 subscribers for each	0	N/A
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
None at this time.	None at this time.	None at this time.	None at this time.	None at this time.

**Project Indicators (Next Quarter)**

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

1) Complete the six remaining network engineering design plans for construction and installation of the Oklahoma Community Anchor Network (OCAN) fiber optic cable.

- 2) Complete construction on the sixteen new communications huts for the OCAN project.
- 3) Issue purchase orders for all of the fiber optic cable required for the OCAN project.
- 4) Complete acquisition of the remaining needed railroad permits for the OCAN project.
- 5) Award the bids for construction of the OCAN project on segments not included in the proposed Indefeasible Right of Use (IRU) Agreements.
- 6) Issue Request for Proposal (RFP) for the network equipment needed for the OCAN project. Receive and evaluate responses and award bids to multiple selected suppliers.
- 7) Complete and submit an Environmental Assessment Addendum for the Project Modification Request to change the route of the OCAN fiber in six locations due to planned road construction.

**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	32	Variance from Baseline. Critical segments of the project are being expedited.
2b.	Environmental Assessment	100	No variance from Baseline.
2c.	Network Design	100	Variance from Baseline. This milestone will be completed ahead of the schedule projected in the 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	49	Variance from Baseline. The State issued a Request for Proposal (RFP) for Fiber Optic Cable for the OCAN project. Bids have been received and evaluated. Purchase Orders will be issued in January, 2012. A RFP will be issued in January for the additional network equipment needed for the OCAN project. Bids will be evaluated and purchase orders will be issued.
2h.	Network Build (all components - owned, leased, IRU, etc.)	14	Variance from Baseline. The State plans to complete Indefeasible Right of Use (IRU) Agreements to meet the purpose of the grant on certain segments of the OCAN project. The State will award the bids for construction of the OCAN project on segments not included in the proposed Indefeasible Right of Use (IRU) Agreements.
2i.	Equipment Deployment	0	Variance from Baseline. Network equipment will be deployed when delivered, initially on segments included in the IRU Agreements. Remaining network equipment will be deployed when fiber optic cable is installed.
2j.	Network Testing	0	Variance from Baseline. Network equipment will be tested when it is deployed, initially on segments included in the IRU Agreements. Remaining network equipment will be tested when deployed after fiber optic cable is installed.
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 award all of the bids for construction of the Oklahoma Community Anchor Network (OCAN) project on all segments not included in the proposed Indefeasible Right of Use (IRU) Agreements.
- 2) The State must receive approval on the Environmental Assessment Addendum for the Project Modification Request to change the route of the OCAN fiber in six locations due to planned road construction.
- 3) The State must complete evaluations of responses to the RFP for network equipment and award the bids.

**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.	\$8,363,120	\$4,522,500	\$3,840,620	\$4,522,500	\$4,522,500	\$0	\$6,442,810	\$4,522,500	\$1,920,310
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	\$2,004,858	\$2,004,858	\$0	\$2,291,438	\$2,007,706	\$283,732
e. Other architectural and engineering fees	\$600,000	\$0	\$600,000	\$27,635	\$0	\$27,635	\$55,000	\$0	\$55,000
f. Project inspection fees	\$3,834,807	\$3,834,807	\$0	\$0	\$0	\$0	\$0	\$0	\$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	\$50,109,380	\$0	\$50,109,380	\$0	\$0	\$0	\$7,111,500	\$0	\$7,111,500
j. Equipment	\$27,996,536	\$8,850,000	\$19,146,536	\$8,850,000	\$8,850,000	\$0	\$13,850,000	\$8,850,000	\$5,000,000
k. Miscellaneous	\$226,803	\$208,803	\$18,000	\$384,579	\$384,579	\$0	\$426,000	\$426,000	\$0
<b>l. SUBTOTAL (add a through k)</b>	\$92,907,816	\$18,909,548	\$73,998,268	\$15,789,572	\$15,761,937	\$27,635	\$30,176,748	\$15,806,206	\$14,370,542
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>n. TOTALS (sum of l and m)</b>	\$92,907,816	\$18,909,548	\$73,998,268	\$15,789,572	\$15,761,937	\$27,635	\$30,176,748	\$15,806,206	\$14,370,542

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: \$22,877,800      b. Program Income to Date: \$0