

RECIPIENT NAME: Ronan Telephone Co.

AWARD NUMBER: NT10BIX5570148

DATE: 02/26/2013

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

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 NT10BIX5570148	3. DUNS Number 006827927
4. Recipient Organization Ronan Telephone Co. 312 SW Main St., Ronan, MT 59864-2707		
5. Current Reporting Period End Date (MM/DD/YYYY) 12-31-2012	6. Is this the last Annual 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 Gerald Beeks	7c. Telephone (area code, number and extension) 4066769215	
	7d. Email Address beeks@ronan.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 02-26-2013	

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)	\$48,901	\$8.9Million to date, divided by 182 miles completed (includes conduit ready for fiber)
Average cost per household passed (Last Mile)	\$14,590	\$8.9 Million, divided by 610 households passed. Evaro 70, Arlee 105, St., Ravalli 35, Ignatius 140, Ronan 170, Pablo 90
Average cost per subscriber (Last Mile)	\$787/3Mb	70 last mile wireless subscribers in Arlee..base station \$36,173 plus 70 CPE's at \$270, total \$55,073 for 70 subscribers...average cost per sub \$787.00
Maximum broadband speed advertised (Middle Mile)	1Gb	No variance
Maximum broadband speed advertised (Last Mile)	4Mb	No Variance
Average broadband speed provided (Middle Mile)	1.1Gb	(1) customer at 200Mb, (1) customer at 2Gb...average broadband speed provided is 2.2Gb divided by 2.
Average broadband speed provided (Last Mile)	2.0Mb	55 customers at 1.5Mb and 15 at 4.0Mb

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
No facilities completed yet	N/A	N/A	N/A

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)

1. (0) We have not entered into any interconnection, peering, during this annual reporting period. We have entered into one transit agreement, with Cutthroat Communications. (CCI) Montana West is providing 2Gb transport to CCI between Missoula and Seattle.

2. Currently negotiating (0) interconnection, peering and/or transit agreements

3. We have not denied any requests for interconnection.

Peering and Transit Agreements (600 words or less)

Two transit agreements with Cutthroat Communications (CCI). CCI is providing 1Gb transport to Montana West between Missoula and Santa Rita, and Montana West is providing 2Gb transport to CCI between Missoula and Seattle.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS						
<p>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.</p>						
Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area			
Schools (K-12)	4	Public Housing	3			
Libraries	3	Other Institutions of Higher Education	1			
Medical and Healthcare Providers	8	Other Community Support Organizations	1			
Public Safety Entities	6	Other Government Facilities	4			
Community Colleges	3	Total Community Anchor Institutions	33			
<p>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).</p> <p>No CAI's yet, still under construction.</p>						
<p>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:</p> <p>No CAI's yet, construction to CAI's is scheduled for Q2 and Q3 2013. See attached CAI projections spreadsheet. We are providing retail wireless services to the community of Arlee...upgraded 60 customers and added 10 new ones. Retail charges are \$29.95 for 1.5mb, and \$49.95 for 4.0Mb</p>						
<p>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)?</p> <p>Ronan Telephone Company already has non-discrimination and network management policies in place and Montana West has modified these policies to accommodate the additional requirements necessary for the provision of service to other providers. These policies are in place and are stated in the Montana West Master Services Agreement. We anticipate standard traffic prioritization allowing for virtual private networking, some dark fiber sales, and priority given to voice service when it becomes available. We have not blocked consumers from any lawful content or prevented any consumers from attaching any legal device to the network.</p>						
<p>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).</p> <p>N/A..we have not lost any subscribers to the network.</p>						
<p>9. Please provide the following information regarding the number of fiber strand-miles:</p>						
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
29,760	11,616	0	0	17,812	0	332
<p>10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:</p> <p>We have a contract to provide 166 miles of 2 dark fibers to Bresnan on a 20 year IRU, between Kalispell and Missoula, with a delivery date of August 1, 2012, at a rate of \$1750 per fiber mile, prepaid upon delivery. Presently this is re-scheduled for delivery April 15, 2013.</p>						
<p>11. Please provide the following information regarding the facility collocation capacity:</p>						
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			
544	50	50	444			

DATE: 02/26/2013

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).

We connect with other network providers at the fiber hotel in Missoula, the Kalispell Regional Medical Center in Kalispell, the Northern Telephone Exchange in Santa Rita, and the Westin Fiber Hotel in Seattle.

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).

No subcontracts or sub grants have been made to socially and economically disadvantaged small business concerns.

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

When depending on work from a contractor for a significant part of your build, be sure to put in enough late delivery penalty to motivate the contractor to finish on time, no matter how large the company is.
You can't start early enough on the permitting part of the project.
Have a backup plan or a "plan B" for everything that you intend to do.

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).