

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 NT10BIX5570111	3. DUNS Number 127973282
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4. Recipient Organization

Northwest Open Access Network 5802 Overlook Avenue NE, Tacoma, WA 98422-1435

5. Current Reporting Period End Date (MM/DD/YYYY) 03-31-2011	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 Dave Spencer	7c. Telephone (area code, number and extension) 2083436477
	7d. Email Address noanet@chrsolutions.com

7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 05-13-2011
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Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).
 The first quarter of 2011 primarily focused on completion and submittal of the Draft Environmental Assessment and subsequent comments sent by Federal reviewers. Now awaiting comments to the second draft with comments addressed. Work continues with the Grants Office on finalizing the detailed budget and network design. Project planning meetings were held with the sub recipients to work through the Participation Agreement comments, coordination of project details, designs and internal easement. Right of Way planning continues to evolve as we work through the construction planning phase.

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	2	Although expenditures for the project do not reflect the "percent complete" number indicated, significant progress has been made and work is in progress towards meeting the milestones currently lagging the Baseline.
2b.	Environmental Assessment	90	The Environmental Assessment has been submitted awaiting receipt of Finding of No Significant Impact(FONSI).
2c.	Network Design	35	No variance.
2d.	Rights of Way	0	Rights of Way acquisition has not started as was originally called out in our Baseline. Delays in initial acceptance of the award has extended the start of this work. The Project will meet the NTIA metric of two thirds complete by end of year two through aggressive project management.
2e.	Construction Permits and Other Approvals	0	Permitting has not yet started, contrary to what was indicated in our Baseline Report. Additional resources have been planned in order to expedite the process once Finding of No Significant Impact (FONSI) is received. The project is anticipated to meet the Baseline projections by end of year two of the timeline.
2f.	Site Preparation	0	Site preparation is pending the receipt of Finding of No Significant Impact (FONSI) and is expected to begin following it's receipt. As FONSI has not yet been received, the project is expected to commence in Q3, with site work caught up with Baseline by end of year two of the project timeline.
2g.	Equipment Procurement	0	Equipment procurement has not yet been initiated for the project. However, specifications and details surrounding vendor selection are being addressed. Equipment originally planned for purchase in the six month budget was not purchased. Equipment procurement is not expected to start until after FONSI is received. This metric will be met during year two of the project.
2h.	Network Build (all components - owned, leased, IRU, etc)	0	No variance.
2i.	Equipment Deployment	0	No variance.
2j.	Network Testing	0	No variance.
2k.	Other (please specify): N/A	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).
 Currently we are waiting for Environmental approval prior to ground disturbing activities taking place. Any assistance in expediting the approval process would be greatly appreciated.

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	N/A
Existing network miles upgraded	0	N/A
Existing network miles leased	0	N/A
Number of miles of new fiber (aerial or underground)	0	No variance.
Number of new wireless links	0	No variance.
Number of new towers	0	N/A
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	39
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	1
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 The 39 signed agreements referred to above are comprised of the 37 original or pre-existing wholesale customers of Northwest Open Access Network with existing agreements pre-dating the Broadband Technology Opportunities Program award and two (2) new agreements from the previous two quarters. These contracts have non-disclosure provisions that prohibit public release of their specific names without prior written consent. The list of pre-existing customers was previously provided to NTIA under separate cover as "Privileged and Confidential" sales/marketing information.

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:
 There are currently no broadband wholesale services being provided as this project is currently awaiting receipt of Finding of No Significant Impact (FONSI) on the Environmental Assessment. Once customers are receiving service, the list of wholesale service offerings and prices will be updated and provided.

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).

Sub Recipients:

Black Rock Cable, Inc., 1512 Fairview St., Bellingham, WA 98229 360-738-3116
 Kitsap Public Utility District, 1431 Finn Hill Road, PO Box 1989, Poulsbo, WA 98370 360-779-7656

Negotiations with other third parties are in process with no final determination at this time. Additional third party operators will likely be added as the project progresses.

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)

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	N/A
	Providers with signed agreements receiving access to dark fiber	0	N/A
Community Anchor Institutions (including Government institutions)	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	Total subscribers served	0	No variance.
	Subscribers receiving new access	0	No variance.
	Subscribers receiving improved access	0	N/A
Residential / Households	Please identify the speed tiers that are available and the number of subscribers for each	0	No variance.
	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
Businesses	Please identify the speed tiers that are available and the number of subscribers for each	0	N/A
	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

7. Please describe any special offerings you may provide (600 words or less).

None at this time in the project.

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
N/A	N/A	N/A	N/A	N/A

Project Indicators (Next Quarter)

1. Please describe significant project accomplishments planned for completion during the next quarter (600 words or less).
 The primary focus and concentration will be receiving Environmental approval by way of the Finding of No Significant Impact (FONSI) this next quarter. Efforts will also be placed on the initiation of equipment procurement and request for proposals on material and labor during the quarter. Working with the Sub Recipients will continue to evolve and reach toward finalizing agreements. Staking, design and Right of Way acquisition will all take place as we plan for aggressive permitting activity in the second half of this year.

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	1	Expenditures do not meet the anticipated Baseline, since the original forecast included equipment purchases during the early stages of the project. Timeline delays due to finalizing the project budget with the NTIA Program Office has pushed back execution of sub recipient agreements and equipment purchases to better align with plant construction timelines. NoaNet will manage completion of the overall project metrics by increasing resources in the compressed schedule.
2b.	Environmental Assessment	100	No variance.
2c.	Network Design	45	No variance.
2d.	Rights of Way	20	Initial variance to milestone will gradually dissipate as the project progresses. Initial delays in the project caused the milestone to be short of anticipated projections. The project is expected to meet this milestone by end of year two of the project by adding additional resources to the task.
2e.	Construction Permits and Other Approvals	20	It is anticipated permitting will achieve the anticipated project timeline included in the baseline by the end of 2011. As stated above, initial delays caused permitting to lag initial projections. Additional resources will be deployed to close the gap by end 2011.
2f.	Site Preparation	5	Site preparation varies from the baseline as the project awaits the receipt of the FONSI (Finding of No Significant Impact). Original projections anticipated this metric to be further along, once again, additional resources will be deployed to gain ground by end of year two of the project timeline.
2g.	Equipment Procurement	10	Equipment procurement initially planned will be delayed due to initial delays in acceptance of the award. We anticipate this milestone to be attained late in 2011.
2h.	Network Build (all components - owned, leased, IRU, etc.)	0	No variance.
2i.	Equipment Deployment	0	Equipment will not be deployed until the third or fourth quarter. We anticipate reaching our baseline projection by end of 2011.
2j.	Network Testing	0	No variance.
2k.	Other (please specify): N/A	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).

None are anticipated; however, unidentified challenges and issues are always a concern. We have implemented additional resources to expedite the project and insure it is completed on time.

RECIPIENT NAME:Northwest Open Access Network

AWARD NUMBER: NT10BIX5570111

DATE: 05/13/2011

OMB CONTROL NUMBER: 0660-0037

EXPIRATION DATE: 12/31/2013

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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	\$199,992	\$199,992	\$0	\$0	\$0	\$0	\$0	\$0	\$0
b. Land, structures, right-of-ways, appraisals, etc.	\$2,100,722	\$2,018,722	\$82,000	\$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	\$7,506,240	\$75,000	\$7,431,240	\$288,044	\$153,979	\$134,065	\$750,000	\$350,000	\$400,000
e. Other architectural and engineering fees	\$21,573	\$0	\$21,573	\$0	\$0	\$0	\$0	\$0	\$0
f. Project inspection fees	\$0	\$0	\$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	\$52,877,030	\$16,526,459	\$36,350,571	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$15,239,344	\$4,672,381	\$10,566,963	\$0	\$0	\$0	\$0	\$0	\$0
k. Miscellaneous	\$54,000	\$54,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
l. SUBTOTAL (add a through k)	\$77,998,901	\$23,546,554	\$54,452,347	\$288,044	\$153,979	\$134,065	\$750,000	\$350,000	\$400,000
m. Contingencies									
n. TOTALS (sum of l and m)	\$77,998,901	\$23,546,554	\$54,452,347	\$288,044	\$153,979	\$134,065	\$750,000	\$350,000	\$400,000

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