

**OCEAN STATE HIGHER EDUCATION
ECONOMIC DEVELOPMENT AND
ADMINISTRATIVE NETWORK D/B/A/ OSHEAN, INC.
FINANCIAL STATEMENTS**

**YEARS ENDED
JUNE 30, 2009 AND 2008**

OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008

CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Financial statements:	
Statements of financial position	2
Statements of activities	3
Statements of functional expenses	4
Statements of cash flows	5
Notes to financial statements	6-12

CARL WEINBERG & Co., LLP

CERTIFIED PUBLIC ACCOUNTANTS

CARL WEINBERG, CPA
THOMAS A. IACOBUCCI, JR., CPA
WILLIAM L. MYERS, CPA

STEVEN A. MILLER, CPA
JILL A. DELEO, CPA
STEPHEN D. ADAMOWICZ, CPA
JONATHAN L. UCRAN, CPA
DEAN G. WEINBERG, CPA

THE SUMMIT WEST, SUITE 350
300 CENTERVILLE ROAD
WARWICK, RI 02886

TELEPHONE: (401) 737-6300
FAX: (401) 737-0373
EMAIL: cpas@carlweinbergcpas.com

Independent Auditors' Report

To the Board of Directors of
Ocean State Higher Education
Economic Development and
Administrative Network D/B/A OSHEAN, Inc.
North Kingstown, Rhode Island

We have audited the accompanying statements of financial position of Ocean State Higher Education Economic Development and Administrative Network d/b/a OSHEAN, Inc. (the Organization) as of June 30, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ocean State Higher Education Economic Development and Administrative Network d/b/a OSHEAN, Inc. as of June 30, 2009 and 2008 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

February 10, 2010

A handwritten signature in black ink, appearing to read 'Carl Weinberg' followed by 'LLP'.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008**

	2009	2008
ASSETS		
Cash and cash equivalents	\$ 385,652	\$ 323,270
Temporary cash investments	794,000	575,000
Investments	443,641	426,055
Accounts receivable	526,572	393,167
Accrued interest receivable	8,480	7,193
Prepaid expenses	309,050	291,518
Property and equipment, net	397,984	546,218
Security deposits	16,008	4,408
Total assets	\$ 2,881,387	\$ 2,566,829
LIABILITIES AND UNRESTRICTED NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 70,829	\$ 29,102
Accrued wages, vacation and other leave	151,060	139,887
Unearned contract revenue	302,910	157,215
Total liabilities	524,799	326,204
Unrestricted net assets	2,356,588	2,240,625
Total liabilities and unrestricted net assets	\$ 2,881,387	\$ 2,566,829

See Notes to the Financial Statements.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
Revenue and support:		
Internet service fees	\$ 2,511,929	\$ 2,266,218
Membership fees	498,154	467,220
Service income	167,853	133,647
Investment return	51,592	78,910
Grant income	-	10,250
Other operating income	8,932	5,371
	<u>3,238,460</u>	<u>2,961,616</u>
Operating expenses:		
Program services	2,438,180	2,209,766
Management and general	684,317	612,759
	<u>3,122,497</u>	<u>2,822,525</u>
Increase in net assets	115,963	139,091
Net assets, beginning of year	<u>2,240,625</u>	<u>2,101,534</u>
Net assets, end of year	<u><u>\$ 2,356,588</u></u>	<u><u>\$ 2,240,625</u></u>

See Notes to the Financial Statements.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2009 AND 2008**

	2009			2008		
	Program Services	Management and General	Total Expenses	Program Services	Management and General	Total Expenses
Personnel costs:						
Salaries and wages	\$ 348,178	\$ 132,418	\$ 480,596	\$ 353,134	\$ 137,330	\$ 490,464
Student interns	11,536	4,486	16,022	15,587	6,061	21,648
Payroll taxes	31,128	12,106	43,234	29,359	11,418	40,777
Fringe benefits	74,743	29,067	103,810	67,285	26,166	93,451
Total personnel costs	465,585	178,077	643,662	465,365	180,975	646,340
Operating expenses other than depreciation:						
Professional fees	40,830	15,878	56,708	32,142	12,499	44,641
Accounting	-	29,664	29,664	-	19,981	19,981
Legal fees	-	2,185	2,185	-	5,758	5,758
Dues and fees	66,806	25,980	92,786	37,836	14,714	52,550
Travel	4,937	1,920	6,857	5,519	2,146	7,665
Systems support	215,189	-	215,189	174,946	-	174,946
Network services	229,739	-	229,739	130,859	-	130,859
Office supplies and expense	-	34,511	34,511	-	38,601	38,601
Rent	51,587	20,062	71,649	43,055	16,744	59,799
Insurance	17,727	6,893	24,620	16,921	6,580	23,501
Meetings and conferences	51,089	19,868	70,957	55,931	21,751	77,682
Training expense	2,294	892	3,186	17,305	6,730	24,035
WAVE conference	-	-	-	2,415	-	2,415
Telephone and utilities	10,325	4,016	14,341	8,701	3,384	12,085
Access lines	534,345	42,629	576,974	512,556	41,604	554,160
Member services	25,413	9,883	35,296	7,495	2,915	10,410
Advertising	-	14,025	14,025	-	8,385	8,385
Beacon Project	381,325	148,293	529,618	371,976	144,658	516,634
Emergency notification	43,477	16,908	60,385	30,103	11,707	41,810
NEREN fees	127,433	-	127,433	130,293	-	130,293
Stimulus funding	-	42,071	42,071	-	-	-
Donations	-	1,625	1,625	-	2,885	2,885
Bank fees	-	-	-	-	5,549	5,549
Interest expense	-	131	131	-	29	29
Other costs	-	2,665	2,665	-	473	473
Total operating expenses other than depreciation	1,802,516	440,099	2,242,615	1,578,053	367,093	1,945,146
Depreciation	170,079	66,141	236,220	166,348	64,691	231,039
Total operating expenses	\$ 2,438,180	\$ 684,317	\$ 3,122,497	\$ 2,209,766	\$ 612,759	\$ 2,822,525

See Notes to the Financial Statements.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Increase in net assets	\$ 115,963	\$ 139,091
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	236,220	231,039
Net realized and unrealized gain on investments	13,998	5,650
Changes in:		
Accounts receivable	(133,405)	24,572
Accrued interest receivable	(1,287)	11,652
Prepaid expenses	(17,532)	15,517
Security deposits	(11,600)	-
Accounts payable and accrued expenses	41,727	(104,006)
Accrued wages, vacation and other leave	11,173	43,428
Unearned contract revenue	145,695	123,698
Net cash provided by operating activities	<u>400,952</u>	<u>490,641</u>
Cash flows from investing activities:		
Purchases of property and equipment	(87,985)	(277,886)
Temporary cash investments, net	(219,000)	125,000
Investments, net	(31,585)	(31,728)
Net cash used by investing activities	<u>(338,570)</u>	<u>(184,614)</u>
Increase in cash and cash equivalents	62,382	306,027
Cash and cash equivalents, beginning of year	<u>323,270</u>	<u>17,243</u>
Cash and cash equivalents, end of year	<u>\$ 385,652</u>	<u>\$ 323,270</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid during the year for:		
Interest	<u>\$ 131</u>	<u>\$ 29</u>

See Notes to the Financial Statements.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

Ocean State Higher Education Economic Development and Administrative Network d/b/a OSHEAN, Inc. (the Organization) is a nonprofit coalition of universities, hospitals, government agencies, and other nonprofit organizations located in Rhode Island dedicated to providing innovative internet-based technology solutions for its member institutions and the communities they serve. The Organization is an active member of the Rhode Island technology community, regularly contributing expertise and resources to a wide range of initiatives, from school enrichment activities to community forums on technology-related issues in the public interest. The Organization regularly pursues opportunities for local, regional and national collaboration and plays a national leadership role in professional education for IT professionals and policy development in the information technology arena.

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as an organization that normally receives a substantial part of its support from a governmental unit or from the general public.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Basis of Financial Statement Presentation

The Organization's net assets and activities that increase or decrease net assets are classified as either unrestricted, temporarily restricted or permanently restricted:

Unrestricted net assets are those without any donor-imposed restrictions as to their use and are available for the general operations of the Organization.

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose.

Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity.

The Organization does not have any temporarily or permanently restricted net assets at June 30, 2009 and 2008.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Financial Statement Presentation (Continued)

Revenue is reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions or by law. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

Contributions and Net Assets Released from Restrictions

Contribution revenue is recorded as received. If the contribution is made in assets other than cash, the amount of the contribution is measured at the fair value of the asset contributed at the date the contribution or unconditional promise to give is made by the donor.

Contributions of cash, including any future collections of unconditional promises to give, and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of operations as “net assets released from restrictions.” Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Fair Value

The Organization measures the fair market values of its financial instruments in accordance with FASB Accounting Standards Codification 820-10-50, *Fair Value Measurements*, which establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The Organization categorizes its financial instruments, based on the priority of inputs to the valuation technique, into a three-level hierarchy, as discussed below.

Instruments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1 Quoted prices are available in active markets for identical instruments as of the reporting date. The Organization’s Level 1 instruments include publicly trade investments in U.S government securities and corporate bonds.

- Level 2 Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. The Organization does not have any Level 2 investment assets.

- Level 3 Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation. The Organization does not have any Level 3 investment assets.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through February 10, 2010, the date the financial statements were available to be issued.

Cash, Cash Equivalents and Temporary Cash Investments

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Certificates of deposit with original maturities greater than three months are recorded as temporary cash investments.

The Organization maintains its cash, cash equivalents, and temporary cash investments in accounts that, at times, exceed federally insured limits. The maximum loss that would have resulted from that risk totaled \$187,306 as of June 30, 2009. As of June 30, 2008, the Organization's deposits were fully insured.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Accounts Receivable

Accounts receivable are stated at the amount the Organization expects to collect. The Organization has revenue agreements in place with certain members under separate agreements that expire through June 2013. At June 30, 2009 and 2008, long-term accounts receivable relating to revenue agreements totaled approximately \$284,000 and \$135,000, respectively, and are included in accounts receivable. Long-term receivables do not bear interest. On a periodic basis, the Organization evaluates its accounts receivable and has determined that there are no amounts deemed uncollectable at June 30, 2009 and 2008.

Property and Equipment and Depreciation

It is the Organization's policy to capitalize property and equipment acquisitions exceeding \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment and Depreciation (Continued)

Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets acquired.

Revenue Recognition

The Organization's revenue is derived primarily from providing services to its members under long-term contract arrangements. Revenue from these contracts is recognized ratably over the terms of the contracts. Prepayments made by certain members under long-term contracts and credits for rate reductions and unused services are classified as unearned contract revenue in the statements of financial position. Unearned contract revenue at June 30, 2009 and 2008, totaled \$302,910 and \$157,215, respectively.

Functional Allocation of Expenses

Expenses are categorized as program services and management and general on a specific identification basis where practical and on a percentage allocation method based on management's judgment where specific identification is not practical.

Advertising

The Organization expenses advertising costs as incurred. Advertising expense for the years ended June 30, 2009 and 2008 was \$14,025 and \$8,385, respectively.

NOTE 2 – INVESTMENTS

Investments consist of the following at June 30:

	<u>2009</u>		<u>2008</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
U.S. government securities	\$ 361,794	\$ 374,684	\$ 362,682	\$ 368,137
Corporate bonds	67,811	68,957	57,723	57,918
	<u>\$ 429,605</u>	<u>\$443,641</u>	<u>\$ 420,405</u>	<u>\$426,055</u>

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 2 – INVESTMENTS (CONTINUED)

The following is a summary of investment return for the years ended June 30:

	2009	2008
Interest and dividends	\$ 37,594	\$ 70,773
Net realized gain (loss)	(16)	2,487
Net unrealized gain (loss)	14,014	5,650
Total investment return	\$ 51,592	\$ 78,910

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	2009	2008
Furniture	\$ 84,500	\$ 84,500
Donated equipment	40,219	40,219
Equipment	1,229,049	1,160,064
Beacon equipment	111,924	111,924
Leasehold improvements	123,767	104,767
	1,589,459	1,501,474
Less accumulated depreciation	1,191,475	955,256
	\$ 397,984	\$ 546,218

Depreciation expense was \$236,220 and \$231,039 for the years ended June 30, 2009 and 2008, respectively.

NOTE 4 – BOARD DESIGNATED FUNDS

During the year ended June 30, 2007, the Board of Directors approved the creation of the OSHEAN Employee Education Opportunity Fund and designated an initial contribution of \$67,500. During the year ended June 30, 2009, the Board of Directors approved an additional Board designated contribution of \$7,500 to this fund. Board designated funds are available to fund educational expenses for employees and their dependents up to a maximum of \$7,500 per year per employee. An award of \$7,500 was made during each of the years ended June 30, 2009 and 2008, respectively. Board designated funds in the amount of \$52,505 and \$52,500 are included in the balance of unrestricted net assets at June 30, 2009 and 2008, respectively.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 5 – LEASE AGREEMENTS

Office Lease

The Organization leases its office space and an adjacent educational facility under a non-cancelable operating lease that expires October 31, 2016. Rent expense under this lease agreement totaled \$65,810 and \$59,217 for the years ended June 30, 2009 and 2008, respectively.

Future minimum rental commitments under the non-cancelable operating lease are as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2010	\$ 67,413
2011	69,016
2012	70,689
2013	72,432
2014	74,216
Thereafter	<u>180,173</u>
	<u>\$ 533,939</u>

Fiber Optic Filaments Lease

The Organization leases fiber optic filaments under a non-cancelable operating lease that expires December 5, 2011. The lease arrangement and services provided has been named the "Beacon Project" by the Organization. Charges under the terms of the lease are on a per fiber, per mile basis. The lease amount paid during the years ended June 30, 2009 and 2008, was approximately \$324,000 and \$350,000, respectively. These costs are included in operating expenses along with other costs incurred for the Beacon Project.

Future minimum rental commitments under the non-cancelable operating lease are as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2010	\$ 334,000
2011	344,000
2012	<u>177,000</u>
	<u>\$ 855,000</u>

NOTE 6 – CONCENTRATION OF CREDIT RISK

Revenue from one member comprised approximately 13 percent of the Organization's revenue and support for the year ended June 30, 2009. Revenue from two members comprised approximately 26 percent of the Organization's revenue and support for the year ended June 30, 2008.

**OCEAN STATE HIGHER EDUCATION ECONOMIC DEVELOPMENT
AND ADMINISTRATIVE NETWORK D/B/A OSHEAN, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2009 AND 2008**

NOTE 7 – RELATED PARTY TRANSACTIONS

North East Research and Education Network (NEREN) began operations in 2005 and is a non-profit corporation that facilitates advanced networking throughout the Northeast. The NEREN ONC Project is an endeavor to procure a 20-year Infeasible Right of Use (IRU agreement) for two strands of fiber optic cables whose path links lower New England to New York. Three states within New England invested capital to initiate the NEREN ONC Project: Connecticut, Massachusetts and Rhode Island. Rhode Island is represented by the Organization, therefore the Organization is a member of NEREN.

The Organization and NEREN do not share any of the same board members but they do share office space. NEREN contracted with the Organization to provide administrative support services to NEREN for a fee of \$42,000 for the year ended June 30, 2009 and \$30,000 for the year ended June 30, 2008. In addition, the Organization paid NEREN \$117,233 and \$120,093 for membership fees, connectivity fees and dark fiber costs during the years ended June 30, 2009 and 2008, respectively.

The Organization provided one-third of the financing to initiate the procurement of NEREN'S IRU agreement. Payments to NEREN totaling \$204,000 are being amortized over the 20 year term of the IRU agreement. At June 30, 2009 and 2008, the balance of the prepaid expense is \$155,733 and \$165,933, respectively. Amortized fees of \$10,200 are included in NEREN fees reported in the statements of functional expenses for each of the years ended June 30, 2009 and 2008.

NOTE 8 – RETIREMENT PLAN

The Organization offers a 403(b) retirement plan which is available after one year of service to all employees working twenty-five or more hours per week. The Organization contributes 10 percent of an eligible employee's salary and matches up to 4 percent of an employee's contributions to the plan. Contributions expense totaled \$50,107 and \$39,097 for the years ended June 30, 2009 and 2008, respectively.

NOTE 9 – STATE FINANCIAL ASSISTANCE

During the year ended June 30, 2007, the Organization was awarded a grant from the State of Rhode Island to provide computer network security training to their employees. Revenue is recognized when earned and expenses are recognized as incurred. Grant activity for the year ended June 30, 2008 is as follows:

	2008
Grant receipts	\$ 10,250
Grant expenditures	10,250
Grant receivable	\$ 0



Comprehensive Community Infrastructure **Budget Narrative Template**

Applicant Name: Ocean State higher Education Economic Development and Adminstratvie Network (OSHEAN), Inc.

EasyGrants Number: 4422

Organization Type: Non-Profit 501(c)3

Proposed Period of Performance: 1/1/11 – 12/31/13

Total Project Costs: \$33,565,741

Total Federal Grant Request: \$22,169,183

Total Matching Funds (Cash): \$10,434,857

Total Matching Funds (In-Kind): \$961,701

Total Matching Funds (Cash + In-Kind): \$11,396,558

Total Matching Funds (Cash + In-Kind) as Percentage of Total Project Costs: 33.96%

1. Administrative and legal expenses - \$0

All Administrative and Legal expenses are considered operational and thereby ineligible.

2. Land, structure, rights-of-way, appraisals, etc. - \$0

OSHEAN's fiber partners, Fibertech and RCN Metro will be responsible for all expenses related to land, structure, rights-of-way, appraisals, etc. All costs bundled in total price of dark fiber construction. See construction for complete expense delineations.

3. Relocation expenses and payment - \$0



OSHEAN’s fiber partners, Fibertech and RCN Metro will be responsible for all expenses related to relocation. All costs bundled in total price of dark fiber construction. See construction for complete expense delineations.

4. Architectural and engineering fees - \$61,212

OSHEAN recognizes the following to be pre-award eligible expenses.

Pre-Award Expenses	Hours	Rate	Total Cost
Grant Preparation	230	150	34,500
Engineering/Design	600	25	15,000
PR	40	100	4,000
Travel			3,612
PM	50	80	4,000
		Total	61,112

There is no Cash Match or In Kind Match for this category.

5. Other architectural and engineering fees - \$0

N/A

6. Project inspection fees - \$0

OSHEAN’s fiber partners, Fibertech and RCN Metro will be responsible for all expenses related to project inspections. All costs bundled in total price of dark fiber construction. See construction for complete expense delineations.

7. Site work - \$0

OSHEAN’s fiber partners, Fibertech and RCN Metro will be responsible for all expenses related to site work. All costs bundled in total price of dark fiber construction. See construction for complete expense delineations.

8. Demolition and removal - \$0



OSHEAN's fiber partners, Fibertech and RCN Metro will be responsible for all expenses related to demolition and removal. All costs bundled in total price of dark fiber construction. See construction for complete expense delineations.

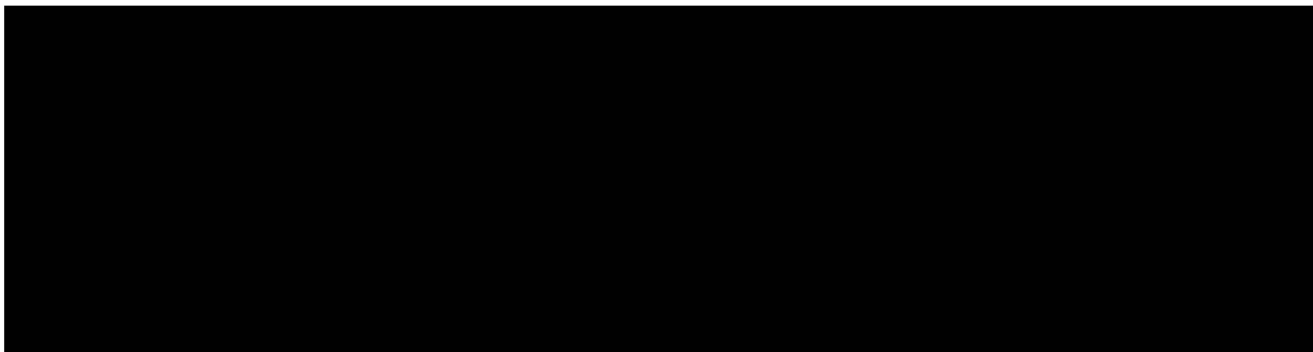
9. Construction - \$28,058,794

OSHEAN recongizes the following to be eligible capital expenses.

- 1. \$1,080,000 of this category is estimated for Professional Services which include the hire of Engineers and Project Managers as well as the costs associated with annual Federal Audits.**
- 2. \$26,978,794 of this category is estimated for fiber procurement and deployment including costs for physical fiber, construction of backbone and fiber laterals connecting 50 community anchor institution and 3 partner facilities, and bridge permits. All costs based on firm vendor quotes.**

Professional Services	Hours	Rate	Years	Total Cost
Engineering /Design	525	200	1	105,000
Environmental Survey	400	250	1	100,000
Engineering PM	1,000	100	3	300,000
Field PM	1,000	85	3	255,000
Federal Auditing	500	200	3	300,000
Implementation Svs.	200	100	1	20,000
Total				1,080,000

Fiber Procurement & Deployment	Miles	Rate	Total Cost
Backbone Construction	335	72,097	24,152,495
Fiber Laterals	22	117,555	2,586,210
Block Island Fiber		150,000	150,000
Bridge Permits		90,000	90,000
Rounding Adjustment			89
Total			26,978,794





10. Equipment - \$4,484,034

OSHEAN recongizes the following to be eligible capital expenses.

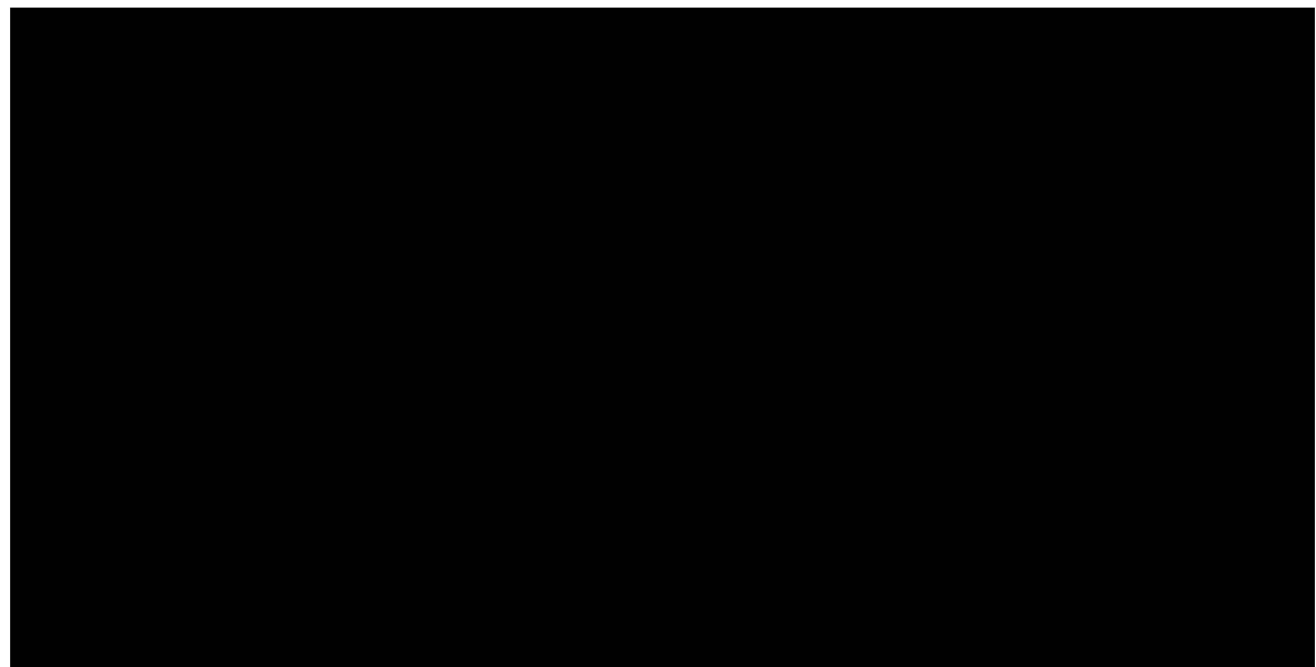
- 1. \$359,450 of this category is estimated for the purchase of switches.**
- 2. \$1,167,037 of this category is estimated for the purchase of routers.**
- 3. \$2,449,847 of this category is estimated for the purchase of DWDM optical equipment.**
- 4. \$257,700 of this category is estimated for the purchase of a Virtualized Network Management Infrastructure.**
- 5. \$250,000 of this category is estimated for the purchase of HVAC equipment for select nodes.**

Delineated expenses can be found in the Budget Detail.



11. Miscellaneous - \$961,701

\$961,701 of this category is estimated for the procurement of In Kind fiber assets.





13. Contingencies - \$0

N/A

14. Project (program) income - \$0

N/A

BTOP Comprehensive Community Infrastructure Detailed Budget

Please complete the General Budget Overview and Detailed Project Costs worksheets.

Please refer to the Comprehensive Community Infrastructure Grant Guidance for detailed instructions on the completing this upload.

Applicants are required to provide this upload as an Excel file, and not to convert it to a PDF prior to upload. Applicants should not alter the layout of the provided templates, except to insert additional line-items as needed in the Detailed Project Costs worksheet.

General Budget Overview

Budget	Federal Funding Request	Matching Funds (Cash)	Matching Funds (In-Kind)	Budget TOTAL	Last Mile Allocation	Middle Mile Allocation	Allocated TOTAL
Network & Access Equipment (switching, routing, transport, access)	\$2,399,076	\$1,834,958	\$961,701	\$5,195,735		\$5,195,735	\$5,195,735
Outside Plant (cables, conduits, ducts, poles, towers, repeaters, etc.)	\$18,378,895	\$8,599,899	\$0	\$26,978,794		\$26,978,794	\$26,978,794
Buildings and Land – (new construction, improvements, renovations, lease)	\$250,000	\$0	\$0	\$250,000		\$250,000	\$250,000
Customer Premise Equipment (modems, set-top boxes, inside wiring, etc.)	\$0	\$0	\$0	\$0		\$0	\$0
Billing and Operational Support Systems (IT systems, software, etc.)	\$0	\$0	\$0	\$0		\$0	\$0
Operating Equipment (vehicles, office equipment, other)	\$0	\$0	\$0	\$0		\$0	\$0
Engineering/Professional Services (engineering design, project management, consulting, etc.)	\$1,141,212	\$0	\$0	\$1,141,212		\$1,141,212	\$1,141,212
Testing (network elements, IT system elements, user devices, test generators, lab furnishings, servers/computers, etc.)	\$0	\$0	\$0	\$0		\$0	\$0
Site Preparation	\$0	\$0	\$0	\$0		\$0	\$0
Other	\$0	\$0	\$0	\$0		\$0	\$0
TOTAL BROADBAND SYSTEM:	\$22,169,183	\$10,434,857	\$961,701	\$33,565,741	\$0	\$33,565,741	\$33,565,741
Cost Share Percentage:	66.05%	31.09%	2.87%				

DETAIL OF PROJECT COSTS

PLEASE COMPLETE THE TABLE BELOW FOR THE DIFFERENT CATEGORIES OF EQUIPMENT THAT WILL BE REQUIRED FOR COMPLETING THE PROJECT. EACH CATEGORY SHOULD BE BROKEN DOWN TO THE APPROPRIATE LEVEL FOR IDENTIFYING UNIT COST

SERVICE AREA or COMMON NETWORK FACILITIES:	Match (Cash/In-kind)	Unit Cost	No. of Units	Total Cost	Last Mile Allocation	Middle Mile Allocation	Allocated Total	SF-424C Budget Category	Support of Reasonableness
NETWORK & ACCESS EQUIPMENT				\$5,195,735	\$0	\$5,195,735	\$5,195,735		
Switching	Cash Match	\$25,675	14	\$359,450		\$359,450	\$359,450	10. Equipment	Vendor Quote Provided: Discount off List
				\$0			\$0		
				\$0			\$0		
Routing	Cash Match	29,250	15	\$438,750		\$438,750	\$438,750	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	13,000	44	\$572,000		\$572,000	\$572,000	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	4,875	20	\$97,500		\$97,500	\$97,500	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	20	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	325	20	\$6,500		\$6,500	\$6,500	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	130	20	\$2,600		\$2,600	\$2,600	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	20	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	20	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	20	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	20	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	15,207	1	\$15,207		\$15,207	\$15,207	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	1,804	2	\$3,608		\$3,608	\$3,608	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	8	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	22,747	1	\$22,747		\$22,747	\$22,747	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	1	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	8,125	1	\$8,125		\$8,125	\$8,125	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	1	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
Transport	Cash Match	1,300	13	\$16,900		\$16,900	\$16,900	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	325	13	\$4,225		\$4,225	\$4,225	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	146	138	\$20,183		\$20,183	\$20,183	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	1,950	26	\$50,700		\$50,700	\$50,700	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	-	26	\$0		\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	1,297	13	\$16,858		\$16,858	\$16,858	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	2,275	11	\$25,025		\$25,025	\$25,025	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	22,100	13	\$287,300		\$287,300	\$287,300	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	44,850	15	\$672,750		\$672,750	\$672,750	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	5,200	5	\$26,000		\$26,000	\$26,000	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	488	14	\$6,825		\$6,825	\$6,825	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	11,050	1	\$11,050		\$11,050	\$11,050	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	3,510	26	\$91,260		\$91,260	\$91,260	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	78	15	\$1,170		\$1,170	\$1,170	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	13,000	25	\$325,000		\$325,000	\$325,000	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	364	14	\$5,096		\$5,096	\$5,096	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	4,095	18	\$73,710		\$73,710	\$73,710	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	5,005	2	\$10,010		\$10,010	\$10,010	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	10,075	2	\$20,150		\$20,150	\$20,150	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	520	15	\$7,800		\$7,800	\$7,800	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	59	144	\$8,424		\$8,424	\$8,424	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	13,325	27	\$359,775		\$359,775	\$359,775	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	325	55	\$17,875		\$17,875	\$17,875	10. Equipment	Vendor Quote Provided: Discount off List
	Cash Match	517	8	\$4,134		\$4,134	\$4,134	10. Equipment	Vendor Quote Provided: Discount off List

		Cash Match	-	8	\$0	\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	-	11	\$0	\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	663	11	\$7,293	\$7,293	\$7,293	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	1,105	44	\$48,620	\$48,620	\$48,620	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	13	11	\$143	\$143	\$143	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	65	11	\$715	\$715	\$715	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	1,430	11	\$15,730	\$15,730	\$15,730	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	260	22	\$5,720	\$5,720	\$5,720	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	9.75	44	\$429	\$429	\$429	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	9.75	44	\$429	\$429	\$429	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	11,050	2	\$22,100	\$22,100	\$22,100	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	-	2	\$0	\$0	\$0	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	13,325	2	\$26,650	\$26,650	\$26,650	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	259,798	1	\$259,798	\$259,798	\$259,798	10. Equipment	Vendor Quote Provided: Discount off List
					\$0	\$0	\$0		
Access					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
Other		re:							
		Cash Match	54,500	1	\$54,500	\$54,500	\$54,500	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	30,056	1	\$30,056	\$30,056	\$30,056	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	1,499	8	\$11,992	\$11,992	\$11,992	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	30,000	1	\$30,000	\$30,000	\$30,000	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	27,995	2	\$55,990	\$55,990	\$55,990	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	4,759	2	\$9,518	\$9,518	\$9,518	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	1,250	2	\$2,500	\$2,500	\$2,500	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	4,301	4	\$17,204	\$17,204	\$17,204	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	3,501	1	\$3,501	\$3,501	\$3,501	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	400	1	\$400	\$400	\$400	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	9,368	1	\$9,368	\$9,368	\$9,368	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	8,168	1	\$8,168	\$8,168	\$8,168	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	N/A	1	-\$4,497	-\$4,497	-\$4,497	10. Equipment	Vendor Quote Provided: Discount off List
		Cash Match	N/A	1	\$29,000	\$29,000	\$29,000	10. Equipment	Vendor Quote Provided: Discount off List
		In-kind Match	\$320,567	3	\$961,701	\$961,701	\$961,701	11. Misc.	Partner Letters of Intent Received
OUTSIDE PLANT					\$26,978,794	\$0	\$26,978,794	\$26,978,794	
Cables	Single Mode Fiber	Cash Match	75,571	357	\$26,978,794	\$26,978,794	\$26,978,794	9. Construction	RFI, Surveys Performed, Quotes Received
	ITU T G .652 Standard				\$0	\$0	\$0		
					\$0	\$0	\$0		
Conduits					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
Ducts					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
Poles					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
Towers					\$0	\$0	\$0		
					\$0	\$0	\$0		
					\$0	\$0	\$0		
Repeaters					\$0	\$0	\$0		
					\$0	\$0	\$0		

SERVICE AREA or COMMON NETWORK FACILITIES:	Match (Cash/In-kind)	Unit Cost	No. of Units	Total Cost	Last Mile Allocation	Middle Mile Allocation	Allocated Total	SF-424C Budget Category	Support of Reasonableness
BUILDINGS				\$250,000	\$0	\$250,000	\$250,000		
New Construction				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Pre-Fab Huts				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Improvements &	HVAC and Power Requirements at Designated Nodes	50000	5	\$250,000		\$250,000	\$250,000	10. Equipment	Industry Standard
				\$0			\$0		
				\$0			\$0		
Other				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
CUSTOMER PREMISE EQUIPMENT				\$0	\$0	\$0	\$0		
Modems				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Set Top Boxes				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Inside Writing				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Other				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
BILLING SUPPORT AND OPERATIONS SUPPORT SYSTEMS				\$0	\$0	\$0	\$0		
Billing Support				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Customer Care				\$0			\$0		
				\$0			\$0		
				\$0			\$0		
Other Support				\$0			\$0		
				\$0			\$0		
				\$0			\$0		

SERVICE AREA or COMMON NETWORK FACILITIES:		Match (Cash/In-kind)	Unit Cost	No. of Units	Total Cost	Last Mile Allocation	Middle Mile Allocation	Allocated Total	SF-424C Budget Category	Support of Reasonableness
OPERATING EQUIPMENT					\$0	\$0	\$0	\$0		
Vehicles					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Office Equipment /					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
PROFESSIONAL SERVICES					\$1,141,212	\$0	\$1,141,212	\$1,141,212		
Engineering	Engineering/Design		105000	1	\$105,000		\$105,000	\$105,000	9. Construction	Industry Standard
	Environmental Survey		100000	1	\$100,000		\$100,000	\$100,000	9. Construction	Industry Standard
					\$0			\$0		
Project	Engineering PM		300000	1	\$300,000		\$300,000	\$300,000	9. Construction	Industry Standard
	Field PM		255000	1	\$255,000		\$255,000	\$255,000	9. Construction	Industry Standard
					\$0			\$0		
Consulting	Implementation		20000	1	\$20,000		\$20,000	\$20,000	9. Construction	Industry Standard
	Pre-Award Consulting Fees		61212	1	\$61,212		\$61,212	\$61,212	4. Architectural and engr.	Invoiced
Other	Federal Auditing		100000	3	\$300,000		\$300,000	\$300,000	9. Construction	Industry Standard
TESTING					\$0	\$0	\$0	\$0		
Network Elements					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
IT System Elements					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
User Devices					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Test Generators					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Lab Furnishings					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Servers/Computer					\$0			\$0		
					\$0			\$0		
					\$0			\$0		

SERVICE AREA or COMMON NETWORK FACILITIES:		Match (Cash/In-kind)	Unit Cost	No. of Units	Total Cost	Last Mile Allocation	Middle Mile Allocation	Allocated Total	SF-424C Budget Category	Support of Reasonableness
OTHER UPFRONT COSTS					\$0	\$0	\$0	\$0		
Site Preparation					\$0			\$0		
					\$0			\$0		
					\$0			\$0		
Other										
PROJECT TOTAL:					\$33,565,741	\$0	\$33,565,741	\$33,565,741		

BTOP Comprehensive Community Infrastructure Pro Forma Financial Projections

Please complete the Income Statement, Balance Sheet, Cash Flows, and NPV-IRR Table worksheets. Key assumptions used to formulate these financial projections should be listed in the Key Assumptions worksheet. Please note that these are **project-specific** projections, in contrast to the historical financial information which is provided at the organizational level.

Please refer to the Comprehensive Community Infrastructure Grant Guidance for detailed instructions on the completing this upload.

Applicants are required to provide this upload as an Excel file, and not to convert it to a PDF prior to upload. Applicants may make adjustments to the format of the templates as necessary to provide the most effective presentation of the data for their specific project, but should not remove major headings (*e.g.* Revenues and Expenses on the Income Statement) or provide less detailed information than would be required to complete the provided templates.

9 Pages

Withheld in their entirety
pursuant to FOIA Exemption 4
(5 U.S.C. § 552 (b)(4))

BTOP Comprehensive Community Infrastructure Subscriber Estimates Template

Please complete the complete the Subscriber Estimates worksheet.

All applicants should indicate their 8-year subscriber forecasts with a breakdown by type of subscriber (residential/individual, businesses, community anchor institutions, third party service providers) and service offerings. The names of the service offerings should match those provided in the Service Offering and Competitor Data upload, enabling reviewers to easily cross-reference between the two documents. The Year 0 column should be used to denote any existing customers within the Proposed Funded Service Area. In addition, applicants that project that they will have third party service provider customers should include a line for parties "Served by Third Party Service Providers," showing an estimate of how many residential/individual, community anchor institution, and business customers will be served by those service providers, as demonstrated in the example below. At the bottom of the table, applicants should provide customer totals across all service offerings, with and without customers indirectly served through a third party service provider (if applicable). Applicants should also include a brief discussion of their methodology for deriving these estimates.

In contrast to several other upload templates in this application, the data provided via this template will NOT be subject to automated processing. Applicants are permitted to modify the template layout in order to provide the most effective presentation of the data for their specific project, but such modifications are generally discouraged. Applicants should, in any case, ensure that they provide at least as much detail as the provided template requires. To the extent that you modify these templates please ensure that the print layouts are adjusted so that rows do not break across pages in a manner that will be difficult to understand. A PDF of this file will be automatically generated upon upload to Easygrants, and the print settings will be used to format the PDF file.

EXAMPLE

Name of Service Offering	Customer Type	Year 0	Cumulative/ Net Add	Year 1				Year 2			
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
Mega-Metro E - 100 Mbps	Community Anchor Inst.	0	Cumulative	0	0	0	0	5	10	17	26
			Net Add	0	0	0	0	5	5	7	9
	Business	0	Cumulative	0	0	0	0	12	27	52	82
			Net Add	0	0	0	0	12	15	25	30
	Third Party Service Provider	0	Cumulative	0	0	0	0	1	2	4	6
			Net Add	0	0	0	0	1	1	2	2
Served by Third Party Service Providers	Indirect - Res./Ind.	0	Cumulative	0	0	0	0	1000	3000	5000	10000
			Net Add	0	0	0	0	1000	2000	2000	5000
	Indirect - Business	0	Cumulative	0	0	0	0	2	8	18	30
			Net Add	0	0	0	0	2	6	10	12
	Indirect - Com. Anchor Inst.	0	Cumulative	0	0	0	0	0	2	3	5
			Net Add	0	0	0	0	0	2	1	2

Broadband Subscriber Estimates

Name of Service Offering	Customer Type	Year 0	Cumulative/ Net Add	Year 1				Year 2				Year 3				Year 4	
				Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2
1 GigE	Community Anchor Inst.		Cumulative								5	7	10	12	15	17	17
			Net Add								5	2	3	2	3	2	0
10 GigE	Community Anchor Inst.		Cumulative								2	3	4	5	6	6	6
			Net Add								2	1	1	1	1	0	0
			Cumulative														
			Net Add														
			Cumulative														
			Net Add														
			Cumulative														
			Net Add														
Cumulative Totals (excluding Indirect)	Residential/Individual		Total														
	Business		Total														
	Community Anchor Inst.		Total	0	0	0	0	0	0	0	7	10	14	17	21	23	23
	Third Party Service Provider		Total														
Cumulative Totals (including Indirect)	Residential/Individual		Total														
	Business		Total														
	Community Anchor Inst.		Total	0	0	0	0	0	0	0	7	10	14	17	21	23	23
			Total														

Table of Customer Types

Residential/Individual
Business
Community Anchor Inst.
Third Party Service Provider
Indirect - Res./Ind.
Indirect - Business
Indirect - Com. Anchor Inst.

Explanation of Methodology:

Subscriber Estimates based on Pro Forma Project Years:

- Year 1 – January 22, 2010 – December 31, 2010
- Year 2 – January 1, 2011 – December 31, 2011
- Year 3 – January 1, 2012 – December 31, 2012
- Year 4 – January 1, 2013 – December 31, 2013
- Year 5 – January 1, 2014 – December 31, 2014
- Year 6 – January 1, 2015 – December 31, 2015
- Year 7 – January 1, 2016 – December 31, 2016
- Year 8 – January 1, 2017 – December 31, 2017

BTOP specific services include only 1GigE and 10GigE lambda sales. While OSHEAN recognized that bandwidth subscriptions will increase under BTOP, it is not recognized as a BTOP specific service, so not recorded in this table.

Assumptions for Years 1-4 are based on the project schedule for Community Anchor Institutions. Years 5-8 are based on growth assumptions for new Community Anchor Institutions.

Name of Service Offering	Customer Type	Year 4		Year 5				Year 6				Year 7				Year 8			
		Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	
1 GigE	Community Anchor Inst.	17	17	25	25	25	25	27	27	27	27	27	27	27	27	27	27	27	27
		0	0	8	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0
10 GigE	Community Anchor Inst.	6	6	8	8	8	8	9	9	9	9	11	11	11	11	12	12	12	12
		0	0	2	0	0	0	1	0	0	0	2	0	0	0	1	0	0	0
Cumulative Totals (excluding Indirect)	Residential/Individual																		
	Business																		
	Community Anchor Inst.	23	23	33	33	33	33	36	36	36	36	38	38	38	38	39	39	39	39
Cumulative Totals (including Indirect)	Residential/Individual																		
	Business																		
	Community Anchor Inst.	23	23	33	33	33	33	36	36	36	36	38	38	38	38	39	39	39	39

Table of Customer Types

Residential/Individual
Business
Community Anchor Inst.
Third Party Service Provider
Indirect - Res./Ind.
Indirect - Business
Indirect - Com. Anchor Inst.

Name of Service Offering	Customer Type	Qtr 4
		1 GigE
10 GigE	Community Anchor Inst.	12 0
Cumulative Totals (excluding Indirect)	Residential/Individual	
	Business	
	Community Anchor Inst.	39
Cumulative Totals (including Indirect)	Third Party Service Provider	
	Residential/Individual	
	Business	
	Community Anchor Inst.	39

Table of Customer Types

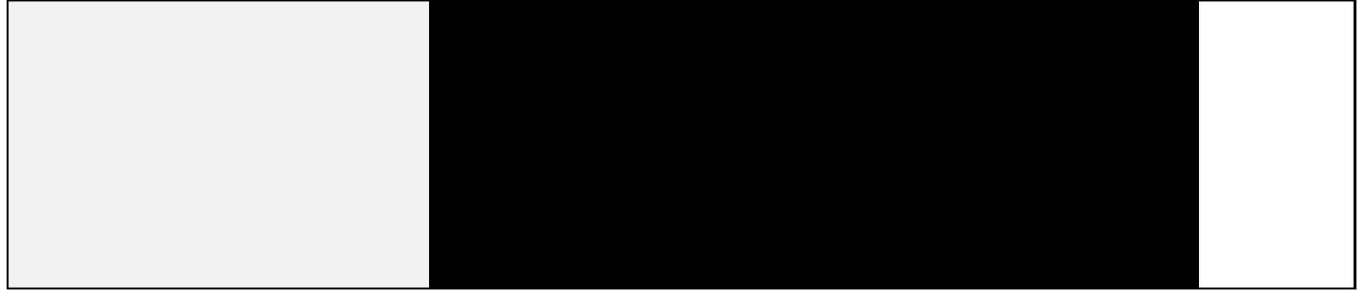
Residential/Individual
Business
Community Anchor Inst.
Third Party Service Provider
Indirect - Res./Ind.
Indirect - Business
Indirect - Com. Anchor Inst.

Comprehensive Community Infrastructure Key Metrics Dashboard

Please refer to the CCI Grant Guidelines for instructions on completing this form.

Applicant Profile	
Applicant Name	Ocean State Higher Education Economic Development Administrative Network (OSHEAN)
Title	Beacon 2.0
Easygrants ID	4422
Headquarters	OSHEAN, Inc. 6946 Post Road, Suite 402 North Kingstown, RI 02852
Size (2009 Data) of Applicant Entity	<ul style="list-style-type: none"> • Current Year Revenues: \$3,238,460 • Employees: 8
Technology Type	Wireline Fiber – Optic Cable
Key Partners	<p>Anchor Institution Partners:</p> <ul style="list-style-type: none"> • Brown University • Care New England – Butler and Kent Hospitals • Community College of Rhode Island – Newport and Warwick Campuses • CharterCARE – Roger Williams Medical Center and Fatima Hospital • City of Providence – Providence Knowledge District, Allens Avenue Backbone, Save the Bay Organization, Botanical Center at Roger Williams Park, Providence Pier, and Providence Public Works • State of RI, Division of IT – Dept. of Environmental Mgt, TF Green Airport, Pastore Complex, Capitol Hill, State Data Center, Dept. of Transportation (Hope Valley and Maintenance Headquarters, and RI State Police (Scituate and Wickford Barracks) • Lifespan – Newport Hospital, Coro Building, Coro To Rhode Island Hospital, and Bradley Hospital • New England Institute of Technology – 2 Campuses • OSHEAN – Headquarters, AP1, AP2, and AP3 • Providence Community Health Centers – Allen Berry and Chaffee Centers • Rhode Island Administrative Office of State Courts – Florence Murray and McGrath Courthouses • Roger Williams University • Salve Regina University – Newport and Pawtucket Campuses • South County Hospital – Hospital, EGMOB, SCH Kenyon, and Surgical/VNS • University of Massachusetts Dartmouth – Main, SMAST and Fairhaven Outreach Campuses • University of Rhode Island – Feinstein and Alton Jones Campuses • United States Naval War College • Westerly Hospital <p>Corporate/Other Partners:</p>

Comprehensive Community Infrastructure
Key Metrics Dashboard



Project Economics			
Budget Information		Project Financials	
Project Budget	\$33,565,741	Project Revenues (Yr 8)	\$5,297,729
Federal Contribution (%)	\$22,169,183	Net Income and Margin (Yr 8)	\$487,214 : 9%
Cash Match Amount (%)	\$10,434,857	EBITDA and Margin (Yr 8)	\$3,214,663 : 61%
In Kind Match Amount (%)	\$961,701	Rate of Return (w/o BTOP Funds)	-8.81%
Middle Mile/Last Mile Budget Allocation		Rate of Return (w/ BTOP Funds)	6.62%
Middle Mile Percentage (%)	100%	Cost Efficiency	
Last Mile Percentage (%)	N/A	Cost per Mile (MM)	\$94,022
Rural Last Mile Percentage	N/A	Cost per Household (LM)	N/A

Market Territory	
Geographic Area(s)	State of Rhode Island and South Coast Massachusetts
Middle Mile Network Composition	
Total Proposed Network Miles (MM only)	<ul style="list-style-type: none"> • Total Miles: 894 • Backbone Miles: 836 • Lateral Miles: 58
New Construction Network Miles (MM only)	<ul style="list-style-type: none"> • Total Miles: 372 • Backbone Miles: 350 • Lateral Miles: 22
Existing Applicant Network Miles Utilized (MM only)	<ul style="list-style-type: none"> • Total Miles: 432 (Fibertech and NEREN Existing IRU Fiber) • Backbone Miles: 401 • Lateral Miles: 31
Leased Network Miles Utilized (MM only)	<ul style="list-style-type: none"> • Total Miles: 90 (Existing Non-IRU Fiber) • Backbone Miles: 85 • Lateral Miles: 5
Underserved/Unserved	<ul style="list-style-type: none"> • Percentage of Backbone Miles in Underserved/Unserved Areas: 0 • Percentage of Lateral Miles in Underserved/Unserved Areas: 0
Existing Customer Base	
Existing Residential/Individual Customers within PFSA	0
Existing Business Customers within PFSA	0

Comprehensive Community Infrastructure Key Metrics Dashboard

Existing Community Anchor Institution Customers within PFSA	<ul style="list-style-type: none"> Total CAI's: 24 Community Colleges: 2 Public Safety Entities: 1
Existing Third Party Service Provider Customers within PFSA	0
Potential Customer Base	
Market Potential Households (within PFSA)	<ul style="list-style-type: none"> Total HH's: 349,200 Located in Underserved/Unserved Areas: 0
Market Potential Businesses (within PFSA)	<ul style="list-style-type: none"> Total Businesses: 8,100 Located in Underserved/Unserved Areas: 0
Market Potential Community Anchor Institutions (within PFSA)	<ul style="list-style-type: none"> Total CAI's: 498 Located in Underserved/Unserved Areas: 0 Community Colleges: 4 Public Safety Entities: 31
Market Potential Third Party Service Providers (within PFSA)	<ul style="list-style-type: none"> Total Third Party Service Providers in PFSA: 12 Expressing Commitment or Letter of Interest: 2
Funded Network Coverage	
Households Connected to Network (via BTOP Funds by end of Year 3)	<ul style="list-style-type: none"> Total Households Connected: Not yet Determined. Beacon 2.0 is a middle mile project Located in Underserved/Unserved Areas: Not yet Determined. Beacon 2.0 is a middle mile project
Businesses Connected to Network (via BTOP Funds by end of Year 3)	<ul style="list-style-type: none"> Total Businesses Connected: Not yet Determined. Beacon 2.0 is a middle mile project Located in Underserved/Unserved Areas: Not yet Determined. Beacon 2.0 is a middle mile project
Community Anchor Institutions Directly Connected (via BTOP Funds by end of Year 3)	<ul style="list-style-type: none"> Total Directly Connected CAI's: 37 Located in Underserved/Unserved Areas: 7 Community Colleges: 3 Public Safety Entities: 4
Projected Subscribers by Year Five	<p><u>Directly Served by Applicant</u></p> <ul style="list-style-type: none"> Community Anchor Institutions: 37 Households: Beacon 2.0 is a middle mile project Businesses: Beacon 2.0 is a middle mile project Third Party Service Providers: Beacon 2.0 is a middle mile project <p><u>Served by Proposed Network Via Third Party Service Provider</u></p> <ul style="list-style-type: none"> Community Anchor Institutions: Beacon 2.0 is a middle mile project Households: Beacon 2.0 is a middle mile project Businesses: Beacon 2.0 is a middle mile project

Comprehensive Community Infrastructure Key Metrics Dashboard

Other	
Proposed MM Network Capacity	<ul style="list-style-type: none"> • Backbone: 400 GigE on DWDM Network • Laterals: 10 GigE per lateral
Proposed LM Network Speed	<ul style="list-style-type: none"> • Highest offered speed tier: 10 GigE Future 40/100 GigE • Estimated Average speed for highest speed tier: 2.5 GigE
Total Points of Interconnection	<ul style="list-style-type: none"> • Total Pol's: 16 • Pol's in Underserved/Unserved Areas: 0 • Environmentally-controlled, non-passive Pols: 16
Jobs Created	<ul style="list-style-type: none"> • Direct Job-years: 160 • Indirect Job-years: 56 • Induced Job-years: 121
Required Time for Project Completion (Number of Required Quarters to Fully Build-out and Test Network and Make Ready for Commercial Service)	10 Quarters

Upload 15 - Network Maps

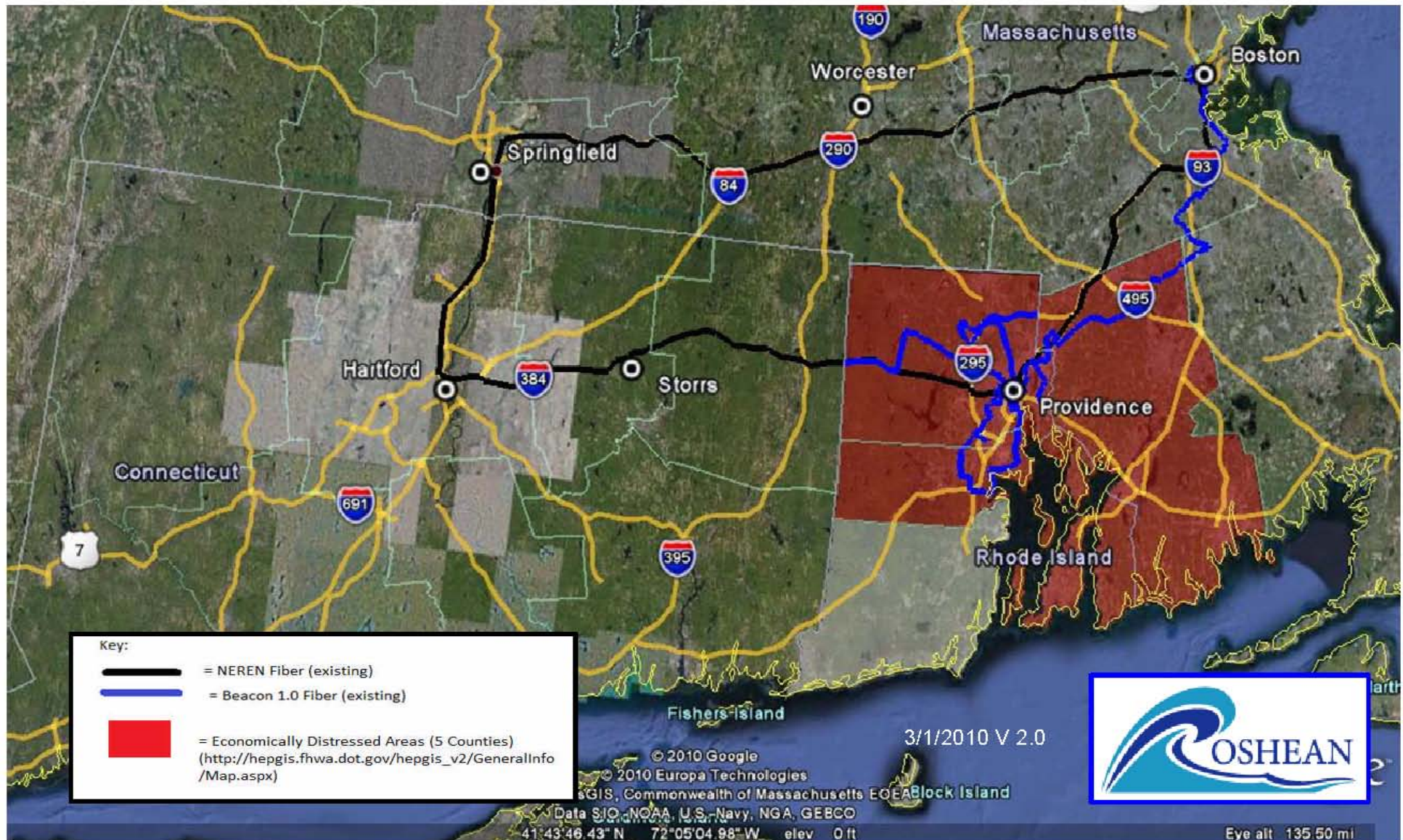
The following pages contain three network maps in order to satisfy the requirements of the application. They include:

Page 2 – NEREN and Beacon 1.0 Service Areas – Currently managed and Serviced by OSHEAN.

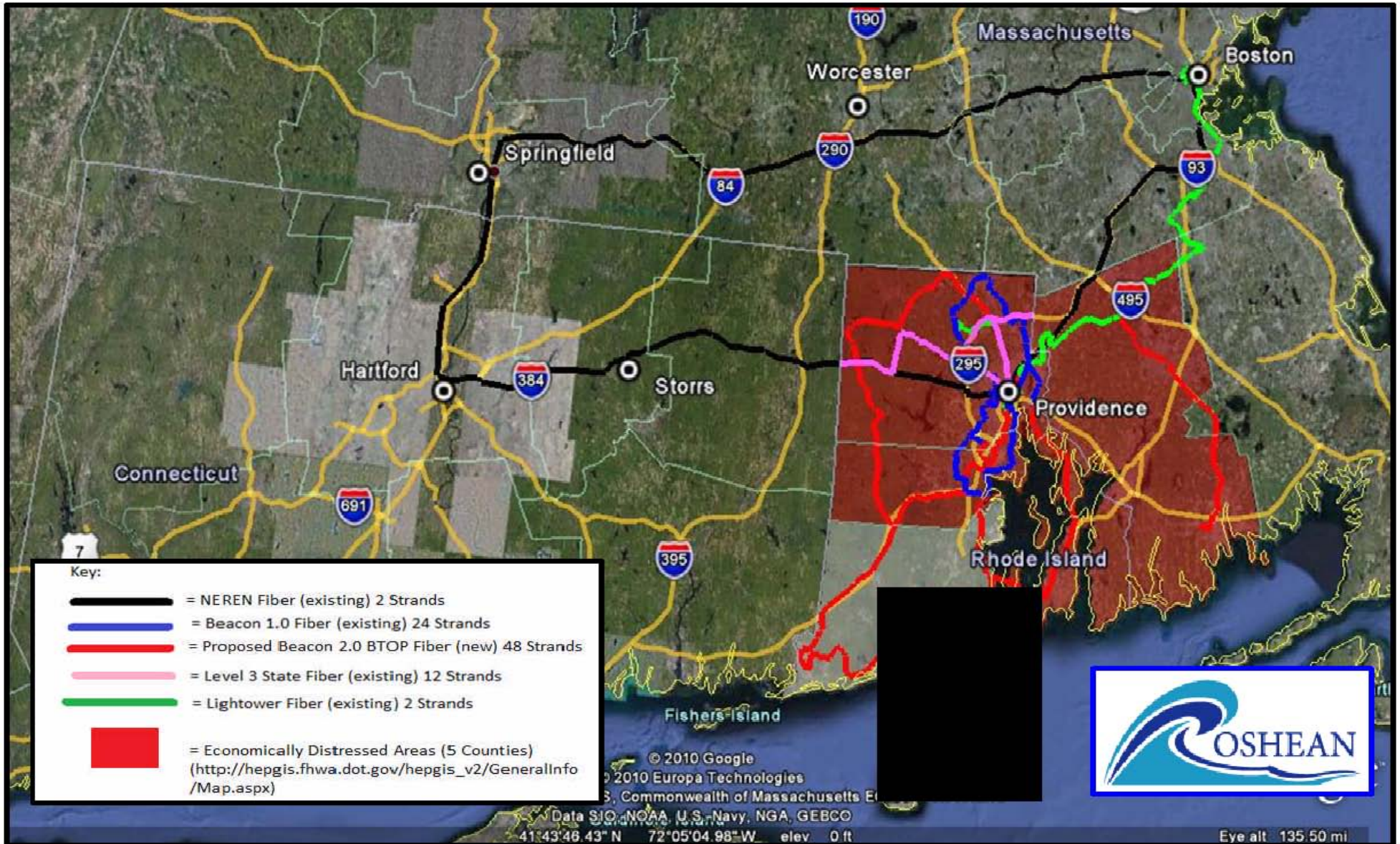
Page 3 – Beacon 2.0 Proposed Design.

Page 4 – Beacon 2.0 Optical Node Diagram.

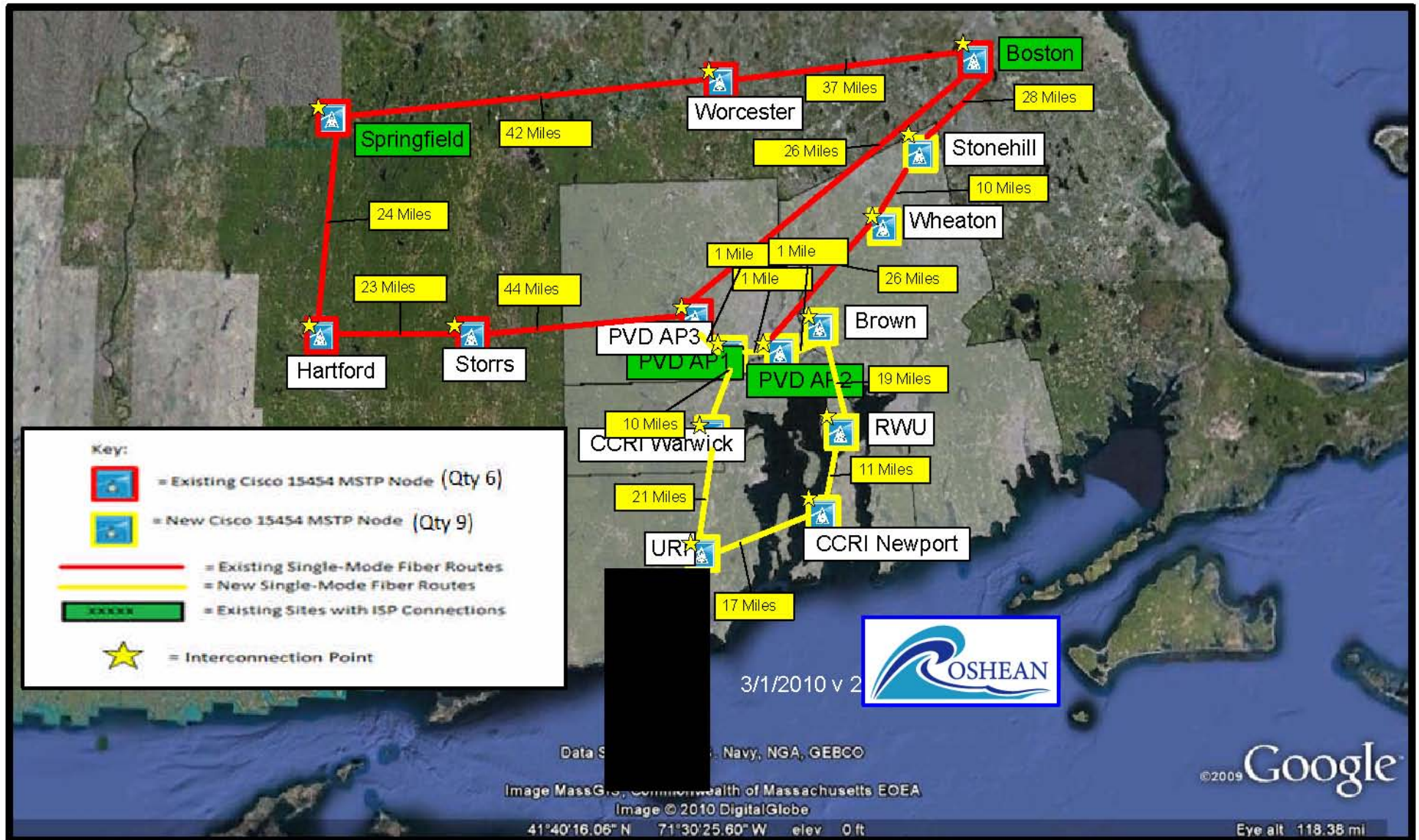
NEREN and Beacon 1.0 Existing Service Areas – Serviced By OSHEAN



Beacon 2.0 Proposed Design



Beacon 2.0 Optical Node Diagram



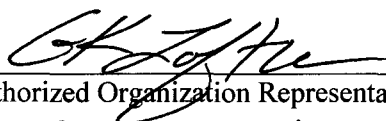
U.S. Department of Commerce
Broadband Technology Opportunities Program
Authentication and Certifications

1. I certify that I am the duly Authorized Organization Representative (AOR) of the applicant organization, and that I have been authorized to submit the attached application on its behalf.
2. I certify that I have examined this application, that all of the information and responses in this application, including certifications, and forms submitted, all of which are part of this grant application, are material representations of fact and true and correct to the best of my knowledge, that the entity(ies) that is requesting grant funding pursuant to this application and any subgrantees and subcontractors will comply with the terms, conditions, purposes, and federal requirements of the grant program; that no kickbacks were paid to anyone; and that a false, fictitious, or fraudulent statements or claims on this application are grounds for denial or termination of a grant award, and/or possible punishment by a fine or imprisonment as provided in 18 U.S.C. §1001 and civil violations of the False Claims Act.
3. I certify that the entity(ies) I represent have and will comply with all applicable federal, state, and local laws, rules, regulations, ordinances, codes, orders and programmatic rules and requirements relating to the project. I acknowledge that failure to do so may result in rejection or deobligation of the grant or loan award. I acknowledge that failure to comply with all federal and program rules could result in civil or criminal prosecution by the appropriate law enforcement authorities.
4. I certify that the entity(ies) I represent has and will comply with all applicable administrative and federal statutory, regulatory, and policy requirements set forth in the Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements ("DOC Pre-Award Notification"), published in the Federal Register on February 11, 2008 (73 FR 7696), as amended; DOC Financial Assistance Standard Terms and Conditions (Mar. 8, 2009); the Department of Commerce American Recovery and Reinvestment Act Award Terms (Apr. 9, 2009); and any Special Award Terms and Conditions that are included by the Grants Officer in the award.
5. I certify that any funds awarded to the entity(ies) I represent as a result of this application will not result in any unjust enrichment of such entity(ies) or duplicate any funds such entity(ies) receive under federal universal service support programs administered by the Universal Service Administrative Corporation (USAC).
6. I certify that the entity(ies) I represent has secured access to pay the 20% of total project cost or has petitioned the Assistant Secretary of NTIA for a waiver of the matching requirement.

Date

2/28/10

Authorized Organization Representative Signature



Print Name

George K. LOFTUS

Title

President + CEO, OSHETAN, Inc.

INSTRUCTIONS FOR THE SF-424C

Public reporting burden for this collection of information is estimated to average 180 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0041), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET.
SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

This sheet is to be used for the following types of applications: (1) "New" (means a new [previously unfunded] assistance award); (2) "Continuation" (means funding in a succeeding budget period which stemmed from a prior agreement to fund); and (3) "Revised" (means any changes in the Federal Government's financial obligations or contingent liability from an existing obligation). If there is no change in the award amount, there is no need to complete this form. Certain Federal agencies may require only an explanatory letter to effect minor (no cost) changes. If you have questions, please contact the Federal agency.

Column a. - If this is an application for a "New" project, enter the total estimated cost of each of the items listed on lines 1 through 16 (as applicable) under "COST CLASSIFICATION."

If this application entails a change to an existing award, enter the eligible amounts *approved under the previous award* for the items under "COST CLASSIFICATION."

Column b. - If this is an application for a "New" project, enter that portion of the cost of each item in Column a. which is *not* allowable for Federal assistance. Contact the Federal agency for assistance in determining the allowability of specific costs.

If this application entails a change to an existing award, enter the adjustment [+ or (-)] to the previously approved costs (from column a.) reflected in this application.

Column. - This is the net of lines 1 through 16 in columns "a." and "b."

Line 1 - Enter estimated amounts needed to cover administrative expenses. Do not include costs which are related to the normal functions of government. Allowable legal costs are generally only those associated with the purchases of land which is allowable for Federal participation and certain services in support of construction of the project.

Line 2 - Enter estimated site and right(s)-of-way acquisition costs (this includes purchase, lease, and/or easements).

Line 3 - Enter estimated costs related to relocation advisory assistance, replacement housing, relocation payments to displaced persons and businesses, etc.

Line 4 - Enter estimated basic engineering fees related to construction (this includes start-up services and preparation of project performance work plan).

Line 5 - Enter estimated engineering costs, such as surveys, tests, soil borings, etc.

Line 6 - Enter estimated engineering inspection costs.

Line 7 - Enter estimated costs of site preparation and restoration which are not included in the basic construction contract.

Line 9 - Enter estimated cost of the construction contract.

Line 10 - Enter estimated cost of office, shop, laboratory, safety equipment, etc. to be used at the facility, if such costs are not included in the construction contract.

Line 11 - Enter estimated miscellaneous costs.

Line 12 - Total of items 1 through 11.

Line 13 - Enter estimated contingency costs. (Consult the Federal agency for the percentage of the estimated construction cost to use.)

Line 14 - Enter the total of lines 12 and 13.

Line 15 - Enter estimated program income to be earned during the grant period, e.g., salvaged materials, etc.

Line 16 - Subtract line 15 from line 14.

Line 17 - This block is for the computation of the Federal share. Multiply the total allowable project costs from line 16, column "c." by the Federal percentage share (this may be up to 100 percent; consult Federal agency for Federal percentage share) and enter the product on line 17.

BUDGET INFORMATION - Construction Programs

NOTE: Certain Federal assistance programs require additional computations to arrive at the Federal share of project costs eligible for participation. If such is the case, you will be notified.

COST CLASSIFICATION	a. Total Cost	b. Costs Not Allowable for Participation	c. Total Allowable Costs (Columns a-b)
1. Administrative and legal expenses	\$ 843,125 .00	\$ -843,125.00	\$ 0 .00
2. Land, structures, rights-of-way, appraisals, etc.	\$ 0 .00	\$ 0.00	\$ 0 .00
3. Relocation expenses and payments	\$ 0 .00	\$ 0.00	\$ 0 .00
4. Architectural and engineering fees	\$ 61,212 .00	\$ 0.00	\$ 61,212 .00
5. Other architectural and engineering fees	\$ 0 .00	\$ 0.00	\$ 0 .00
6. Project inspection fees	\$ 0 .00	\$ 0.00	\$ 0 .00
7. Site work	\$ 0 .00	\$ 0.00	\$ 0 .00
8. Demolition and removal	\$ 0 .00	\$ 0.00	\$ 0 .00
9. Construction	\$ 28,058,794 .00	\$ 0.00	\$ 28,058,794 .00
10. Equipment	\$ 4,484,034 .00	\$ 0.00	\$ 4,484,034 .00
11. Miscellaneous	\$ 2,738,812 .00	\$ -1,777,111.00	\$ 961,701 .00
12. SUBTOTAL (sum of lines 1-11)	\$ 36,185,977 .00	\$ -2,620,236.00	\$ 33,565,741 .00
13. Contingencies	\$ 0 .00	\$ 0.00	\$ 0 .00
14. SUBTOTAL	\$ 36,185,977 .00	\$ -2,620,236.00	\$ 33,565,741 .00
15. Project (program) income	\$ 0 .00	\$ 0.00	\$ 0 .00
16. TOTAL PROJECT COSTS (subtract #15 from #14)	\$ 36,185,977 .00	\$ -2,620,236.00	\$ 33,565,741 .00
FEDERAL FUNDING			
17. Federal assistance requested, calculate as follows: (Consult Federal agency for Federal percentage share.) Enter the resulting Federal share.	Enter eligible costs from line 16c Multiply X <u>66.05</u> %		\$ 22,169,183.00

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Approval No. 4040-0009

Expiration Date 07/30/2010

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

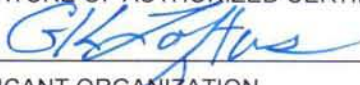
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-1 33, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

*SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	*TITLE President & CEO
*APPLICANT ORGANIZATION OSTEAD, INC.	*DATE SUBMITTED 03/17/2010 ^{0.00}



6946 Post Road, Suite 402
North Kingstown, RI 02852
Phone: (401)886-0887
Fax: (401)886-0855

Enclosed in this supplemental upload is a brief introduction to OSHEAN as an organization. We have provided a brief history of OSHEAN over its ten years of existence and "OSHEAN at a Glance" which will provide the reviewer some information on the many technical and collaborative services we offer the research, education, health care and government communities in Rhode Island and South Coast, Massachusetts.

Following the introduction to OSHEAN, we have included a set of "letters of support" for our Beacon 2.0 Project from OSHEAN member CAI organizations, endorsing the project. In addition, we have also included a signed letter of support from Rhode Island's Federal Congressional delegation, further demonstrating support for Beacon 2.0. To avoid possible confusion, we chose to include these letters here rather than combine them with the letters of commitment from CAIs that have provided cash matches to connect to Beacon 2.0. Those letters are uploaded separately where required by the application.

Introduction to OSHEAN

The OSHEAN story started in the spring of 1999 and through the years has grown from a fledgling idea to a bustling consortium of twenty-eight members. OSHEAN ends its first decade as an expansive statewide resource, with a Rhode Island base and roots spread through Massachusetts. First providing only access to the Internet and Internet2, OSHEAN now offers over ten different collaborative services. Members have banded together to develop a half-dozen volunteer working groups, which foster the knowledge sharing that has become such a vital part of the OSHEAN value. In extending our reach, we have hosted five community forums to gather members and the public to explore the areas where technology and society merge.

Now entering its second decade, OSHEAN continues to focus on uncovering collaborative opportunities for its members. As a first step, OSHEAN is actively seeking federal grant assistance to help expand its fiber network and bring the required capacity to community anchor institutions. As stated in the FCC's report, "Connecting America: The National Broadband Plan", anchor institutions should be connected to the network at 1GE. This proposal will allow us to meet that goal.

Turning to the future, OSHEAN stands ready to do "anything for a member" and looks forward to continued work with its members, connecting minds and building community!



OSHEAN AT A GLANCE

March 2010

6946 POST ROAD, STE. 402
 NORTH KINGSTON, RI 02852
 (P) 401-886-0887
 (F) 401-886-0855
 WWW.OSHEAN.ORG

connecting minds. building community.

Founded in 1999, OSHEAN is a nonprofit coalition of universities, hospitals, government agencies, and other nonprofit organizations dedicated to providing innovative Internet-based technology solutions for its member institutions and the communities they serve. OSHEAN is an active member of the Rhode Island technology community, and regularly pursues opportunities for local, regional and national collaboration. OSHEAN is committed to developing network expertise among its member organizations and to creating an environment that encourages collaboration through shared resources, information and expertise.

Members:
 29 and growing
 (Refer to footer for complete list)

- 17 Institutions of Higher Education
- 7 Healthcare Facilities
- 3 State Agencies
- 1 K – 12 Schools and Libraries thru RINET
- 1 Emergency Response Organization

Annual Budget:

- \$3.29 Million (2009 Actual)
- \$3.40 Million (2010 Projected)

Miles of Fiber Currently Operated:
 Approximately 300

Publications:
 OSHEAN Current - Annual
 OSHEAN Bridge – Quarterly

Board of Directors:
 Joseph Pangborn (RWU) – *Chair*
 Susan Cerrone Abely (RWMC) – *Vice Chair*
 Garrett Bozylinsky (URI) – *Secretary*
 Terri-Lynn Thayer (Brown) – *Treasurer*
 Pamela Christman (RINET)
 Ralph Fasano (RI School of Design)
 David Hemendinger (Lifespan)
 Richard Prull (Rhode Island College)
 John Smithers (Johnson & Wales University)

OSHEAN, Inc.

Services

In addition to access to commodity internet and Internet2 (OSHEAN is the only provider of Internet2 access in Rhode Island), OSHEAN also provides various services. Some of which include the following:

- *Next Generation Broadband – Beacon 1.0*
- *Video Commons Services*
- *Safe Harbor – Disaster Recovery Facility, Springfield, MA*
- *ConnectED/ConnectGOV – Emergency Notification Services*
- *Security Services*
- *IVANS – Medicare, Claims Submission and Eligibility Verification*
- *Cumulus Cloud Computing Services*

Forums and Meetings

OSHEAN is committed to the communities it serves and strives to provide a range of meeting outlets, informing members on a variety of topics and issues. They include the following:

- *Board of Director Meetings*** – Quarterly*
- *Governance / Finance / Audit Committee Meetings*** – Quarterly*
- *Community Forum** – Annual*
- *CIO Roundtable Discussions*** – Annual*
- *Strategic Planning Sessions* – Annual*
- *SURF* – Annual*
- *WAVE* – Annual*
- *Member Forum* – Annual*

* Open to all OSHEAN Members
 ** Open to general public
 *** Selected OSHEAN Members

Members Served

Below, is a detailed description of the members served through OSHEAN.

Group	# Affected	By Category	# Affected
Higher Education	133,074	Faculty / Staff	21,423
		FT Undergrad	79,690
		Other	31,991
Healthcare	51,230	Staff	48,586
		Beds	2,643
State Agencies	3	Employees	9,500
RINET		Teachers	10,000
		Students	155,000
		Administration	1,000

Congress of the United States
Washington, DC 20515

March 22, 2010

The Honorable Gary Locke
The Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

The Honorable Lawrence E. Strickling
Assistant Secretary for Communications and Information
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Dear Mr. Secretary and Mr. Assistant Secretary:

We write in support of OSHEAN, Inc.'s Beacon 2.0 Middle Mile project and their application for funding through the Broadband Technology Opportunity Program (BTOP) authorized under the American Recovery and Reinvestment Act of 2009. As outlined in OSHEAN's proposal, the Beacon 2.0 Middle Mile project is aligned with the "Comprehensive Community Infrastructure" funding priorities provided by the National Telecommunications and Information Administration.

OSHEAN is a nonprofit coalition of twenty-eight anchor institutions, including universities, hospitals, government agencies, nonprofits and a community college, that has a strong track record of providing innovative internet-based technology solutions for its member institutions and the communities they serve. OSHEAN's Beacon 2.0 proposal to build a middle-mile network will significantly enhance the network capacity of the anchor institutions by delivering a robust and affordable fiber network for the benefit of Rhode Islanders. OSHEAN has expressed that its member institutions and private partners are prepared to provide a greater than 30 percent match of the project cost, which represents a commitment of over \$10 million.

OSHEAN's Beacon 2.0 project will provide the broadband infrastructure needed to grow Rhode Island's economy, create jobs and enhance educational opportunities. The proposal will provide the broadband technology needed to provide workforce training between campuses of the state's community college and technical college and will bolster growth in economically distressed areas by providing high capacity broadband to schools and libraries. As you may know, Rhode Island has been among the states hardest hit during this economic crisis, suffering with a 12.7 percent unemployment rate. Working in partnership with local companies, we have been told that the project, using guidance from the Council of Economic Advisors, is estimated to create about 320 jobs in Rhode Island. Further, OSHEAN includes a plan to select local Last

Mile Broadband service-companies to provide affordable internet service connections to the underserved areas in the state.

The project will enhance OSHEAN's health, research, and public safety member institutions. Broadband services will provide hospitals and community health centers the ability to share and transmit digital diagnostic images between institutions and the newly established statewide Health Information Exchange (HIE), consistent with President Obama's focus on advancing America's health information infrastructure. The network also will provide researchers access to a statewide data center housing high performance computers and visualization tools and serve the state's public safety entities through broadband upgrades to Rhode Island State Police E911 operations and the City of Providence's port security system.

OSHEAN's Beacon 2.0 Middle Mile proposal is aligned with the goals of the BTOP program and will bring robust, extensible broadband capacity to anchor institutions and underserved areas throughout Rhode Island. We strongly support OSHEAN's Beacon 2.0 application and request your consideration within the applicable rules and regulations. Thank you for your consideration, and please do not hesitate to contact our offices if we can provide further assistance to you in this matter.

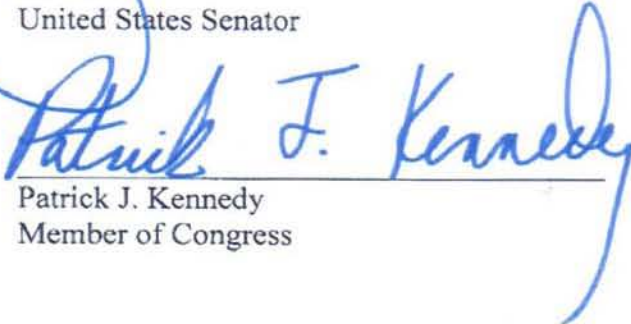
Sincerely,



Jack Reed
United States Senator



Sheldon Whitehouse
United States Senator



Patrick J. Kennedy
Member of Congress



James Langevin
Member of Congress



JOHNSON & WALES
UNIVERSITY

PROVIDENCE CAMPUS

Information Technology

March 1, 2010

George Loftus
OSHEAN
646 Camp Avenue
North Kingstown, RI 02852

Dear George,

Consistent with Johnson & Wales University's (JWU) current use of OSHEAN services and our desire to support the BTOP application I appreciate the opportunity to outline current and potential benefits OSHEAN offers our institution.

Beyond our regular subscription / member fees JWU will not be contributing to the BTOP grant, therefore our institution does not have a direct role in the program. However, JWU benefits significantly from the type of fiber connectivity OSHEAN offers its members – the flexibility it offers is helping us meet the current and evolving needs of our multi-campus institution.

JWU currently receives two different services from OSHEAN – our campus Internet access (both I1 and I2) and two supporting dark fiber rings. These 1G rings allow us to connect critical buildings and functions. Our Providence Campus data center facility is on an OSHEAN fiber loop that connects vital administrative, academic and residence hall facilities. It positions us to meet the needs of our students, faculty and staff in Providence, R.I., North Miami, Fla., Denver, Colo., and Charlotte, N.C., while offering the necessary stability, security and scalability previously unattainable when applying wireless (RF) technology to connect buildings to our data center.

Looking ahead, as part of our BCP/DR projects, JWU will leverage the rings to establish a connection between our data center and a hot rack in a local OSHEAN facility. This will provide local survivability for the Providence Campus data center and fiber-connected buildings as well as live data backup and BCP connectivity to the third-party DR site. Future changes include investigating how JWU can upgrade existing 1G connections (today we use CWDM technology) between all the locations on our rings to 10G connections through an electronics upgrade on the existing fiber backbone.

OSHEAN's significant role in providing the both internal and external connectivity for our students, faculty and staff is sincerely appreciated. Thank you for the long term partnership,





Ocean State Consortium of Advanced Resources (OSCAR)

The Ocean State Consortium of Advanced Resources (OSCAR) is a statewide collaboration framework that focuses on enabling people to share ideas and resources to address environmental, health, and societal grand challenges. The OSCAR people and teams are comprised of a community of world-class faculty, entrepreneurs, companies, service agencies, and students from public and private entities and across diverse fields. By facilitating collaboration across these diverse sectors, OSCAR will enable the collaborators an opportunity to drive solutions that will improve the health and well-being of individuals, communities, and organizations across the state and raise the profile of Rhode Island among its national peers.

Background: Rhode Island is in an economic crisis. Unemployment is almost at 13%, people are losing their homes, the public education system has not performed well, and the state deficit is higher than ever before. Yet, the Ocean State has much to be proud of. It is home to some of the finest universities and hospitals in the country, it has demonstrated that these institutions can collaborate with each other, and it has an indomitable entrepreneurial spirit that has been present for decades. It also offers a special advantage that no other state readily can. Its small size allows for a culture of collaboration and provides a natural laboratory setting to pilot and test initiatives that could become national initiatives. OSCAR, as a statewide consortium, will provide a platform of resources to leverage the RI scale to address the grand challenges for improving the health and well-being of the individuals, communities, and organizations throughout the state.

OSCAR Framework: The OSCAR framework is structured in the following way: 1) **working groups** building a shared vision and agenda, 2) **shared resources** including infrastructure platforms, talent, and innovative tools and data to enable collaboration and innovation, and 3) **grand challenge collaboratories** that inspire cross-sector collaborations and ideas.

OSCAR is comprised of, at present, nine **statewide working groups** tasked with building a shared agenda, identifying shared resources, and piloting innovative grand challenge collaboratory ideas to test and demonstrate solutions. These working groups include: 1) Stakeholder, 2) Technical 3) Healthcare Strategic Data Roadmapping, 4) Data Standards Working Group, 5) Datacenter, 6) Privacy, 7) Population Health, 8) Energy and Environment, and 9) Education/Smarter Campus.

When fully implemented, OSCAR will provide **shared resources** (human, capital, and infrastructure) to build the collaboratories. These resources will come from the consortium of public and private partnerships. The consortium will stimulate and facilitate collaborations by providing access and interoperability to advanced and shared infrastructure across the public and private sectors to propel productivity, innovation and competitiveness in key areas of strength. This infrastructure will also be a substantial driver for statewide economic development and provide a time- and cost-efficient resource for regional players unable to invest in resources.

The Population Health, Energy and Environment, and Education working groups are evolving into the **grand challenge collaboratories**. A grand challenge collaboratory is not restricted by institutional boundaries, but allows individuals across organizations and institutions access to collaborative tools and data to develop integrated approaches to addressing societal issues such as grand challenges around disease and health, alternative energies, climate change and sustainable living. A RI Collaboratory represents leadership, assets, and strengths of Rhode Island individuals, organizations and partners that can be leveraged to address these societal issues.



February 9, 2010

Dear OSCAR Stakeholders:

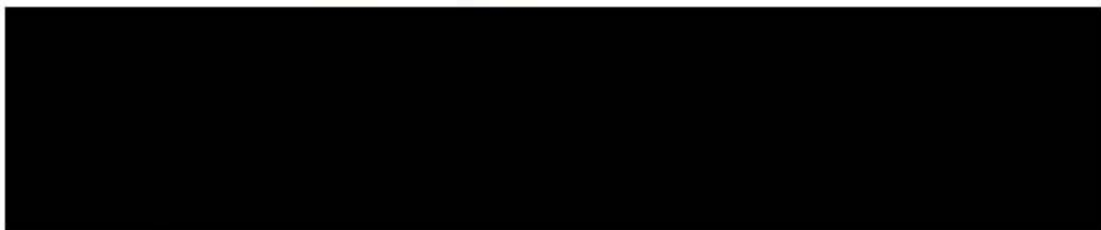
As co-Chairs of the Ocean State Consortium of Advanced Resources (OSCAR), we fully endorse and support the efforts of OSHEAN, Inc. as it seeks support from the Broadband Technology Opportunity Program (BTOP) to bring a next-generation broadband infrastructure to Rhode Island. BTOP is fundamental to the successful implementation of OSCAR strategies as we describe below.

To improve the quality of life, economic sustainability, and the innovative profile of the state of Rhode Island, key stakeholders throughout the state formed an innovation platform called the Ocean State Consortium of Advanced Resources (OSCAR). Initiated in July 2008, OSCAR is a novel statewide collaboration framework comprised of public and private partners across diverse fields, including world-class faculty, entrepreneurs, companies, service agencies, and students. By facilitating collaboration across these diverse sectors, OSCAR will enable people to share ideas and resources to address Rhode Island's environmental, health, and societal grand challenges. (One page description attached.)

Broadband is critical to the consortium's success as a social infrastructure for the state of RI and its national/international collaborators. In the coming year, we are working on two projects specifically where broadband connectivity is central to our success. 1) RI Collaborative Hub for Innovation, Entrepreneurship and Education (RICHIEE) which is a dynamic cyber-social research and entrepreneur portal, and 2) Smarter State Collaboration Forums which are remotely accessed global forums for cross-sector and cross-discipline thought-leaders to create a portfolio of best practices and strategies to impact society. Both of these efforts require broadband capacity and capabilities to advance innovation with expediency, attract expertise from around the globe, and provide OSCAR a national platform of engagement and collaboration.

As co-chair of the consortium, we view this BTOP proposal as an invaluable opportunity to advance OSCAR's mission to accelerate collaborative projects to significantly improve the quality of life, economic sustainability, and the reputation of Rhode Island, its citizens and organizations. We look forward to enabling the many beneficial activities this grant will facilitate.

Thank you for your support and consideration,





PROVIDENCE
COLLEGE

Department of Information Technology

Providence College has been a member of the OSHEAN consortium for six years. It is through OSHEAN that we have been able to take advantage of high-speed access to both the Internet and Internet2. A connection to Internet 2 is something that we would not have been able to accomplish on our own and would not have been able to get from any other internet service provider. In addition to 1Gbps of capacity, we use a fiber connection from OSHEAN to gain high speed access to all OSHEAN members and affiliated networks (NEREN and Northern Crossroads).

Throughout our years of OSHEAN membership OSHEAN has been able to provide bandwidth pricing that has allowed us to grow from 4 MB to 200MB of commodity internet access as our need for service has increased. We currently use our network for both academic support such as research, learning management systems, video conferencing, and services to support quality of life in our residence halls. As the demand increases for VOIP, Wifi, IP television, collaborative research efforts, and business continuity and disaster recovery applications our demand for bandwidth can only continue to rise.

In addition to bandwidth services our affiliation with OSHEAN brings us membership in a collaborative organization of higher education institutions, state offices and health care providers that has benefited Providence College on many occasions. Often times there are technical issues we will work on together that would be difficult or time consuming to tackle alone.



Experimental Program to
Stimulate Competitive Research

February 19, 2010

Mr. George K. Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

Dear George,

On behalf of the RI NSF EPSCoR Academy, I am pleased to express my support for OSHEAN's Broadband Technology Opportunity Program (BTOP) proposal. The proposed funding will bring much-needed next-generation middle-mile broadband infrastructure to Rhode Island. As a consortium with a proven track-record of delivering innovative Internet-based technology infrastructure solutions for its members for the past ten years, OSHEAN is well positioned to deliver the proposed middle-mile infrastructure. With members that include all the institutions of higher education, as well as all of the hospitals and state offices, and RINET on behalf of the K-12 and library community, OSHEAN is the only statewide organization that can extend this asset to such a broad scope of public-serving organizations.

As a statewide organization the Academy recognizes the importance of robust, high quality and affordable broadband connectivity. The Academy is increasingly utilizing tools such as video conferencing and event streaming in our program activities. The middle-mile infrastructure the BTOP funding will provide will ensure we have the quality of connectivity needed as we continue to expand our education and outreach activities.

The Academy fully supports OSHEAN and intends to offer our available resources to assist in its BTOP effort. As a member of the consortium, we view this as an invaluable opportunity to not only advance RI NSF EPSCoR but also the citizens of Rhode Island to reap the rewards of a statewide next-generation broadband infrastructure. We look forward to participating in the many beneficial activities enabled through this grant.

Sincerely,





200 High Service Avenue
No. Providence, RI 02904
401-456-3000

February 24, 2010

Mr. George Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

Dear Mr. Loftus:

As a long standing member of OSHEAN, St. Joseph Health Services of RI, will continue to utilize at least our current OSHEAN INTERNET and dark fiber services.

Access to dark fiber services has been a critical success factor to our hospital EMR deployment over the past five years. These services have enabled us to provide consistent network response time between our two main campuses in North Providence, and downtown Providence.

Without these services our expenses for much less bandwidth would have greatly impacted our technology strategy and overall progress.

As the hospital moves forward to a full electronic medical record, and the implementation of Scanning and Archiving applications, our need to increased bandwidth will become critical to our disaster recovery solutions, as we will vastly increase our current disc space consumption, requiring a wide area disc to disc backup solution. We expect these increased demands to materialize within the next two years.

OSHEAN has been a great partner, enabling the hospital's Strategic Initiative for Information Technology to move forward. We anticipate continued utilization of current services and future expansion of our requirements.

Sincerely,



Divisions:



200 High Service Avenue
North Providence, RI 02904



21 Peace Street
Providence, RI 02907



153 Dean Street
Providence, RI 02903



TAUNTON PUBLIC SCHOOLS

*110 County Street
Taunton, Massachusetts 02780
Tel. (508) 821-1100
Fax (508) 821-1177*

Julie Hackett, Ed.D.
Superintendent of Schools

Steven Leonard, Ed.D.
Assistant Superintendent

William Frangiamore
Business Manager

Where Children Come First

February 16, 2010

Mr. George K. Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

Dear George,

On behalf of Taunton Public Schools in Taunton, Massachusetts, I am very pleased to fully endorse and support the efforts of OSHEAN, Inc. as it seeks funding under the Broadband Technology Opportunity Program to bring a next-generation middle-mile broadband infrastructure to Rhode Island and southeastern Massachusetts. As a consortium with a proven track-record of delivering innovative Internet-based technology solutions for its members, OSHEAN is well positioned to deliver the proposed middle-mile infrastructure.

With members that include all the institutions of higher education, as well as all of the hospitals and state offices, and RINET on behalf of the K-12 and library community, OSHEAN is the only statewide organization that can extend this asset to such a broad scope of public-serving organizations. Providing this grant to OSHEAN will reap the greatest gain for the most extensive population. We consider this grant to be crucial to fostering the further development and expansion for not only Taunton Public Schools, but for the member community as a whole.

Taunton Public Schools, specifically, views the BTOP funding as a fundamental resource, vital to the mission of our schools in Rhode Island and southeastern Massachusetts. Without the proposed middle-mile backbone, the capacity this network can deliver would be unaffordable to schools at current market rates and we would be unable to bear the tremendous cost of building or purchasing this amount of capacity ourselves. With next-generation broadband, programs including Pre-K12 e-learning, online professional development, and the integration of online services which are currently limited due to a bandwidth costs, Taunton Public Schools and other southeastern Massachusetts schools would benefit directly and progress to their full capability.

Taunton School District fully supports OSHEAN and intends to offer our available resources to assist in its BTOP effort. As a member of the consortium, we view this as an invaluable opportunity to not only advance Taunton School District and other PreK-12 schools in southeastern Massachusetts but also the citizens of Rhode Island to reap the rewards of a statewide next-generation broadband infrastructure. We look forward to participating in the many beneficial activities enabled through this grant.

Sincerely,





CHEMICAL ENGINEERING DEPARTMENT
Crawford Hall, 16 Greenhouse Road, Kingston, Rhode Island 02881-0805
Phone: 401-874-2655 • Fax: 401-874-4689

Mr. George K. Loftus
President and CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

February 20, 2010

Dear Mr. Loftus:

On behalf of the Department of Chemical Engineering at the University of Rhode Island, I am pleased to fully endorse and support the efforts of OSHEAN, Inc. as it seeks funding under the Broadband Technology Opportunity Program to bring a next-generation middle-mile broadband infrastructure to Rhode Island, especially to URI Kingston campus. As a consortium with a proven track-record of delivering innovative Internet-based technology infrastructure solutions for its members for the past ten years, OSHEAN is well positioned to deliver the proposed middle-mile infrastructure. With members that include all the institutions of higher education, as well as all of the hospitals and state offices, and RINET on behalf of the K-12 and library community, OSHEAN is the only statewide organization that can extend this asset to such a broad scope of public-serving organizations.

Increased and affordable broadband will benefit URI research capabilities by allowing researchers to effectively and efficiently move data to computers or application software to data. It would also provide greater access to high speed computing and cloud computing resources, making it possible to access and share important and unique data sets from around the world and address important data-driven scientific challenges such as climate change, carbon capture and storage, clean water, and so on. These are just some of the many important societal challenges faced by the US and the world in the 21st century. With enhanced broadband access, URI would be well positioned with its strong programs in oceanography, science and engineering to make significant contributions to the resolution of these and other important research challenges.

Education would also be significantly enhanced at the URI Kingston and other campuses around the state through affordable broadband access. This would provide students and faculty access to off-site resources to reduce energy consumption (e.g., IBM cloud computing and storage resources), permit web-based learning through readily available tutorial resources, and allow students to participate in video conferencing or research collaboration with some of my colleagues at the City College of New York, the University of Illinois at Chicago, Natural resources Canada, and elsewhere.

The Chemical Engineering Department at URI fully supports OSHEAN and intends to offer our available resources to assist in its BTOP effort. As a member of the consortium, we view this as an invaluable opportunity to not only advance URI but also the citizens of Rhode Island to reap the rewards of a statewide next-generation broadband infrastructure. We look forward to participating in the many beneficial activities enabled through this grant.

Sincerely,



February 25, 2010

Mr. George K. Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

Dear Mr. Loftus,

On behalf of Rhode Island Institutional Development Award (IDeA) Network for Biomedical Research Excellence (RI-INBRE) Program, I am pleased to fully endorse and support the efforts of OSHEAN, Inc. as it seeks funding under the Broadband Technology Opportunity Program to bring a next-generation middle-mile broadband infrastructure to Rhode Island. I believe that as a consortium with a proven track-record of delivering innovative Internet-based technology infrastructure solutions for its members for the past ten years, OSHEAN is well positioned to deliver the proposed middle-mile infrastructure. With members that include all the institutions of higher education, as well as all of the hospitals and state offices, and RINET on behalf of the K-12 and library community, OSHEAN is the only statewide organization that can extend this asset to such a broad scope of public-serving organizations.

As you know, the RI-INBRE Program is funded by an NIH grant and is a collaborative effort between the University of Rhode Island (URI), Brown University, Providence College, Rhode Island College, Roger Williams University, and Salve Regina University which are all members of OSEAN. The goal of our Program is to enhance biomedical and behavioral research capacity at all network institutions. To achieve this goal, the Program currently supports 29 research projects at these institutions, creating tremendous opportunities for faculty development, collaborative research, and student training. Many of our investigators work with genomic and proteomic data that need to be shared electronically with other colleagues within and outside the state. The present broadband status of the state severely hinders this effort.

As a result of combined efforts of the Northeast Cyberinfrastructure Consortium members, Rhode Island, Delaware, Maine, New Hampshire, and Vermont, each state has successfully received supplemental funds from NSF and NIH for improvements in its cyberinfrastructure. RI-INBRE's supplemental award through ARRA funding is for improving broadband connectivity between URI's Kingston campus and OSHEAN's existing network in the central part of the state. However, this project, when completed, would still fall short of connecting our researchers in Kingston with their colleagues at the partner institutions in the eastern side of the state as they would remain in the cyber dark age. Clearly, significant improvements in the cyberinfrastructure are needed to benefit the researchers in the entire state.

The RI-INBRE Program fully supports OSHEAN in its BTOP effort. We view this as invaluable opportunities to not only advance the RI-INBRE Program activities but also the citizens of Rhode Island to reap the rewards of a statewide next-generation broadband infrastructure. We look forward to participating in the many beneficial activities enabled through this grant.

Sincerely,



February 12, 2010

Mr. George K. Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

Dear George,

On behalf of the University of Rhode Island's Graduate School of Oceanography I wish to endorse and support the efforts of OSHEAN, Inc. as it seeks funding under the Broadband Technology Opportunity Program to bring a next-generation middle-mile broadband infrastructure to Rhode Island, to the University of Rhode Island and other OSHEAN members. As a consortium with a proven track-record of delivering innovative Internet-based technology infrastructure solutions for its members for the past ten years, OSHEAN is well positioned to deliver the proposed middle-mile infrastructure. With its ever growing membership among institutions of higher education, hospitals and state offices, libraries and the K-12 school and community, OSHEAN is the only statewide organization that can extend this asset to serve such a broad scope of public and private institutions.

Increased, affordable broadband bandwidth will help the Graduate School of Oceanography with various portions of its mission such as:

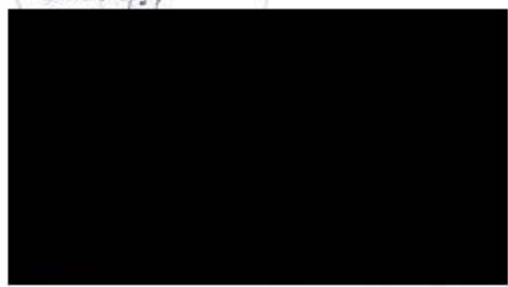
Access to High Performance Computing resources - Numerous programs at GSO have independent computing clusters, all requiring their own power and cooling. High Speed access to the "Big Rhody" facility at Brown will not only increase the amount of CPU cycles available, but do so in a manner that maximizes environmental efficiency. Programs in Hurricane forecasting, Earth Mantle dynamics, and Narragansett Bay circulation modeling are already limited by their existing clusters and would see immediate benefits especially in multi-dimensional visualizations and time series analysis. Additionally, Rhode Island's National Science Foundation funded EPSCOR Program, including URI, Brown University and Roger Williams University, would benefit, especially in the fields of Bioinformatics and Genomics.

On-Line Learning Tools – The Graduate School of Oceanography's Office of Marine Programs (OMP) is a major education and outreach program, targeting a wide range of audiences, including K-12 educators and student. Significant tools for educators include such media rich websites as Sounds in the Sea (www.dosits.org), Census for Marine Life (www.coml.org), and the Armada Project for training and mentoring teachers at Sea (www.armadaproject.org). OMP also provides virtual field trips to K-12 students, educating and sensitizing them to coastal environments no matter where they may live.

Video streaming & Telepresence – Primarily through the newly completed Inner Space Center (isc.gso.uri.edu) located in GSO's Ocean Science and Exploration Center, telepresence technologies are used to connect to oceanographic exploration projects in real time and to share the excitement of undersea discovery. Not only used to connect shipboard research in real time to other scientific facilities, the Inner Space Center has significant outreach programs into school systems, Boys and Girls clubs, museums and other venues using real-time, high resolution streaming video to invigorate and educate students and strengthen their interest in science and engineering.

The University of Rhode Island's Graduate School of Oceanography has been and is dependent upon OSHEAN and its services and is willing to assist in OSHEAN's BTOP effort. Like other members of URI, we view this as an invaluable opportunity to assist the citizens of Rhode Island in reaping the rewards of a statewide, next-generation broadband infrastructure. We look forward to participating in the many beneficial activities enabled through this grant.

Sincerely,



THE
UNIVERSITY
OF RHODE ISLAND

Dr. S. Bradley Moran
Assistant Vice President for Research Administration
Professor of Oceanography
University of Rhode Island
Kingston, RI 02881
Tel: (401) 874-2223
Fax: (401) 874-4272
moran@gso.uri.edu

February 23, 2010

Mr. George K. Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

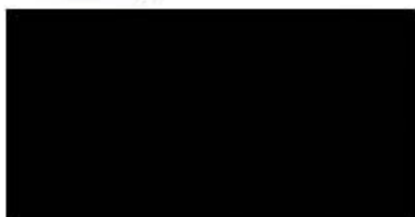
Dear George,

On behalf of the Division of Research and Economic Development at the University of Rhode Island, I am pleased to fully endorse and support the efforts of OSHEAN, Inc. as it seeks funding under the Broadband Technology Opportunity Program to bring a next-generation middle-mile broadband infrastructure to Rhode Island, especially to Division of Research and Economic Development. As a consortium with a proven track-record of delivering innovative Internet-based technology infrastructure solutions for its members for the past ten years, OSHEAN is well positioned to deliver the proposed middle-mile infrastructure. With members that include all the institutions of higher education, as well as all of the hospitals and state offices, and RINET on behalf of the K-12 and library community, OSHEAN is the only statewide organization that can extend this asset to such a broad scope of public-serving organizations.

Among the many research programs at URI and across the state, the increased, affordable broadband would be particularly beneficial to the current and pending (\$20M) RI EPSCoR research proposals, which provide federal funding from the National Science Foundation in support of improved research infrastructure across the state. The proposed BTOP technology infrastructure is also very much in line with URI's goals to reduce energy consumption, enhance distance learning, and facilitate virtual research collaborations.

The University of Rhode Island fully supports OSHEAN and intends to offer our available resources to assist in its BTOP effort. As a member of the consortium, we view this as an invaluable opportunity to not only advance the University of Rhode Island but also the citizens of Rhode Island to reap the rewards of a statewide next-generation broadband infrastructure. We look forward to participating in the many beneficial activities enabled through this grant.

Sincerely,



February 17, 2010

Wheaton College
Norton, Massachusetts 02766-2122
(508) 286-8200
FAX (508) 286-9270
www.wheatoncollege.edu

George K. Loftus
President & CEO
OSHEAN, Inc.
6946 Post Road, Suite 402
North Kingstown, RI 02852

Wheaton

Dear George:

On behalf of Wheaton College, I am very pleased to fully endorse and support the efforts of OSHEAN, Inc. as it seeks funding under the Broadband Technology Opportunity Program to bring a next-generation broadband infrastructure to Rhode Island. While Wheaton College is a Massachusetts institution, our proximity to Rhode Island and the OSHEAN fiber path to Boston, has made our membership in the Rhode Island consortium tremendously advantageous. For example, due to our consortium membership, Wheaton has been able to become a part of the combined library online public access catalogue in Rhode Island (HELIN) housed at the University of Rhode Island.

As a consortium with a proven track-record of delivering innovative Internet-based technology solutions for its members, OSHEAN is well positioned to deliver the proposed dedicated-optical With a Rhode Island member base that includes all institutions of higher education, as well as a majority of health care organizations and state offices, and RINET on behalf of the K-12 community, OSHEAN is the only statewide channel that can extend the asset to such a broad scope of public-serving organizations, reaping the greatest gain for the most extensive population. We consider this grant to be crucial to fostering the further development and expansion for not only Wheaton College, but the member community as a whole.

As one of the institutions of higher education in southeastern Massachusetts, Wheaton College sees this OSHEAN initiative important beyond the boundaries of the school and its connections to Rhode Island. Southeastern Massachusetts has insufficient fiber optic infrastructure. This lack of fiber impedes the improvement of government and public safety services, creates barriers to competition for businesses and residents, and constrains economic growth. OSHEAN, working in collaboration with the Open Cape Corporation, a similar Massachusetts initiative, will, if funded, plan and build these optical infrastructures toward one another. Ultimately connecting the two will strengthen the region's telecommunications capabilities. In addition, having this capability in place has the potential to strengthen the ties between the nine institutions that make up the Southeastern Association for Cooperation in Higher Education in Massachusetts (SACHEM), and finally their support of the communities surrounding them.

To that end, Wheaton College intends to continue to expand its communications capacity, increasing to a gigabit connection. Our reoccurring fees for that connection will be \$25,000 annually.

Sincerely,

