| U.S. DEPARTMENT OF COMMERCE | 2. Award Or Grant Number |
|---|---|
| **Performance Progress Report** | 72-50-M09040 |
| | 4. Report Date (MM/DD/YYYY) |
| | 04-12-2012 |

| 1. Recipient Name | 6. Designated Entity On Behalf Of: |
|---|---|
| Puerto Rico Governor's Office | Puerto Rico |

| 3. Street Address | | 8. Final Report? | 9. Report Frequency |
|---|---|---|---|
| P.O. Box 9020082, | | ◯ Yes | ⊙ Quarterly |
| | | | ◯ Semi Annual |
| 5. City, State, Zip Code | | ⊙ No | ◯ Annual |
| San Juan, PR 00902-0082 | | | ◯ Final |

| 7. Project / Grant Period Start Date: (MM/DD/YYYY) | 7a. End Date: (MM/DD/YYYY) | 7b. Reporting Period End Date: | 9a. If Other, please describe: |
|---|---|---|---|
| 12-20-2009 | 12-19-2014 | 03-31-2012 | N/A |

**10. Broadband Mapping**          10a. Provider Table

| Number of Providers Identified | Number of Providers Contacted | Number of Agreements Reached for Data Sharing | Number of Partial Data Sets Received | Number of Complete Data Sets | Number of Data Sets Verified |
|---|---|---|---|---|---|
| 0 | 0 | 0 | 0 | 0 | 0 |

10b. Are you submitting the required PROVIDER DATA by using the Excel spreadsheet provided by the SBDD grants office?  ◯ Yes  ⊙ No

10c. Have you encountered challenges with any providers that indicate they may refuse to participate in this project? ⊙ Yes  ◯ No

10d. If so, describe the discussions to date with each of these providers and the current status

Aeronet Wireless Broadband Corporation: The provider was non-responsive during the April 2012 mapping cycle to NTIA.  Multiple contact attempts were made, and as of February 10, 2012, the provider remained non-responsive.

Orizon Wireless Corporation: The provider was non-responsive during the April 2012 mapping cycle to NTIA.  Multiple contact attempts were made, and as of February 8, 2012, the provider remained non-responsive.

Telefonica International Holding, BV: The provider was non-responsive during the April 2012 mapping cycle to NTIA.  Multiple contact attempts were made, and as of February 8, 2012, the provider remained non-responsive.

10e. If you are collecting data through other means (e.g. data extraction, extrapolation, etc), please describe your progress to date and the relevant activities to be undertaken in the future

No data has been collected through extraction or extrapolation.

10f. Please describe the verification activities you plan to implement

Our vendor, Connect Puerto Rico, has deployed an interactive mapping web application.  The application is housed in a highly available, monitored, and managed environment. The application includes a staging environment for data verification and compatibility as well as a production environment for client access.

Consumer feedback in the form of broadband inquiries is also collected. These inquiries represent any type of communications received from the public regarding broadband service. Once broadband inquiries are received across the state, this information is overlaid with the broadband availability information which was collected through the State Broadband Initiative (SBI) program. This allows for a real-world comparison of the broadband landscape to the information received from broadband inquiries. Broadband inquiries are able to provide three types of information: 1) residents who do not have broadband but want it; 2) residents who have broadband but want a different provider; and 3) residents who do not have broadband, but the broadband inventory maps indicate that they do. If residents within a region state that they are without broadband, but the broadband inventory maps show otherwise, this allows Connected Nation to approach the providers within that area in an effort to trim down their coverage to more accurately represent real-world availability on the ground.

As of this report, field validation has been completed on 65.00% of the provider universe.  The year-end goal for 2012 (testing a minimum of 60.00% of the viable provider universe) has been achieved.   While additional testing is contemplated for 2012, these tests will supplement previous activities and will focus primarily on providers with a substantial (or statewide) presence and will occur in

geographic locations not previously tested.

10g. Have you initiated verification activities?  ◉Yes  ◯No

10h. If yes, please describe the status of your activities

The interactive broadband map is publicly available on the Connect Puerto Rico website (http://www.connectpr.org/interactive-map) and received a total of 223 visits between January 1, 2012 and March 31, 2012.

During this quarter, the Connect Puerto Rico project received a total of 2 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 1 for this quarter.

For this reporting period, no new field verification tests were conducted. Thus far, project staff conducted multiple tests on the following providers:  Aeronet Wireless; AT&T; Critical Hub Networks; Choice Communications; Data@ccess; Liberty Cablevision of Puerto Rico; Neptuno Media; PR Wireless Inc.; San Juan Cable LLC (d.b.a. OneLink); Puerto Rico Telephone Company; Sprint; T-Mobile; and Worldnet.

In addition to the field verification tests that have been conducted, our program vendor has also conducted work in the field to collect information for the Non-Participating Provider, San Juan Cable LLC (d.b.a. OneLink) which, by nature of the methodology required for this collection, is also included in the above list.

As of this reporting period, field validation testing has been completed against 13 companies (out of a universe of 20 viable providers) totaling 65.00% on the island.

10i. If verification activities have not been initiated please provide a projected time line for beginning and completing such activities

N/A

## Staffing

10j. How many jobs have been created or retained as a result of this project?
11.58

Our vendor has numerous staff working on the project, some at only a small percentage of their time. This approach is beneficial to the project in various ways: some staff provide necessary project support, many staff work together utilizing a team approach, and others are subject matter experts in their respective areas, and by leveraging their expertise the project benefits by their knowledge and skills without necessity of supporting a more expensive full-time resource.

10k. Is the project currently fully staffed?  ◉Yes  ◯No

10l. If no, please explain how any lack of staffing may impact the project's time line and when the project will be fully staffed

N/A

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?

11.58

10n. Staffing Table

| Job Title | FTE % | Date of Hire |
|---|---|---|
| Connected Nation - Business Programmer Analyst | 2 | 4/2/2007 |
| Connected Nation - CAI Coordinator | 2 | 12/13/2004 |
| Connected Nation - CAI Data Analyst | 1 | 3/24/2009 |
| Connected Nation - CAI Data Manager | 2 | 8/9/2010 |
| Connected Nation - ETS Analyst | 1 | 7/13/2009 |
| Connected Nation - ETS Manager | 5 | 7/1/2007 |

| | | |
|---|---|---|
| Connected Nation - GIS Analyst | 1 | 5/14/2007 |
| Connected Nation - GIS Analyst | 4 | 11/16/2009 |
| Connected Nation - GIS Analyst | 11 | 4/1/2010 |
| Connected Nation - GIS Services Manager | 3 | 5/15/2007 |
| Connected Nation - Outreach & Awareness Manager | 5 | 3/24/2009 |
| Connected Nation - Outreach & Awareness Specialist | 7 | 2/2/2009 |
| Connected Nation - Outreach & Awareness Specialist | 9 | 10/1/2007 |
| Connected Nation - Outreach & Awareness Specialist | 10 | 1/3/2010 |
| Connected Nation - Outreach & Awareness Specialist | 13 | 1/4/2010 |
| Connected Nation - Program Director | 1 | 8/4/2008 |
| Connected Nation - Project Coordinator | 7 | 4/1/2005 |
| Connected Nation - Project Manager | 2 | 9/4/2007 |
| Connected Nation - Project Manager | 19 | 3/16/2010 |
| Connected Nation - Project Manager | 44 | 1/14/2008 |
| Connected Nation - Provider Relations Manager | 2 | 2/17/2005 |
| Connected Nation - Research & GIS Analyst | 6 | 5/14/2007 |
| Connected Nation - Research Analyst | 1 | 10/17/2011 |
| Connected Nation - Research Analyst | 24 | 6/1/2009 |
| Connected Nation - Project Coordinator | 3 | 5/14/2007 |
| Connected Nation - State Services Sr. Specialist | 39 | 12/20/2009 |
| Consultant - Associate Counsel | 1 | 9/14/2009 |
| Estudios Tecnicos - Research Analyst | 92 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | 92 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | 93 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | 93 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | 93 | 12/30/2011 |
| | | |

| | | | |
|---|---|---|---|
| Estudios Tecnicos - Research Analyst | | 93 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | | 93 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | | 93 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | | 93 | 12/30/2011 |
| Estudios Tecnicos - Research Analyst | | 93 | 12/30/2011 |
| GISbiz, Inc. - Programmer | | 3 | 2/27/2012 |
| GISbiz, Inc. - System Architect | | 2 | 2/27/2012 |

<div align="center">[ Add Row ]   [ Remove Row ]</div>

## Sub Contracts

10o. Subcontracts Table

| Name of Subcontractor | Purpose of Subcontract | RFP Issued (Y/N) | Contract Executed (Y/N) | Start Date | End Date | Federal Funds | In-Kind Funds |
|---|---|---|---|---|---|---|---|
| Connect Puerto Rico | Mapping and Planning Activities | Y | Y | 04/10/2010 | 12/14/2014 | 2,278,668 | 0 |
| PR Infrastructure Financing Administration | Grant Administration | N | N | 03/01/2010 | 12/14/2014 | 244,030 | 0 |

<div align="center">[ Add Row ]   [ Remove Row ]</div>

## Funding

10p. How much Federal funding has been expended as of the end of the last quarter?  $1,226,465     10q. How much Remains?  $1,307,213

10r. How much matching funds have been expended as of the end of last quarter?  $252,477     10s. How much Remains?  $387,751

10t. Budget Worksheet

| Mapping Budget Element | Federal Funds Granted | Proposed In-Kind | Total Budget | Federal Funds Expended | Matching Funds Expended | Total Funds Expended |
|---|---|---|---|---|---|---|
| Personal Salaries | $0 | $97,850 | $97,850 | $0 | $29,263 | $29,263 |
| Personnel Fringe Benefits | $0 | $20,000 | $20,000 | $0 | $7,457 | $7,457 |
| Travel | $0 | $0 | $0 | $0 | $0 | $0 |
| Equipment | $0 | $55,000 | $55,000 | $0 | $0 | $0 |
| Materials / Supplies | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontracts Total | $2,522,698 | $0 | $2,522,698 | $1,226,465 | $44,630 | $1,271,095 |
| Subcontract #1 | $2,278,668 | $0 | $2,278,668 | $1,185,169 | $44,630 | $1,229,799 |
| Subcontract #2 | $244,030 | $0 | $244,030 | $41,296 | $0 | $41,296 |
| Subcontract #3 | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #4 | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #5 | $0 | $0 | $0 | $0 | $0 | $0 |
| Construction | $0 | $0 | $0 | $0 | $0 | $0 |
| Other | $10,980 | $467,378 | $478,358 | $0 | $171,706 | $171,706 |
| Total Direct Costs | $2,533,678 | $640,228 | $3,173,906 | $1,226,465 | $253,057 | $1,479,522 |

| Mapping Budget Element | Federal Funds Granted | Proposed In-Kind | Total Budget | Federal Funds Expended | Matching Funds Expended | Total Funds Expended |
|---|---|---|---|---|---|---|
| Total Indirect Costs | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Costs | $2,533,678 | $640,228 | $3,173,906 | $1,226,465 | $253,057 | $1,479,522 |
| % Of Total | 80 | 20 | 100 | 83 | 17 | 100 |

## Hardware / Software

10u. Has the project team purchased the software / hardware described in the application?  ⦿Yes ○No

10v. If yes, please list

Interactive Mapping Application - $64,548
ArcInfo/ArcGIS Software - $4,126
Computers & Software - $3,510
Speed Test Software - $4,081
Google Earth Pro - $585

10w. Please note any software / hardware that has yet to be purchased and explain why it has not been purchased

Remaining purchases may include SQL server for mapping geodatabase, SQL server software, multiple dedicated storage server, security application, additional backup replication solution, computers, a spectrum analyzer, GPS units, interactive mapping updates and maintenance, ArcInfo/ArcGIS maintenance, and speed test updates as well as computers and software maintenance.

10x. Has the project team purchased or used any data sets?  ○Yes ⦿No

10y. If yes, please list

N/A

10z. Are there any additional project milestones or information that has not been included?  ⦿Yes ○No

10aa. If yes, please list
The Puerto Rico broadband semi-annual dataset update was successfully submitted. The data update submission included datasets for 84 percent of the Puerto Rico provider community, or 16 of 19 total providers. There are 15 participating providers and 1 additional non-participating provider whose estimated coverage areas have been submitted. Of the 15 participating providers, 11 supplied an update to their network or coverage areas, while 3 reported no change. The remaining provider previously supplied data, but was non-responsive in this update effort; therefore its previous dataset was put forward as part of the update.

Our mapping vendor, Connect Puerto Rico, worked in close coordination with the Office of the Chief Information Officer (OCIO) gathering data on the location and broadband connectivity of Community Anchor Institutions (CAI), in accordance with the data requirements of the SBI Notice of Funds Availability (NOFA) Technical Appendix. Efforts have been focused on conducting outreach and raising awareness through a statewide campaign and through existing relationships and those developed through the Puerto Rico Broadband Task Force. Outreach has involved working closely with key members of the Puerto Rico Health Information Network, the Department of Education, and Department of Public Housing to obtain data already collected on the island.

This project has an ongoing mission to educate CAI throughout the commonwealth on the importance of participating in the project. We continue to utilize an online survey in both Spanish and English and raise awareness of the importance of CAI broadband connectivity.

As of Q1 2012 our matching contribution remains 17%, just under the requirement. During Q1 2012, the Puerto Rico Electric Power Authority GIS data sets and the Puerto Rico Water & Sewer Authority GIS data sets have been made available to Connect Puerto Rico....

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing
A continued challenge exists to educate CAI about SBI and the intent of gathering connectivity information. This obstacle is easily avoided when we engage sector leaders and ask them to distribute the survey on our behalf, which supports the validity of the survey. Across the board, the response is significantly higher when the survey is distributed by a sector leader or organization. Therefore, it has become obvious that a focused sector approach is most successful as well as clearly engaging the state client to help identify sector leaders and organizations. Ahead of the October 2012 reporting, Puerto Rico is focusing on one sector per month (and two for one month) to better direct attention toward specific sectors.

Additionally, CAI address information oftentimes does not translate to geocoded data.  Strategies to overcome this challenge include contacting the CAI directly to clarify location and engaging the OCIO GIS Manager to interpret addressing information through local area knowledge and cross-referencing datasets made available through in-kind contributions.

10cc. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

Connect Puerto Rico released the USF Mobility Fund Eligibility Maps & Analysis, a report detailing the FCC's preliminary list of areas in Puerto Rico that are eligible for the FCC's Mobility Fund. On February 10, 2012, the FCC released a list of areas in Puerto Rico census blocks that it had determined do not currently have access to 3G mobile wireless service. The FCC generated this preliminary list from its review of commercial, industry data sources. The completed analysis compares the FCC eligible areas list to the geographic areas on our maps that have access to mobile download speeds of 1.5 Mbps. http://www.connectpr.org/blog/post/connect-puerto-rico-releases-usf-mobility-fund-eligibility-maps-analysis-0

## 11. Broadband  Planning

11a. Please describe progress made against all goals, objectives, and milestones detailed in the approved Project Plan.  Be sure to include a description of each major activity / milestone that you plan to complete and your current status

Our vendor, Connect Puerto Rico, serves in a supporting capacity to the Puerto Rico Broadband Taskforce (PRBT), whose goal is to author a Strategic Broadband Plan for Puerto Rico that will provide a blueprint to help bridge the digital gap across the island.  In that capacity, multiple deliverables were provided to the PRBT such as working products geared towards the completion of the Strategic Plan, including Strategic Plan outlines and other guidance documents.  Furthermore, Connect Puerto Rico supports the PRBT by informing on broadband issues as they relate to Puerto Rico.

Several PRBT meetings took place during Q1 2012 to advance the progress of the Puerto Rico Strategic Broadband Plan. Connect Puerto Rico provided data regarding Puerto Rico's residential technology adoption, online applications utilized by Puerto Rico residents, drivers of the digital divide, and barriers to technology adoption, as well as technology adoption among Puerto Rico's industry sectors. Additionally, a program developed graphical representation of data, as well as presentation design. Content and feedback from stakeholders have been incorporated into individual chapters and have begun an editing and formatting process for compilation into a single comprehensive plan. During the quarter, the PRBT revised the estimated completion date of the Strategic Broadband Plan to the beginning of Q2 2012.

Milestone:  Analysis of Residential and Non-Adopter Technology Assessments
This milestone is in the process of being completed. In Q4 2011, program vendor Connected Nation (CN) contracted with a local Puerto Rico business establishment (Estudios Tecnicos, Inc.) to conduct the Residential Technology Assessment and non-adopter telephone surveys.

... please refer to the Q1 2012 PUERTO RICO Supplemental Answer Document.

11b. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Due to input required by the many sectors of the PRBT, the initial completion timeline for the Broadband Strategic Plan was not met. Much work and feedback has been incorporated into the plan and the PRBT has set a new completion date of Q2 2012.

Full analysis of the 2012 Residential and Non-Adopter Technology Assessments were unable to be completed before the end of Q1 2012. At this time, analysis of the Non-Adopter survey is in process and Estudios Tecnicos is in the process of conducting the Residential survey. Full analyses and a public release of Residential and Non-Adopter surveys are anticipated to be completed in Q2 2012.

11c. Does the Project Team anticipate any changes to the project plan for Broadband Planning?    ● Yes   ○ No

11d. If yes, please describe these anticipated changes.  Please note that NTIA will need to approve changes to the Project Plan before they can be implemented

Analyses of the 2012 Residential Technology Assessment and Non-Adopter surveys have been moved to Q2 2012.

## Funding

11e. How much Federal funding has been expended as of the end of the last quarter? $0          11f. How much Remains?          $0

11g. How much matching funds have been expended as of the end of last quarter?     $0          11h. How much Remains?          $0

| 11i. Planning Worksheet | | | | | | |
|---|---|---|---|---|---|---|
| Personal Salaries | $0 | $0 | $0 | $0 | $0 | $0 |
| Personnel Fringe Benefits | $0 | $0 | $0 | $0 | $0 | $0 |

| 11i. Planning Worksheet | | | | | | |
|---|---|---|---|---|---|---|
| Travel | $0 | $0 | $0 | $0 | $0 | $0 |
| Equipment | $0 | $0 | $0 | $0 | $0 | $0 |
| Materials / Supplies | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontracts Total | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #1 | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #2 | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #3 | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #4 | $0 | $0 | $0 | $0 | $0 | $0 |
| Subcontract #5 | $0 | $0 | $0 | $0 | $0 | $0 |
| Construction | $0 | $0 | $0 | $0 | $0 | $0 |
| Other | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Direct Costs | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Indirect Costs | $0 | $0 | $0 | $0 | $0 | $0 |
| Total Costs | $0 | $0 | $0 | $0 | $0 | $0 |
| % Of Total | 0 | 0 | 0 | 0 | 0 | 0 |

## Additional Planning Information

11j. Are there any additional project milestones or information that has not been included?

Project staff delivered a presentation to the Puerto Rico Broadband Task Force on the USF Mobility Fund and its impact to Puerto Rico. The presentation compared the FCC eligible areas list to the geographic areas on Puerto Rico's broadband maps that have access to mobile download speeds of 1.5Mbps. For the most part, the data confirms that the vast majority of the areas of Puerto Rico lacking 3G technology do not, in fact, have adequate mobile broadband service.  However, it also appears that many parts of Puerto Rico that do not have access to high-speed mobile broadband service are not on the FCC's list of eligible areas.

Connect Puerto Rico also convened a stakeholder meeting to discuss the opportunities framed within the FCC's upcoming Lifeline Program Reform Order via adoption stimulation pilot programs. The order creates a pilot program to be implemented in 2012 to test different models and expand the program to broadband. The order also seeks comments on funding digital literacy programs at schools and libraries. Connect Puerto Rico believes it is important for Puerto Rico to be represented in the pilot programs and it can help change lives and communities across the island through the widespread emphasis on broadband.

11k. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the Project Team is employing

No additional challenges or obstacles were encountered during Q1 2012.

11l. Please provide any other information that you think would be useful to NTIA as it assesses your Broadband Mapping Project

A significant amount of energy and effort has been directed towards the development of the Strategic Broadband Plan. The Puerto Rico Broadband Task Force is developing the plan with comprehensive multi-sector input and feedback. The Connect Puerto Rico team is assisting in producing this in-depth assessment of Puerto Rico's broadband ecosystem by working with numerous stakeholders, representing various sectors within the commonwealth community. The plan is covering several areas including: Accelerating Broadband Investment, The Puerto Rico Broadband Landscape, Broadband Infrastructure, Education, E-Health, and Stimulating Broadband Adoption.

A newly redesigned and fully interactive Connect Puerto Rico website launched during Q1 2012 in an effort to make the interactive tools more easily accessible by the public and to more effectively communicate Connect Puerto Rico's mission of changing lives and communities across Puerto Rico through the widespread use of technology, especially widespread access, use, and adoption of broadband. The website had 844 unique visitors during Q1 2012 with 7,591 page views.

Along with the redesigned website, the program continues to implement traditional and new media strategies to engage and inform

citizens about broadband opportunities and options for underserved communities in the commonwealth. During the quarter,11 blog posts were issued and 65 updates/tweets were published to the Connect Puerto Rico Facebook and Twitter accounts. Additionally, the first e-newsletter was distributed to 1,850 subscribers to disseminate information on program related activities and technology articles.

| 12. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purpose set forth in the award documents. | | |
|---|---|---|
| 12a. Typed or Printed Name and Title of Authorized Certifying Official<br><br>Maria   Pou | 12c. Telephone<br>   (area code, number, and extension)<br><br>787-977-9200 | |
| | 12d. Email Address<br><br>mpou@fortaleza.gobierno.pr | |
| 12b.  Signature of Authorized Certifying Official<br><br>Submitted Electronically | 12e. Date Report Submitted<br>   (Month, Day, Year)<br><br>04-30-2012 | |