

QUARTERLY PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted Department of Commerce, National Telecommunications and Information Administration	2. Award Identification Number NT10BIX5570053	3. DUNS Number 855036690
4. Recipient Organization PTI Pacifica, Inc., dba: IT&E 122 W. Harmon Industrial Park Road Suite 103, Tamuning, GU 96913-4164		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2012	6. Is this the last Report of the Award Period? <input type="radio"/> Yes <input checked="" type="radio"/> No	
7. Certification: I certify to the best of my knowledge and belief that this report is correct and complete for performance of activities for the purposes set forth in the award documents.		
7a. Typed or Printed Name and Title of Certifying Official Velma Ann Palacios Engineering Manager	7c. Telephone (area code, number and extension) 6706822090	
	7d. Email Address velma.palacios@itehq.net	
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 11-13-2012	

Project Indicators (This Quarter)

1. Please describe significant project accomplishments completed during this quarter (600 words or less).

Prepaid Billing System: Vendor Support continues on-site this quarter to assist IT&E with any issues.

Project meetings continue for the Postpaid Billing Project. Product Managers continue to take specific modules from the Systems Requirements Specifications and translate it to customization that relates to IT&E's business processes. Method of Procedures (MOP) and Standard Operating Procedures (SOP) is under development by the IT&E Project Team. Software development has started by the vendor. Data migration has started. Initial training has been conducted to provide IT&E Departments and overview of the new system. Two engineers have been on site this quarter to start with the data migration. The inventory module has already been migrated to the MIND System.

Hardware for Postpaid Billing Platform has also been installed this quarter.

Inter-Island travel will continue for the postpaid billing projects between the islands.

Total CAIs connected this quarter 3Q 2012: 400.

As part of our Community Outreach in the CNMI, DSL speeds have been doubled for all subscribers (over 5000) this quarter. Meetings continue with various CAIs both on Guam and in the CNMI to determine how IT&E can assist these agencies with their broadband requirements. Some of the CAIs on Guam include the Mayor's Offices at each village and the Bureau of Information Technology Office. In the CNMI, meetings with the public schools, Department of the Community and Cultural Affairs, and other government agencies.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Percent Complete	Narrative (describe reasons for any variance from baseline plan or subsequent written updates provided to your program officer)
2a.	Overall Project	97	The 97% is based upon actual expenditures. The Postpaid Billing Project continues. IT&E does not pay invoices until they are received, normally after the work has been accomplished. This creates a lag in reporting project completion.
2b.	Environmental Assessment	0	IT&E received a categorical exclusion.
2c.	Network Design	100	Systems Requirements Specifications completed.
2d.	Rights of Way	0	No work will be done in the Rights of Way.
2e.	Construction Permits and Other Approvals	100	FCC licenses applied for have been received.
2f.	Site Preparation	100	All Site Preparation work has been completed.
2g.	Equipment Procurement	100	All Equipment has been procured.
2h.	Network Build (all components - owned, leased, IRU, etc)	95	Software Development and customization will continue based on the Systems Requirements Specifications (SRS).
2i.	Equipment Deployment	100	Hardware for Postpaid Billing Project has been installed at Data Network Operations Center (NOC).
2j.	Network Testing	90	Postpaid Billing Project software development will continue.
2k.	Other (please specify):	90	Training (on-site support) has been extended this quarter for the Prepaid Billing Project. Travel for Postpaid Billing Projects between the islands.

3. To the extent not covered above, please describe any challenges or issues faced during this past quarter in achieving planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Weather delays. Issues with software development and testing.

4. Please report the following information regarding network build progress. Write "0" in the Total column and "N/A" in the Narrative column if your project does not include this activity. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Indicator	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
New network miles deployed	178	Microwave Network Miles Deployed. 20.9 New miles this quarter.
New network miles leased	0	n/a
Existing network miles upgraded	307	Mileage from the upgrades to the Fiber Optic (171.68 fiber miles) and the Inter-Island Microwave (135.87 microwave miles) Projects. No network miles upgraded this quarter.
Existing network miles leased	0	n/a
Number of miles of new fiber (aerial or underground)	0	n/a
Number of new wireless links	11	Customers connected.
Number of new towers	0	n/a
Number of new and/or upgraded interconnection points	73	Interconnection points from projects completed.

For questions 5 and 6 please include information relating to agreements that you are negotiating or have entered into, or that your sub recipient, contractor or subcontractor is negotiating or entered into.

5a. If applicable, please provide the following information with regard to agreements with broadband wholesalers and/or last mile providers as a result of your project.

Indicators	
Number of signed agreements with broadband wholesalers or last mile providers	1
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	0
Average term of signed agreements (in quarters)	20

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers:
 Marianas Cablevision (MCV) - The term of the agreement in 5a is 60 months or 20 quarters.

5c. What wholesale services are being provided by this project? Please describe below. As an attachment to this report, please provide pricing plans (in \$ per month) associated with each wholesale service provided by your product (100 words or less). Wholesale services description:

IP Transport between Guam and Saipan on the undersea fiber optic cable.

5d. If you have designated a third party to operate all or a portion of your network, please provide the name and contact information for this third party, indicate if this entity is a sub recipient, contractor, and/or subcontractor, and describe with specificity the portion of your network this this third party operates (600 words or less).

n/a.

6. Please provide the data according to the type of subscriber. Write "0" in the Total column and "N/A" in the Narrative column if your project does not pass or serve a particular subscriber type. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the most recent reporting quarter. Please provide a narrative description if the total is different from the target provided in your baseline plan (300 words or less).

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	n/a
	Providers with signed agreements receiving improved access	1	one signed agreement
	Providers with signed agreements receiving access to dark fiber	0	n/a
	Please identify the speed tiers that are available and the number of subscribers for each	1	One subscriber receiving 10 Mbps.
Community Anchor Institutions (including Government institutions)	Total subscribers served	400	61 added this quarter
	Subscribers receiving new access	88	10 subscribers receiving new access this quarter.
	Subscribers receiving improved access	312	51 subscribers receiving improved access this quarter.
	Please identify the speed tiers that are available and the number of subscribers for each	4	3Mbps up to 6Mbps - 38 subscribers, 2.5 Mbps up to 3 Mbps - 69 subscribers, 1.5 Mbps up to 2.5 Mbps - 94 subscribers and 768 kbps up to 1.5 Mbps - 199 subscribers
Residential / Households	Entities passed	0	n/a
	Total subscribers served	0	n/a
	Subscribers receiving new access	0	n/a
	Subscribers receiving improved access	0	n/a
	Please identify the speed tiers that are available and the number of subscribers for each	0	n/a
Businesses	Entities passed	0	n/a
	Total subscribers served	0	n/a
	Subscribers receiving new access	0	n/a
	Subscribers receiving improved access	0	n/a
	Please identify the speed tiers that are available and the number of subscribers for each	0	n/a

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

No new offerings. DSL speeds were doubled too all subscribers in the CNMI.

8a. Have your network management practices changed over the last quarter? Yes No

8b. If so, please describe the changes (300 words or less).

n/a

9. Community Anchor Institutions:

Using the table below, please provide a list by service area of the community anchor institutions (including Government institutions) connected to your network as a result of BTOP funds. Figures should be reported for the most recent reporting quarter only (NOT

cumulatively). Also indicate whether your organization is currently providing broadband service to the anchor institution. Finally, provide a short narrative description with examples of how institutions are using BTOP-funded infrastructure (300 words or less).

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
9th Regional Readiness Command	Saipan	Government Institution	Yes	Providing improved access.
Advanced Language and Academic Institute	Saipan	Educational Institution	Yes	Providing improved access.
Carolinian Affairs Office	Saipan	Government Institution	Yes	Providing improved access.
Catholic Rectory	Saipan	Community Support	Yes	Providing improved access.
Catholic Social Service - Homeless Shelter	Guam	Community Support	Yes	Providing new access.
CIP Management Office	Saipan	Government Institution	Yes	Providing improved access.
CNMI JROTC Marianas High School	Saipan	Educational Institution	Yes	Providing improved access.
CNMI Scholarship Office	Saipan	Government Institution	Yes	Providing improved access.
CNMI Water Task Force	Saipan	Government Institution	Yes	Providing improved access.
CNMI Women's Association	Saipan	Community Support	Yes	Providing new access.
Commonwealth Forester	Saipan	Government Institution	Yes	Providing improved access.
Commonwealth Government Employees Credit Union (CGECU)	Saipan	Government Institution	Yes	Providing improved access.
Community Guidance Center - Tinian	Tinian	Community Support	Yes	Providing improved access.
Community Guidance Center - Rota	Rota	Community Support	Yes	Providing improved access.
CPA - Saipan Seaport	Saipan	Government Institution	Yes	Providing improved access.
CUC Power Division	Saipan	Government Institution	Yes	Providing new access.
Department of Community and Cultural Affairs - Rota	Rota	Government Institution	Yes	Providing improved access.
Department of Community and Cultural Affairs - Tinian	Tinian	Government Institution	Yes	Providing improved access.
Department of Labor - Saipan	Saipan	Government Institution	Yes	Providing improved access.
Department of Lands and Natural Resources (DLNR) - Saipan	Saipan	Government Institution	Yes	Providing improved access.
Department of Lands and Natural Resources (DLNR) - Rota	Rota	Government Institution	Yes	Providing improved access.
Department of Lands and Natural Resources (DLNR) - Tinian	Tinian	Government Institution	Yes	Providing improved access.

Institution Name	Service Area (town or county)	Type of Anchor Institution (as defined in your baseline)	Are you also the broadband service provider for this institution? (Yes / No)	Narrative description of how anchor institutions are using BTOP-funded infrastructure
Division of Parks & Recreation - Rota	Rota	Government Institution	Yes	Providing improved access.
Division of Procurement & Supply	Saipan	Government Institution	Yes	Providing improved access.
DOF Division of Electronic Data Processing (EDP)	Saipan	Government Institution	Yes	Providing improved access.
Federal Aviation Agency	Saipan	Government Institution	Yes	Providing improved access.
Federal Emergency Management Agency (FEMA)	Saipan	Government Institution	Yes	Providing new access.
Japanese Community School	Saipan	Educational Institution	Yes	Providing improved access.
Korean Catholic Church	Saipan	Community Support	Yes	Providing improved access.
Korean Community School	Saipan	Educational Institution	Yes	Providing improved access.
MAKE A WISH FOUNDATION - GUAM	Guam	Community Support	Yes	Providing new access.
Marianas Counseling Services	Saipan	Community Support	Yes	Providing improved access.
Marianas Medical Center - Garapan Office	Saipan	Healthcare	Yes	Providing improved access.
Marine Corps Recruiting Office	Saipan	Government Institution	Yes	Providing improved access.
Maturana House of Prayer	Saipan	Community Support	Yes	Providing new access.
Members Church of God International	Saipan	Community Support	Yes	Providing new access.
Mercedarian Missionaries of Berriz (MMB) Maturana Community	Saipan	Community Support	Yes	Providing new access.
NMC Board of Regents Office	Saipan	Educational Institution	Yes	Providing improved access.
NMC Tinian Distance Education Office	Saipan	Educational Institution	Yes	Providing improved access.
NMC School of Education	Saipan	Educational Institution	Yes	Providing improved access.
NOAA/NMFS/PIRO	Saipan	Government Institution	Yes	Providing improved access.
Northern Mariana Islands Football Association (NMIFA)	Saipan	Community Support	Yes	Providing improved access.
Office of Personnel Management	Saipan	Government Institution	Yes	Providing improved access.
Pacific Health Inc.	Saipan	Healthcare	Yes	Providing improved access.
PSS SPED - CHACHA OCEANVIEW	Saipan	Educational Institution	Yes	Providing improved access.
PSS SPED - GES	Saipan	Educational Institution	Yes	Providing improved access.

PSS SPED - HJHS	Saipan	Educational Institution	Yes	Providing improved access.
PSS SPED - KES	Saipan	Educational Institution	Yes	Providing improved access.
PSS SPED - Oleai Elem	Saipan	Educational Institution	Yes	Providing improved access.
PSS SPED - TINIAN JR/ SR HIGH	Tinian	Educational Institution	Yes	Providing improved access.
PSS SPED - WSR	Saipan	Educational Institution	Yes	Providing improved access.
Retirement Fund Office - Rota	Rota	Government Institution	Yes	Providing improved access.
Retirement Fund Office - Tinian	Tinian	Government Institution	Yes	Providing improved access.
Rota Seaport	Rota	Government Institution	Yes	Providing improved access.
Saipan Higher Education Financial Assistance (SHEFA) Office	Saipan	Government Institution	Yes	Providing improved access.
Saipan Municipal Council	Saipan	Government Institution	Yes	Providing improved access.
SHRM Workforce Readiness	Saipan	Community Support	Yes	Providing new access.
U.S. Pacific Education Organization	Saipan	Community Support	Yes	Providing new access.
U.S. Passport Office	Saipan	Government Institution	Yes	Providing improved access.
Vesper's Healthcare Group	Saipan	Healthcare	Yes	Providing improved access.
Youth Affairs Office	Saipan	Government Institution	Yes	Providing improved access.

Project Indicators (Next Quarter)

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

Prepaid Billing System: Vendor Support will continue on-site until October to assist IT&E with any issues.

Project meetings will continue for the Postpaid Billing Project. Data Migration will continue. There will be 5 Engineers on site during this quarter to work on data migration. Training will be conducted on various modules of the system for the respective IT&E Departments in November and December. Acceptance Test Procedures are being developed that would include various test case scenarios.

Inter-Island travel will continue for the postpaid billing projects between the islands.

Total CAIs anticipated to be connected 4Q 2012: 403.

Meetings with CAIs will continue as part of the Community Outreach.

Preparations for Project Close - Out will commence.

2. Please provide the percent complete for the following key milestones in your project. Write "0" in the Planned Percent Complete column and "N/A" in the Narrative column if your project does not include this activity. If you provided additional milestones in your baseline plan, please insert them at the bottom of the table. Unless otherwise indicated in the instructions, figures should be reported cumulatively from award inception to the end of the next reporting quarter. Please provide a narrative description if the percent complete is different from the target provided in your baseline plan (300 words or less).

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2a.	Overall Project	99	Postpaid Billing Project will continue.
2b.	Environmental Assessment	0	IT&E received a categorical exclusion.

	Milestone	Planned Percent Complete	Narrative (describe reasons for any variance from baseline plan or any other relevant information)
2c.	Network Design	100	Systems Requirements Specifications completed.
2d.	Rights of Way	0	No work will be done in the Rights of Way.
2e.	Construction Permits and Other Approvals	100	FCC licenses applied for have been received.
2f.	Site Preparation	100	All Site Preparation work has been completed.
2g.	Equipment Procurement	100	All Equipment has been procured.
2h.	Network Build (all components - owned, leased, IRU, etc.)	99	Software Development and customization will continue based on the Systems Requirements Specifications (SRS). Data migration will continue.
2i.	Equipment Deployment	100	All equipment deployed.
2j.	Network Testing	99	ATP Testing will commence.
2k.	Other (please specify):	99	Training (on-site support) will end this quarter for the Prepaid Billing Project. Travel for Postpaid Billing Projects between the islands. Training will commence.

3. Please describe any challenges or issues anticipated during the next quarter that may impact planned progress against the project milestones listed above. In particular, please identify any areas or issues where technical assistance from the BTOP program may be useful (600 words or less).

Issues with the data migration and testing.

Infrastructure Budget Execution Details

Activity Based Expenditures (Infrastructure)

1. Please provide details below on your total budget, cumulative actual expenditures (for the period ending the current quarter), and cumulative anticipated expenditures (for the period ending next quarter) for each line item, including detailed disbursements of both matching funds and federal funds from project inception through end of this quarter (actual) or next quarter (anticipated). Actual and anticipated figures should be reported cumulatively from award inception to the end of the applicable reporting quarter.

Budget for Entire Project				Actuals from Project Inception through End of Current Reporting Period			Anticipated Actuals from Project Inception through End of Next Reporting Period		
Cost Classification	Total Cost (plan)	Matching Funds (plan)	Federal Funds (plan)	Total Cost	Matching Funds	Federal Funds	Total Costs	Matching Funds	Federal Funds
a. Administrative and legal expenses	\$268,147	\$0	\$268,147	\$289,568	\$143,476	\$146,092	\$329,568	\$143,476	\$186,092
b. Land, structures, right-of-ways, appraisals, etc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
c. Relocation expenses and payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
d. Architectural and engineering fees	\$1,188,651	\$492,546	\$696,105	\$1,057,673	\$361,568	\$696,105	\$1,188,651	\$492,546	\$696,105
e. Other architectural and engineering fees	\$2,349,110	\$1,262,684	\$1,086,426	\$1,877,048	\$975,298	\$901,750	\$2,170,958	\$1,119,208	\$1,051,750
f. Project inspection fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
g. Site work	\$138,904	\$69,439	\$69,465	\$129,389	\$59,924	\$69,465	\$138,904	\$69,439	\$69,465
h. Demolition and removal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
i. Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
j. Equipment	\$5,789,766	\$0	\$5,789,766	\$6,168,864	\$517,465	\$5,651,399	\$5,789,766	\$0	\$5,789,766
k. Miscellaneous	\$328,414	\$198,531	\$129,883	\$260,333	\$171,827	\$88,506	\$299,414	\$198,531	\$100,883
l. SUBTOTAL (add a through k)	\$10,062,992	\$2,023,200	\$8,039,792	\$9,782,875	\$2,229,558	\$7,553,317	\$9,917,261	\$2,023,200	\$7,894,061
m. Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
n. TOTALS (sum of l and m)	\$10,062,992	\$2,023,200	\$8,039,792	\$9,782,875	\$2,229,558	\$7,553,317	\$9,917,261	\$2,023,200	\$7,894,061

2. Program Income: Please provide the program income you listed in your application budget and actuals to date through the end of the reporting period.

a. Application Budget Program Income: \$0	b. Program Income to Date: \$0
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