ANNUAL PERFORMANCE PROGRESS REPORT FOR BROADBAND INFRASTRUCTURE PROJECTS

General Information

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Award Identification Number	3. DUNS Number
Department of Commerce, National Telecommunications and Information Administration	NT10BIX5570033	141249024

4. Recipient Organization

Iniciativa Tecnologica Centro Oriental (INTECO) Turabo University St.189 KM3.3, Gurabo, PR 00778-3030

5. Current Reporting Period End Date (MM/DD/YYYY)	6. Is this the last Annual Report of the Award Period?
12-31-2010	◯ Yes ◉ 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	7c. Telephone (area code, number and extension)
Oscar Jimenez-Martir	7879612001
	7d. Email Address ojimenez@intecopr.com

7b. Signature of Certifying Official	7e. Date Report Submitted (MM/DD/YYYY):
Submitted Electronically	02-18-2011

OVERALL PROJECT PERFORMANCE INDICATORS

1. Please provide the following average cost figures for your project. Please review the instructions to determine how to calculate these figures. Write "0" in the second column and "N/A" in the third column if your project does not yet have this information. Depending on whether your project contains Middle Mile and/or Last Mile components, some metrics may not apply. Please provide a narrative description if the total is different from the target provided in your baseline plan (600 words or less).

Cost Indicator	Average Cost / Speed	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
Average cost per new mile (Middle Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.
Average cost per household passed (Last Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.
Average cost per subscriber (Last Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.
Maximum broadband speed advertised (Middle Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.
Maximum broadband speed advertised (Last Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.
Average broadband speed provided (Middle Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.
Average broadband speed provided (Last Mile)	0	N/A. No variance from baseline. Project in Pre construction stage.

2. Please provide each facility name and type, the county where the facility is located, and census tract information for any facilities funded by your project during this annual reporting period. Report only facilities for which construction has been completed.

Facility Identifier / Name	Facility Type	County	Census Tracts
N/A	N/A	N/A	N/A

Add Facility   Remove Facility

3. Please identify (1) the total number of interconnection, peering, and/or transit agreements entered into during this annual reporting period; (2) the total number of agreements of each type that you are currently negotiating; and (3) whether you have denied any request for interconnection and if so, why. If you have not entered into any agreements, please write "N/A."

Interconnection Agreements (600 words or less)

N/A. Project in Pre construction stage.

Peering and Transit Agreements (600 words or less)

N/A. Project in Pre construction stage.

CAPACITY, UTILIZATION, AND CAPABILITY INDICATORS

4. Community Anchor Institutions: In the chart below, please provide information on the types of community anchor institutions capable of receiving service (i.e., anchor institutions connected to your network plus those passed by your network) as a result of BTOP funds.

Type of Community Anchor Institution	Total Number Within Service Area	Type of Community Anchor Institution	Total Number Within Service Area
Schools (K-12)	0	**Public Housing**	0
Libraries	0	**Other Institutions of Higher Education**	0
Medical and Healthcare Providers	0	**Other Community Support Organizations**	0
Public Safety Entities	0	**Other Government Facilities**	0
Community Colleges	0	**Total Community Anchor Institutions**	

5. Please indicate the average increase in broadband speed provided to the community anchor institution customers as a result of your project, including a description of how this increase was calculated (**600 words or less**).

Not Applicable. Project is in Pre-Construction Stage.

6. What retail services are being provided by this project? Please describe below. (**600 words or less**). As an attachment to this report, please provide pricing plans (in $ per month) associated with each retail service. Retail services description:

Not Applicable. Project is in Pre-Construction Stage.

7a. What network management policies (e.g., bandwidth limitations, traffic prioritization) are in place for the services provided by your project? 7b. Have you ever limited or blocked consumers from accessing any lawful content, service, service provider, or application, or prevented any consumers from attaching any legal device to the network? If so, please explain why (300 words or less)?
Not Applicable. Project is in Pre-Construction Stage.

8. If applicable, please provide the total number and the percentage of subscribers who have dropped the broadband service provided through this project (total number of households and/or businesses and the "churn rate") and the subscribers' reasons for discontinuing their service (600 words or less).
Not Applicable. Project is in Pre-Construction Stage.

9. Please provide the following information regarding the number of fiber strand-miles:

Total Number of Strand-miles	Total Number of Active Fiber Strand-miles Used by Recipient	Total Number of Leased Fiber Strand-miles	Total Number of Dark Fiber Strand-miles	Total Number of Strand-miles Being Built		
				Active	**Leased**	**Dark**
0	0	0	0	0	0	0

10. If you wholesale dark fiber, please list your wholesale customers and the number of fiber miles you currently are leasing to those customers:
Not Applicable. Project is in Pre-Construction Stage.

11. Please provide the following information regarding the facility collocation capacity:

Total Facility (total square feet for all facilities)	Number of Square Feet Used by Recipient	Number of Square Feet Leased	Number of Square Feet Available
0	0	0	0

12. If you do not own collocation space, please describe how and where other network providers and/or customers interconnect with your network (600 words or less).

Not Applicable. Project is in Pre-Construction Stage.

13. To the extent that you have made any subcontracts or sub grants, please provide the number of subcontracts or sub grants that have been made to socially and economically disadvantaged small business (SDB) concerns as defined by section 8(a) of the Small Business Act, 15 U.S.C. 647, as modified by NTIA's adoption of an alternative small business size standard for use in BTOP. Please also provide the names of these SDB entities (150 words or less).

We have not made any subcontracts with entities with section 8a definition. Project is in pre-construction stage.

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

a) Lessons learned. Collection of information on regional public school broadband use.
There was no centralized information in the region on what internet capabilities and how broadband was being used in the public school system. We developed a short survey and are conducting on site interviews to develop an information database on the state of the use of broadband in the region. We understand that this will do the following;
  1) create a baseline for comparison when the project is implemented,
  2) Pinpoint resources in the school system to foment the use of broadband resources,
  3) Provide an overall inventory of how the public schools in the rural community are currently using the internet,
  4) Create a contact sheet for which the people involved with Broadband in the school system in the region can connect with each other,
  5) establish schools which can be highlighted as innovative school implementing broadband programs in an objective form

b) The baseline report which we initially submitted was not prepared utilizing cash spent versus project total cash, as the project progress measurement method. The original baseline prepared was based on the planning of activities. A number of planning elements such as permits, design, contacting, proposal evaluation, negotiation, lead times for equipment, lead times for construction and installation take a lot preliminary work /time in addition to the time it takes to deliver, install and test the equipment. This effort does not require a big amount of cash disbursement, therefore t he progress made, measured with the cash disbursement method is not recognized.
However we have recognized that our project plan needs to reflect the cash disbursement methodology and we will comply with the SAC goal of more than 70% completion of the project, as measured in money drawdown's , within the initial two year time span of the project and 100% completion in the three years of the project. The lesson learned here is to avoid assuming a methodology and to insure that you understand the requirement.