U.S. DEPARTMENT OF COMMERCE

Performance Progress Report

2. Award Or Grant Number
72-50-M09040

4. Report Date (MM/DD/YYYY)
07-21-2011

1. Recipient Name
Puerto Rico Governor's Office

6. Designated Entity On Behalf Of:
NA

3. Street Address
P.O. Box 9020082,

5. City, State, Zip Code
San Juan, PR 00902-0082

8. Final Report?
◯ Yes
◉ No

9. Report Frequency
◉ Quarterly
◯ Semi Annual
◯ Annual
◯ 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	06-30-2011	NA

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

NA

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

We have not collected any data through extraction programs.

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

ESRI is deploying and hosting BroadbandStat (BBStat) web application. ESRI will house the customized BBStat application in their highly available, monitored, and managed environment. The scope of services includes setting up a staging environment for data verification and compatibility as well as a production environment for client access.

Consumer feedback is collected in the form of broadband inquiries. 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 Initiatives (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 our vendor 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.

Before December 31, 2011 2 additional companies will be targeted in order to achieve a total field validation rate equal to or exceeding 68.42% (currently 57.89%).

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

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

BroadbandStat is publicly available on the Connect Puerto Rico website and received a total of 384 visits between April 1, 2011 and June 30, 2011.

During this quarter, the project received a total of 19 broadband inquiries. Additional information received through e-mail from consumers that can also be used for verification purposes totaled 2 for this quarter.

Connect Puerto Rico's staff conducted field extensive validation tests on the following providers: Aeronet Wireless, AT&T, Critical Hub Networks, Data@ccess, Liberty Cablevision of Puerto Rico, Neptuno Media, San Juan Cable LLC d.b.a. OneLink, Puerto Rico Telephone Company, Sprint, T-Mobile, and Worldnet.

To date, Connected Nation has completed field validation testing against 11 companies (out of a universe of 19 viable providers) totaling 57.89% on the island.

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

NA

Staffing

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

1.76

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

NA

10m. When fully staffed, how many full-time equivalent (FTE) jobs do you expect to create or retain as a result of this project?
1.76

Our vendor, Connect Puerto Rico, has numerous staff working on this 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. By leveraging the expertise of the subject matter experts the project benefits from their knowledge and skills without the necessity of supporting a more expensive full-time resource.

10n. Staffing Table

Job Title	FTE %	Date of Hire
Associate Counsel	3	09/14/2009
Business Programmer Analyst	2	04/02/2007
CAI Coordinator	4	12/13/2004
CAI Data Analyst	7	3/24/2009
CAI Data Manager	2	8/9/2010
ETS Analyst	2	11/1/2007
ETS Manager	4	7/1/2007
ETS Sr. Analyst	1	02/18/2010
General Counsel	2	1/1/2007
GIS Analyst	17	4/1/2010
GIS Services Manager	2	5/15/2007
Outreach & Awareness Manager	5	3/24/2009
Outreach & Awareness Specialist	6	2/2/2009
Outreach & Awareness Specialist	6	10/1/2007
Outreach & Awareness Specialist	6	1/4/2010

Outreach & Awareness Specialist		5	1/3/2010
Outreach & Awareness Specialist		2	1/4/2010
Project Coordinator		3	4/1/2005
Project Management Director		1	12/20/2004
Project Manager		31	01/14/2008
Project Manager		12	3/16/2010
Project Manager		1	1/14/2008
Project Manager		1	12/16/2009
Project Manager		1	8/20/2007
Provider Relations Manager		5	2/17/2005
Research Analyst		4	6/1/2009
Research Analyst		1	02/01/2010
Research Manager		4	05/14/2007
State Services Manager		1	07/01/2007
State Services Sr. Specialist		35	12/20/2009

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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	1,180,691	0
PR Infrastructure Financing Administration (AFI)	Grant Administration	N	N	03/01/2010	12/14/2014	244,030	0

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Funding

10p. How much Federal funding has been expended as of the end of the last quarter? $773,930   10q. How much Remains? $1,759,748

10r. How much matching funds have been expended as of the end of last quarter? $182,710   10s. How much Remains? $457,518

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	$9,369	$9,369
Personnel Fringe Benefits	$0	$20,000	$20,000	$0	$2,484	$2,484
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	$773,930	$38,881	$812,811

Mapping Budget Element	Federal Funds Granted	Proposed In-Kind	Total Budget	Federal Funds Expended	Matching Funds Expended	Total Funds Expended
Subcontract #1	$2,278,668	$0	$2,278,668	$742,650	$38,881	$781,531
Subcontract #2	$244,030	$0	$244,030	$31,280	$0	$31,280
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	$131,975	$131,975
Total Direct Costs	$2,533,678	$640,228	$3,173,906	$773,930	$182,710	$0
Total Indirect Costs	$0	$0	$0	$0	$0	$0
Total Costs	$2,533,678	$640,228	$3,173,906	$773,930	$182,710	$956,640
% Of Total	80	20	100	81	19	100

Hardware / Software

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

10v. If yes, please list
Hardware/software purchases for the project to date include the following:

• Broadband Stat-$64,548
• ESRI ArchInfo/ArcGIS Software-$1,416
• Computers-$962
• Ookla Net Metrics Speed Test Software-$2,686
• Google Earth pro-$266

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, BroadbandStat maintenance, ESRI ArchInfo/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

NA

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

10aa. If yes, please list
* Produced and distributed monthly status reports, data collection activity log, and website statistics to the project team.
* Continued to process speed tests, technology assessments, and broadband inquiries from the Connect Puerto Rico website.
* Continued to solicit and encourage participation by Puerto Rican broadband providers in the broadband mapping project.
* Continued to geocode and map broadband coverage datasets submitted by the provider community.
* Prepared a schedule for upcoming research activities and surveys to be conducted for Puerto Rico.
* Compiled the quarterly American Recovery and Reinvestment Act (ARRA) and National Telecommunication and Information Administration (NTIA) reports.
* Updated the broadband maps and the BroadbandStat application using data from latest NTIA submission and posted to the Connect Puerto Rico website.
* Worked with the OCIO, the Telecommunications Regulatory Board, and the Internet Society of Puerto Rico to compose a project charter for the formation of a Puerto Rican broadband committee/task force.
* Organized the first official meeting of the Puerto Rico Broadband Task Force and subsequent meetings.
* Initiated a process for recruiting additional Puerto Rico Broadband Task Force members and generating input for a Puerto Rico

strategic broadband plan.
* Worked with broadband providers to resolve incomplete and/or unapproved datasets.
* Met with the FCC to discuss utilized provider validation methods.
* Created and updated a Connect Puerto Rico Facebook and Twitter site with Puerto Rico broadband information.
* Completed an assessment of and created graphics for Puerto Rico Business Technology Assessment data and posted on the Connect Puerto Rico website.
* Delivered a Community Anchor Institution (CAI) press release for publishing in local Puerto Rican newspapers to generate awareness and assist in CAI data collection.

10bb. Please describe any challenge or obstacle that you have encountered and detail the mitigation strategies the project team is employing

Our vendor, Connect Puerto Rico provides the NTIA with broadband database updates every six months, beginning in May 2010. Contacts and discussions between Connect Puerto Rico and the Puerto Rican broadband providers began in September 2009, several months before Connect Puerto Rico's first data submission to the NTIA. Since that initial submission, Connect Puerto Rico has provided the NTIA with two semiannual updates (October 2010 and April 2011). Puerto Rico Telephone Company (PRT), Aeronet Wireless, Ayustar, INTECO, MCI Communications, Orizon Wirelesss, and Telefonica International Holding have yet to provide to Connect Puerto Rico a complete broadband availability assessment for all of their network platforms, either fixed or mobile, in Puerto Rico. The lack of these broadband availability assessments will have an impact on the broadband maps and research data for Puerto Rico.

As part of the SBI grant program, our vendor, Connected Nation, conducts independent validation and verification of the information that broadband providers report to us. In addition, Connected Nation has an engineering review process in place for estimating broadband service availability of firms that chose not to participate in the SBI program and do not share estimates of their broadband network with us. In Puerto Rico, for example, the recent April 2011 submission estimates the service coverage area of one cable company on the island, that has not provided data, as the result of extensive field testing on the island and visits by our vendor's engineering team. A separate white paper describing Connected Nation's validation and verification processes was provided to the Federal Communications Commission (FCC) in June 2011. These procedures have been used by our vendor in Puerto Rico.

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

Connect Puerto Rico maps were updated by our vendor and used to further identify unserved and underserved areas and to help communities plan for expanding service to unserved households. Spanish - http://www.connectpr.org/mapa/ and English - http://en.connectpr.org/mapping/.

A video was produced about our vendor's field validation process. http://youtu.be/tNMEQKHbDls

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

On behalf of the Commonwealth of Puerto Rico, Connected Nation (CN), edited the survey instruments for the 2011 Residential Technology Assessment and the non-adopter telephone surveys, incorporating recommendations received from state stakeholders and third-party consultants where appropriate. These surveys are designed to measure trends in technology adoption, barriers to adoption, and awareness of available broadband service among Puerto Rico residents. In addition, Connected Nation created and publicly released a report documenting technology adoption and barriers among businesses across the Commonwealth (http://en.connectpr.org/_documents/PR_BizAssessment.pdf), based on data from the earlier Business Technology Assessment (http://en.connectpr.org/_documents/ConnectPR_BusinessTechnologyAssessment_121510_FINAL.pdf).

The Office of CIO and Connect Puerto Rico coordinated the creation of the Puerto Rico Broadband Taskforce (PRBT). During the first meeting of the PRBT, which took place on May 24, five original founders of the PRBT signed its founding Charter, which was facilitated by Connect Puerto Rico. The goal of the PRBT is to author a Broadband Strategic Plan for Puerto Rico that will provide a blueprint to help bridge the digital gap across the island. The second meeting of the PRBT took place on June 13.

In order to ensure key stakeholders provide input to the Strategic Plan, the PRBT will include at most 15 members representing stakeholders from the Broadband ecosystem on the island. Five of these are founding members and include: the CIO of Puerto Rico, the President of the Puerto Rico Junta Reglamentadora de Telecomunicaciones, a representative from the Internet Society of Puerto Rico, and representatives from the IT vendor and telecommunications provider subcommittees.

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

The PRBT has 7 seats that still need to be filled including representatives from the following sectors: local elected officials, non-profits working to bridge the digital divide, K-12, higher education, regional economic planning consortium, health care sector, and the private sector (beyond the IT and provider community). A key challenge for Q3 2011 will be completion of recruitment of key stakeholders to the PRBT. Monthly meetings are being held to recruit additional key stakeholders to fill the remaining seats of the Puerto Rico Broadband Taskforce.

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

The residential survey update has been moved to Q4 2011, to coincide with the proposed non-adopter oversample survey (detailed under section 11j).

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
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?
Our vendor, Connected Nation, will conduct a survey that oversamples households that do not subscribe to broadband. This survey will be in addition to the previously scheduled residential survey. This updated and improved methodology will provide a greater level of analysis regarding barriers to technology adoption among different socio-economic and demographic groups by surveying non-adopters in Puerto Rico in a way similar to that conducted by the FCC as part of the National Broadband Planning effort. This approach will help create a demographic and socio-economic profile of the population of non-adopters in Puerto Rico, which can then be applied at the local level of detail by area planning teams, to assist in developing local adoption initiatives that will target the barriers that are unique to that area. In Q2 2011, CN refined the script and met with third-party contractors to plan the analysis methodology for this survey.

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

The PRBT has 7 seats that still need to be filled including representatives from the following sectors: local elected officials, non-profits working to bridge the digital divide, K-12, higher education, regional economic planning consortiums, health care sector, and the private sector (beyond the IT and provider community). A key challenge for Q3 2011 will be completion of recruitment of key stakeholders to the PRBT. Monthly meetings are being held to recruit additional key stakeholders to fill the remaining seats of the Puerto Rico Broadband Taskforce.

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

Connect Puerto Rico released business survey data and launched an interactive webpage providing easy to use information about business insights. The data shows that approximately 12,000 businesses in Puerto Rico are not using broadband. The survey reveals which economic sectors are lagging behind in broadband adoption as well as the types of platforms they are using, the prices they're paying, and much more.

The business survey white papers and web widget can be accessed on the website at http://en.connectpr.org/research/ or http://connectpr.org/investigacion/.

Connect Puerto Rico presented the Business Survey at the SME Digital Forum. Reports from that presentation are available on the blog at Connect Puerto Rico Program Overview and Business Survey Presented at the SME Digital Forum.

Connect Puerto Rico Facilitates Creation of Puerto Rico Broadband Task Force
For the first time, Puerto Rico has a Broadband Task Force bringing together key stakeholders to expand broadband adoption across the territory. The new task force met for the second time in June.

President Obama Makes Milestone Visit to Island
President Obama's historic visit to Puerto Rico came one day after the Broadband Task Force's second meeting. His visit highlighted the economic benefits of broadband adoption and helped to call attention to the efforts already underway by the task force. http://en.connectpr.org/news/?id=tag%3Ablogger.com%2C1999%3Ablog-4260793218270970668.post-3933082119613682183

Connect Puerto Rico launched Facebook and Twitter pages in May. Within a few weeks of launch the twitter page already had more than 60 followers. The program continues to reach out to consumer groups and news outlets to grow the online community and increase the dialogue about the benefits of broadband.

Please refer to the Q2 Puerto Rico Supplemental Answer Document for more information.

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 Maria Pou	12c. Telephone (area code, number, and extension) 787-977-9200	
	12d. Email Address mpou@fortaleza.gobierno.pr	
12b. Signature of Authorized Certifying Official Submitted Electronically	12e. Date Report Submitted (Month, Day, Year) 09-02-2011	