

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 NT10BIX5570018	3. DUNS Number 014409657
4. Recipient Organization Critical Hub Networks, Inc 1314 Ponce De Leon Ave. Ste. 400, San Juan, PR 00907-4047		
5. Current Reporting Period End Date (MM/DD/YYYY) 09-30-2013	6. Is this the last Report of the Award Period? <input checked="" type="radio"/> Yes <input 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 Karen Elizabeth Larson Vice President	7c. Telephone (area code, number and extension) 7877289000	7d. Email Address kmarazzi@caribe.net
7b. Signature of Certifying Official Submitted Electronically	7e. Date Report Submitted (MM/DD/YYYY): 01-21-2014	

Project Indicators (This Quarter)

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

The PRBI project successfully completed the deployment & activation of its Puerto Rico network, comprised of fiberoptic subsea connectivity between PR and Florida, fixed wireless terrestrial network, the establishment of an Internet Exchange Point (IXP) in San Juan, and the expanded PRBI-TU network segment through the San Juan Metropolitan area in via the Tren Urbano transit rail ROW.

PRBI's successful completion has resulted in significant increase in broadband speeds available in Puerto Rico since 2010, as well as significant reduction in the cost per megabit. Some of PRBI's interconnected providers are now offering speeds up to 60Mbps. Since 2009, residential broadband rates has fallen from over \$50/Mbps to less than \$5/Mbps.

The Puerto Rico Bridge Initiative's infrastructure has facilitated these improvements in speed and price, as well as in the quality of service and latency for interconnected network operators. PRBI's IXP has also attracted the hosting of significant bandwidth-heavy content to the island, thus reducing that load on the submarine cable network and providing a superior QoS for consumers.

In particular, our final quarterly work activities included: (a) Terrestrial Wireless Network Optimization: Optimization of terrestrial wireless network. (b) Interconnection Agreements: Ongoing negotiations are in place with broadband providers, government agencies and other community anchor institutions on interconnection agreements. (c) Peering & Provisions: Continued negotiations of peering agreements with network & content providers in MIA-NAP. (d) Provisioning: Continuity of provisioning of interconnections with broadband providers. (e) PRBI-TU: Completion of access point equipment installation, splicing and testing of fiber along TU route. Total activated fiber miles on PRBI-TU Segment: 11 miles. Total PRBI miles: 4,119 miles.

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	100	Successful project completion as of September 30 2013
2b.	Environmental Assessment	100	Successful project completion as of September 30 2013
2c.	Network Design	100	Successful project completion as of September 30 2013
2d.	Rights of Way	100	Successful project completion as of September 30 2013
2e.	Construction Permits and Other Approvals	0	NA
2f.	Site Preparation	100	Successful project completion as of September 30 2013
2g.	Equipment Procurement	100	Successful project completion as of September 30 2013
2h.	Network Build (all components - owned, leased, IRU, etc)	100	Successful project completion as of September 30 2013
2i.	Equipment Deployment	100	Successful project completion as of September 30 2013
2j.	Network Testing	100	Successful project completion as of September 30 2013
2k.	Other (please specify):	0	NA

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).

None to report.

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	207	207 Miles of wireless links, 11 miles fiber via PRBI-TU Segment
New network miles leased	3,901	No variance
Existing network miles upgraded	11	PRBI-TU Segment completed
Existing network miles leased	0	No variance
Number of miles of new fiber (aerial or underground)	0	No variance
Number of new wireless links	22	Additional links due to approved route change
Number of new towers	21	Additional towers due to approved route change
Number of new and/or upgraded interconnection points	23	Additional interconnection points due to approved route change

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	17
Number of agreements currently being negotiated with broadband wholesalers or last mile providers	8
Average term of signed agreements (in quarters)	12

5b. Please list the names of the wholesale and last mile providers with whom you have signed agreements (100 words or less). Providers: Liberty Cablevision, Worldnet, Xecure, Aeronet, AWV, Big Dog, OSNet, AT&T, Puerto Rico Webmasters (PRW), Tropical Networks, Columbus Networks, CoquiTel, Nustream and Inteco have established interconnectivity. We have signed interconnection agreements with Orizon Wireless, VPNet and YigaCorp, and are pending their last mile construction to a PRBI interconnection point. All interconnection agreements are with last mile service providers which obtain PRBI interconnectivity for use in their own broadband Internet services.

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:

PRBI provides middle-mile transit and peering services to broadband service providers. In addition, PRBI also provides peering services to Critical Community Anchor Institutions and Government Agencies. See attachment for confidential wholesale pricing.

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)
Broadband Wholesalers or Last Mile Providers	Providers with signed agreements receiving new access	0	No variance
	Providers with signed agreements receiving improved access	17	Agreements signed with 17 providers, no variance from baseline. 14 network interconnections are currently active. Pending last mile and port activation by three remaining broadband providers which have signed interconnection agreements.

Subscriber Type	Access Type	Total	Narrative (describe your reasons for any variance from the baseline plan or any other relevant information)
	Providers with signed agreements receiving access to dark fiber	0	No variance
	Please identify the speed tiers that are available and the number of subscribers for each	3	Three (3) port sizes are offered for wholesale interconnections - 100M, 1G and 10G. PRBI has agreements for three 10G interconnections, four 1G interconnection and ten 100M interconnections.
Community Anchor Institutions (including Government institutions)	Total subscribers served	1	Baseline calculations for CAI served included connectivity via interconnected last mile providers. Currently there is one direct CAI - Puerto Rico Department of Health (PRHIN)
	Subscribers receiving new access	0	No variance
	Subscribers receiving improved access	1	Baseline calculations for CAI served included CAIs served through interconnected last mile providers. Due to NTIA revised guidance, only direct-connect CAIs are now being reported.
	Please identify the speed tiers that are available and the number or subscribers for each	1	Services are available for 10Mbps to 1Gbps
Residential / Households	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA
Businesses	Entities passed	0	NA
	Total subscribers served	0	NA
	Subscribers receiving new access	0	NA
	Subscribers receiving improved access	0	NA
	Please identify the speed tiers that are available and the number of subscribers for each	0	NA

7. Please describe any special offerings you may provide (600 words or less).
 PRBI offers peering services in Puerto Rico and Florida. These services allow for the local exchange of IP traffic between networks. Peering is available for community anchor institutions such as schools, libraries, health care providers and non-profit organizations, government organizations and broadband providers.

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

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

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	Are you also the broadband service provider	Narrative description of how anchor institutions are using BTOP-funded infrastructure
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		baseline)	for this institution? (Yes / No)	
None	NA	NA	NA	NA

Project Indicators (Next Quarter)

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

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	100	Project Closeout Period End Date: 12/28/2013
2b.	Environmental Assessment	100	Project Closeout Period End Date: 12/28/2013
2c.	Network Design	100	Project Closeout Period End Date: 12/28/2013
2d.	Rights of Way	100	Project Closeout Period End Date: 12/28/2013
2e.	Construction Permits and Other Approvals	0	NA
2f.	Site Preparation	100	Project Closeout Period End Date: 12/28/2013
2g.	Equipment Procurement	100	Project Closeout Period End Date: 12/28/2013
2h.	Network Build (all components - owned, leased, IRU, etc.)	100	Project Closeout Period End Date: 12/28/2013
2i.	Equipment Deployment	100	Project Closeout Period End Date: 12/28/2013
2j.	Network Testing	100	Project Closeout Period End Date: 12/28/2013
2k.	Other (please specify):	0	NA

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).
N/A

