

SCRPS Status Update

FCC Form 5640

OMB Control No. 3060-1270

File No. SC-SU0001407

Applicant Information

Applicant FRN 0001731470

Applicant Address PO Box 360998

Applicant Name Puerto Rico Telephone Comp Applicant City San Juan

Applicant Email cruiz2@claropr.com Applicant State PR

Applicant Phone 7877929399 Applicant ZIP Code 00936

Contact Information

Is the contact the same as the contact listed on the Application Request for Funding Allocation? If not, please list below.

Contact Name Carlos D. Ruiz

Contact Address PO Box 360998

Contact Email cruiz2@claropr.com

Contact City San Juan

Contact Phone 7877929399

Contact State PR

Contact ZIP Code 00936

*Indicate which deadline you are meeting with this filing.

2023-01-11

Explanation of Effort and Availability of Commercial Equipment

*Provide an explanation of efforts undertaken, and challenges encountered, in permanently removing, replacing, and disposing of covered communications equipment or service.

(1) Fixed Network. PRTC has non-operational covered equipment, which has been taken out of production and is in storage awaiting disposal. The equipment is stored at several Central Offices as well as the company's warehouse facility. PRTC has purchased and installed the replacement equipment on its fixed network. While PRTC had expected to enter into a contract with a vendor disposal company to dispose of all fixed network equipment by the end of December 2022, this effort has been briefly delayed due to the impact of Hurricane Fiona, which hit Puerto Rico in September 2022. However, PRTC expects to sign a contract with the disposal company before the end of January 2023, at which time all fixed network covered equipment will be transported to the vendor's warehouse to be destroyed and disposed consistent with the applicable local rules and regulations. PRTC estimates that the disposal of the fixed network covered equipment will be completed in the first quarter of 2023.

(2) Wireless Network. PRTC has approximately 10,242 equipment units that consist of routers, USB modems and mobile hotspots that are not operational and are held as spare equipment in inventory. PRTC will arrange for the removal and disposal of this equipment from storage facilities with the vendor selected to dispose of the same. PRTC estimates that the disposal of approximately 50% of the 10,242 units will be disposed in the first quarter of 2023.

The company also has approximately 29,003 units on loan to existing customers, which were initially deployed to facilitate restoration of service after Hurricane Maria devastated communications infrastructure in Puerto Rico. Although PRTC has already purchased some replacement equipment, the company will need to order over 36,851 units from other vendors. After some brief delays due to the disruption caused by Hurricane Fiona, PRTC expects to receive: (a) an initial shipment of 10,000 units in January 2023 (these units are already in U.S. Customs in Puerto Rico); (b) 9,000 units in February 2023; (c) 9,800 units in March and April 2023; and (d) 8,788 units in April and May 2023. The exchange of covered equipment for non-covered equipment at PRTC retail locations will take place on a rolling basis depending on the manufacturer's shipments and equipment availability. PRTC anticipates it will start issuing notices to consumers regarding the exchange of the covered equipment at retail locations. For the initial shipment of 10,000 units, the notice to consumers will be issued in January 2023. At the same time, the disposal of covered equipment will take place on a rolling basis. Considering that the covered equipment is collected at the retail locations, it will be transported by the vendor on a weekly or biweekly basis to the warehouse, where it will be collected by the vendor for proper disposal.

*Explain whether you are finding commercially available equipment in the marketplace. If not, then explain efforts taken to obtain replacement equipment.

Yes, there is commercially available replacement equipment in the marketplace.

* If there is additional information relevant to the preceding questions or that you believe the Commission should be aware of, please include the information below.

N/A

Program Compliance

*Indicate whether recipient has fully complied with (or is in the process of complying with) all requirements of the Reimbursement Program.

Yes No

*Indicate whether recipient has permanently removed from its communications network, replaced, and disposed of (or is in the process of permanently removing, replacing, and disposing of) all covered communications equipment or services that were in the recipient's network as of the date of submission of the recipient's application requesting funding.

Yes No

If you have not yet completed the removal, replacement, and/or disposal process, what estimated percentage of the removal, replacement, and/or disposal process have you completed?

*Indicate whether recipient has fully complied with (or is in the process of complying with) the timeline submitted by the recipient. If not, provide explanation for deviation.

Yes No

*The filer has indicated no to a question in this section, please provide additional information.

As explained in response to the question regarding efforts undertaken to-date, the equipment replacement effort was delayed due to the impact of Hurricane Fiona, which hit Puerto Rico in September 2022. The Hurricane necessitated the brief diversion of resources from the equipment replacement program to service restoration. However, as explained in this status update report, PRTC will start receiving replacement equipment in January 2023, and the company expects to sign a contract with the disposal company before the end of January 2023.

Certifications

*By checking the box and providing the electronic signature where indicated below, the Certifying Official on behalf of the filer certifies under penalty of perjury that:

(1) The Certifying Official is authorized to submit this status report on behalf of the above-named filer and, based on information known to me or provided to me by employees responsible for the information being submitted, the information set forth in this status report has been examined and is true, accurate, and complete, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. The Certifying Official acknowledges that any false, fictitious, or fraudulent information or statement, or the omission of any material fact on this status report or on any other document submitted by the filer may subject the filer and the undersigned to punishment by fine or forfeiture under the Communications Act (47 U.S.C. §§ 502, 503(b), 1606), or fine or imprisonment under Title 18 of the United States Code (18 U.S.C. § 1001, §§ 286-287, and § 1343), or can lead to liability under the False Claims Act (31 U.S.C. §§ 3729-3733, and §§ 3801-3812). (2) The filer is in compliance with the statute, rules, and orders governing the Reimbursement Program, including but not limited to allocations, draw downs, payments, obligations and expenditures of money, and the Certifying Official acknowledges that failure to be in compliance and remain in compliance with those statutes, rules, and orders may result in the denial of funding, cancellation of funding commitments, and/or recoupment of past disbursements. The Certifying Official acknowledges that the filer will maintain detailed records, including receipts, of all costs eligible for reimbursement actually incurred for a period of 10 years; and will file all required documentation for its expenses. The Certifying Official acknowledges that failure to comply with the statute, rules, and orders governing the Reimbursement Program could result in civil or criminal prosecution by law enforcement authorities.

Certifier Information

Certifier
Signature Francisco J. Silva

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Certifier Email fsilva@claropr.com

Certifier Title General Counsel

Date Signed 2023-01-10