

**Nebraska Central Telephone Company
Ansley Village Limits Underserved Application Business Plan
Attachment G**

In evaluating the viability of the Ansley Village Limits Underserved Broadband Bridge Act (the “Act”) grant application submitted by Nebraska Central Telephone Company (NCTC), the proposed project was scrutinized from a legal, technical, and cost standpoint. That evaluation is bolstered by years of successful deployment and maintenance of financially viable broadband networks in the State of Nebraska by NCTC and its soon-to-be owner Hamilton Telecommunications (Hamilton). As with the existing broadband networks maintained by NCTC and Hamilton, the Ansley Village Limits Underserved Application makes good sense in all aspects.

Project Overview

The geographic area of the Ansley Village Limits Underserved Act application is all within the city limits of Ansley, Nebraska. Ansley has a population of approximately 440 residents and is in Custer County, located on Highway 92 about 16 miles southeast of Broken Bow. Ansley has a vibrant downtown and Ansley Public Schools. The Ansley school system has NCTC fiber that is used for distance education. The proposed project, if approved, would deploy fiber broadband internet to every serviceable location in Ansley. In order to complete fiber buildout to all serviceable locations in the community, nearly four miles of new fiber will be buried and connected to NCTC’s existing fiber network.

The legal challenges of the Ansley Village Limits Underserved Application are well understood and manageable.

Because NCTC has an existing broadband network, including fiber, in and around the village of Ansley, NCTC has a good grasp of the legal challenges there. NCTC has had a relationship with the village for a significant period of time and always obtains permission to do work from the village. NCTC also purposefully communicates project timelines to the village, so all stakeholders are in the loop regarding work. As in the past, NCTC will seek approval from the village of Ansley to bury fiber in the community’s right of way. Additionally, there is existing fiber that runs along Highway 92, which is a state highway that bisects Ansley and follows the Burlington Railroad through town, there may be a need to obtain additional permitting from the Nebraska Department of Transportation as well. NCTC has already

deployed fiber across railroad property at Ansley and will most likely not need to do any further work on railroad property but will secure the necessary permission to do so if necessary. NCTC and Hamilton are well-versed in obtaining the requisite permits and approvals to deploy a broadband network and are prepared to build out the serviceable locations in this project legally and efficiently.

NCTC has maintained a broadband network for decades and maintaining the infrastructure that is part of this application would be status quo for NCTC.

Both NCTC and Hamilton understand what it takes to build and maintain a broadband network. Both companies have technical staff capable of maintaining the existing broadband network and the project area for its expected life. Because there are in-house technicians monitoring and maintaining the network on a day-to-day basis, the fiber that would be part of this grant application would be expertly maintained for its useful life. NCTC will be burying all fiber which ensures the highest level of reliability and lowest ongoing maintenance costs when compared to aerial and wireless technology solutions.

The expected costs and revenue make this project feasible from a financial perspective and would serve to meet the broadband demands of consumers in the Ansley area for years to come.

NCTC will have funds available for all project costs that exceed the amount of requested support to be received for this project. The cost of the project for all locations is estimated to be \$658,365, whereas the amount of requested support is \$131,673, which is 20% of the total projected cost. NCTC has funds available in operations to fund this difference of \$526,692 and will not need to borrow funds to complete the buildout obligations for these service areas. In addition to available funds currently in operations, NCTC expects to generate enough cash flows going forward from providing service to these currently unserved locations to support the maintenance of the infrastructure on an ongoing basis. Below is a summary cash flow statement for the first 10 years of the project.

