

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

In evaluating the viability of the Arcadia 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 Arcadia Village Limits Underserved Application makes good sense in all aspects.

**Project Overview**

The geographic area of the Arcadia Village Limits Underserved Act application is all within the city limits of Arcadia, Nebraska. Arcadia, which has a population of approximately 300 residents, is located on the north side of the Middle Loup River on Highway 70 in southwestern Valley County. Currently, about 125 students attend school in Arcadia, which is supplied by NCTC fiber. Arcadia has several businesses in the community, including the main office of Trotter, Inc., who has agricultural or service businesses in 17 Nebraska communities. The proposed project, if approved, would deploy fiber broadband internet to every serviceable location in Arcadia. In order to complete fiber buildout to all serviceable locations in the community, nearly two and a half miles of new fiber will be buried and connected to NCTC’s existing fiber network.

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

Because NCTC has an existing broadband network, including fiber, in and around the city of Arcadia, 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 Arcadia to bury fiber in the community’s right of way. Additionally, there is existing fiber that runs along Highway 70, which is an east/west state highway that passes

through Arcadia, and there may be a need to obtain additional permitting from the Nebraska Department of Transportation as well. 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 Arcadia 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 \$411,045 whereas the amount of requested support is \$82,209, which is 20% of the total projected cost. NCTC has funds available in operations to fund this difference of \$328,836 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.

