



A business plan for the proposed network: The business plan should include: Details of the proposed project, a description of any risk factors or legal challenges that must be addressed prior to or during the project in question, such as local zoning, right of way, tribal approval*, and permitting processes, and how the applicant intends to mitigate these risk factors or legal challenges, a financial analysis for the project including cash flow projections for the project for a minimum of 5 years including an explanation of revenue assumptions and take rate, a description of the plans for long-term maintenance of the network built through the grant, disclosure of any prior receipt of federally awarded grant funds for broadband deployment and provide copies of any past audits of federal awards, and community engagement demonstration. NOTE: Projections that do not reflect positive capitalization should include a written explanation as to how a project will be maintained over the life of the facilities. For projects that involve broadband development on tribal lands, permission from and approval by tribes is required and documentation of the approval must be provided to the Commission no later than April 24, 2023.

The business approach ALLO intends to use for the Branched Oak Observatory project will mirror the approach used in our other markets. The business model includes all stages of the project, from design through construction to sales, installation, and ongoing support. ALLO's process often reduces the overall cost of construction by more than 30%.

[A Full-Service Solution](#)

Design & Feasibility – ALLO's approach provides the detailed designs that are used for construction design packages. ALLO will design the network using our playbook, auto-design programs, and available GIS information for the community and existing utilities to provide an optimized plan for fiber coverage in the project area including aerial, trench, bore, and other construction methods.

An integral part of this process includes collaboration with community officials to utilize local knowledge and expertise, including detailed knowledge of town-owned assets, construction requirements, upcoming capital projects, and permitting processes.

Utilizing this efficient process, the network construction cost will be refined with an estimated build interval. ALLO's proven design and construction management processes will be utilized in order to minimize construction and operational risk as well as reduce overall costs.

ALLO will utilize our playbook as the foundation to generate an appropriate design for the project area. As unique criteria are understood or known, including utility pole make ready, pole availability, availability of public space for certain structures, etc. additional design iterations will be run using mathematical optimization.

The GIS design will be finalized with inputs from local utility experts from local utilities and the ALLO construction team, resulting in a final comprehensive design for the defined area.

All required municipal, city, township, county, and state approvals necessary for this project to begin construction (e.g., area planning commission, railroad crossing entity, etc.) have been identified. The approvals are normal and consistent with ALLO's other communities. ALLO will work with Lancaster County and State DOT on ROW permitting, and County on pole



permitting/attachments, and the railroads on permitting crossings. ALLO will enter into a local franchise agreement.

Construction Process – The construction process will be managed by ALLO. Quality will be checked by the County, ALLO, and others to verify that construction standards, budgets, and timelines meet expectations. Contractors and ALLO construction and splicing teams may be used in the process. The construction of a highly dependable network in a cost and time-efficient manner is the initial goal for all involved. Safety is a focus throughout the project.

Connection to ALLO's Service Platform and Network Operations Center – Concurrent with the construction effort, redundant connections to ALLO's service platform and Network Operations Center (NOC) will be completed. The connections will enable ALLO's NOC and service platform for the project area.

Marketing – ALLO will use various communication channels to reach customers, including website, direct sales, referrals, newspaper, radio, television, social media, and sponsorships. These marketing channels have been used successfully in our existing Fiber-to-the-Premise (FTTP) communities.

During the construction phase, our marketing strategy includes frequent communication to residents and businesses informing customers of the construction process, our core services, and the value of gigabit service. A combination of door-to-door community engagement representatives, direct mail, and signage is used during this phase.

Service Launch – Approximately 4-6 months after the start of construction, customers located in the initial service areas will be connected to the network. ALLO will provide a full suite of products and services using our existing service model.

Customer Connections – Connections from the easement to the home or building will be powered using a common GPON solution. A homogenous network ensures a cost-efficient design with network dependability and security. ALLO utilizes Calix GPON solution at the central office through the Wi-Fi6 router.

Connectivity for large businesses and large governmental entities will be provided with individualized solutions (such as Calix, Adtran, and Cisco), including active Ethernet connections and fully redundant paths and entrances, when required. The standard network design will accommodate both GPON and active solutions.

[Network Operations \(NOC\) /Customer Service](#)

ALLO operates all of our networks with the same professionalism by utilizing consistent technology, equipment, processes, and systems. ALLO will provide incremental personnel, systems, etc. to ensure a successfully operated network.

ALLO's customer service and support are the cornerstones of the customer experience. Proven processes and service expectations have resulted in ALLO's high customer acquisition and retention record.

ALLO will utilize our proven products and service model to support customers. With an experienced team of 1,300+ customer support personnel, ALLO's solution provides customer service excellence and is extremely scalable. Technicians, customer service representatives, sales engineers, and sales personnel hired and located in the area will be supported by ALLO's 24/7/365 NOC and existing customer service representatives to ensure the network is performing for all customers.



Customers can contact customer service via phone, email, text, social media, or our app and communicate with live representatives located in Nebraska. We pride ourselves on our consistent customer service process which includes very short wait times, minimal transfers, and a goal of issue resolution on the first call.

Network Management

ALLO has proven processes for managing the local network, including evaluating data to verify bandwidth sufficiency, evaluating alarms, monitoring overall performance, and escalating issues.

ALLO maintains sparing protocols, disaster plans and recovery testing, appropriate employee staffing, and other business processes to ensure uninterrupted service. ALLO's network management provides 24/7/365 service and support.

The network will be managed and operated using traditional service and support methods, which has been standard at ALLO for more than a decade. ALLO will control upgrades, releases, and other impacts to the overall network.

ALLO maintains the appropriate systems for network deployment and maintenance to operate a 24/7/365 network and support including 99.999% service up-time. The programs utilized are substantial and appropriate for ALLO's network.

Financial Analysis

ALLO has proven financial results. While the markets applied for under this program require financial support, most financial items are consistent even on a unit basis with ALLO's other markets. The financial results, when combined with the larger markets in the region and expected population growth, will result in a financially stable project.

In general, costs to construct and connect are considerably higher than in ALLO's existing markets. However, the support in this program mitigates those costs.

Additionally, the proximity of this market to ALLO's other markets provides operational efficiencies as ALLO's service, product, billing, connectivity and more can be provided on an incremental basis. With more than 130,000 lines, ALLO's scale also provides operational efficiencies.

See the financial estimates in **Attachment H-1**. Revenue assumptions are based on a 75% take rate when the market matures.

Federally Awarded Grants for Broadband Deployment

In 2022, Arizona Commerce Authority (ACA), the state's leading economic development organization, awarded federal grants to ALLO through the Arizona Broadband Development Grant (ABDG) Program to expand high-speed broadband to the state's unserved or underserved areas. Funding is being made available by the ARPA Coronavirus Capital Projects Funds allocated to the State of Arizona by the U.S. Department of Treasury.



ALLO received federal funding through ACA for two projects:

- To supplement ALLO's build of a FTTP network in San Luis.
- To provide middle mile fiber in Mohave County for redundancy for the cities of Lake Havasu City and Kingman.

ALLO was a subrecipient of a grant to design, build, and operate Yuma County's Middle Mile network; however, since the County owns the network, ALLO is not the grant recipient.

ALLO also received ARPA funds through Mohave County to build unserved and underserved areas in the communities of Kingman and Butler.

Community Engagement

ALLO emailed a community outreach feedback letter to Matthew Nelson, Co-Founder and Chief Executive Officer of Branched Oak Observatory, on February 21, 2023 and copied in the Nebraska Public Service Commission.