

Glenwood Telecommunications, Inc.
Heartwell
Attachment G_1 – Business Plan

Proposed Project

Glenwood Telecommunications proposes to build fiber in Kearney County by connecting to Glenwood's existing fiber located in and around the village of Heartwell and provide service to 46 residents and businesses along the route. The network would build fiber-to-the-home (FTTH) along the routes serving unserved and underserved residences and businesses. Glenwood intends to expand upon our existing redundant fiber ethernet transport framework using XGS-PON and Active Ethernet to deliver services. These routes will also be used for further FTTH expansion in coming years, thus reaching additional customers.

Glenwood is aware of the need to provide broadband service to unserved and underserved locations not being served by their ILEC provider. The Nebraska Capital Projects Fund Program with the grant opportunities will make the Heartwell project financially viable by allowing Glenwood to expand our existing fiber network to provide reliable, robust broadband service at an affordable price.

Challenges

Project challenges include material acquisition, permitting and contractor management. Glenwood feels that the strong relations fostered over the years of working together will help in overcoming these items. Industry demand has pushed recent fiber optic cabling and equipment purchase lead times beyond the standard time frame for delivery. Glenwood does maintain fiber stock that will work to minimize fiber delivery delays. Applying for permits to occupy and permits to cross are always a concern for a project of this size. However, Glenwood has experienced staff with good working relationships with all the entities involved. Working with local jurisdictions including City, County, State, Railroad, and water crossing officials can be time consuming, however we are also experienced with these processes. Glenwood has been installing fiber since the early 1990s and has skills and experience with the necessary procedures to acquire permits to install fiber in this area. Securing underground contractors is a challenge with the huge demand for fiber installation industrywide, however Glenwood has strong relationships utilizing several local contractors for many years. Glenwood's project manager and staff have the expertise to manage local contractors and will have the capability to complete this project in a timely manner.

Long-Term Maintenance

As stated above, Glenwood has been installing and building fiber networks for over thirty years and keeps an adequate staff of Network Engineers, IT support, Enhanced Service Technicians, and Customer Service Representatives to maintain the network, plant, and take care of the customers' needs. Glenwood uses a third-party source to provide 24/7/365 customer support along with our in-house support team. Glenwood also contracts third-party vendors to assist with network design and maintenance when necessary. Glenwood would also look to hire additional technical and service staff to keep up with the high standards of service we strive for. These jobs would also help the local economies by providing good paying local jobs keeping the communities strong.

Glenwood has equipment and processes in place to continually monitor the network to ensure it is running securely and efficiently. The estimated life of the electronics is 8 to 10 years; however, Glenwood continually evaluates the efficiencies of the network equipment in place and updates cards and optics as technology improves. Glenwood's network construction consists of an all fiber network to the home. The expected useful life of the fiber network is approximately 40 years.

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Financial Analysis

Glenwood is requesting 100% of the allowable costs of this project for all 46 locations which are estimated to be \$364,217.08. Glenwood offers very competitive prices for broadband and voice services and would expect that a high penetration is attainable as those currently unserved will now have access to reliable and robust broadband services at an affordable price. With Glenwood's focus on offering quality service and excellent customer service we believe this project will achieve and maintain financial viability.

This project will extend Glenwood's existing network while minimizing additional expenses. Expected operational costs are incremental expenses related to technician and customer service representatives (CSR) labor. There is no anticipated need to increase the existing network capacity or backhaul expense.

Community Engagement

Glenwood acknowledges the significance of engaging with local leaders and residents to ensure that our proposed service aligns with the broadband needs of the community, offering both affordability and accessibility. In the context of our project including the Village of Heartwell, we convened with the Heartwell Village Council on January 9, 2024, to formally introduce ourselves and communicate our intent to seek funding through the Capital Projects Fund-2 for the deployment of a fiber-optic infrastructure within their community.

Throughout our discussions, a shared vision emerged, underscoring the joint mission of overcoming digital inadequacy. The Village of Heartwell's Letter of Support is included in Attachment M_2 for your reference.

In the event of a successful grant application, our Marketing department will provide comprehensive details regarding the scope of the construction process to village officials and the 46 residents situated along the prospective fiber route. As the fiber project nears completion, our team will conduct personal visits to each resident, distributing informative door hangers detailing the benefits of fiber, our service offerings and pricing, and guidance on the sign-up process.

To further ensure widespread reception of this information, we will subsequently execute a targeted direct mail campaign, providing residents with the same detailed information on the advantages of fiber connectivity and the services we provide.