



## Crofton Project Revised

### Letter G: Business Plan and Risk Factors

| Nebraska Capital Projects Fund Cash Flow (in 000s) |         |         |      |      |      |      |      |         |
|--|---------|---------|------|------|------|------|------|---------|
|  | 2023    | 2024    | 2025 | 2026 | 2027 | 2028 | 2029 | Total   |
| Current Revenue                                    | 187     | 187     | 187  | 187  | 187  | 187  | 187  | 1,308   |
| Expected Revenue                                   | 187     | 205     | 223  | 232  | 241  | 250  | 250  | 1,588   |
| Net New Revenue                                    | -       | 18      | 36   | 45   | 54   | 63   | 63   | 280     |
| Expense  | (19)    | (21)    | (22) | (23) | (24) | (25) | (25) | (159)   |
| EBITDA   | (19)    | (3)     | 14   | 22   | 30   | 38   | 38   | 121     |
| Build Out  | 1,369   | 1,369   | -    | -    | -    | -    | -    | 2,737   |
| Reimbursement                                      | (1,369) | (1,369) | -    | -    | -    | -    | -    | (2,737) |
| Ongoing Drops                                      | -       | -       | 23   | 23   | 23   | 23   | -    | 92      |
| Capital Outlay                                     | -       | -       | 23   | 23   | 23   | 23   | -    | 92      |
| Cash Flow  | (19)    | (3)     | (9)  | (1)  | 7    | 15   | 38   | 28      |

As this is a current service area, Current Revenue represents an estimate of the annual revenue from the proposed locations in our project. GPC expects to get an increase in average revenue as higher speeds become available, as well as additional subscribers once fiber is available. This revenue uplift is identified in Expected Revenue, and the difference between Current and Expected revenue is the Net New Revenue associated with this project.

As with any fiber construction, GPC will need to navigate local zoning, right of way and permitting. It is important to note, however, that GPC has been serving this area for many, many years and has established relationships and facilities that can be leveraged.

Because this is an area that GPC currently serves, there should be limited additional resources needed to continue to provide exemplary service after construction completion. GPC will work to transition existing customers from their current technology over to fiber so it will only be necessary to maintain one network in the area.