



McCook South Project

Attachment G: Business Plan and Risk Factors

Nebraska Capital Projects Fund Cash Flow (in 000s)								
	2024	2025	2026	2027	2028	2029	2030	Total
Expected Revenue	-	11	22	34	45	56	56	224
Expense	-	(1)	(2)	(3)	(5)	(6)	(6)	(23)
EBITDA	-	10	20	31	40	50	50	201
Build Out	581	581	-	-	-	-	-	1,161
Reimbursement	(581)	(581)	-	-	-	-	-	(1,161)
Ongoing Drops	-	-	29	29	29	29	-	118
Capital Outlay	-	-	29	29	29	29	-	118
Cash Flow	-	10	(9)	2	11	21	50	83

The McCook South Project will make fiber available to approximately 28 business, and 77 residential unserved customers.

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 providing service in Nebraska for many, many years and has established relationships and facilities that can be leveraged.

Because this is near an area that GPC currently serves, there should be limited additional resources needed to continue to provide exemplary service after construction completion. Although only direct expenses are contemplated in the above Cash Flow analysis, the project's net positive contribution will enable GPC to service the area during the required period, and beyond.

Fiber is the technology choice because it is the most future proof technology that is available for broadband services. The useful life of fiber is significant, and is expected to last for at least 30 years. There is currently fiber in use in GPC's network today that was constructed in the early 1990s.

The electronics that enable broadband over the fiber have a shorter lifespan- primarily due to advances in technology. Because electronics generally average around 10% of a project's cost, subscription fees will cover any costs associated



with electronics replacement when necessary.

While our approach varies from community to community, GPC likes to follow the following steps when constructing a new community:

- Community engagement during evaluation: In the case of this project, we have reached out to the community to discuss our application, our plans, and request a letter of support.
- Pre-construction meeting with officials: Because it is important to set expectations and address concerns early on, we like to have a pre-construction meeting with officials before commencing with the project. This generally serves well in the permitting process as well.
- Community meeting: If possible, GPC prefers to find an easily accessible location to meet with interested community members to discuss the plans, and set expectations on service availability.

Construction notices are then sent, as appropriate, to impacted addresses. Once construction is complete and service is available, GPC uses direct mail pieces to notify of service availability, and encourage adoption. GPC has a significant interest in increasing penetration rates to maximize utilization of the assets in place.

The staff that will take care of the local care and maintenance of the network are local to the areas we serve. They see our customers at sports games, stores, and other community events. They are not only integral to GPC's achievements, but are invested in the local community's success as well.

Great Plains Communications has a legacy of success in projects such as this, and our more than 400 employees are excited to bring service to an area without such service today.