

Attachment G

A business plan for the proposed network: The business plan should include (1) details of the proposed project, (2) the expected useful life of the facilities to be built including a statement as to the technological components used, and, if applicable, which components may require more frequent repair or replacement, (3) 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, and permitting processes, and how the applicant intends to mitigate these risk factors or legal challenges, (4) a financial analysis for the project including cash flow projections for the project for a minimum of 5 years. 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.

Applicant Response:

(1) Details of the Proposed Project

The proposed project presents a unique opportunity to deliver technology-forward broadband internet using high-end state of the art fixed wireless technology at a better price point than any current offering in the area. As of today, the project counties and surrounding area have lackluster internet provision. The majority of households and businesses suffer from speeds well under 25MB/3MB. Many of the blocks adjacent to the project counties fall within funding from either the CAF II or RDOF programs and will soon have sufficient broadband access. This leaves the project counties out of this federal funding and creates a pocket of internet exclusivity that will negatively impact local citizens and businesses.

Nextlink Internet plans to construct a fixed wireless network across a significant portion of Boyd, Brown, Cherry, Holt, Keya Paha, Knox, Loup, and Rock counties that will serve areas in and around 10+ towns/cities in these counties. The network will provide fixed wireless internet service of at least 100Mbps/100Mbps to 255 unserved or underserved locations at a projected cost of \$6,321.42 per location, excluding customer equipment and installation labor. Locations that are closer to infrastructure may be offered plans of up to 500/100 Mbps.

The project includes a request for \$841,878.86 in Nebraska Broadband Bridge funding and assumes approximately \$1.07 million, or 56% in matched funds. The matched funds will come from Nextlink primarily through its RDOF funding and operating cash flows or revolving credit facility.

(2) Expected Useful Life of the Facilities

The expected useful life of the tower Facilities is 15-20 years.

The technological components attached to the tower facilities and installed at the customers' premises that are used to deliver internet service to the end-user are high-end, high-quality components that are backed by manufacturer warranties and are constantly monitored and maintained. The expected useful life of these components is typically around 5 years. In addition, as wireless equipment continues to rapidly improve in capabilities and quality, Nextlink has historically responded by upgrading its gear to meet the growing needs of the end-user. We anticipate continuing to do so here as well.

(3) Description of Risk Factors or Legal Challenges

Risk factors include the following:

- (a) Uncertainty around the timing of permitting for tower construction and electrical installation. Mitigating factors include, but are not limited to, Nextlink's extensive experience in building its own towers and the motivation of the various jurisdictions to make high-quality, high-speed internet available to their citizens.

(4) Financial Analysis

A financial analysis is attached that includes projected five-year balance sheets, income statements and cash flows. This project is expected to generate net positive cash flow in less than two years.

Payback Period Summary with Grant Support		
Grant %		44%
Operating cash flows	\$	1,729,085.58
Grantee investment	\$	(1,071,482.18)
NWC funding	\$	6,868.54
Net cash flows	\$	664,471.94
Payback Period (months)		20.00
Payback Period (years)		1.67