

Stanton Telecom_CrownRd North_ Attachment G

Business Plan for the Proposed network

Proposed Project Details:

The project will provide Fiber-to-the-premise using GPON technology to 11 locations in Nebraska's 1st Congressional District. These locations are currently in the Lumen ILEC service area. The total project cost is estimated to be \$87,638. Once complete, Stanton will offer broadband speeds of 100/100 Mbps, 500/500 Mbps, and 1,000/1,000 Mbps.

An extensive description can be found in Attachment M.

Risk factors or legal challenges

Applicant is in good standing with the County. Applicant is not aware of any legal challenges that must be addressed prior or during the project in question, such as local zoning, right of way, and permitting process.

Financial Viability

(All dollars reported in 2023 value-no inflation adjustments are made for in revenue or expenses)

Applicant has attached a financial viability analysis for the project. The project will be cash flow positive in year five. Accumulated cash flows are estimated to be \$16,653 through 2039. Applicant projects it will receive revenue to maintain the network from the end user subscribers over the useful life of the network of approximately \$118,917. In addition, Applicant will receive \$78,874 in the form of a grant award through this Application CPF-1 for total revenues estimated to be approximately \$197,791 (see Attachment Letter G_2). Incremental expenses are estimated at \$5,500 per year. This projected cash inflow is estimated to cover the cost of construction. If any short fall shall materialize, applicant will internally finance the difference. In addition, if expenses are higher than projected, the applicant will cover the shortfall.

The major assumptions for the viability analysis includes an estimated take rate ranging from 70% to 80%, with an average revenue per month of \$69.44 per subscriber. These numbers are based on applicant's current take rate in areas it currently serves.

A description of the plans for long-term maintenance of the network built through the grant

STI uses our current staff to maintain network infrastructure using common industry practices for each of the services provided. The network and services will be monitored and supported 24x7x365 by the STI's current support staff. The applicant will leverage existing staff and processes to operate the proposed network deployment. Troubleshooting and service provisioning will be handled by applicant office staff using a combination of existing automated systems. Orders for services will be taken by our customer service representatives. Equipment will be provisioned by our office technicians and professional installation will be completed by our outside plant technicians. In addition, Stanton maintains service contracts with key vendors, contractors, and professional service firms if additional

assistance is required. Stanton Telecom currently complies with and successfully fulfills CAF BLS speed testing requirements.

Disclose any prior receipt of federally awarded grant funds for broadband deployment and provide copies of any past audits of federal awards.

Not Applicable

Community Engagement Letter-Attached