



## ***President of Toronto Hydro Telecom addresses Canadian Telecom Summit***

**TORONTO**, June 16, 2004 – When leaders of the Canadian telecommunications sector gather at the Canadian Telecom Summit today and tomorrow, they’ll hear about the important role utility-affiliated telecom companies (u-telcos) are set to play in the future of network services. In his presentation *New Networks on the Block*, Ian Miles, President of Toronto Hydro Telecom Inc., will explain that u-telcos have the reliability, flexibility and potential for growth to lead the next generation of network services. Miles is a member of a panel chaired by Michael Binder, Assistant Deputy Minister for Industry Canada that will discuss laying the foundation for next generation networks.

“Most u-telco networks were constructed post-1980 and are not held back by the limitations of older, legacy systems. Our network at Toronto Hydro Telecom was built in the 1990s and is 100% fibre-optic cable, with 10-Gigabit Ethernet and OC-48 SONET core networks. Flexible, scaleable and with unlimited capacity, our fibre network is ready today to take on the next generation of network applications,” says Miles.

Toronto Hydro Telecom is the sole owner and operator of its 450-kilometre fibre-optic network, which connects more than 400 commercial buildings within Toronto. The network was created in 1994 by the predecessor of Toronto Hydro-Electric System Limited (the regulated utility that distributes electricity in Toronto) for electricity monitoring and control purposes and is well suited for disaster recovery and data redundancy applications. Through agreements with other hydro-utility affiliate telecoms in Ontario, Toronto Hydro Telecom can provide network service throughout the province and into Quebec and the U.S.

Growth by u-telcos has far outstripped that of the industry in recent years. Over the past three years revenues have grown by more than 2000% for the u-telco segment. Market share by incumbent carriers has been falling from 83.4% in 1998 to 75.3% in 2002 (Source: Report to the Governor in Council, Nov. 2003 - Status of Competition in Canadian Telecommunications Markets).

“U-telcos have gone through a remarkable evolution. From leasers of dark fibre to providers of data services for disaster recovery planning, LAN extension, high-speed Internet, private lines and large-bandwidth file transmission, we now offer a wide range of network-based capabilities. Coupled with our expanded network reach, we’re able to offer our network services to a much larger share of the market,” remarks Miles.

With its 10-Gigabit Ethernet core and VLAN technology, Toronto Hydro Telecom's network can accommodate newer services such as layering Internet and Voice-over-Internet applications over the same Ethernet network with little disruption.



Because of its flexibility and performance, Miles sees no comparison between what Ethernet can offer and the capabilities of older networks. “From a customer's point of view, Ethernet can accommodate their needs today and provide a platform for the future. It's fully scaleable — you can increase or decrease the speed of network service, as needs change. It's already widely used by businesses today so expanding LAN service with Ethernet is quite simple — Ethernet can handle point-to-point and point-to-multi-point LAN configurations seamlessly.”

Voice-over-Internet and Wavelength services (WDM) are just two of the emerging applications that Toronto Hydro Telecom can accommodate with minimal upgrades to its network infrastructure. “The demand for larger Ethernet bandwidth is driving the development of WDM, which can provide 16 to 32 different wavelength frequencies to handle even greater volumes of data. To upgrade to WDM, we only have to change the electronics involved. Otherwise our network is ready to go,” explains Miles.

Mark Goldberg, President of Mark H. Goldberg & Associates Inc. and co-founder of the conference, specifically invited Ian Miles to speak at the conference. “U-telcos represent an important and growing sector of the telecom industry and Toronto Hydro Telecom has a message that the other leaders in the telecom industry need to hear,” says Goldberg.

The 3<sup>rd</sup> Annual Canadian Telecom Summit brings together leaders of the Canadian telecom industry, including service providers, equipment suppliers, policymakers and regulators, service integrators and large enterprise customers. The summit runs June 16th and 17th at the Metro Toronto Conference Centre.

Established in 2000 as a subsidiary of Toronto Hydro Corporation, Toronto Hydro Telecom Inc. has quickly grown to become a highly specialized and innovative provider of telecom services to businesses in Toronto. The company is the sole owner of its vast fibre optic network, which spans 450 kilometres and connects 400 commercial buildings in Toronto. Today, Toronto Hydro Telecom counts many of Canada's leading businesses and institutions among its clients, including financial institutions, mutual fund companies, broadcasters, hospitals, colleges and universities.

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