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### **Arcadian Networks Completes \$90 Million First Round of Funding with Latest Investment from Goldman Sachs**

#### **Investment underscores the importance of providing rural wireless connectivity to Utilities and Oil & Gas assets using the 700MHz Licensed Spectrum**

NEW YORK, April 27, 2007 – Arcadian Networks, Inc., a privately held wireless telecommunications carrier, today announced that it has raised an additional \$30 million of financing from lead investor Goldman Sachs. With this closing, Arcadian Networks has raised a total of \$90 million in financing over the past twelve months.

To date, Arcadian Networks is the first mission-critical, private sector communication carrier to deliver IP-based, wireless broadband field automation services, including substation, distribution, and mobile workforce automation, to key industries in rural America. Deployment of a real-world, approx. 56,000 square mile 700 MHz network has already begun in Minnesota with Great River Energy, a not-for-profit generation and transmission cooperative providing wholesale electric service to 28 distribution co-ops that serve more than 600,000 members or about 1.7 million people.

The investment by Goldman Sachs underscores the importance of Arcadian Networks business model, including:

- The imperative for US electric, gas, oil, and coal energy producers to augment, update, and replace legacy communication systems with state-of-the-art broadband, IP-based wireless communications systems and services to enable ‘smart’ initiatives (smart grid, smart field, etc.)
- The demand for secure, licensed, unencumbered radio spectrum will continue to grow as our Nation’s critical infrastructure industries (electric, oil, gas & water utilities ) and first responders (police, fire and emergency medical professionals) seek to improve productivity, resilience, and response capabilities
- The need to enable interoperable communications, between the public and private sector, and provide a secure and robust communication backbone without taxing US citizens or derailing the impending the 700MHz spectrum auction (estimated to generate \$15 to \$30 billion dollars of Federal revenue).
- The holders of existing 700MHz radio spectrum, with its extraordinary propagation, high power, and broadcast capabilities, are best positioned to provide a solution to our nation’s critical infrastructure communication needs.
- The specification of US regulatory guidelines presently being proposed include sweeping improvements in the processes that govern energy production, surveillance

and security of physical assets, and essentially mandate a secure, mission-critical ubiquitous broadband communication infrastructure.

- The private sector has proven that it is possible to create a scalable, resilient, and profitable communication backbone for our Nation's critical infrastructure industries without taxing US citizens. Arcadian's focus is to replicate this blueprint rather than continuing to propose future solutions which need to overcome multiple legislative, technical, and business challenges.
- Many market players will prefer voluntary adoption and enforcement of energy guidelines rather than legislative enforcement

Alternative approaches have yet to deliver a demonstrable success of their "proposed" usage of 700MHz radio spectrum and have sought government subsidization of their efforts.

Recent research from the US National Renewable Energy Laboratory and Lawrence Berkeley National Laboratory point out that the US current energy infrastructure isn't efficient, citing that sixty-two percent (62%) of the energy consumed in America today is lost through transmission and general inefficiency. This research validates the need for immediate action on energy efficiency initiatives that require a secure, reliable broadband communications network to connect mission-critical assets often located in remote areas of the country.

"It's clear there is a tremendous need for a national debate and action plan regarding every aspect of energy: production, transmission, distribution, and consumption", said Gil Perez, president and chief executive officer, Arcadian Networks. "One aspect of energy policy that requires no debate is the need for better real-time information to make more informed decisions to improve the overall efficiency of the energy resources and power we consume. Over the past 18 months Arcadian Networks has taken the lead in laying out a vision for our nation's critical infrastructure communication needs. We have executed a practical, cost effective and robust strategy to build upon that vision. This is presently being deployed by GRE. With this latest round of financing in place from Goldman Sachs, we plan to accelerate and expand our network deployment and continue to set a course for a private sector solution to one of the most pressing communication problems facing our Nation's energy sector."

### **About Arcadian Networks**

Arcadian Networks is a mission-critical telecommunications carrier providing the first private, secure wireless data communication network for utilities and other 'dispersed-asset' industries in a wide portion of the rural United States. Through its unique 700 MHz-based network, the company offers utilities such as electric, oil and gas, and water with a turnkey flexible high-speed broadband network allowing real-time monitoring and control of operations and management applications. Arcadian Networks provides the foundation for reliable, secure and efficient networking focused on operational, mission-critical assets and infrastructure. Based in New York, Arcadian Networks has secured funding from investors including: Goldman, Sachs and Co.; Gilo Ventures; and Clal

Industries and Investments Ltd.

For more information, please visit [www.arcadiannetworks.com](http://www.arcadiannetworks.com)

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