

SPECTRANET

INTERNATIONAL

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February 8, 1996

The Honorable Kenneth Reeves
Mayor
City of Cambridge
795 Massachusetts Ave.
Cambridge, MA 02139

Dear Mayor Reeves:

Anaheim, California has taken charge of their future. Your city can too.

The attached news clip announces the City of Anaheim's decision to move forward with the creation of a city-wide, broadband telecommunications utility in partnership with our firm.

Three things make this news especially important, and worthy of your attention:

First, the project will be a true public-private partnership, combining the best aspects of private industry with the public benefit motives of municipal leadership to create a telecommunications infrastructure that will **generate millions of dollars in new revenue** for Anaheim year after year. What is more, the project will be financed in a manner that creates **no financial risk** to the city.

Second, the network design far surpasses the capabilities of existing telephone and cable television infrastructures. Its completely fiber optic pathway will connect the homes, businesses, institutions, and city offices in Anaheim and will, for the first time, permit a virtually **unlimited amount of voice, video, and data traffic** to travel over a single network simultaneously.

Third, unlike every other existing telecommunications network, the network is not under the control of a single service provider. Rather, it is **open to all competing service providers** who wish to vie for the communications needs of Anaheim businesses and residents. This will foster open competition that will lower service costs for all customers.

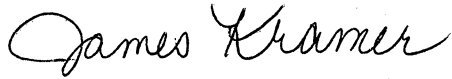
This may sound too good to be true, but it is all made possible by the recent deregulation of the \$100 billion local telephone exchange, and by unprecedented advances in technology that make current communications pathways obsolete.

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MAYOR'S OFFICE
CITY OF CAMBRIDGE
96 FEB 12 AM 10:30

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Along with Anaheim, dozens of other cities are exploring with us this unprecedented opportunity. Your city can own and benefit from your own telecommunications utility. Just call us at 1-800-553-8010 and we'll show you how.

Sincerely,

A handwritten signature in cursive script that reads "James H. Kramer". The signature is fluid and elegant, with the first letters of the first and last names being capitalized and prominent.

James H. Kramer
Vice-President, Sales and Customer Service
SpectraNet International

ORANGE COUNTY

Fiber-Optic Network Advances

ANAHEIM—The city moved a step closer this week to a major expansion of its fiber-optic cable network, a project that would provide high-speed telecommunications services to government offices, businesses, schools and homes.

Under a plan approved by the City Council on Tuesday, Anaheim's Public Utilities Department will negotiate with SpectraNet International of San Diego to develop a public-private "universal telecommunications system."

Edward K. Aghjayan, general manager of the city-owned Public Utilities Department, said Wednesday the network "would allow a wide range of applications that are not currently available.

The cable, which is only three-

fourths of an inch in diameter, can handle nearly a million phone calls simultaneously, Aghjayan said, adding that it's "the superhighway" that would allow universities around the world to share information quickly and residents to have high-speed Internet access.

The first phase of the network expansion would involve construction of a \$50-million to \$60-million fiber-optic cable loop serving commercial, industrial and government facilities. Work would take 12 to 18 months.

The project's second phase would extend the network into the rest of the city over a five-year period and cost about \$150 million.

— ALAN EYERLY

Consent Communication #5

S-94

Communication was received from
Jamed H. Kramer, Vice President,
Sales and Customer Service, SpectraNet
International, transmitting
information regarding a city-wide,
broadband telecommunication utility.

In City Council February 26, 1996

*Referred to Cable TV Committee
sent to C. Galluccio 3/6/96*