Corridor Systems

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FOR IMMEDIATE RELEASE

CORRIDOR SYSTEMS ANNOUNCES BREAKTHROUGH TECHNOLOGY FOR BROADBAND OVER POWERLINES (BPL)

Demonstrates 216Mbps over PG&E's medium-voltage grid

SANTA ROSA, CA, September 22, 2003 – Corridor Systems today announced results of the latest testing of its PowerCorridor[tm] system for very high-speed communications over medium-voltage powerlines. In what is believed to be the highest communications speeds ever achieved over a real medium-voltage powerline grid, the company demonstrated end-to-end capacity of 216 Mbps – four times faster than has been claimed with any previous technology.

> "It is exciting to see this new entry into the BPL market. The BPL industry will benefit significantly from higher-capacity networks such as Corridor Systems is claiming. High performance and low-cost will allow BPL to compete with Cable and DSL by offering a superior product. This is good timing given that bandwidth-intensive applications such as streaming audo and video and telephony are becoming popular."-- **David Shpigler, President, The Shpigler Group**

Unique approach and use of low-cost WiFi chipsets takes BPL to new level

A prototype PowerCorridor[tm] system was deployed over a section of 12kV grid operated by Pacific Gas & Electric, one of the largest combination natural gas and electric utilities in the United States, serving over 13 Million people. The test configuration linked two computers located at either end of the ¼ mile segment transporting Ethernet/IP end-to-end. Working with PG&E staff, the Corridor Systems team conducted a number of tests with results confirming several aspects of this unique approach including:

- 216Mbps raw capacity with simultaneous, bi-directional, and symmetrical, end-to-end delivery
- Very low overall latency of less than 500 microseconds, 20-100 times lower than other solutions, making the system ideal for time-critical applications such as telephony and real-time video.
- Multiple independent channels each operating bi-directionally, allowing segmentation of bandwidth to support advanced service-level agreements.
- Use of microwave bands for very high information capacity powerline communications while avoiding interference issues of some other BPL approaches
- Very low emissions levels – compliant with FCC Part 15
- Simple, rapid installation with no electrical characterization of grid required
- Performance capabilities that allow creating networks which span more than 5 miles, thereby reducing upstream network operating costs.
- Viability of leveraging low-cost 802.11 chipsets for powerline communications to achieve costs per home passed significantly lower than competing BPL solutions.
- Potential to use future wideband technologies to deliver significantly higher capacities.

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Future is bright for broadband over powerlines

BPL industry leaders recognize the significance of Corridor System's technology for the overall market.

> "Corridor System's E-Line™ technology appears to present a unique approach to powerline communications. The claimed strengths of the E-Line™ approach, which include high performance and low implementation costs, are vital to a more widespread adoption of BPL. There is also some indication that these novel techniques may reduce or eliminate any prospect for RF interference, a possible issue with some other systems. The entire BPL industry certainly benefits from the successes of each of its members. Corridor's developments deserve to be followed closely." **-- Ralph E. Abbott, President, Plexus Research, Inc**.

PowerCorridor™ leverages 802.11 for low-cost chip-sets, simplified end-user access

PowerCorridor™ is based on the company's patent-pending E-Line™ technology capable of delivering many hundreds of Megabits of capacity over a single conductor medium-voltage powerline. Under development for the past 2.5 years, the unique physical-layer approach enables very low cost implementation and robust operation while achieving unparalleled performance. PowerCorridor™ further reduces system costs by using mass-market 802.11 chip-sets in the core system components.

The PowerCorridor™ system delivers end-user access wirelessly over 802.11b/g from any point along the electric grid. A Homeplug-compliant version for end-user access over the low-voltage lines is also in development.

Availability

Corridor Systems plans continued testing and trials of its system with other leading utility and service provider partners in the coming months. General availability of the PowerCorridor™ system is planned for Q2/2004.

About Corridor Systems

Corridor Systems designs, develops, and markets core technology and network building blocks for creating very high-speed broadband networks. The Company's initial product, Power Corridor™, is an end-to-end solution for utilities and 3rd party network operators to deliver residential and commercial broadband services using the existing medium-voltage electric grid. Power Corridor™ is based on breakthrough patent-pending E-Line™ technology that enables speeds substantially higher than other powerline solutions. Power Corridor leverages mass-market 802.11 chip-sets and thereby enables deployment at significantly lower costs than other solutions. Corridor Systems is based in Santa Rosa, CA. The Company's founders are veterans of HP R&D Labs with experience providing innovative technology to utilities and service providers. The company's website can be found at www.corridor.biz.