

IBM and International Broadband Electric Communications, Inc. Work Together to Connect Rural America

- High speed Internet access now available via Broadband over Power Line

ARMONK, NY and HUNTSVILLE, AL – November 12, 2008 – IBM (NYSE: IBM) and International Broadband Electric Communications, Inc. (IBEC) today announced the signing of a \$9.6 million Agreement to have IBM install Broadband over Power Line (BPL) networks at electric cooperatives throughout the eastern US. IBEC will focus on providing broadband services to underserved residents in rural America.

Currently, there are over 900 electric cooperatives in the United States providing 45% of the total electric grid and covering 75% of the land mass in the U.S. BPL leverages an existing asset, the power lines, to quickly and inexpensively deploy broadband access. IBM, the first major systems integrator to enter this market, will provide overall project management, oversight, and training of the line crews who will be installing the BPL equipment. IBEC, the leader in bringing broadband to rural America, will provide the BPL technology and equipment and serve as the Internet Service Provider (ISP) to these rural residents.

“Americans in rural areas of the country trail their urban and suburban counterparts in broadband availability,” noted Scott Lee, CEO of IBEC, in making this announcement. “This capability will play a critical role in rural health, education, and economic development, while closing the *Digital Divide* that exists between well served and underserved America.”

“This partnership leverages the deep communications and project management expertise of IBM with the market presence and position of IBEC in the rural electric cooperative space to accelerate the deployment of broadband services in these underserved areas,” said Raymond Blair, Director of Advanced Networks at IBM. “High-speed Internet service is revolutionizing the way we do business, and access to this resource will generate great opportunities for rural America.”

Bill Moroney, President & CEO of the Utilities Telecom Council (UTC), noted that “this announcement represents a major step forward in bringing broadband services to the residents of rural America. This is a key development in the growth and availability of high-speed Broadband over Power Line Internet services and widespread availability of critical SmartGrid applications in the United States, and I applaud IBEC and IBM for their accomplishments in this area,” said Moroney. The UTC is an international organization representing the critical infrastructure communications needs of investor-owned (IOU), municipal, and cooperative (Co-op) electric, gas, and water utilities worldwide.

While focusing initially on bringing broadband Internet services to rural America, this new service will also enhance the ability of electric utilities to monitor, manage, and control the reliability of their electric grid and further optimize the capabilities of IBEC as well as rural electric utilities in broadening the offerings available to consumers. The deal is the first of its kind to deploy BPL technology in the electric cooperative space.

About IBEC

IBEC, Inc. is a full-service provider of Broadband over Power Line Internet access solutions and services, electric utility SmartGrid management and control solutions, and powerline-based security systems. Focused on meeting the broadband needs of rural and underserved America, IBEC is the leading provider of Broadband over Power Line solutions to rural electric utilities and their consumers. For more information, contact IBEC at 285 Dunlop Boulevard SW, Suite K, Huntsville, AL 35824-1103 USA, 256.492.1000, 256.456.1406 fax, or via email at Marketing@ibec.net. On the Internet, visit IBEC at www.ibec.net and www.bpl.coop.

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About IBM

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