

Wall Street West plan advances

Level 3 Communications hired to extend fiber optic network from NYC into Pennsylvania as part of project to create emergency back-up.

By Jerry Lynott, *The Times Leader*

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The plan to provide back-up data locations for Wall Street financial firms took a big step forward Thursday with the hiring of Level 3 Communications to build a fiber optic network westward into Pennsylvania.

As part of the Wall Street West initiative, the Broomfield, Colo.-based Level 3 will construct a network made up of two rings beginning in New York City and extending to two terminuses near East Stroudsburg and Easton. Construction on the project is expected to begin in a year and take another year to complete.

The initiative begun more than three years ago promotes Northeastern Pennsylvania as a strategic location for facilities to store and protect financial data in the event of a disaster or power outage. The back-up centers will allow Wall Street firms to continue to operate.

Including the \$15 million in funds already secured for developing a work force to service the back-up operations, another \$25 million in state, federal and private funds have been committed for the project. Level 3, which also provides telecommunications services to the state, is contributing an undisclosed amount to the \$25 million package.

Speaking by telephone from New York City, where he was touting the initiative, Gov. Ed Rendell congratulated the people and numerous organizations from a nine-county area in the northeastern and eastern parts of the state for their work on Wall Street West. More than 100 people gathered at Pocono Manor for the announcement.

“One of the great things that’s happening is we’re being besieged by New Yorkers coming to live in the northeast region of the state so it’s a ready spot for backroom operations for a lot of New York financial service companies as well,” Rendell said. “So it’s backup and back room and we’re on our way.”

Even before the trenches have been dug for the lines, companies want to be connected to the network.

Pocono developer Larry Simon of The Synchronium Group said he expects to have four major leases signed within the next six to eight months that will create approximately 5,000 jobs and involve 750,000 square feet of building space.

“It’s all back-up operations, both data and personnel,” Simon said. “They are all major financial institutions, trading and clearing houses as well as back-up office space.”

Those firms that need synchronous replication or simultaneous transmission of data to their back-up operations will be connected within the 125-mile limit of the lines, explained Jeff Allen, a Level 3 vice president.

But the benefits extend beyond that into Carbon, Berks, Lackawanna, Lehigh, Luzerne, Monroe, Northampton, Pike and Wayne counties.

“There will be plenty of firms that just need data back-up and it doesn’t need to be synchronous, so that’s where you really bring opportunity for all of the nine counties,” Allen said.

U.S. Rep. Paul Kanjorski, D-Nanticoke, hinted at the opportunity the network will provide.

Kanjorski, who also spoke by phone, has been at the forefront of the project and behind the initial study on what role the region could play in providing business continuity operations to financial firms in the case of disasters such as the Sept. 11 terrorist attacks on the World Trade Center towers.

“I look forward, within the next several months very important announcements will be made welcoming the financial service industry of the world to Northeastern Pennsylvania,” he said.