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September 9, 2011

Via Electronic Filing

Marlene H. Dortch, Secretary Federal Communications Commission International Bureau Applications P.O. Box 979093 St. Louis, MO 63197-9700

Re: In the Matter of the Joint Application of CCGI Holding Corporation ("Transferor"), Covad Communications Company, DSLnet Communications, LLC, DSLnet Communications VA, Inc., ("Licensees") and DIECA Communications, Inc. ("Transferee") for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, of a *Pro Forma* Intra-Corporate Transaction

Dear Ms. Dortch:

On behalf of CCGI Holding Corporation ("CCGI"), Covad Communications Company ("CCC"), DSLnet Communications, LLC ("DSLnet"), DSLnet Communications Virginia, Inc. ("DSLnet-VA") and DIECA Communications, Inc. ("DIECA") (collectively, the "Applicants"), enclosed please find an application for approval of a transaction whereby CCC, DSLnet, and DSLnet-VA, through one or more *pro forma* intra-corporate transactions, merge with and into DIECA, with DIECA surviving. The transaction is being undertaken merely as an internal *pro forma* reorganization of the companies. Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 assignment application and international section 214 assignment application ("Combined Application").

This filing and the applicable credit card payment in the amount of \$1,050.00, for each of the international Section 214 authorization holders, which satisfies the filing fee required for this application under line 2.b of Section 1.1105 of the Commission's rules, are being submitted electronically through the MyIBFS. Applicants are simultaneously filing the Application with the Wireline Competition Bureau, in accordance with the Commission's rules.

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Marlene H. Dortch, Secretary September 9, 2011 Page 2

Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

Russell M. Blau Jeffrey Strenkowski Nguyen T. Vu

Counsel for Applicants

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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| In the Matter of the Joint Application of |)) |
| CCGI Holding Corporation, |) WC Docket No. 11 |
| Transferor |) File Nos. ITC-T/C-2011 |
| Covad Communications Company, | <u> </u> |
| DSLnet Communications, LLC, |) |
| DSLnet Communications VA, Inc. |) |
| Licensees |) |
| |) |
| and |) |
| |) |
| DIECA Communications, Inc. |) |
| Transferee | ,) |
| |) |
| For Grant of Authority Pursuant to Section 214 |) |
| of the Communications Act of 1934, as Amended, |) |
| and Sections 63.04 and 63.24 of the Commission's |) |
| Rules to Complete a <i>Pro Forma</i> Intra-Corporate |) |
| Transaction | ·) |
| | ·) |

JOINT APPLICATION

CCGI Holding Corporation ("CCGI"), Covad Communications Company ("CCC"), DSLnet Communications, LLC ("DSLnet"), DSLnet Communications Virginia, Inc. ("DSLnet-VA") and DIECA Communications, Inc. ("DIECA" and together with CCGI, CCC, DSLnet, and DSLnet-VA the "Applicants"), through their undersigned counsel and pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.04, 63.24, respectfully request Commission approval, to the extent necessary, for CCC, DSLnet, and DSLnet-VA through one or more *pro forma* intracorporate transactions, to merge with and into DIECA, with DIECA surviving (the "Transac-

tion"). The Transaction is being undertaken merely as an internal *pro forma* reorganization of the companies and their unregulated affiliate, MegaPath, Inc. ("MegaPath," and together with CCC, DIECA, DSLnet and DSLnet-VA, the "MegaPath Group"), into DIECA in order to streamline operations under a single "MegaPath" branded company combining the individual operations of the various affiliated entities. This intra-corporate reorganization will eliminate unnecessary intermediate companies in the MegaPath Group corporate structure and reduce the number of entities holding state public utility commission authorizations to streamline regulatory reporting obligations and increase efficiency in their operations.

The MegaPath Group is comprised of a number of companies that have come together through corporate mergers of various existing communications businesses. As a result of these transactions, the corporate structure of the MegaPath Group has become increasingly complex, with numerous operating entities, many of whose services overlap. A current corporate organizational chart is provided as Exhibit A. Through the merger of various of those entities and the realignment and transfer of certain assets to consolidate services within the appropriate business unit the MegaPath Group, also depicted in Exhibit A, will greatly simplify its corporate structure. A corporate organizational chart upon completion of the mergers is provided as part of Exhibit A.

This simplified corporate structure will reduce the reporting and accounting burdens of the MegaPath Group and provide operational efficiencies. Specifically, the following individual companies will be merged with and into DIECA as part of the transaction: CCC, DSLnet, DSLnet-VA, and MegaPath (unregulated). DIECA already holds domestic and international Section 214 authority to provide interstate and international telecommunications services.

Therefore, upon consummation of the proposed Transaction, CCC, DSLnet and DSLnet-VA will surrender their Domestic and International Section 214 authorizations through separate filings.

B. Request for Streamlined Processing

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.03 of the Commission's Rules, 47 C.F.R. § 63.03. In particular, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Applicants (and their Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and Applicants (and their Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

With respect to international authority, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. § 63.12(a)-(b). In particular, Applicants qualify for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission's rules, 47 C.F.R. § 63.10(a)(1), (3), because they are not foreign carriers and, as demonstrated below in Section V(k), their only foreign carrier affiliation is with non-dominant carriers in a country that is a Member of the WTO.

In support of this Application, Applicants provide the following information:

II. <u>DESCRIPTION OF THE APPLICANTS</u>

A. MegaPath, DSLnet Communications, LLC, and DSLnet Communications VA, Inc.

MegaPath Inc. is a Delaware corporation with its principal office located at 2220 O'Toole Avenue, San Jose, CA 95131. MegaPath is the direct parent company of DSLnet and DSLnet-

VA. MegaPath is a provider of a variety of managed Internet Protocol ("IP") services including cable and satellite system broadband Internet access, mobility services such as digital certificates, global remote access, personal firewalls, and remote access virtual private networks ("VPN"), and security services. MegaPath does not currently offer any regulated telecommunications services and therefore does not hold any telecommunications authorizations from the FCC or any state regulatory authority. MegaPath is a wholly owned subsidiary of CCGI Holding Corporation ("CCGI"), as discussed below.

DSLnet Communications, LLC is a Delaware limited liability company. DSLnet Communications VA, Inc. is a Virginia corporation. Both DSLnet and DSLnet-VA have their principal offices located at 2220 O'Toole Avenue, San Jose, CA 95131. DSLnet and DSLnet-VA provide high speed access to the Internet services. DSLnet is authorized to provide intrastate telecommunications services in forty-seven (47) states and the District of Columbia, and DSLnet-VA is authorized to provide intrastate telecommunications services in Virginia. DSLnet is authorized by the Commission to provide international and domestic interstate telecommunications services as a non-dominant carrier; DSLnet-VA is authorized by the Commission to provide domestic interstate telecommunications services as a non-dominant carrier.

B. CCGI Holding Corporation, Covad Communications Company, and DIECA Communications, Inc.

CCGI Holding Corporation ("CCGI") is a Delaware corporation with offices located at 2220 O'Toole Avenue, San Jose, CA 95131. CCGI owns Covad Communications Group, Inc. ("Covad"), a Delaware corporation, that in turn owns Covad Communications Company ("CCC"), a California corporation, and DIECA Communications, Inc. ("DIECA"), a Virginia corporation. Covad is a leading nationwide provider of integrated voice and data communications.

As discussed above, CCGI also owns MegaPath, and thereby indirectly owns DSLnet and DSLnet-VA.

tions. Through its operating companies (CCC and DIECA), the company offers DSL, Voice Over IP, T1, Ethernet, Web hosting, managed security, IP and dial-up, wireless broadband, and bundled voice and data services directly through Covad's network and through Internet Service Providers, value-added resellers, telecommunications carriers and affinity groups to small and medium-sized businesses and home users. Covad's broadband services are currently available across the nation in 44 states and 235 Metropolitan Statistical Areas ("MSAs") and can be purchased by more than 57 million homes and businesses, which represent over 50 percent of all US homes and businesses. CCC and DIECA have principal offices located at 2220 O'Toole Avenue, San Jose, California 95131. CCC and DIECA are authorized by the FCC to provide international and domestic interstate telecommunications services as non-dominant carriers.

III. DESCRIPTION OF THE PRO FORMA TRANSACTION

All of the entities involved in this Application are indirect, wholly-owned subsidiaries of CCGI, and are already operating under a common management structure. Applicants propose to complete a series of *pro forma* internal restructuring transactions through which DIECA will merge with CCC, MegaPath, DSLnet and DSLnet-VA. DIECA will survive these mergers, following which it will continue to serve their respective customer bases. Upon consummation of the proposed Transaction, CCC, DSLnet and DSLnet-VA will surrender their Domestic and International Section 214 authorizations through a separate filing. As a result of the proposed Transaction, DIECA will replace CCC, DSLnet, and DSLnet-VA as the service provider in the jurisdictions where CCC, DSLnet and DSLnet-VA are authorized to provide telecommunications services. Subject to receipt of the required regulatory approvals, the Transaction is expected to close in the fourth quarter this year.

Although the proposed Transaction will involve a transfer of customers, immediately following the proposed Transaction, all of those customers will continue to receive service from DIECA under the same rates, terms and conditions as the services currently provided. As a result, the proposed Transaction will be almost seamless and virtually transparent to customers served by MegaPath, CCC, DSLnet, and DSLnet-VA in terms of the services that they currently receive. While the Applicants have already begun to inform customers of the pending change, all of the affected customers will receive notice in compliance with the Commission's rules. Moreover, because DIECA is also acquiring through the mergers all of the assets of MegaPath, DSLnet-VA and CCC necessary to provide service to the transferred customers, DIECA will have all of the assets required to continue to provide high-quality services to the customers it acquires.

DIECA is well-qualified to provide service to MegaPath, DSLnet, DSLnet-VA, and CCC customers. DIECA currently provides local and long distances telecommunications services in 36 states and the District of Columbia. DIECA's operations will continue to be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise.

IV. PUBLIC INTEREST STATEMENT

The proposed Transaction described above will serve the public interest by ensuring that the assigned customers enjoy continuity of high-quality services. In particular, the assignment of MegaPath's, CCC's, DSLnet's, and DSLnet-VA's customers, together with the transfer of other assets required to serve those customers, will ensure that the customers continue to receive uninterrupted services. The customers will be served by a carrier with significant technical, managerial and financial resources. The Transaction is intended to streamline the operations of the companies, and thereby create operational efficiencies.

Applicants seek to complete the proposed Transaction as soon as possible. Accordingly, Applicants respectfully request that the Commission process, consider, and approve this Application as expeditiously as possible.

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(3) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

(a) Name, address and telephone number of each Applicant:

CCGI Holding Corporation FRN 0017234758
2220 O'Toole Avenue
San Jose, CA 95131

DSLnet Communications LLC
DSLnet Communications VA Inc.

2220 O'Toole Avenue
San Jose, CA 95131

FRN 0004324851
FRN 0015540230

Covad Communications Company
DIECA Communications, Inc.
FRN 0003753753
FRN 0003753787
2220 O'Toole Avenue
San Jose, CA 95131

(b) Jurisdiction of Organizations:

- DSLnet is a Delaware limited liability company
- DSLnet-VA is a Virginia corporation.
- CCGI is a Delaware corporation.
- CCC is a California corporation.
- DIECA is a Virginia corporation.

(c) (Answer to Question 10) Correspondence concerning this Application should be

sent to:

For Applicants:

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With copies to:

Anthony Hansel
Assistant General Counsel
DIECA, Covad, DSLnet, MegaPath
1750 K Street, NW
Suite 200
Washington, DC 20006
202-220-0410 (Tel)
202-833-2026 (Fax)
anthony.hansel@megapath.com

(d) Section 214 Authorizations:

CCGI does not hold any domestic or international Section 214 authorizations, but controls DSLnet, DSLnet-VA, CCC, and DIECA, all of which hold Domestic and International Section 214 authorizations.

DSLnet holds Section 214 authority to provide global facilities-based and resold services pursuant to authority granted by the Commission in File Nos. ITC-214-19990716-00434 and ITC-ASG-20030611-00290. DSLnet also holds blanket domestic Section 214 authority to provide interstate telecommunications services.

DSLnet-VA holds blanket domestic Section 214 authority, but does provide international telecommunications services and does not hold international Section 214 authority.

CCC and DIECA hold blanket domestic authority to provide interstate services. 47 C.F.R. § 63.01. CCC and DIECA each also hold global facilities based and resale Section 214 authority to provide international services pursuant to authority granted in FCC File Nos. ITC-214-20021118-00544 (CCC) and ITC-214-20021126-00558 (DIECA).

(h) (Answer to Questions 11 & 12) The following entities hold, directly or indirectly, a 10% or greater interest² in Applicants as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

Pre-Transaction Direct Ownership of DSLnet and DSLnet-VA:

Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

The following entity currently has a 10% or greater direct interest in DSLnet Communications, LLC and DSLnet Communications VA, Inc.:

Name:

MegaPath Inc.

Address:

2220 O'Toole Avenue

San Jose, CA 95131

Ownership:

100% directly in DSLnet and DSLnet-VA

Citizenship:

U.S

Primary Business:

Managed IP Communications Services Provider

<u>Pre-Transaction Direct Ownership of CCC and DIECA and Post-Transaction Ownership of DIECA:</u>

The following entities currently have a 10% or greater direct interest in Covad Communications Company and DIECA Communications, Inc., and, upon completion of the transaction, will continue to have a 10% or greater direct interest in DIECA Communications, Inc.:

Name:

Covad Communications Group, Inc.

Address:

2220 O'Toole Avenue

San Jose, California 95131

Citizenship:

U.S

Primary Business:

Holding Company

Current Ownership:

100% directly in CCC and DIECA

Post-Transaction:

100% directly in DIECA

<u>Pre-Transaction Direct Ownership of Covad Communications Group, Inc. and MegaPath, Inc., and Post-Transaction Ownership of Covad Communications Group, Inc.:</u>

The following entity currently has a 10% or greater direct interest in Covad Communications Group, Inc. and MegaPath Inc., and after the transaction, will hold a 10% or greater direct interest in Covad Communications Group, Inc.:

Name:

CCGI Holding Corporation ("CCGI")

Address:

2220 O'Toole Avenue

San Jose, CA 95131

Citizenship:

U.S

Primary Business:

Holding Company

Current Ownership: 100% indirect

: 100% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA as 100% direct owner of Covad Communications

Group, Inc. and MegaPath Inc.

Post-Transaction:

100% indirectly in DIECA as 100% direct owner of Covad

Communications Group, Inc.

Pre- and Post-Transaction Direct Ownership of CCGI Holding Corporation:

The following entity has a 10% or greater direct interest in CCGI Holding Corpo-

ration:

Name:

CCGI Holdings, LLC

Address:

360 North Crescent Drive, South Building

Beverly Hills, CA 90210

Citizenship:

U.S

Primary Business:

Holding Company

Current Ownership:

68% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA as 68% owner of CCGI

Post-Transaction:

68% indirectly in DIECA as 68% direct owner of CCGI

Pre- and Post-Transaction Ownership of CCGI Holdings, LLC:

CCGI Holdings, LLC ("CCGI Holdings") is ultimately controlled by Platinum Equity, LLC. Three private equity funds and one investment entity, all of which are ultimately controlled by Platinum and Tom Gores, hold direct equity interests totaling 100% in CCGI Holdings, and therefore 68% indirectly in CCGI and DSLnet, DSLnet-VA, CCC and DIECA (and 68% indirectly in CCGI and DIECA post-transaction). The three private equity funds are: (a) Platinum Equity Capital Partners II, L.P. ("PECP"); (b) Platinum Equity Capital Partners-A II, L.P. ("PECP-PF"); and the investment entity is Platinum Blackberry Principals, LLC ("PBP") (PECP, PECP-A, PECP-PF and PBP collectively, the "CCGI Holding Shareholders"). The names, addresses, citizenship, primary business, and equity interest in CCGI Holdings of each of the CCGI Holding Shareholders is as follows:

Name:

Platinum Equity Capital Partners II, L.P. ("PECP") 3

Address:

360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship:

U.S.

Primary Business:

Investments

Current Ownership:

41% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA through CCGI as 60.6% direct owner of CCGI Hold-

ings

Post-Transaction:

41% indirectly in DIECA as 60.6% direct owner of CCGI

Holdings

The limited partnership interests in PECP are held by institutional investors and Platinum Equity Investment Holdings II, LLC ("PEIH"), a Delaware limited liability company. With the exception of PEIH, these limited partners have no control over the day-to-day business operations, activities, or decisions of PECP or CCGI. With the exception of PEIH, none of these limited partners ultimately holds equity interests in CCGI greater than 10%. The sole general partner of PECP is Platinum Equity Partners II, LLC ("PEP"), a Delaware limited liability company. The senior managing member and controlling entity of PEP is PEIH, the sole member of which is Platinum. PEP, PEIH and Platinum are described more fully below.

Name:

Platinum Blackberry Principals, LLC ("PBP")4

Address:

360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship:

U.S.

Primary Business:

Investments

Current Ownership:

13.6% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA as 20% direct owner of CCGI Holdings

Post-Transaction:

13.6% indirectly DIECA as 20% direct owner of CCGI

Holdings

Name:

Platinum Equity Capital Partners-A II, L.P. ("PECP-A")5

Address:

360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship:

U.S.

Primary Business:

Investments

Current Ownership:

6.5% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA as 9.6% direct owner of CCGI Holdings

Post-Transaction:

6.5% indirectly in DIECA as 9.6% direct owner of CCGI

Holdings

Name:

Platinum Equity Capital Partners-PF II, L.P. ("PECP-PF")6

Address:

360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship:

U.S.

Primary Business: Current Ownership: Investments 6.6% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA as 9.8% direct owner of CCGI Holdings

Post-Transaction:

6.6% indirectly in DIECA as 9.8% direct owner of CCGI

Holdings

The senior managing member of PBP is PEIH. The remaining membership interests in PBP are held by Platinum principals. With the exception of Tom Gores, these members have no control over the day-to-day business operations, activities, or decisions of PECP or CCGI. With the exception of Tom Gores and PEIH, none of these members ultimately holds equity interests in CCGI greater than 10%. The sole member of PEIH is Platinum. PEIH, Platinum and Tom Gores are described more fully below.

The sole general partner of PECP-A is PEP. The senior managing member and controlling entity of PEP is PEIH, the sole member of which is Platinum. PEP, PEIH and Platinum are described more fully below.

The limited partnership interests in PECP-PF are held by institutional investors. These limited partners have no control over the day-to-day business operations, activities, or decisions of PECP-PF or CCGI. None of these limited partners ultimately holds equity interests in CCGI greater than 10%. The sole general partner of PECP-PF is PEP. The senior managing member and controlling entity of PEP is PEIH, the sole member of which is Platinum. PEP, PEIH and Platinum are described more fully below.

Pre- and Post-Transaction Ownership of PECP, PECP-A and PECP-PF:

Name: Platinum Equity Partners II, LLC ("PEP")

Address: 360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship: U.S.

Primary Business: Private equity investments

Current Ownership: 54% indirect ownership of DSLnet and DSLnet-VA, CCC

and DIECA through its interests in PECP, PECP-A, and PECP-PF (as sole general partner of those entities)⁷

Post-Transaction: 54% indirect ownership of DIECA through its interests in

PECP, PECP-A, and PECP-PF (as sole general partner of

those entities)⁸

Pre- and Post-Transaction Ownership of PEP and PBP:

Name: Platinum Equity Investment Holdings II, LLC ("PEIH")⁹

Address: 360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship: U.S.

Primary Business: Private equity investments

Current Ownership: 68% indirectly in DSLnet, DSLnet-VA, CCC and DIECA

through its interests in PBP and PEP (as senior managing

member and controlling entity for each)

Post-Transaction: 68% indirectly in DIECA through its interests in PBP and

PEP (as senior managing member and controlling entity for

each)

Pre- and Post-Transaction Ownership of PEIH:

Name: Platinum Equity, LLC ("Platinum")

The senior managing member and controlling entity of PEP is PEIH. The remaining membership interests in PEP are held by Platinum principals. With the exception of Tom Gores, these members have no control over the day-to-day business operations, activities, or decisions of PECP or CCGI Holding. With the exception of Tom Gores and PEIH, none of these members ultimately holds equity interests in CCGI greater than 10%. The sole member of PEIH is Platinum. PEIH and Platinum are described more fully below.

The senior managing member and controlling entity of PEP is PEIH. The remaining membership interests in PEP are held by Platinum principals. With the exception of Tom Gores, these members have no control over the day-to-day business operations, activities, or decisions of PECP or CCGI Holding. With the exception of Tom Gores and PEIH, none of these members ultimately holds equity interests in CCGI greater than 10%. The sole member of PEIH is Platinum. PEIH and Platinum are described more fully below.

The sole member of PEIH II is Platinum. Platinum is described more fully below.

Address: 360 N

360 North Crescent Drive, South Building

Beverly Hills, California 90210

Citizenship:

U.S.

Principal Business:

Investments

Current Ownership:

68% indirectly in DSLnet, DSLnet-VA, CCC and DIECA

through 100% interest in PEIH

Post-Transaction:

68% indirectly in DIECA through 100% interest in PEIH

Pre- and Post-Transaction Ownership of Platinum:

The following individual ultimately currently owns or controls and, upon completion of the transaction, will continue to own or control 100 percent of the membership units (equity and voting interest) in Platinum:

Name:

Tom T. Gores

Address:

360 North Crescent Drive, South Building

Beverly Hills, CA 90210

Citizenship:

U.S.

Principal Business:

Individual

Current Ownership:

68% indirectly in DSLnet and DSLnet-VA, CCC and DI-

ECA through 100% interest in Platinum

Post-Transaction:

68% indirectly in DIECA through 100% interest in Plati-

num

To the best of Applicants' knowledge, no other person or entity currently holds or, upon completion of the transaction, will hold a ten percent (10%) or greater interest in Applicants.

Applicants do not have any interlocking directorates.

(i) (Answer to Question 14) Applicants are not foreign carriers. Through Platinum, Applicants are affiliated with the following foreign carriers:

Americatel Corporation ("Americatel") is an American company that holds a Class B License in Canada. Vancouver Telephone Company Limited ("Vancouver") is a subsidiary of Americatel Corporation, and holds a Class A License in Canada.

- (j) (<u>Answer to Question 15</u>) Applicants certify that, through the transaction, Applicants do not seek to provide international telecommunications services to any destination country where:
 - (1) Applicants are a foreign carrier in that country; or

(2) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Applicants and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.

However, DIECA is affiliated with two foreign carriers, Americatel and Vancouver. Americatel and Vancouver provide telecommunications services in Canada.

- (k) Applicants certify that Canada, the country referenced in paragraph (j) above, is a Member of the World Trade Organization ("WTO"). Americated and Vancouver, the foreign carriers listed in paragraph (j), are not on the Commission's List of Foreign Telecommunications Carriers that are presumed to Possess Market Power in Foreign Telecommunications Markets, released on January 26, 2007. In addition, Americated and Vancouver, the foreign carriers listed in paragraph (j), offer services in competition with dominant foreign carriers and others.
- (I) Licensees may resell international switched services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where they have a foreign carrier affiliation. As demonstrated above, and because Americatel and Vancouver lack 50 percent market share in the international transport and the local access markets on the foreign end of the route, Licensees should be presumptively found to be non-dominant pursuant to Section 63.10(a)(3) of the Commission's rules, 47 C.F.R. § 63.10(a)(3).
- (m) Licensees qualify for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission's rules, 47 C.F.R. § 63.10(a)(1,3), because they are not foreign carriers and, as demonstrated above in paragraph (k), their affiliation is with non-dominant foreign carriers in a country that is a Member of the WTO.
- (n) Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the

foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

- (o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.
- (p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). Applicants are or will be affiliated with foreign carriers that provides telecommunications services in Canada. Nevertheless, Applicants qualify for streamlined treatment under Section 63.12(c) because Applicants qualify for a presumption of non-dominance under Section 63.10(a)(1) and (3) for the reasons detailed in response to paragraphs (k) and (m) above.

VI. INFORMATION REQUIRED BY SECTION 63.04

In lieu of an attachment, pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b), Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12), 47 C.F.R. § 63.04(a)(6)-(12):

- (a)(6) A description of the proposed Transaction is set forth in Section III above.
- (a)(7) The Applicants and their affiliates offer domestic telecommunications services in the United States as follows:
- (i) DSLnet provides domestic telecommunications services in the District of Columbia and all states except Alaska, Missouri, Mississippi and Virginia. DSLnet-VA provides domestic telecommunications services in Virginia. Specifically, DSLnet and DSLnet-VA provide highspeed Internet access services.

- (ii) Together, CCC and DIECA offer telecommunications service in the following jurisdictions: Alabama, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming. Specifically, the Covad-Licensees provide integrated voice and data wireline communications services.
- (a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. § 63.03. In particular, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Applicants (and their Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Applicants (and their Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.
- (a)(9) By this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)).
- (a)(10) Prompt completion of the proposed transaction is critical to ensure that Applicants can obtain the benefits described in the foregoing application. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to

consummate the proposed transaction as soon as possible. No party, however, is requesting special

consideration because it is facing imminent business failure.

(a)(11) Not applicable.

(a)(12) A statement showing how grant of the application will serve the public interest,

convenience and necessity is provided in **Section IV** above.

VII. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, con-

venience, and necessity would be furthered by a grant of this Application. Indeed, failure to grant

it would directly harm the public interest. In light of the particular need to ensure continuity of

service to existing customers, Applicants respectfully request expedited treatment to permit

Applicants to complete the Transactions as soon as possible.

Respectfully submitted,

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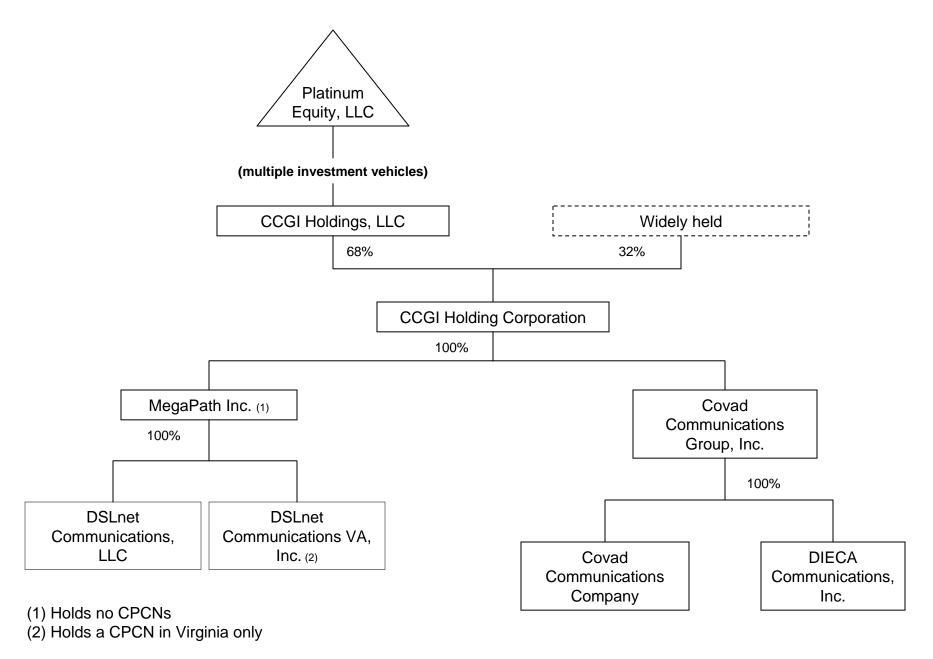
Dated: September 9, 2011

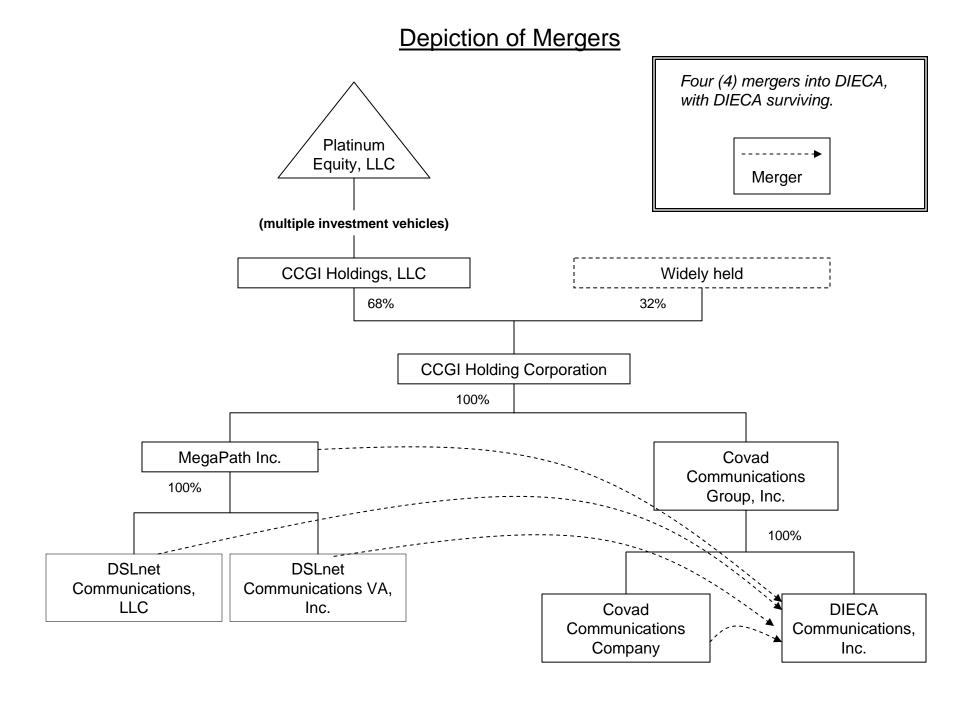
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EXHIBIT A

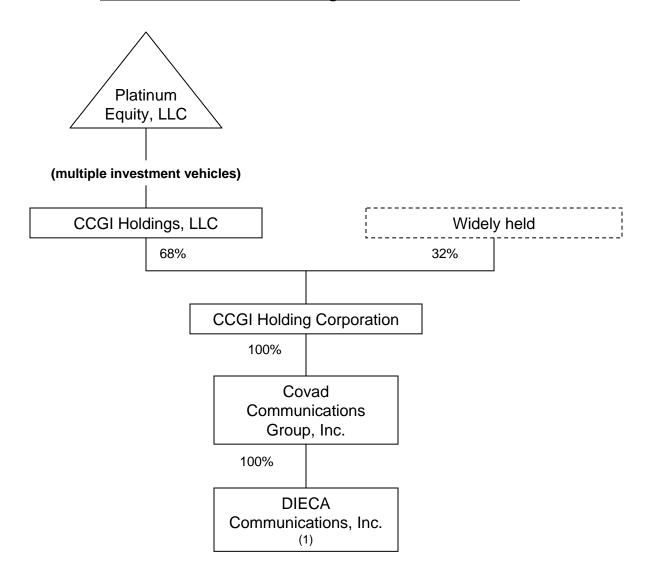
Illustrative Chart of Transaction and Ownership

Current Organizational Chart





Post-Transactions Organizational Chart



(1) Will ultimately change its corporate name or dba to the "MegaPath" brand name

VERIFICATIONS

VERIFICATION

I, Douglas Carlen, being duly sworn, deposes and say that I am the General Counsel and Secretary of MegaPath Inc., DSLnet Communications, LLC, DSLnet Communications VA, Inc., Covad Communications Company and DIECA Communications, Inc. (collectively, the "Companies"); that I am authorized to make this Verification on behalf of the Companies; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

Douglas Carlen
General Counsel and Secretary
MegaPath Inc.
DSLnet Communications, LLC
DSLnet Communications VA, Inc.
Covad Communications Company

DIECA Communications, Inc.

Sworn and subscribed before me this day of September, 2011.

Notary Public

My commission expires: MM 75 7015

