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August 12, 2010

Via Overnight Courier

Chairman Eddie Roberson, Ph.D.
c/o Sharla Dillon, Dockets and Record Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

10-00165

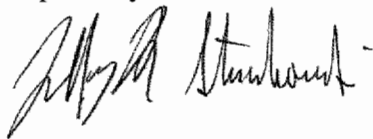
Re: Joint Petition of CCGI Holdings, LLC, CCGI Holding Corporation, DSLnet Communications, LLC, and DIECA Communications, Inc. for Approval of a Pro Forma Change in Corporate Structure of DSLnet Communications, LLC and DIECA Communications, Inc.

Dear Chairman Roberson:

On behalf of CCGI Holdings, LLC, CCGI Holding Corporation, DIECA Communications, Inc. and DSLnet Communications, LLC (collectively, "Petitioners"), please find enclosed for filing an original and thirteen (13) copies of the above-referenced Joint Petition. Also enclosed is a check in the amount of \$50.00 to cover the filing fee.

Please date-stamp the extra copy of this filing and return it in the envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact me at (202) 373-6002.

Respectfully submitted,



Russell M. Blau
Brett P. Ferencak
Jeffrey R. Strenkowski

Counsel to the Petitioners

Enclosure

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ONE FEDERAL STREET
BOSTON, MASSACHUSETTS 02110-1726

Bank of America
South Portland, ME

52-153/112

CHECK NO.:

10176553

DATE: 08/12/10

VENDOR: 408446

\$50.00

PAY FIFTY AND 00/100 DOLLARS

TO
THE
ORDER
OF

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

BINGHAM McCUTCHEN LLP

By Richard Calcasola

⑈ 10176553 ⑈ ⑆ 011201539 ⑆ 00800 88400 ⑈

**Before the Tennessee Regulatory Authority
Nashville, Tennessee**

August 12, 2010

In re: Joint Petition of CCGI Holdings, LLC,)
CCGI Holding Corporation, DSLnet)
Communications, LLC and DIECA)
Communications, Inc. for Approval of a Pro Forma)
Change in Corporate Structure of DSLnet)
Communications, LLC and DIECA)
Communications, Inc.)

Docket No. _____

JOINT PETITION

I. INTRODUCTION

1. CCGI Holdings, LLC (“New Holdco”), CCGI Holding Corporation (“CCGI”), DIECA Communications, Inc. d/b/a Covad Communications Company (“Covad”), and DSLnet Communications, LLC (“DSLnet”) (New Holdco, CCGI, Covad, and DSLnet collectively, “Petitioners”), through their undersigned counsel and pursuant to Tenn. Code Ann. § 65-4-112 and the rules of the Tennessee Regulatory Authority (“Authority”), respectfully request approval or such authority as may be necessary or required for a *pro forma* change in corporate structure whereby New Holdco will be inserted into the corporate ownership chain above CCGI, which will wholly own DSLnet and Covad upon completion of the MegaPath-CCGI Transaction (as defined below).¹ This *pro forma* insertion is intended to be undertaken for business reasons after the completion of the transaction between CCGI and MegaPath (the “MegaPath-CCGI Transaction”), which will result in the transfer of indirect control of DSLnet as authorized by the Commission in

¹ The MegaPath-CCGI Transaction is expected to close in mid-August.

Docket No. 10-00089 on June 21, 2010. The Petitioners make clear that the insertion of New Holdco into the corporate ownership chain is only being undertaken for internal business reasons and will not affect the ultimate ownership of either DSLnet or Covad as previously approved by the Commission. Covad and DSLnet will continue to hold and operate their respective Tennessee certificates under the same name, rates, terms, and management team as today. The transaction will be seamless to customers.

2. Given the non-controversial nature of the proposed insertion, the Petitioners request that the Commission act expeditiously to grant the authority requested herein as soon as possible so that the Petitioners can timely consummate the proposed transaction to meet important business objectives.

In support of their Petition, the Petitioners state as follows:

I. DESCRIPTION OF THE PETITIONERS

A. CCGI Holdings, LLC

3. CCGI Holdings, LLC (“New Holdco”) is a Delaware limited liability company with principal offices located at 360 North Crescent Drive, Beverly Hills, California 90210. New Holdco is ultimately controlled by Platinum Equity, LLC (“Platinum”). Neither New Holdco nor Platinum offer any regulated telecommunications services. Platinum is a privately held Delaware limited liability company with offices also located at 360 North Crescent Drive, Beverly Hills, California 90210. Platinum is a global firm specializing in the merger, acquisition and operation of companies that provide services and solutions to customers in a broad range of business markets, including information technology, telecommunications, logistics, manufacturing, and entertainment distribution.

4. Platinum indirectly controls several other telecommunications carriers: Matrix Telecom, Inc. (“Matrix”); and Americatel Corporation (“Americatel”). Matrix provides integrated communications services including local, 1+ long distance and toll-free voice services plus a wide range of data services, such as dedicated Internet access, frame relay and point-to-point transmission services, chiefly to enterprise customers. Americatel provides international and domestic facilities-based and resold long distance services, including “dial around” casual calling (i.e., 1010XXX) service and presubscribed 1+ calling services, in each of the 48 contiguous states, with a particular emphasis on serving the needs of United States customers with connections to Latin America and the Caribbean.

B. CCGI Holding Corporation and Covad Communications Company

5. CCGI Holding Corporation is a Delaware corporation with offices located at 360 North Crescent Drive, Beverly Hills, California 90210. CCGI is ultimately controlled by Platinum, and is the parent company of Covad Communications Group, Inc., a Delaware corporation that owns Covad Communications Company (“CCC”), a California corporation and DIECA Communications, Inc. (“DIECA”), a Virginia corporation. CCC and DIECA have offices located at 2220 O’Toole Avenue, San Jose, California 95131. Covad Communications Group, Inc. is a leading nationwide provider of integrated voice and data communications. Through its operating companies, 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 its network and through Internet Service Providers, value-added resellers, telecommunications carriers and affinity groups to small and medium-sized businesses and home users. The company’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. In Tennessee, Covad is authorized to provide intrastate telecommunications services pursuant to an order of the Authority issued May 22, 2000, in Docket No. 99-00823. Covad is also authorized by the FCC to provide international and domestic interstate telecommunications services as a non-dominant carrier.

C. DSLnet Communications, LLC

6. DSLnet Communications, LLC is a Delaware limited liability company with principal offices located at 50 Barnes Park North, Suite 104, Wallingford, Connecticut 06492. DSLnet is a wholly owned subsidiary of MegaPath Inc., which in turn will be a wholly owned subsidiary of CCGI upon completion of the MegaPath-CCGI Transaction. DSLnet provides highspeed access to the Internet. DSLnet is authorized to provide intrastate telecommunications services in forty-seven (47) states and the District of Columbia, and DSLnet's affiliate DSLnet Communications VA, Inc. is authorized to provide intrastate telecommunications services in Virginia. In Tennessee, DSLnet was granted a Certificate of Convenience and Necessity as a Competing Telecommunications Service Provider pursuant to the Order issued by the Authority in Docket No. 99-00092 on July 29, 1999. DSLnet is also authorized by the FCC to provide international and domestic interstate telecommunications services as a non-dominant carrier.

II. CONTACT INFORMATION

Questions or inquiries concerning this Petition may be directed to:

For Petitioners:

Jean L. Kiddoo, Esq.
Russell M. Blau, Esq.
Brett P. Ferenchak, Esq.
Jeffrey R. Strenkowski, Esq.

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2020 K Street, N.W.
Washington, DC 20006

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jeffrey.strenkowski@bingham.com

For New Holdco and CCGI:

Eva Kalawski, Esq.
Executive Vice President, General
Counsel and Secretary
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360 North Crescent Drive, South
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Beverly Hills, CA 90210
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For Covad:

Katherine K. Mudge
Director, State Affairs & ILEC
Relations
Covad Communications Company
7000 N. Mopac Expwy., 2d Floor
Austin, Texas 78731
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512-514-6520 (Fax)
kmudge@covad.com

For DSLnet:

Steven B. Chisholm, Esq.
MegaPath Inc.
555 Anton Boulevard, Suite 200
Costa Mesa, California 92626
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and:

Schula Hobbs
Regulatory Affairs
DSLnet Communications, LLC
50 Barnes Park North, Suite # 104
Wallingford, CT 06492
203-284-6205 (fax)
shobbs@megapath.com

III. DESCRIPTION OF THE TRANSACTION

As previously described in Docket No. 10-00089, CCGI Holding Corporation and MegaPath Inc. entered into an Agreement and Plan of Merger dated as of March 26, 2010 (the “Agreement”). Pursuant the Agreement MegaPath will become a wholly owned, direct subsidiary of CCGI and CCGI will acquire indirect control of DSLnet. As part of the ultimate post-closing structure of the combined operations of the parties, the Petitioners have determined that they require the insertion of a holding company above CCGI in the corporate ownership chain. The company to be inserted will be New Holdco. The Petitioners, therefore, request authority for the *pro forma* insertion of New Holdco, which will not change the ultimate ownership of any regulated company, but will technically effectuate a *pro forma* change in corporate structure for DSLnet and Covad. For the Commission’s convenience, pre- and post-transaction corporate organizational structure charts are provided as Exhibit A.

Following the consummation of the proposed transaction, DSLnet’s and Covad’s customers will continue to receive service under the same rates, terms and conditions of service as before. The proposed *pro forma* transaction will not involve a change in either company’s operating authority in Tennessee and their tariffs will remain in effect. Thus, the proposed transaction will be seamless and transparent to Tennessee consumers.

IV. PUBLIC INTEREST CONSIDERATIONS

Petitioners respectfully submit that the *pro forma* insertion of a holding company in the corporate ownership chain serves the public interest. In particular, Petitioners submit that the transaction will be transparent to consumers. Following the *pro forma* change of corporate structure, DSLnet and Covad will continue to offer service with no change in the rates or terms and conditions of service. Further, DSLnet and Covad will continue to provide services to their

customers under the same names, and continue to be led by experienced management teams. Therefore, the *pro forma* change in corporate structure, which will simply insert an intermediate holding company, will be seamless and transparent to consumers.

V. CONCLUSION

For the reasons stated above, Petitioners respectfully submit that the public interest will be furthered by a grant of this Petition. Accordingly, Petitioners respectfully request expedited treatment to permit Petitioners to complete the proposed transaction as soon as possible.

Respectfully submitted,

By:



Jean L. Kiddoo
Russell M. Blau
Brett P. Ferencak
Jeffrey R. Strenkowski
BINGHAM MCCUTCHEN LLP
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COUNSEL FOR PETITIONERS

Dated: August 12, 2010

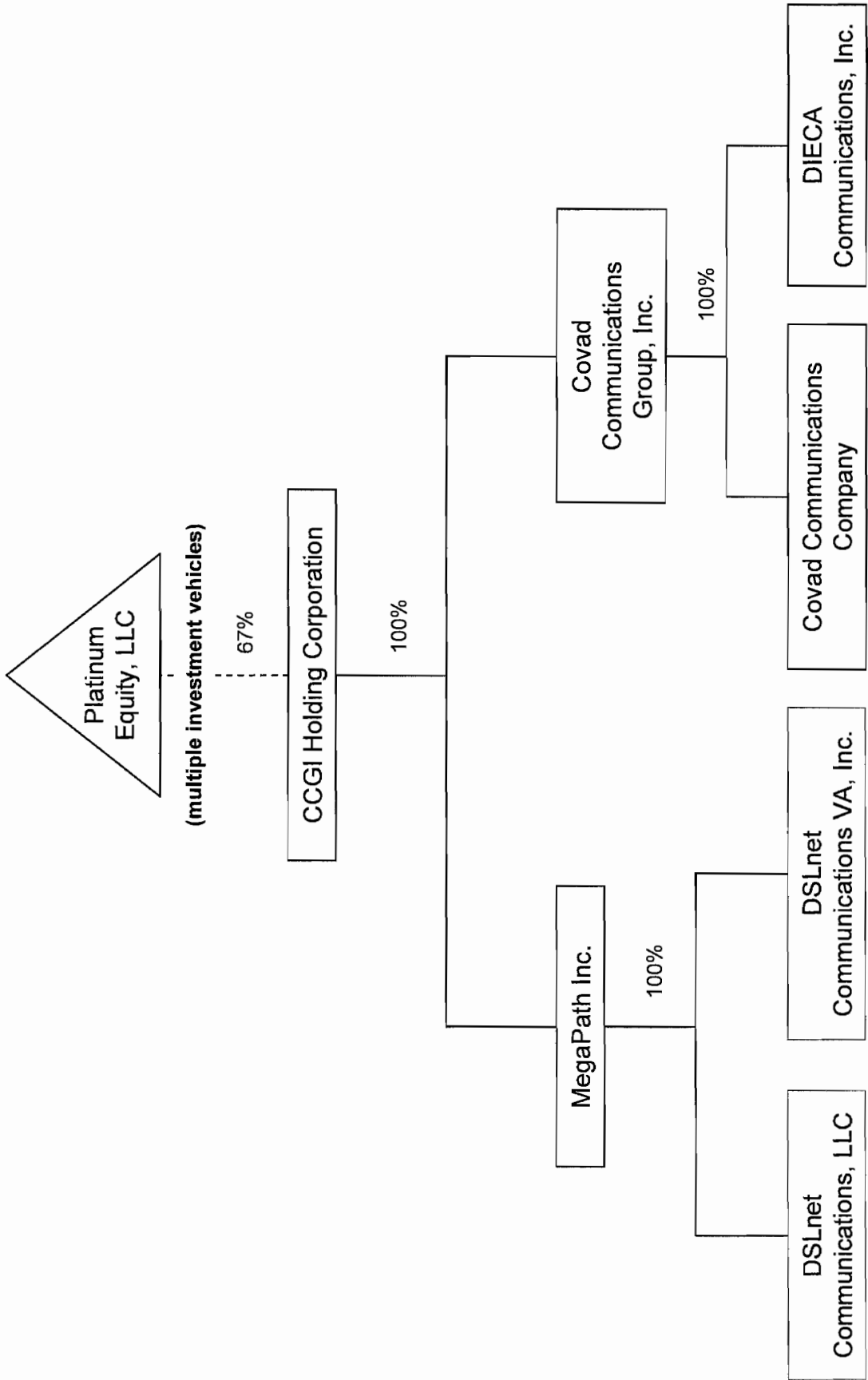
LIST OF EXHIBITS

Exhibit A	Pre- and Post-Transaction Corporate Organizational Structure
Verifications	

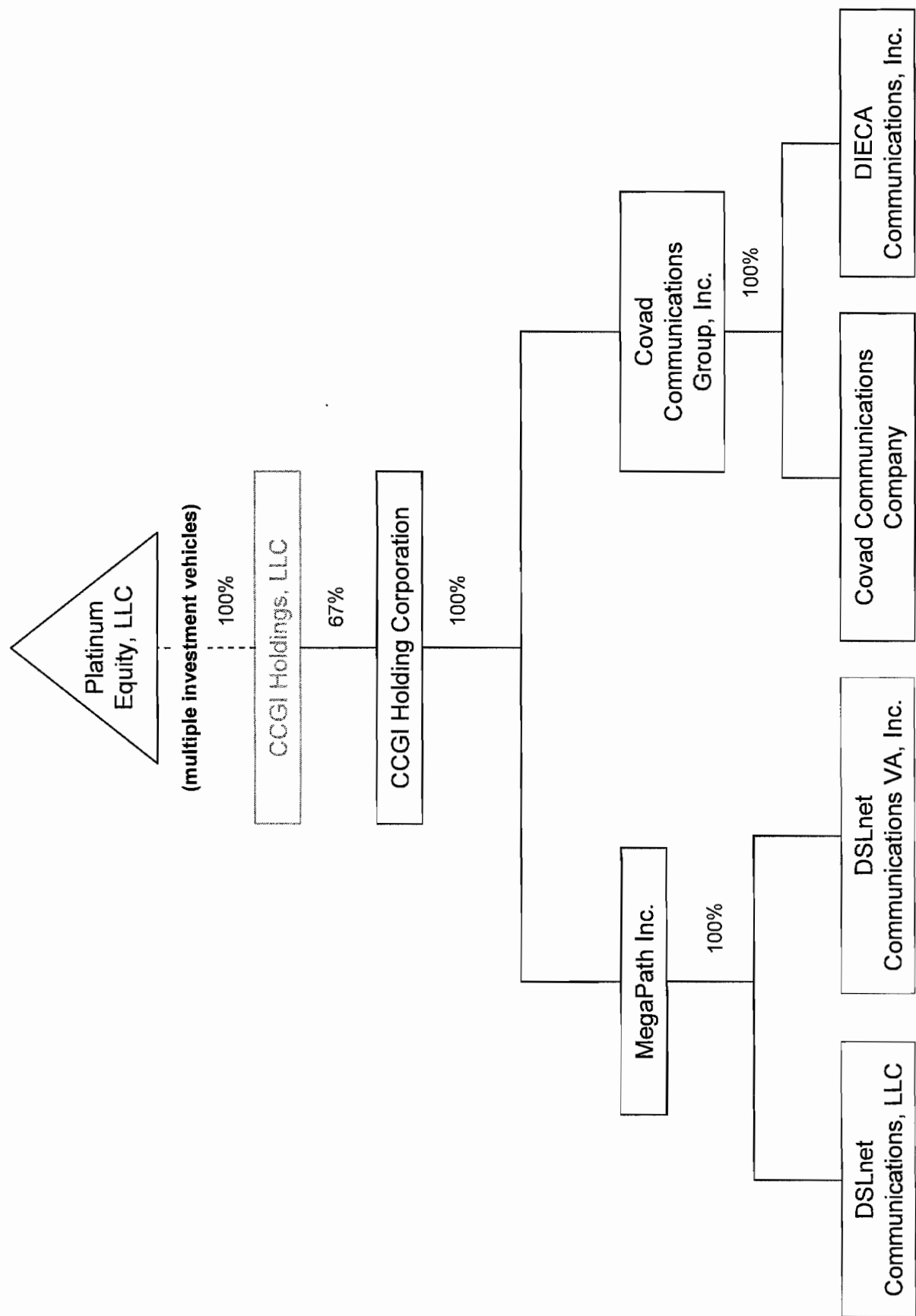
EXHIBIT A

Pre- and Post-Transaction Corporate Organizational Structure

Pre-Transaction Ownership of DSLnet and CCGI



Post-Transaction Ownership of DSLnet and CCGI



Verifications

STATE OF CALIFORNIA

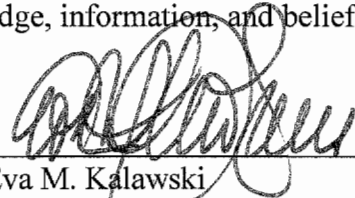
COUNTY OF LOS ANGELES

§
§
§

SS:

VERIFICATION

I, Eva M. Kalawski, being duly sworn, deposes and say that I am Vice President and Secretary of CCGI Holdings, LLC, CCGI Holding Corporation, DIECA Communications, Inc., and Covad Communications Company (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.



Eva M. Kalawski
CCGI Holdings, LLC
CCGI Holding Corporation
DIECA Communications, Inc.
Covad Communications Company

CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

State of California

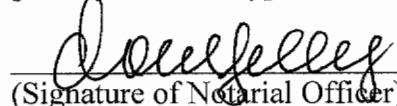
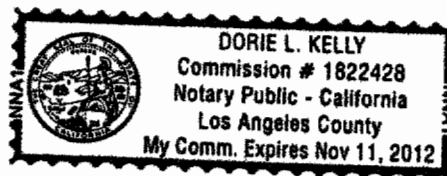
County of Los Angeles

On August 11, 2010, before me, the undersigned notary public, personally appeared Eva M. Kalawski, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Notary Seal, if any]:


(Signature of Notarial Officer)

Notary for the State of California

My commission expires: November 11, 2012

STATE OF CALIFORNIA
COUNTY OF ORANGE

§
§ SS:
§

VERIFICATION

I, Steven B. Chisholm, being duly sworn, deposes and say that I am the Senior Vice President, of MegaPath Inc. and DSLnet Communications, LLC (the "Company"); that I am authorized to make this Verification on behalf of the Company; 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.



Steven B. Chisholm
Senior Vice President
MegaPath Inc.
DSLnet Communications, LLC

CERTIFICATE OF ACKNOWLEDGMENT OF NOTARY PUBLIC

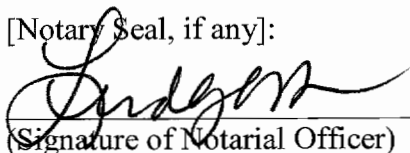
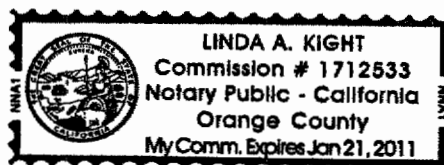
State of California
County of Orange

On Aug 9, 2010, before me, the undersigned notary public, personally appeared Steven B. Chisholm, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Notary Seal, if any]:


(Signature of Notarial Officer)

Notary for the State of California

My commission expires: 1.21.2011