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BEFORE THE ARIZONA CORPORATION COMMISSION

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T-04112A-02-0450  
T-04113A-02-0450  
T-03597A-02-0450  
T-03411A-02-0450

Docket No. \_\_\_\_\_

JOINT APPLICATION OF ACSI LOCAL SWITCHED SERVICES, INC., D/B/A E.SPIRE AND AMERICAN COMMUNICATION SERVICES OF PIMA COUNTY, INC., D/B/A E.SPIRE AND XSPEDIUS MANAGEMENT CO. SWITCHED SERVICES, LLC, AND XSPEDIUS MANAGEMENT CO. OF PIMA COUNTY, L.L.C. FOR EXPEDITED APPROVAL OF (I) THE TRANSFER OF SUBSTANTIALLY ALL OF THE ASSETS, INCLUDING THE CUSTOMER CONTRACTS, OF THE E.SPIRE OPERATING ENTITIES TO THE XSPEDIUS OPERATING ENTITIES; (II) THE DISCONTINUANCE OF TELECOMMUNICATIONS SERVICES IN ARIZONA BY THE E.SPIRE OPERATING ENTITIES

**APPLICATION AND REQUEST FOR EXPEDITED TREATMENT**

American Communication Services of Pima County, Inc. ("ACSI of Pima County") and ACSI Local Switched Services, Inc. ("ACSI Local") (the "e.spire Operating Entities"); and Xspedius Management Co. of Pima County, LLC ("Xspedius Pima County") and Xspedius Management Co. Switched Services, LLC ("Xspedius Switched") (the "Xspedius Operating Entities") (collectively, the "Petitioners"), through their undersigned counsel and pursuant to ARS § 40-285(A) and Ariz. Regs. R14-2-1107, hereby respectfully request that the Arizona Corporation Commission (the "Commission") grant authority to the Petitioners to consummate a transaction arising out of the e.spire Operating Entities' Chapter 11 bankruptcy proceeding that will enable the e.spire Operating Entities to (a) transfer substantially all of their assets, including their customer base, to the Xspedius Operating

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1 Entities, and (b) transfer the current customers of ACSI Pima County and ACSI Local to  
2 Xspedius Pima County and Xspedius Switched, respectively (or another carrier of their  
3 choice) without interruption of service.<sup>1</sup> The actual date for the transfer of the e.spire  
4 Operating Entities' customers to the Xspedius Operating Entities, and the discontinuance of  
5 service by the e.spire Operating Entities, cannot be determined at this time as completion of  
6 the transaction requires various state and federal regulatory approvals. The Petitioners will  
7 notify the Commission when the transaction is complete. In the interim, the e.spire  
8 Operating Entities will provide continuous, uninterrupted service to their customers.

9 Pursuant to the terms of the transaction approved on June 5, 2002, by the Bankruptcy  
10 Court, the Xspedius Operating Entities are acquiring substantially all of the assets of the  
11 e.spire Operating Entities, including most of their customer accounts and contracts and,  
12 where applicable, their state regulatory authorizations, (the "Transaction").<sup>2</sup> Accordingly,  
13

14 <sup>1</sup> The e.spire Operating Entities filed a voluntary petition for Chapter 11 protection with the  
15 United States Bankruptcy Court for Delaware (the "Bankruptcy Court") on March 22, 2001. A  
16 Sale Order approving the transaction covered by this Petition was entered by the Bankruptcy Court  
17 on June 5, 2002.

18 <sup>2</sup> The e.spire entities that are parties to the asset transfer transaction are: e.spire Finance  
19 Corporation; ACSI Network Technologies, Inc.; e.spireDATA, Inc.; ACSI Local Switched  
20 Services, Inc.; ACSI Long Distance, Inc.; e.spire Leasing Corporation; American Communication  
21 Services of Albuquerque, Inc.; American Communication Services of Amarillo, Inc.; American  
22 Communication Services of Atlanta, Inc.; American Communication Services of Austin, Inc.;  
23 American Communication Services of Baton Rouge, Inc.; American Communication Services of  
24 Birmingham, Inc.; American Communication Services of Charleston, Inc.; American  
25 Communication Services of Chattanooga, Inc.; American Communication Services of Colorado  
26 Springs, Inc.; American Communication Services of Columbia, Inc.; American Communication  
27 Services of Columbus, Inc.; American Communication Services of Corpus Christi, Inc.; American  
Communication Services of Dallas, Inc.; American Communication Services of D.C., Inc.;  
American Communication Services of El Paso, Inc.; American Communication Services of Fort  
Worth, Inc.; American Communication Services of Greenville, Inc.; American Communication  
Services of Irving, Inc.; American Communication Services of Jackson, Inc.; American  
Communication Services of Jacksonville, Inc.; American Communication Services of Kansas City,  
Inc.; American Communication Services of Las Vegas, Inc.; American Communication Services of  
Lexington, Inc.; American Communication Services of Little Rock, Inc.; American Communication  
Services of Louisiana, Inc.; American Communication Services of Louisville, Inc.; American  
Communication Services of Maryland, Inc.; American Communication Services of Miami, Inc.;  
American Communication Services of Mobile, Inc.; American Communication Services of

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1 the Petitioners request that the Commission approve the transfer of the e.spire Operating  
2 Entities' assets, including their customer base, to the Xspedius Operating Entities,<sup>3</sup> By  
3 separate applications, which are being filed simultaneously with this Petition, Xspedius  
4 Pima County and Xspedius Switched are requesting authorizations to provide intrastate  
5 telecommunications service in Arizona and will provide service to the former ACSI Pima  
6 County and ACSI Local customers under these new authorizations. Because the Xspedius  
7 Operating Entities are acquiring the assets and not the stock of the e.spire Operating  
8 Entities, upon completion of the Transaction, the e.spire Operating Entities no longer will  
9 provide telecommunications services in Arizona. Accordingly, the e.spire Operating  
10 Entities respectfully request authority to discontinue the provision of telecommunications  
11 services upon the complete transfer of their assets, including their customers, to the  
12 Xspedius Operating Entities.

13 The Petitioners respectfully request *expedited* treatment and consideration of this  
14 Petition because the e.spire Operating Entities' customers currently are continuing to  
15 receive service from ACSI Pima County and ACSI Local. The e.spire Operating Entities  
16 are operating in Chapter 11 of the U.S. Bankruptcy Code, but may soon be forced to convert  
17 to Chapter 7. If the e.spire Operating Entities are forced to convert, ACSI Arizona and  
18 ACSI Local could shut down and customers not already migrated to the Xspedius Operating  
19 Entities could lose service. In order to avoid such an interruption of service – which e.spire  
20 will endeavor to prevent – the Petitioners respectfully request that the Commission grant all  
21

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22 Montgomery, Inc.; American Communication Services of Pima County, Inc.; American  
23 Communication Services of Rio Rancho, Inc.; American Communication Services of Roanoke,  
24 Inc.; American Communication Services of San Antonio, Inc.; American Communication Services  
25 of Savannah, Inc.; American Communication Services of Shreveport, Inc.; American Communi-  
26 cation Services of Spartanburg, Inc.; American Communication Services of Tampa, Inc.; American  
27 Communication Services of Tulsa, Inc.; American Communication Services of Virginia, Inc.;  
American Communication Services International, Inc.; ACSI Local Switched Services of Virginia,  
Inc., Cybergate, Inc., and FloridaNet, Inc.

<sup>3</sup> As the transaction is currently structured, the relevant assets will be initially transferred to  
Xspedius Management Co., LLC, and then immediately transferred to the Operating Entities.

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1 relief sought herein as soon as practically possible.

2 In support of this Petition, Petitioners respectfully provide the following information:

3 **I. PARTIES TO THE TRANSACTION**

4 **A. The Xspedius Operating Entities**

5 Xspedius Management Co. Switched Services, LLC and Xspedius Management Co.  
6 of Arizona, LLC are limited liability companies formed under the laws of Delaware. The  
7 Xspedius Operating Entities' principal place of business is P.O. Box 1116, O'Fallon, MO  
8 63366-1116. The parent company of the Xspedius Operating Entities is Xspedius  
9 Management Co., LLC ("Xspedius"). None of the Xspedius Operating Entities is  
10 authorized to provide telecommunications services in this state, although another affiliate,  
11 Xspedius Corp.,<sup>4</sup> currently is authorized to provide telecommunications services in  
12 Alabama, Louisiana, Mississippi, North Carolina, and Tennessee.

13 **B. The e.spire Operating Entities**

14 ACSI Local Switched Services, Inc., d/b/a e.spire and American Communication  
15 Services of Arizona, Inc., d/b/a e.spire are Delaware corporations, with their principal place  
16 of business located at Monument One, 12975 Worldgate Drive, Herndon, VA 20170.  
17 e.spire Communications, Inc. ("e.spire") is the parent company of the e.spire Operating  
18 Entities. e.spire through its operating affiliates, is an integrated communications provider,  
19 offering traditional local and long distance, dedicated Internet access, and advanced data  
20 solutions, including ATM and frame relay. e.spire, through its operating affiliates, currently  
21 is authorized to provide facilities-based and resale competitive local exchange, competitive  
22 access, and intrastate interexchange services in virtually all of the states. In this state, the  
23 e.spire Operating Entities are authorized to provide dedicated service and switched local  
24 ...

---

26 <sup>4</sup> Xspedius Corp. is an integrated communications provider authorized to provide local,  
27 long distance, and integrated services in five states. Xspedius Corp., for the time-being, will  
continue as a separate entity, wholly owned by Xspedius Management Co., LLC.

1 exchange and interexchange services.<sup>5</sup>

2 **II. DESIGNATED CONTACTS**

3 The designated contacts for this Petition are:

4 Brad Mutschelknaus  
5 Enrico C. Soriano  
6 Leila M. Baheri  
7 KELLEY DRYE & WARREN LLP  
8 1200 19<sup>th</sup> Street, N.W., Fifth Floor  
9 Washington, D.C. 20036  
10 (202) 955-9600  
11 (202) 955-9792 (facsimile)

12 Notices and other filings concerning this Petition should be sent to the individuals  
13 designated above, and copies of same should be sent to the following (which shall not  
14 constitute notice):

15 James C. Falvey  
16 Senior Vice President – Regulatory Affairs  
17 e.spire Communications, Inc.  
18 7125 Gateway Drive, Suite 200  
19 Columbia, MD 21046

20 **III. BACKGROUND TO THE TRANSACTION**

21 After their inception in 1994, e.spire and its operating subsidiaries, including the  
22 e.spire Operating Entities (collectively, the “e.spire Companies”) grew quickly and enjoyed  
23 early success. The sudden collapse of the capital markets for technology companies,  
24 however, unexpectedly denied the e.spire Companies continued access to the capital  
25 necessary for the continued operation and expansion of their business. As a result, on  
26 March 22, 2001, the e.spire Companies filed a voluntary petition for Chapter 11 protection  
with the United States Bankruptcy Court for Delaware. Although the bankruptcy filing  
temporarily relieved the e.spire Companies from their debt payment obligations, the e.spire  
Companies were unable to raise a sufficient funding while in Chapter 11 to emerge from

27 <sup>5</sup> Docket No. U-3021-95-387, Decision No. 60078; Docket Nos. U-3245-97-534, U-3411-  
97-534, and Docket Nos. T-03245A-97-0534, T-03411A-97-0534, Decision No. 60711.

1 bankruptcy as a going concern. The e.spire Companies instead chose to auction their assets.  
2 The auction took place between May 20 and May 22, 2002. After the auction, the e.spire  
3 Companies and Xspedius agreed that Xspedius and its operating subsidiaries, including the  
4 Xspedius Operating Entities (the "Xspedius Companies"), would acquire substantially all of  
5 e.spire's telecommunications assets and the authorizations and existing customer base  
6 associated therewith.<sup>6</sup>

7 After a final hearing on May 29, 2002, the Bankruptcy Court approved the sale,  
8 which calls for, *inter alia*, the sale of certain assets of the e.spire Companies, including  
9 those of the e.spire Operating Entities, to Xspedius and its operating subsidiaries, including  
10 the Xspedius Operating Entities, as set forth in the Asset Contribution Agreement; the  
11 continued provision of service to the e.spire Companies' customers while necessary  
12 regulatory approvals are obtained, as set forth in the Management Agreement; and, upon  
13 obtaining such approvals, the transfer of the e.spire Companies' assets, regulatory  
14 authorizations, and customers to the Xspedius Companies.

15 As explained above, to assure continuity of service to the e.spire Companies'  
16 customers, the Management Agreement provides for the Xspedius Companies to provide  
17 management services to the e.spire Companies and to fund their continued operations while  
18 the approvals are obtained. Upon completion of the federal and individual state approval  
19 processes, the e.spire Companies' assets and their customers will be transferred to the  
20 Xspedius Companies, including the Xspedius Operating Entities, except for those choosing  
21 to designate another carrier.  
22

23 \_\_\_\_\_  
24 <sup>6</sup> The terms of the asset purchase agreement calls for the e.spire Companies to convey to  
25 Xspedius and its operating subsidiaries substantially all of the assets and properties of the e.spire  
26 Companies in all markets except New York and Philadelphia, together with certain specified  
27 obligations and liabilities. Once the entire transaction is consummated, Xspedius and its operating  
subsidiaries will possess substantially all of e.spire's assets, including but not limited to,  
telecommunications facilities, customer contracts, and state authorizations (to the extent permitted  
by applicable state law). Thermo Telecom Partners LLC, a Colorado limited liability company, and  
e.spire, will have 48% and 2% ownership interest, respectively, in Xspedius.

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1 **IV. TRANSFER OF E.SPIRE'S CUSTOMERS**

2 Following completion of the Transaction, the Xspedius Operating Entities will  
3 provide the same local, long distance, and dedicated telecommunications services to the  
4 e.spire Operating Entities' former customers in Arizona. To ensure a seamless transition  
5 and avoid customer confusion or inconvenience, the Petitioners have provided written  
6 notice to the affected customers of the e.spire Operating Entities in Arizona on June 7,  
7 2002, which is at least thirty (30 days) prior to the transfer, explaining the change in service  
8 provider in accordance with applicable Federal Communications Commission ("FCC") and  
9 state requirements for changing a customer's presubscribed carrier. A copy of the  
10 notification letter that has been sent to the affected customers of the e.spire Companies is  
11 attached hereto and incorporated herein by reference as *Exhibit A*. Moreover, as described  
12 below, the Xspedius Operating Entities will continue the rates and service arrangements  
13 previously offered by the e.spire Operating Entities for the customers of the e.spire  
14 Operating Entities they are acquiring. Thus, the customers of the e.spire Operating Entities  
15 that will be transferred to the Xspedius Operating Entities will not experience any change in  
16 their rates and service arrangements. As a result, assuming that expedited approval can be  
17 obtained, the proposed transfer of customers will be virtually transparent to the e.spire  
18 Operating Entities' Arizona customers in terms of rates, terms, and conditions of services.

19 **V. DISCONTINUANCE OF SERVICE**

20 As noted previously, upon completion of the Transaction, the e.spire Operating  
21 Entities will no longer be providing local exchange, interexchange, and dedicated services  
22 in Arizona. Accordingly, ACSI Pima County and ACSI Local respectfully request that the  
23 Commission grant them authority to discontinue service upon completing the transfer of  
24 their customers to Xspedius Pima County and Xspedius Switched. In addition, e.spire  
25 respectfully requests that it be permitted to withdraw its telecommunications authorizations  
26 and tariffs effective upon the transfer of e.spire's customers to Xspedius.

27 The Petitioners have complied (or are complying) with the Commission's regulations

1 relating to discontinuance of service and transfers of customer base. Moreover, as noted  
2 above, the Petitioners have provided notice of the discontinuance and transfer of service to  
3 the affected e.spire customers on June 7, 2002.<sup>7</sup> A copy of the notification letter giving  
4 affected e.spire customers at least thirty (30) days to select another carrier of their choice is  
5 attached hereto and incorporated herein by reference as *Exhibit A*. Other carriers operating  
6 in e.spire's service area include Qwest, WorldCom, AT&T and Tim Warner Telcom.

7 **VI. PUBLIC INTEREST CONSIDERATIONS AND REQUEST FOR**  
8 **EXPEDITED PROCESSING**

9 The Petitioners respectfully submit that the Transaction serves the public interest. In  
10 particular, the Petitioners submit that: (i) the Transaction will eliminate the threat of  
11 disruption of service to existing e.spire customers who could lose service due to the e.spire  
12 Companies' bankruptcy; (ii) expedited approval of the asset transfer prior to June 30, 2002  
13 will accrue to the benefit of e.spire's customers by allowing the customers to move to their  
14 new long-term provider, and doing so while the e.spire Companies still have the financial  
15 wherewithal to continue uninterrupted service; and (iii) the Transaction will increase  
16 competition in the Arizona telecommunications market by strengthening the Xspedius  
17 Companies' position as effective and multifaceted telecommunications carriers. Given the  
18 difficult times faced by the competitive industry, it is all the more important to preserve  
19 existing competitive facilities-based options and robust local competition, with its attendant  
20 benefits of lower prices, higher quality service, and innovative services.

21 As discussed above, the e.spire Companies currently are operating in Chapter 11 but  
22 may soon be forced to convert to Chapter 7. If the e.spire Companies were forced to  
23 convert, the e.spire Companies could shut down and customers not already migrated to the  
24 Xspedius Companies could lose service. In order to avoid such an interruption of service –  
25 *which the e.spire Companies will endeavor to prevent* – the Petitioners respectfully request

26 \_\_\_\_\_  
27 <sup>7</sup> Pursuant to the notice, e.spire will discontinue service on July 8, 2002, or soon thereafter  
as the necessary governmental approvals can be obtained.

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1 that the Commission grant all relief sought herein as quickly as practically possible. Grant  
2 of this Petition will serve the public interest by permitting uninterrupted service to existing  
3 e.spire customers.

4 As the Commission is acutely aware, the e.spire Companies are not alone in  
5 suffering recent financial hardship, which has plagued virtually the entire competitive  
6 carrier community. Recent bankruptcy filings by carriers, such as Teligent, Winstar, ICG,  
7 Covad, NorthPoint, Network Plus, and Net2000, coupled with numerous service  
8 discontinuance notifications/applications by countless other carriers, along with a general  
9 reduction in consumption of telecommunications services caused by unfavorable economic  
10 conditions, have eliminated a large number of new entrant competitors in the  
11 telecommunications market. Other new entrants have reported that negative economic  
12 factors have caused them to scale back the scope of their operations or cease offering new  
13 service entirely. In view of this, grant of this Petition will serve the public interest by  
14 enabling the Xspedius Companies to expand their operations in a cost-effective manner,  
15 thereby enhancing their competitive position and ability to provide high-quality services at  
16 more competitive rates to Arizona consumers. The Xspedius Operating Entities represent a  
17 second generation of competitive local carriers in that they do not start the business with the  
18 significant debt load with which many new telecommunications entrants were burdened.  
19 By permitting the Xspedius Companies to strengthen their competitive position and  
20 accelerate their entry to additional markets, the proposed transaction will preserve the  
21 existing customer base that has already chosen a competitive provider, while creating more  
22 robust competition for U.S. telecommunications customers, including customers in Arizona.

23 The Petitioners emphasize that, following the transfer, the former customers of the  
24 e.spire Operating Entities will continue to receive services from experienced and qualified  
25 carriers, which will be consistent with the quality of services currently provided by the  
26 e.spire Operating Entities. Further, these customers have been, and will continue to be,  
27 sufficiently notified of the Transaction and their rights. Hence, the public interest will be

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1 served by permitting the Xspedius Operating Entities to take over the e.spire Operating  
2 Entities' customers.

3 In sum, grant of this Petition will serve the public interest by eliminating the threat of  
4 service interruption to existing e.spire customers and by furthering competition in the  
5 Arizona telecommunications market, as a result of the strengthened competitive position of  
6 Xspedius. The Petitioners desire to complete the proposed transaction as quickly as  
7 possible to avoid any interruption of service or inconvenience to e.spire's customers. To  
8 that end, the Petitioners respectfully request that the Commission expedite the processing  
9 and approval of this Petition.

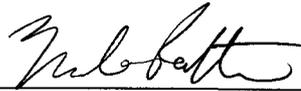
10 **VII. CONCLUSION**

11 For the foregoing reasons, the Petitioners respectfully request that the Commission  
12 grant approval for the transfer of the e.spire Operating Entities' assets to the Xspedius  
13 Operating Entities, as well as the transfer of ACSI Pima County's and ACSI Local's  
14 customers to Xspedius Pima County and Xspedius Switched, respectively. The Petitioners  
15 further request that the Commission likewise approve e.spire Operating Entities' request to  
16 abandon service and withdraw their authorizations once their customers have been fully  
17 transferred to the Xspedius Operating Entities. The Petitioners respectfully request that the  
18 authorizations sought in this Petition be granted on an expedited basis in order to avoid any  
19 interruption of service or inconvenience to e.spire's existing customers in Arizona and to  
20 comply with the order of the Bankruptcy Court. Specifically, the Petitioners respectfully  
21 request that the Commission grant all relief requested herein on or before June 30, 2002.

22  
23  
24  
25 ...  
26 ...  
27 ...

1 RESPECTFULLY SUBMITTED June 18, 2002.

2 ROSHKA HEYMAN & DEWULF, PLC

3  
4 By 

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14 1200 19<sup>th</sup> Street, N.W., Fifth Floor  
15 Washington, D.C. 20036  
16 (202) 955-9866

17 Attorneys for ACSI Local Switched Services, Inc.;  
18 American Communication Services of Pima County  
19 Inc.; Xspedius Management Co. Switched Services,  
20 L.L.C.; Xspedius Management Co. of Pima County,  
21 LLC

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17 ORIGINAL + 10 COPIES of the foregoing  
18 file June 18, 2002, with:

19 Docket Control  
20 ARIZONA CORPORATION COMMISSION  
21 1200 West Washington  
22 Phoenix, Arizona 85007

23 

Parish  
County of Calcasieu )  
State of Louisiana )

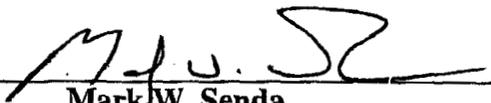
**VERIFICATION OF  
MARK W. SENDA**

I, **Mark W. Senda**, being duly sworn upon oath, do hereby depose and state as follows:

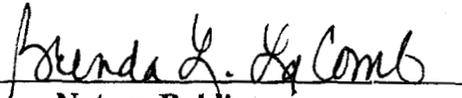
1. My name is Mark W. Senda. I am employed by Xspedius Management Co., LLC ("Xspedius") as Chief Executive Officer. My business address is Xspedius Management Co., LLC, P.O. Box 1116, O'Fallon, MO 63366-1116. I am authorized by Xspedius to make this Verification on its behalf.

2. I declare that I have read the foregoing document and that the facts and any matters stated therein are true to the best of my knowledge, information, and belief.

FURTHER AFFIANT SAYETH NOT.

  
Mark W. Senda

SUBSCRIBED AND SWORN TO BEFORE ME this 14<sup>th</sup> day of June, 2002.

  
Notary Public



**EXHIBIT A**

**Notification Letter to Existing Customers**



**AN IMPORTANT NOTICE REGARDING YOUR  
TELECOMMUNICATIONS SERVICE FROM E.SPIRE AND XSPEDIUS**

June 7, 2002

Dear Valued Customer:

We want to thank you for your continued support of e.spire. We have provided you a quality telecommunications service and, together, we have built an excellent business relationship.

We are very excited to inform you that e.spire Communications, Inc. ("e.spire"), including its affiliates American Communications Services International, Inc. and various operating entities, is transferring virtually all of its local, long distance, international, data and Internet assets and services in the states of Alabama, Arizona, Arkansas, Colorado, District of Columbia, Florida, Georgia, Kansas, Kentucky, Louisiana, Maryland, Missouri, New Mexico, Nevada, Oklahoma, South Carolina, Tennessee, Texas and Virginia to Xspedius Management Co., LLC and its various operating entities ("Xspedius"). The anticipated date for the transfer of your service to Xspedius is **July 8, 2002**, or as soon thereafter as the necessary governmental approvals can be obtained. Upon completion of the transfer, Xspedius will provide your telecommunications and other services and e.spire will no longer be your local, long distance, international, data or Internet service provider.<sup>1</sup> As a customer of Xspedius, you will continue to receive all the features, terms and conditions of service, and current rates that you enjoy today through e.spire. Should there be any future changes in rates, terms and conditions of services, notice will be provided in writing or as otherwise permitted by law.

The combination of e.spire with Xspedius is a very positive change for you, our customer. Xspedius Management Company brings a seasoned management team and significant funding to the business. Xspedius has a fully funded business plan, with \$75 million in fresh capital and a virtually debt free balance sheet. The company will be led by Chairman Jim Allen

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<sup>1</sup> *The FCC will normally authorize e.spire's proposed discontinuance of service unless it is shown that customers would be unable to receive service or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554 referencing the §63.71 Application of e.spire Communications, Inc. Comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.*

and CEO Mark Senda, founders of Brooks Fiber and industry veterans of more than 20 years each. Xspedius management's combination of experience, financing, and vision will allow us to provide excellent service to customers and ensure financial stability.

It has been the pleasure of e.spire to provide you with quality telecommunications services. Unless you choose another carrier within thirty (30) days of the date of this letter, as is your right, you will automatically become an Xspedius customer upon completion of this transaction. You do not need to take any action, or pay any change charges, to be transferred to Xspedius. Of course, if you change providers, the terms and conditions of your e.spire contract will still apply, including any applicable termination liability or change charges.

If you have placed a "freeze" on e.spire's long distance services to prevent their unauthorized transfer to another carrier, the freeze will be lifted when your e.spire services are transferred. At your request, Xspedius would be glad to re-establish freeze protection for you after the transfer of your account to Xspedius.

e.spire has been and remains committed to providing excellent service to you. e.spire will continue to be your single point of contact to address any issues or complaints you may have with your service through the time of this transfer. Xspedius is committed to a smooth transition of your account – your current telephone number(s) and account will be migrated to Xspedius in a seamless manner. The only change you may notice is the name of your new service provider on your bill once the transition is complete.

Thank you for your cooperation and patience during this transition. We will continue to communicate with you as we make progress toward combining our companies into Xspedius. If you have any questions or concerns, please feel free to contact us at **Xspedius at 1-877-XMC(962)-1900** or contact **e.spire at 1-800-9-espire (937-7473)**. Xspedius looks forward to building a long term telecommunications relationship with you.

Randall P. Muench  
Executive Vice President Sales & Marketing  
e.spire Communications, Inc.

Mark W. Senda  
Chief Executive Officer  
Xspedius Management Co., LLC