



Covad Response to Solicitor General's Decision Not to Appeal D.C. Circuit Court Ruling to Supreme Court

***The following statement can be attributed to Covad Senior Vice President
and General Counsel James Kirkland:***

San Jose, Calif., (June 9, 2004)—"Covad, as broadband partner to large and small competitive carriers, believes the Bush Administration's decision not to appeal the D.C. Circuit Court's Triennial Review decision is misguided and wrong. This decision could leave in place an extraordinary decision by a single panel of three judges in a single court of appeals that rewrites the telecommunications law and policy of this country. The Supreme Court, not three lower court judges, should decide these critical issues. Despite the Administration's decision, the competitive industry will press its appeal.

"Unfortunately, if the D.C. Circuit decision stands, there is no mystery as to what will happen next. All of the Bell companies have publicly announced that they will raise prices for competitive access to their networks and, in some cases, deny access altogether. This is a terrible outcome for the tens of millions of consumers and businesses that have voted with their feet in favor of competitive services.

"Covad stands ready to support its competitive partners in a vigorous response to this decision. Consumers and businesses want competition. With our nationwide, facilities-based, broadband network, strong balance sheet, and history of supplying innovative broadband services including Voice over IP, Covad will continue to deliver that competition, no matter how many times the phone companies try to rewrite the rules."

About Covad

Covad is a leading nationwide provider of integrated voice and data communications. The company offers DSL, Voice Over IP, T1, Web hosting, managed security, IP and dial-up, 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 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. Corporate headquarters is located at 110 Rio Robles San Jose, CA 95134. Telephone: 1-888-GO-COVAD. Web Site: www.covad.com.

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