



Covad Responds to FCC Triennial Review Order Remand

San Jose, Calif. (December 15, 2004)—Covad Communications Group, Inc. (OTCBB: COVD), a leading nationwide provider of broadband voice and data communications, today responded to FCC’s Triennial Review Order Remand.

James A. Kirkland, Covad senior vice president and general counsel said: “We appreciate that the FCC fulfilled its commitment to adopt new permanent unbundling rules within a very aggressive timetable, after the prolonged uncertainty following the DC Circuit decision. The full details of the order will not be available until the text of the order is released. Based on the discussion at the FCC’s meeting today, the new rules maintain access to high cap loops (UNE DS-1s) as unbundled network elements in the vast majority of cases, supporting Covad’s provision of cutting edge services such as Voice over IP over its state of the art broadband network. Covad also enjoys continued access to regular UNE loops, which were not at issue in the proceeding.

Kirkland added: “While some aspects of the order discussed at today’s FCC meeting could have been improved upon, we hope that this order ushers in a new era of stability in the regulatory arena, and look forward to competing in the marketplace under the new rules.”

About Covad

Covad is a leading nationwide provider of broadband 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.



Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

The foregoing contains "forward-looking statements" which are based on management's current information and beliefs as well as on a number of assumptions concerning future events made by management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside Covad's control that could cause actual results to differ materially from such statements. These risk factors include the impact of increasing competition, decreasing prices for competing broadband offerings, consolidation in the telecommunications industry, future changes in telecommunications regulations, litigation concerning current regulations and changes in technologies, among other risks. For a more detailed description of the risk factors that could cause such a difference, please see Covad's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Covad disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This information is presented solely to provide additional information to further understand the results of Covad.

© 2006 Covad Communications Group.

###