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Covad Applauds FCC Decision to Protect Competition

Commission denies Verizon forbearance petitions that sought to eliminate pro-competitive rules in six major East Coast markets

San Jose, Calif. – December 4, 2007 – The Federal Communications Commission (FCC) today released its decision on Verizon’s forbearance petitions seeking to eliminate pro-competitive rules in six major East Coast markets that would have affected 34 million Americans. By denying the petitions, the FCC acted to protect competitive choice in the Boston, MA, Providence, RI, New York City, NY, Virginia Beach, VA and Philadelphia and Pittsburgh, PA markets.

Covad Communications Group, Inc. (AMEX: DVW), a leading nationwide provider of integrated voice and data communications, today responded to the decision. The following quote may be attributed to Charles Hoffman, Covad president and chief executive officer:

“We are very pleased that the FCC has affirmed its longstanding policies in support of facilities-based competition by companies like Covad. This decision continues the regulatory stability that has allowed Covad to invest in new and innovative services for businesses and consumers across the country.”

“In particular, Covad commends Chairman Martin and the commissioners for reviewing the facts on the ground and making the right choice. We also recognize the dedicated members of Congress who stood up in favor of competition throughout this process. This decision protects competitive choice, affordable rates, and product innovation for businesses and consumers from Virginia Beach to Boston.”

In addition, the FCC voted unanimously to begin a proceeding to establish rules and procedures to govern the consideration of forbearance petitions going forward.

“With many in Congress and at the FCC expressing concerns about the procedural shortcomings of forbearance, I’m pleased that the Commission has taken this important step to establish rules of the road for future petitions,” noted Hoffman. “I’m hopeful the Commission will move quickly to finalize this rulemaking.”

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About Covad

Covad is a leading nationwide provider of integrated voice and data communications. The company offers DSL, Voice Over IP, T1, broadband wireless, 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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