ALTS MEMBERS TESTIFY IN OPPOSITION TO TAUZIN-DINGELL BROADBAND BILL

1996 Telecommunications Act Startling Success

WASHINGTON, D.C., JULY 27, 2000 – In testimony before the House Telecommunications Subcommittee today, Dhruv Khanna, Executive Vice President and General Counsel of Covad Communications, and Cindy Schonhaut, Executive VP – Government and External Affairs of ICG Communications, urged Congress not to amend the Telecommunications Act of 1996. Both Covad Communications and ICG Communications are members of the Association for Local Telecommunications Services (ALTS), the leading national organization representing facilities-based competitive local exchange carriers (CLECs).

Khanna disagreed that H.R. 2420, “The Internet Freedom and Broadband Deployment Act,” would speed the rollout of broadband services. He noted that prior to the ’96 Act, incumbent local exchange carriers (ILECs) were selectively deploying only one form of digital subscriber line (DSL) technology, charging businesses upwards of $1,000 per month for this service, and pricing residential consumers and small businesses out of high-speed broadband services.

“The 1996 Act is a stunning and startling success,” said Khanna. “The Act has touched off a boom in telecommunications infrastructure investment never seen before. Consumers win with policies that promote competitive entry.”

Schonhaut explained that existing broadband deployment is a direct result of competition. Competitive deployment of broadband services motivates ILECs to expand their DSL services, benefiting all consumers. The goal of H.R. 2420 to deregulate monopolies could put competitive businesses at risk and not result in widespread deployment of broadband services, she said.

“We wouldn’t even be talking about broadband and DSL deployment happening anywhere in this country if not for competitors,” Schonhaut said. “We actually are the solution, but H.R. 2420 would treat us like we are the problem.”
Covad is the leading national broadband services provider of high-speed Internet and network access utilizing Digital Subscriber Line (DSL) technology. It offers DSL, IP and dial-up services through Internet Service Providers, telecommunications carriers, enterprises, affinity groups, PC OEMs and ASPs to small and medium-sized businesses and home users. Covad services are currently available across the United States in 92 of the top Metropolitan Statistical Areas (MSAs). By the end of 2000, Covad services are expected to be available in 165 MSAs (which includes MSAs that will be added as a result of the acquisition of BlueStar Communications). At that time Covad's network is targeted to reach more than 45 percent of all US homes and 50 percent of all US businesses. Corporate headquarters is located at 4250 Burton Drive, Santa Clara, CA 95050. Telephone: 1-888-GO-COVAD. Web Site: www.covad.com.

ICG Communications, Inc. is a fast-growing telecommunications company with a nationwide voice and data network serving more than 700 U.S. cities. The company is a competitive local exchange carrier (CLEC) and a broadband data communications company, as well as a provider of network infrastructure, facilities and management. ICG delivers products and services to its customer base of Internet service providers (ISPs), business customers and interexchange carriers through its national network. For more information about ICG Communications (NASDAQ: ICGX), visit the company’s Web site at http://www.icgcom.com.

ALTS is the leading national industry association whose mission is to promote facilities-based local telecommunications competition. Created in 1987, ALTS has offices in Washington, D. C. and Irvine, California and now represents more than 200 companies that build, own, and operate competitive local networks. For more information on ALTS, contact Crawford Public Relations at 703-318-5460 or visit the ALTS web site at www.alts.org.

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