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BY FEDERAL EXPRESS

Executive Secretary
Florida Public Service Commission
2540 Shumard Oak Drive
Tallahassee, FL 32399-0850

010348-TX

Re: Notice of Proposed Asset Purchase Agreement by Xspedius Corp. and Actel Integrated Communications, Inc.

Dear Sir or Madam:

On behalf of Xspedius Corp. ("XC") and Actel Integrated Communications, Inc. ("ACTEL"), this letter is to advise the Commission of an Asset Purchase Agreement (the "Agreement") which the companies propose to consummate. It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. **Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.**

XC and ACTEL propose to consummate the Agreement whereby XC will purchase, and ACTEL will sell, substantially all of the telecommunications assets of ACTEL, including but not limited to all accounts receivable and customer contracts (the "Acquisition"). As always, any ACTEL customer is free to choose an alternative service provider. Those customers that choose to stay with XC would begin to receive local and long distance service provided by XC under the Certificate of Public Convenience and Necessity, or other operating authority, previously issued to XC. A copy of the Agreement is available for inspection and review upon request by the Commission.

Xspedius Corp. is a privately held Delaware corporation with principal offices located at One Lakeshore Drive, Suite 1900, Lake Charles, Louisiana 70629. XC is a wholly owned subsidiary of Xspedius Holding Corp., a Delaware corporation which does not possess any federal or state authorizations to provide telecommunications services. XC is a competitive provider of local and interexchange services. XC is authorized to provide both local and interexchange services in AL, FL, LA, MS and TN. XC is a certificated local and interexchange provider in this State.¹

Actel is a privately held Delaware corporation with principal offices located at 1509

¹ In this state, XC provides resold intrastate local exchange and long distance telecommunications services pursuant to authority granted in Docket No. 000724-TX, Order No. PSC-00-1938-CO-TX dated October 20, 2000.

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Government Street, Suite 30, Mobile, Alabama 36604. Actel is authorized to provide both local and interexchange services in AL, FL, LA, MS and TN. Actel is also authorized by the FCC to offer domestic interstate and international services in all fifty (50) states and the District of Columbia as a non-dominant carrier. Actel is a certificated carrier in this State.²

The proposed Acquisition will accomplish the following:

- a. Actel shall sell, transfer and assign to XC all of Actel's right, title and interest in and to Actel's assets, as defined in the Asset Purchase Agreement;
- b. In consideration for the above transfer and sale of assets, XC will pay to Actel the purchase price set forth in the Asset Purchase Agreement and deliver to Actel a number of newly-issued shares of Xspedius Holding Corp.'s Series B Preferred Stock.

XC proposes this transaction to transfer and consolidate the customer accounts of Actel in order to create a single, larger provider of telecommunications facilitating efficiencies for the benefit of XC's customers. By virtue of these transactions, XC will realize significant economic, marketing and administrative efficiencies.

Following consummation of the transaction discussed above, the customers of Actel can begin receiving service through a substantially similar product offering of XC or choose to receive service from a different carrier. Those customers of Actel who choose to receive their service from XC, will be transferred to XC and XC will continue to service these customers through and pursuant to the Certificate of Public Convenience and Necessity, or other operating authority, presently utilized by XC in servicing its existing customers in this State

The technical, managerial and financial personnel of Actel will assist with the transition and integration of the acquired Assets after the transaction, and along with the technical, managerial and financial personnel of XC, will continue to serve the transferred Actel customers with the same high level of expertise.

Critical to the proposed transaction and consolidation of customer accounts is the need to ensure the continuation of high quality service to all customers currently served by Actel. The proposed transaction will serve the public interest for the following reasons:

- a. It will enable XC to provide a streamlined level of service for all involved customers by creating a single, larger provider of telecommunications service to the customers in this State. The transaction will enhance the operating efficiencies, including market efficiencies, of XC.
- b. It will increase the appeal to present and potential customers because of XC's larger size and greater variety of service offerings as well as enhance the ability of

² In this state, Actel provides telecommunications services pursuant to authority granted by certification to provide ALEC services, Certificate No. 7086, Docket No. 990539-TX dated August 6, 1999.

XC to appeal to and serve national accounts.

- c. Finally, it will result in cost savings as the result of discounts on quantity ordering of materials and services.

Accordingly, the requested transaction and subsequent consolidation will serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of XC to compete in the marketplace and to provide telecommunications services for a greater number of consumers in this state at competitive rates.

Additionally, XC will possess a greater customer account base as the result of the proposed purchase assets, and will thus be a stronger carrier able to provide a higher quality of service to all customers presently serviced by both XC and Actel.

Enclosed are the original and twelve (12) copies of this letter. Please return the additional copy of this letter file-stamped in the envelope provided. If you need any further information, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,



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