

The Closing of the 'Digital Divide'

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The Internet & DSL: An Overview

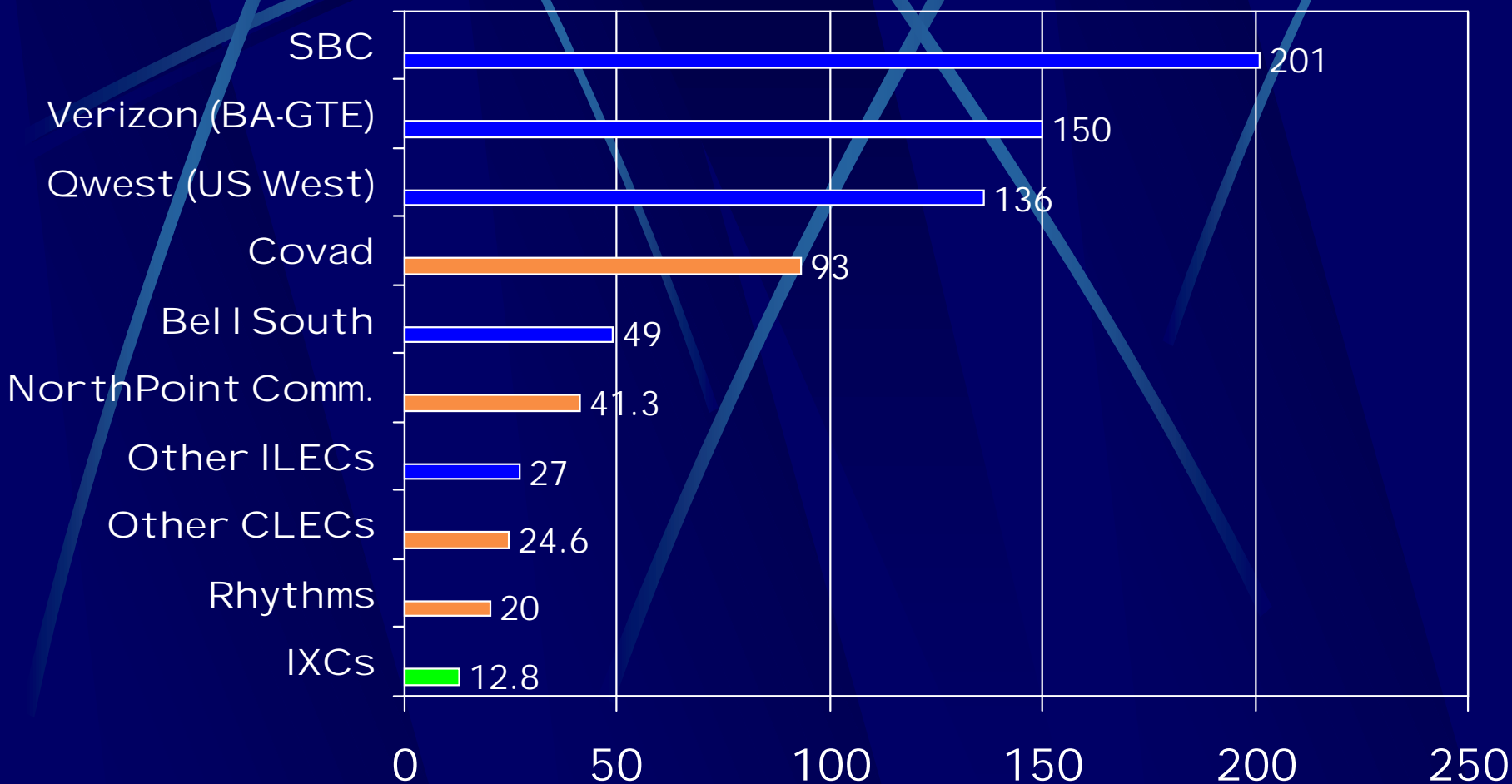
- "The number of Internet users at home rose 40% in 1999."
- Service to residential customers represents nearly 70% of existing DSL lines.
- "2000 will go down as the year of extensive DSL deployment in the US... deployments have grown so fast in the first quarter of 2000, that a deployment map produced at year-end 1999 would be very much out of date today."

Half of American Households Can Purchase DSL

80 million homes passed
60 million served
750,000 subscribers

2000 DSL Subscriber Lines

(thousands -- as of 3.31.00)



Source: Company Reports, Bear Stearns, TeleChoice

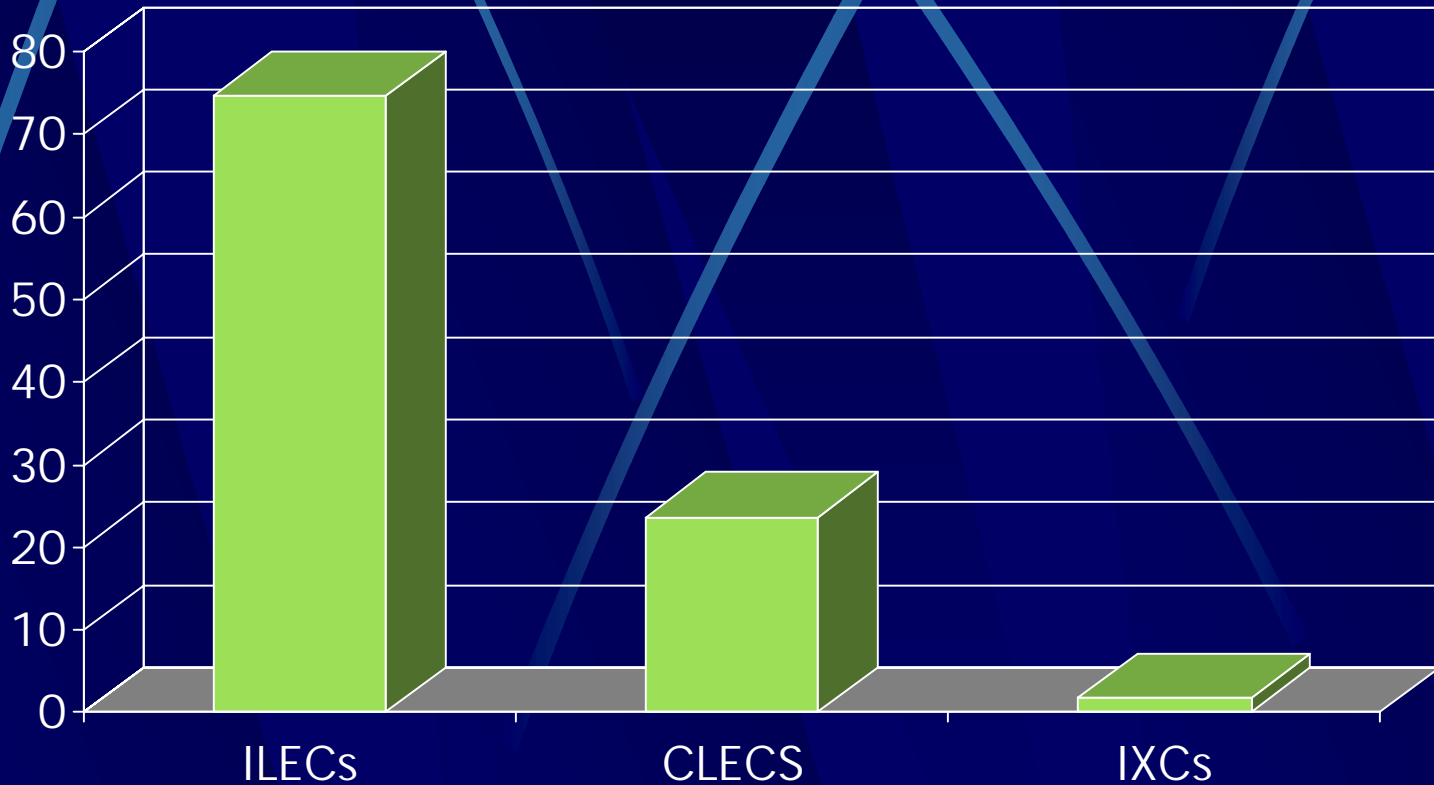
Notes: The BA-GTE and Qwest-US West mergers closed on 06.30.00.



Share of DSL Lines

(% -- as of 3.31.00)

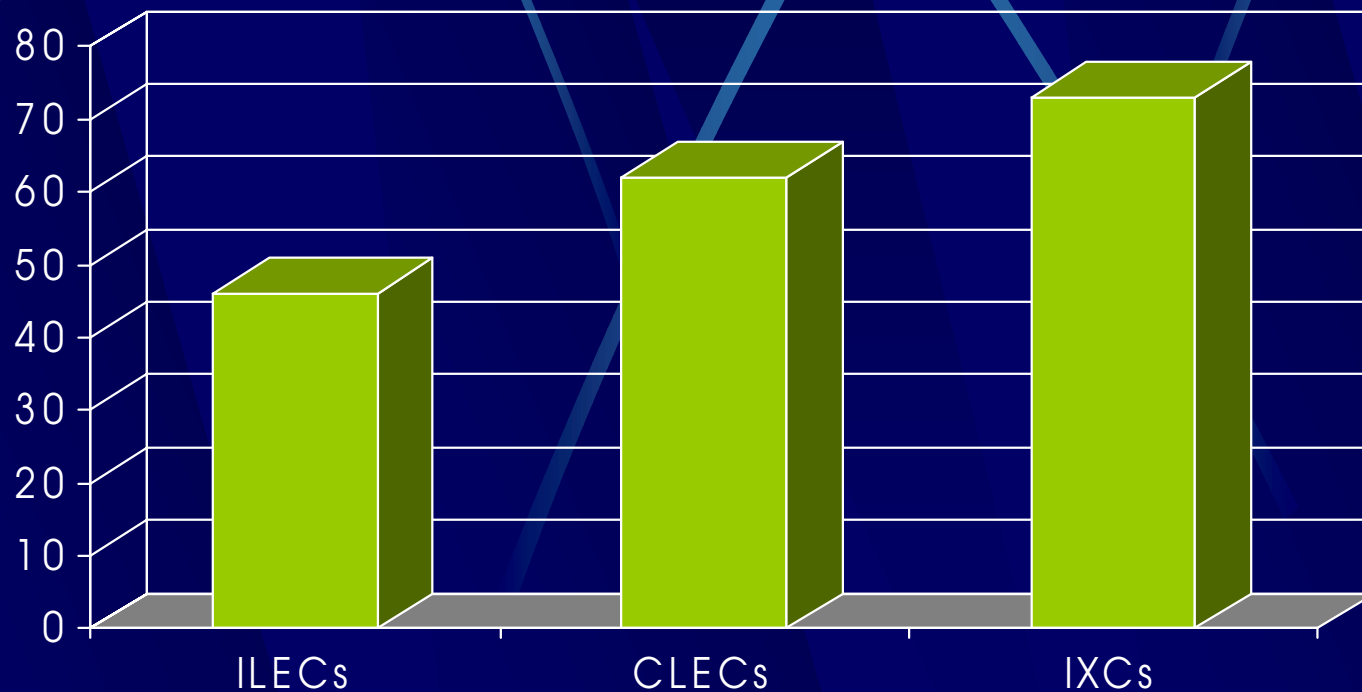
Total DSL Lines = 754,770 (1Q00)



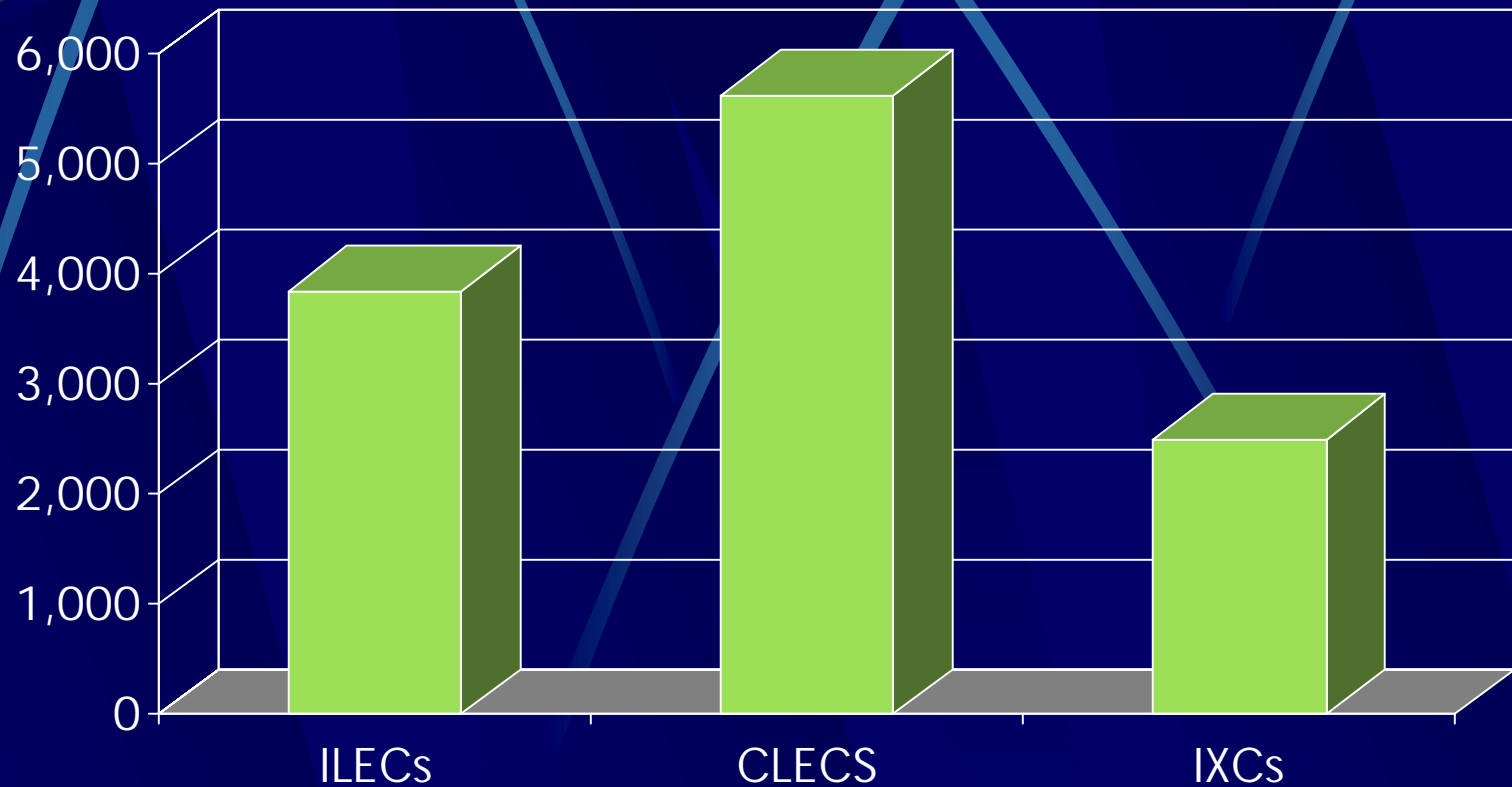
Increase in DSL Lines Deployed

(% increase from 4Q99 to 1Q00)

Total DSL Lines = 754,770 (1Q00)

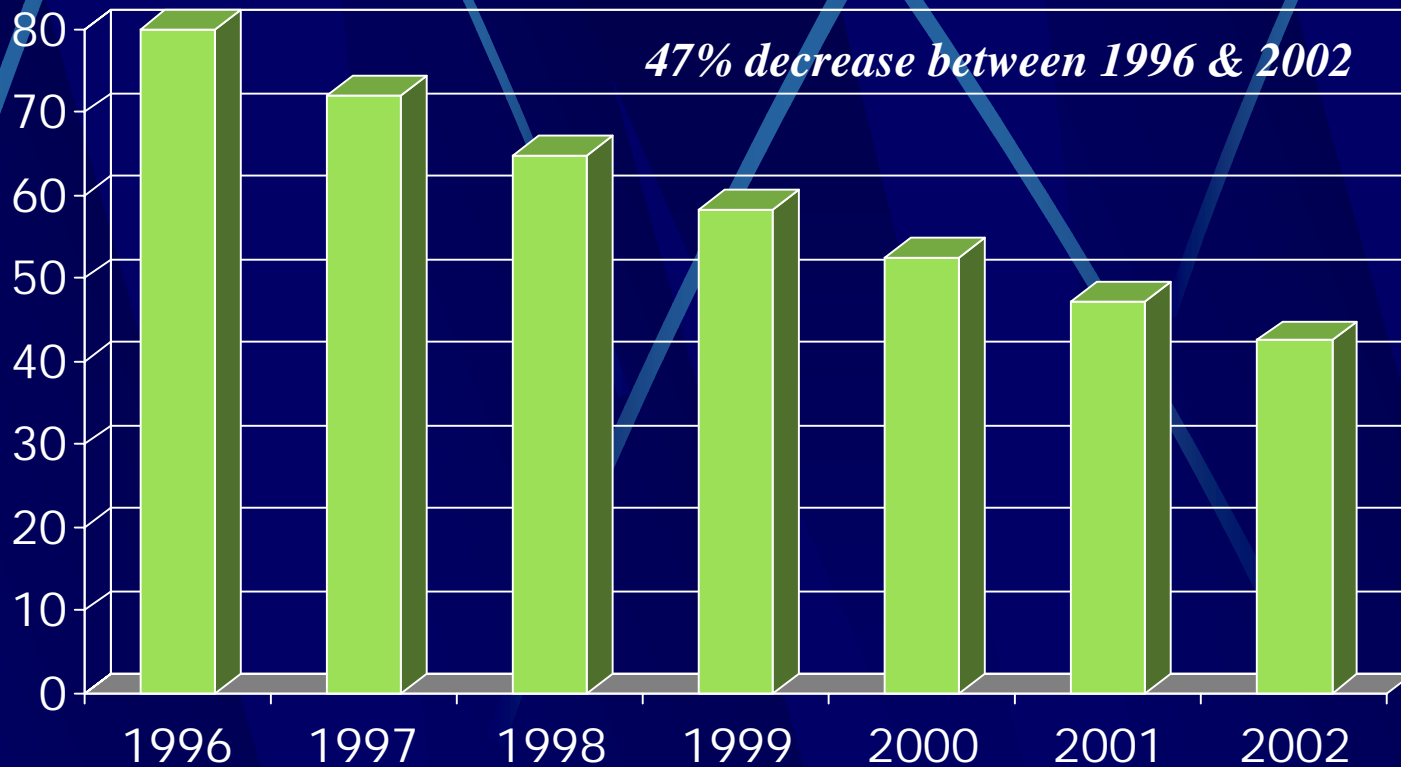


DSL Equipped Central Offices



Residential Broadband Pricing

(\$ per month)



Data CLECs in the News

Summer 2000

- July 12 – NorthPoint Communications announces that it has turned profitable in its first three markets -- San Francisco, Los Angeles and Chicago sooner than expected.
- July 12 – Covad Communications announces DSL expansion in Pennsylvania (Harrisburg), Rhode Island (Providence), Connecticut (Bridgeport, Danbury, Hartford, Stamford).
- July 10 – New Edge Networks announces DSL expansion in Nebraska (Columbus, Fremont, Kearney) & Iowa (Altoona, Ankeny, Cedar Falls, Cedar Rapids, Davenport, Dubuque, Indianola, Iowa City, Marshalltown, Muscatine, Sioux City, Waterloo).
- July 6 – Jato Communications announces DSL expansion in North Carolina (Charlotte).

Data CLECs in the News

Summer 2000

- July 5 – Jato Communications announces completion of DSL expansion to Kansas (Topeka).
- July 5 – Covad Communications announces DSL expansion in New Mexico (Las Cruces, Santa Fe)
- June 29 – Rhythms NetConnections announces DSL expansion in Alabama (Birmingham), Kentucky (Louisville), Tennessee (Nashville)
- June 27 -- Rhythms NetConnections announces DSL expansion in Iowa (Des Moines), North Carolina (Greensboro), Virginia (Richmond)
- June 27 – HarvardNet reaches milestone by collocating DSL equipment in 200 Bell Atlantic central offices.
- June 22 – Covad Communications announces DSL expansion in Washington (Seattle, Olympia, Bremerton).

Data CLECs in the News

Summer 2000

- June 22 – **New Edge Networks** announces DSL expansion in Florida (Bonita Springs, Daytona Beach, De Land, Fort Myers, Fort Walton Beach, Gainesville, Hobe Sound, Lakeland, Melbourne, Ocala, Pensacola, Port Charlotte, Sebastian, Tallahassee, Titusville).
- June 19 – **DSL.net** reaches milestone by offering DSL in 300 cities in 45 states.
- June 19 – **@Link Networks** announces DSL expansion in Illinois (Chicago), Indiana (Gary, South Bend), Wisconsin (Green Bay, Madison, Milwaukee, Rockford).
- June 14 – **Covad Communications** announces DSL expansion in Florida (Jacksonville, Tampa), Kentucky (Louisville), Louisiana (New Orleans).
- June 12 – **NorthPoint Communications** announces DSL expansion to Arizona (Tucson), Michigan (Grand Rapids, Lansing), Ohio (Dayton, Toledo).

Data CLECs in the News

Summer 2000

- June 9 – Covad Communications announces DSL expansion in Indiana (Indianapolis) and Wisconsin (Milwaukee).
- June 7 – New Edge Networks reaches milestone by offering DSL in 200 small, mid-size and semi-rural markets with the goal of offering service to 750 locations in 50 states. New Edge doubled its total network sites in 30 days.
- June 6 – Covad Communications announces DSL expansion in North Carolina (Charlotte, Greenville), Tennessee (Memphis, Nashville).
- June 6 – New Edge Networks announces DSL expansion in Arizona (Flagstaff, Tucson).

Broadband Is Happening

THE TELECOMMUNICATIONS ACT OF 1996
IS SOLVING THE DIGITAL DIVIDE.

THE BEST WAY FOR CONGRESS TO
PROMOTE BROADBAND TECHNOLOGIES
IS TO ENFORCE THE EXISTING ACT, NOT
TO PASS A NEW ACT.