

October 7, 2010

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PUBLIC SERVICE
COMMISSION

VIA OVERNIGHT DELIVERY

Jeff R. Derouren
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602-0615

**Re: Notification of the Indirect Transfer of Control of
DeltaCom, Inc., Interstate FiberNet, Inc., and Business Telecom, Inc. to
EarthLink, Inc.**

Dear Mr. Derouren:

ITC^DeltaCom, Inc. ("ITCD") and EarthLink, Inc. ("EarthLink") (collectively, the "Parties") hereby notify the Public Service Commission ("Commission") of the indirect transfer of control of DeltaCom, Inc. ("DeltaCom"), Interstate FiberNet, Inc. ("IFN"), and Business Telecom, Inc. ("BTI") (collectively, the "DeltaCom Subsidiaries") from ITCD to EarthLink. It is the Parties' understanding that Commission approval is not required to complete the transaction described herein. Accordingly, the Parties submit this letter for informational purposes only to ensure the continued accuracy of the Commission's records.

An original and four (4) copies of this notification letter are enclosed. Please date-stamp and return the extra copy of this filing in the self-addressed, postage paid envelope provided.

I. DESCRIPTION OF THE PARTIES

A. ITC^DeltaCom, Inc.

ITCD is a publicly-traded Delaware holding company headquartered at 7037 Old Madison Pike, Huntsville, Alabama 35806 and is the ultimate parent of the subsidiaries – DeltaCom, BTI, and IFN. Through its certificated subsidiaries – DeltaCom, BTI and IFN – ITCD provides voice and data telecommunications services on a retail basis to primarily business customers in the southern United States and regional communications transmission services over its network on a wholesale basis to other communications companies.

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B. Interstate FiberNet, Inc.

IFN is a wholly-owned subsidiary of ITCD that is incorporated under the laws of the state of Delaware and is qualified to transact business in this Commonwealth as a foreign corporation. IFN is a provider of wholesale fiber optic transmission or commonly known as a carrier's carrier. IFN obtained a certificate in this Commonwealth to provide long distance interexchange services in Case No. 1994-00231 on 8/31/1994.

C. DeltaCom, Inc.

DeltaCom is a wholly-owned subsidiary of IFN which, in turn, is wholly-owned by ITCD. DeltaCom is incorporated under the laws of the state of Alabama and is qualified to transact business in this Commonwealth as a foreign corporation. DeltaCom is authorized to provide resold interexchange telecommunications services pursuant to certification issued in Case No. 1994-00201 on 10/4/1994. Additionally, DeltaCom is authorized by the various state public service commissions to provide facilities-based and/or resold interexchange telecommunications services in the other 49 states and the District of Columbia, pursuant to certification, registration or tariff requirements, or on a deregulated basis and is authorized to provide competitive local exchange services in more than 10 states.

D. Business Telecom, Inc.

BTI is a wholly owned subsidiary of BTI Telecom Corp. which is a wholly owned subsidiary of ITCD. BTI is a corporation organized pursuant to the laws of the State of North Carolina and is qualified to transact business in this Commonwealth as a foreign corporation. BTI provides integrated telecommunications services primarily in the southeastern United States and is authorized to provide resold and facilities-based local exchange telecommunications services as well as resold and facilities-based interexchange telecommunications services in this commonwealth pursuant to certification issued in Docket No. 1992-00367 on 12/8/1992 (resold interexchange), 7/8/1998 (resold local exchange), 5/9/2001 (facilities-based local exchange), and 6/1/2001 (facilities-based interexchange). Additionally, BTI is authorized by the various state public service commissions to provide facilities-based and/or resold interexchange telecommunications services in the other 49 states and the District of Columbia, pursuant to certification, registration or tariff requirements, or on a deregulated basis and is authorized to provide competitive local exchange services in over 20 states.

E. EarthLink, Inc.

EarthLink is a publicly traded Delaware corporation. It is primarily an Internet service provider, providing nationwide Internet access and related value-added services to individual and small business customers. Its major service offerings are narrowband and broadband (high speed) Internet access; web hosting; advertising and related services; and VoIP services. EarthLink provides its portfolio of services to approximately 1.9 million customers through a

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nationwide network of dial-up points of presence and a nationwide broadband footprint. EarthLink also provides, through its wholly-owned subsidiary New Edge Network, Inc. (“New Edge”), competitive local exchange and interexchange services in 46 states. Additional information regarding EarthLink’s management team is available at www.earthlink.net.

F. Designated Contacts

Questions, correspondence, or other communications concerning this notification should be directed to the following:

For ITCD:

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For EarthLink

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II. DESCRIPTION OF THE PROPOSED TRANSFER OF CONTROL

EarthLink and ITCD recently entered into an Agreement and Plan of Merger (“Agreement”), pursuant to which ITCD will become a direct, wholly-owned subsidiary of EarthLink. As a result of the merger, the DeltaCom Subsidiaries will become indirect, wholly owned subsidiaries of EarthLink. The proposed Transfer of Control will result from the merger of a newly formed subsidiary with and into ITCD, with ITCD surviving as a wholly-owned subsidiary of EarthLink. Under the terms of the Agreement, which was unanimously approved by the boards of directors of both companies, EarthLink will acquire the stock of ITCD in an all cash transaction. Corporate organization charts depicting the respective corporate structures of

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the parties prior to and immediately following the merger, as well as a diagram illustrating the merger, are attached hereto as Exhibit A.

III. PUBLIC INTEREST CONSIDERATIONS

The proposed acquisition of the DeltaCom Subsidiaries by EarthLink will serve the public interest by creating one of the largest nationwide competitive communications service providers serving Internet/business customers. The combined company will offer customers a compelling alternative to legacy carriers through the combined footprint of the two companies, a comprehensive suite of Internet/business services, and an extensive switching and fiber network.

The complementary strengths, product sets, and geographic footprints of the two companies should position EarthLink to realize cost savings and achieve synergies that are expected to strengthen its ability to enhance service offerings and provide more advanced communications services to a broader customer base. Among the additional synergies and benefits that are expected include the following: the transaction will provide both companies with significant new customer relationships and create opportunities for both companies to offer additional products and services to each other's customers; both companies will be afforded greater capabilities to market and offer solutions to businesses and to differentiate themselves significantly in the marketplace; and the merged company will be able to bring new services and products to the marketplace more quickly than either could do separately. Moreover, the strategic combination will bring together two companies that share a commitment to building and maintaining solid relationships with their customers. Both EarthLink and ITCD believe that success is built by providing excellent service to every customer.

Although EarthLink's acquisition of ITCD will result in a change in the ultimate ownership and control of the DeltaCom Subsidiaries, no transfer of certificates, assets or customers will occur as a result of the Transfer of Control. Immediately following consummation of the merger, the DeltaCom Subsidiaries will continue to provide service to Kentucky customers pursuant to their existing authorization with no change in the rates or terms and conditions of service as currently provided. The Transfer of Control will be transparent to the DeltaCom Subsidiaries' Kentucky customers in terms of the services they currently receive.

In sum, the combination of EarthLink and ITCD is expected to create substantial opportunities for customers of both companies and provide shareholders with significant value, which will ultimately enhance the quality and variety of telecommunications products and services offered to Kentucky consumers. The proposed indirect transfer of control will therefore serve the public interest of the Commonwealth of Kentucky.

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Should you have any questions with respect to this matter, please do not hesitate to contact us.

Respectfully submitted,

Tony S. Lee / KGL

Tony S. Lee

Counsel for ITC^DeltaCom, Inc.

Enclosure

cc: D. Anthony Mastando (DeltaCom)
Mark O'Connor (Lampert, O'Connor & Johnston)

EXHIBIT A

**Corporate Structure of EarthLink, Inc.
and ITC^DeltaCom, Inc.
Prior to and Following the Merger**

**Pre-Transaction Corporate Structure of the
Regulated Subsidiaries of ITC^DeltaCom, Inc. and EarthLink, Inc.**

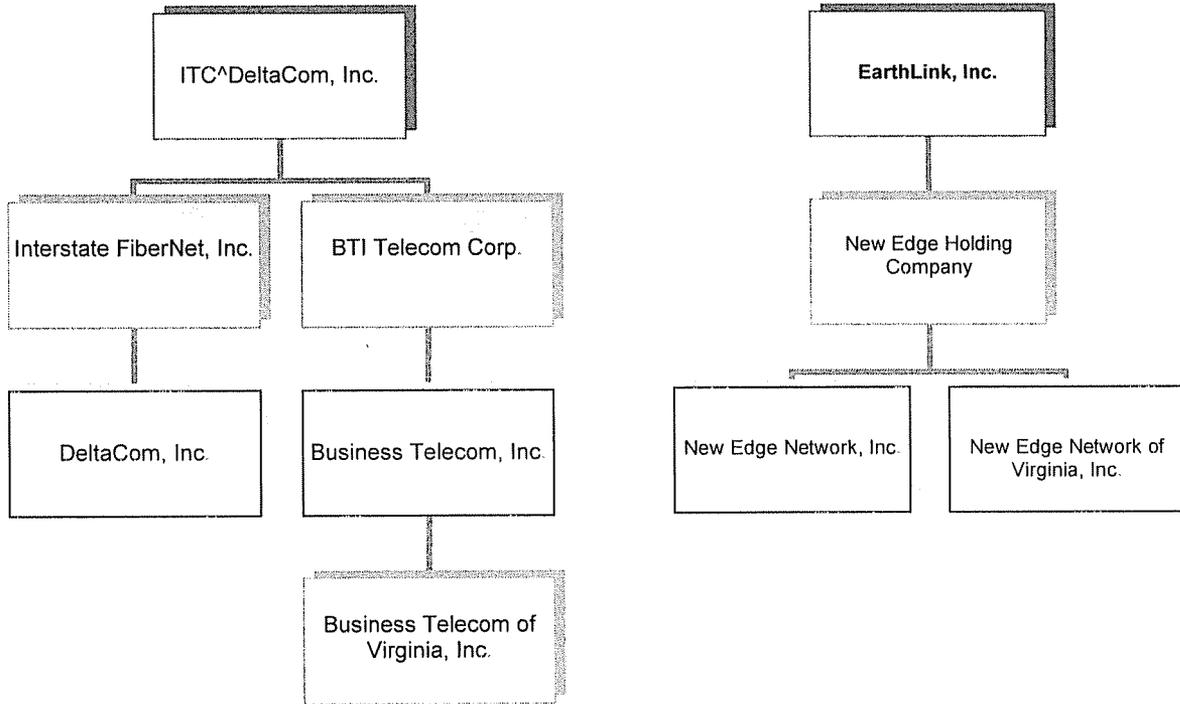
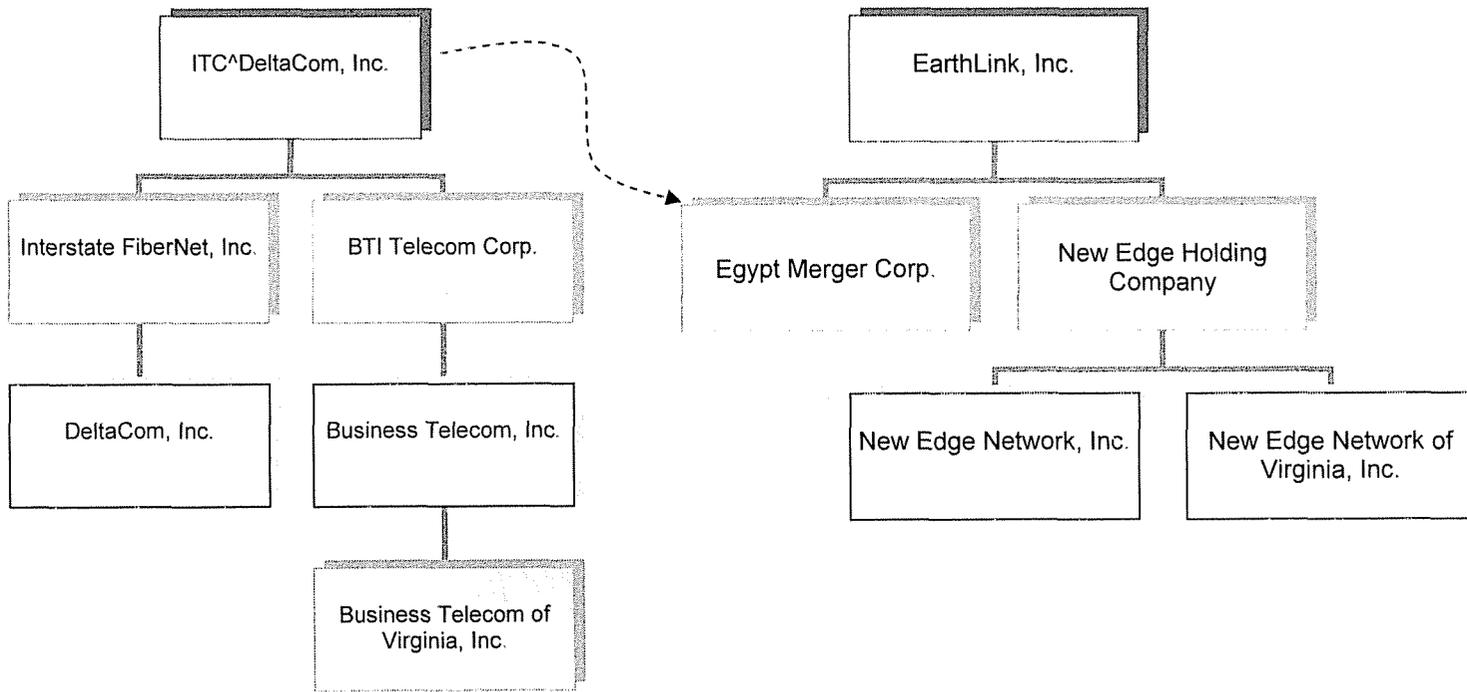


Illustration of the Merger



**Post-Transaction Corporate Structure of the
Regulated Subsidiaries of ITC^DeltaCom, Inc. and EarthLink, Inc.**

