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October 31, 2001

VIA OVERNIGHT MAIL

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0870

011450-TP

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Re: Application for Approval of the Indirect Transfer of Control of DSLnet Communications, LLC

Dear Ms. Bayo

DSLnet Communications, LLC ("DSLnet" or "Applicant"), by and through its undersigned counsel, hereby requests Commission approval, pursuant to Section 364.33 of the Florida Statutes, for the indirect transfer of control of DSLnet, an authorized provider of intrastate telecommunications services in the State of Florida. The indirect transfer of control of DSLnet will occur as the result of the private equity financing transaction of its holding company parent, DSL.net, Inc. Pursuant to the terms of the transaction, VantagePoint Venture Partners ("VPVP"),¹ a private investment firm, will increase its ownership interest in DSL.net, Inc. from its current level of 33.9 per cent to 71.1 per cent, as described more fully below. The equity financing transaction, therefore, will cause an indirect transfer of control of DSLnet to VPVP.

Applicant respectfully requests expedited treatment and approval of this application by the Commission because immediate receipt of the proceeds from the transaction is essential to Applicant's ongoing operations. Expedited treatment and approval would serve the public interest by enabling Applicant to access funds that critically needed to maintain and expand its service and operations, thereby furthering competition and benefiting customers in Florida. Applicant therefore respectfully requests that the Commission approve the instant Application on an expedited basis to allow DSL.net, Inc. and VPVP to close the proposed transaction as soon as possible within the next 30 days.²

¹ VPVP is comprised of four affiliated private investment funds: VantagePoint Venture Partners III (Q), L.P., VantagePoint Venture Partners III, L.P., VantagePoint Communications Partners, L.P. and VantagePoint Venture Partners 1996, L.P.

² To the extent that approval of this Petition is obtained post-closing, Petitioner respectfully requests that such approval be granted *nunc pro tunc*.

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An original and fifteen (15) copies of this letter are enclosed. Please date-stamp the enclosed extra copy of this filing and return it in the attached self-addressed stamped envelope.

In support of this Application, DSLnet states as follows:

I. The Applicant

DSLnet is a Delaware limited liability company with principal offices located at 545 Long Wharf Drive, Fifth Floor, New Haven, Connecticut 06511. DSLnet's sole member and managing entity is DSL.net, Inc., a Delaware corporation engaged in a variety of unregulated businesses.²

DSLnet is authorized to provide alternative local exchange telecommunications services in the State of Florida pursuant to certification granted by the Commission in Docket No. 990163-TX, issued on July 6, 1999, and interexchange telecommunications services in the State of Florida pursuant to certification granted by the Commission in Docket No. 990164-TI, issued on August 16, 1999. Further information concerning DSLnet's legal, technical, managerial and financial qualifications to provide service was submitted with its application for certification with the Commission as noted above and is, therefore, a matter of public record. DSLnet respectfully requests that the Commission take official notice of that information and incorporate it herein by reference.

II. Designated Contacts

Questions or correspondence concerning this Application should be directed to Applicant's attorneys of record:

Grace R. Chiu
Brian M. McDermott
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
(202) 424-7500 (Telephone)
(202) 424-7645 (Facsimile)

² DSL.net, Inc. holds no regulatory licenses from this or any other regulatory commission.

with copies to:

Stephen Zamansky
Vice President
DSLnet Communications, LLC
545 Long Wharf Drive, Fifth Floor
New Haven, Connecticut 06511
(203) 772-1000 (Telephone)
(203) 624-3612 (Facsimile)

Wendy Bluemling
Assistant Vice President
DSLnet Communications, LLC
545 Long Wharf Drive, Fifth Floor
New Haven, Connecticut 06511
(203) 772-1000 (Telephone)
(203) 624-3612 (Facsimile)

III. The Indirect Transfer of Control of DSLnet

VPVP plans to acquire additional shares of Applicant's parent, DSL.net, Inc. VPVP is a family of affiliated private investment funds with more than \$2.5 billion under management. Pursuant to the Stock Purchase Agreement entered into between DSL.net, Inc. and VPVP, VPVP will invest \$15 million in DSL.net, Inc. convertible preferred stock in three installments. As a result of the first installment, VPVP's ownership interest in DSL.net, Inc. will increase from 33.9 percent to 56.3 per cent. Following the first installment, VPVP will continue to have the largest controlling interest in DSL.net, Inc. However, because VPVP's ownership interest will exceed 50 per cent, the transaction will result in an indirect transfer of control of DSLnet.

Following the second and third installments, VPVP's ownership interest in DSL.net, Inc. will be 64.3 per cent and 71.1 per cent, respectively.

IV. Effect of the Indirect Transfer of Control

DSLnet emphasizes that the indirect transfer of control described herein will not involve a change in the name under which DSLnet currently operates nor any change in the manner in which DSLnet currently offers service in the State of Florida. Immediately following the indirect transfer of control, DSLnet will continue to offer the services it currently offers with no change in the rates or terms and conditions of service. DSLnet, moreover, will continue to be led by the same team of experienced telecommunications officers and personnel. The indirect transfer of control of DSLnet, therefore will be seamless and transparent to consumers in the State of Florida.

V. Public Interest Considerations

Approval of the indirect transfer of control described herein will serve the public interest in promoting competition among telecommunications carriers. Specifically, the transfer of control that will result from the equity financing transaction will provide DSLnet with the opportunity to strengthen its competitive position through access to the increased financial resources of its parent, DSL.net, Inc. Moreover, the additional capital raised from the financing transaction will significantly enhance DSLnet's operational flexibility and efficiency, as well as its long-term financial viability. These enhancements will inure directly to the benefit of Florida consumers. The proposed indirect transfer of control will therefore ensure the provision of

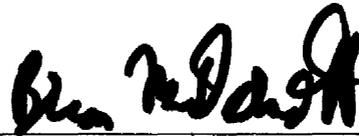
Blanco S. Bayo, Director
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innovative, high quality telecommunications services to the public and should promote competition in the Florida telecommunications service market.

* * * * *

For the reasons stated herein, DSLnet Communications, LLC respectfully requests that the Commission grant approval of the indirect transfer of control of DSLnet that will result from the acquisition of control of DSLnet's parent, DSL.net, Inc., by VantagePoint Venture Partners. Because immediate receipt of the proceeds from the transaction is essential to Applicant's ongoing operations, Applicant respectfully requests that such approval be granted on an expedited basis to allow DSL.net, Inc. and VPVP to close the proposed transaction as soon as possible within the next 30 days.

Respectfully submitted,



Grace R. Chiu
Brian M. McDermott

Counsel to DSLnet Communications, LLC

Dated: October 31, 2001

STATE OF CONNECTICUT
COUNTY OF NEW HAVEN

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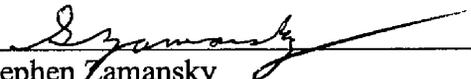
ss: *New Haven, Ct*

VERIFICATION OF APPLICATION

I, Stephen Zamansky, hereby declare that I am Vice President and General Counsel for DSL.net, Inc., sole member of DSLnet Communications, LLC; that I have read the foregoing Application; and that the information set forth therein is true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 29th day of October, 2001.



Stephen Zamansky
DSLnet Communications, LLC
545 Long Wharf Drive, Fifth Floor
New Haven, Connecticut 06511

Subscribed and sworn to before me this 29th day of October, 2001.



My commission expires: 11/30/2003