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November 16, 2001

BY OVERNIGHT DELIVERY

Mr. Martin J. Huelsmann
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

Re: Notification of DSLnet Communications, LLC of the Indirect Transfer of Control of DSLnet Communications, LLC to VantagePoint Venture Partners

Dear Mr. Huelsmann:

DSLnet Communications, LLC ("DSLnet"), by undersigned counsel, hereby notifies the Commission of a transaction whereby there will be an indirect transfer of control of DSLnet, an authorized provider of intrastate telecommunications services in the State of Kentucky. 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"), 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. Immediate receipt of the proceeds from the transaction is essential to DSLnet's ongoing operations.

Pursuant to the Commission's rules, DSLnet understands that prior Commission approval is not required to complete the transfer of control described herein. DSLnet therefore submits this notification letter for the Commission's information and ask that it be retained by the Commission in the appropriate file.

DESCRIPTION OF DSLnet

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.¹

¹ DSL.net, Inc. holds no regulatory licenses from this or any other regulatory commission.

DSLnet is authorized to provide resold and facilities-based local exchange and long distance telecommunications services in the State of Kentucky. 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.

DESCRIPTION OF TRANSACTION

VPVP plans to acquire additional shares of DSLnet's parent, DSL.net, Inc. VPVP is member of 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.

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 Kentucky. 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 Kentucky and will not adversely affect the rates, terms, service, or operation of DSLnet within the State of Kentucky.

CONCLUSION

An original and ten (10) copies of this letter are enclosed. Kindly date stamp and return the enclosed extra copy of this letter. DSLnet hopes to close the transaction described as soon as possible after receipt of necessary approvals. Therefore, undersigned counsel respectfully requests that the Commission notify Brian McDermott at (202) 295-8346 promptly if it has any questions regarding the proposed transaction or believes that further action is required.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brian McDermott", with a long horizontal flourish extending to the right.

Grace R. Chiu
Brian McDermott

Counsel to DSLnet Communications, LLC