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**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

JAN 24 2006

**Missouri Public
Service Commission**

**APPLICATION FOR APPROVAL OF
THE TRANSFER OF CONTROL OF
NEW EDGE NETWORK, INC., d/b/a
NEW EDGE NETWORKS, TO
EARTHLINK, INC.**

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) **Case No.** _____
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EXHIBIT A:	New Edge Business Authorization
EXHIBIT B:	New Edge Fictitious Name Registration
EXHIBIT C:	EarthLink Business Authorization
EXHIBIT D:	Agreement between New Edge and EarthLink (EarthLink SEC Form 8-K)

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Come now New Edge Network, Inc. (“New Edge”), d/b/a New Edge Networks and EarthLink, Inc. (“EarthLink” and, together with New Edge, “Applicants”), and file this Application with the Public Service Commission (the “Commission”) pursuant to Chs. 386.320.1, 392.290, and 392.300, RSMo, and Sections CSR 240-2.060 and 240-3.520, requesting approval of the transfer of control of New Edge from New Edge Holding Company (“New Edge Holding”) to EarthLink.

1

I. ENTRIES OF APPEARANCE

2. Please direct all filings, correspondence, pleadings, and orders in this proceeding to the following:

Mark P. Johnson
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3. Although the following are not making formal entries of appearance as counsel in this proceeding, please direct all filings, correspondence, pleadings, and orders in this proceeding to the following:

Samuel R. DeSimone, Jr.
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II. DESCRIPTION OF THE APPLICANTS

A. NEW EDGE

4. New Edge is a corporation organized under the laws of the State of Delaware and duly authorized to do business in Missouri as a foreign corporation. (See attached Exhibit A). New Edge has its principal place of business at 3000 Columbia House Boulevard, Suite 106, Vancouver, WA 98661-2969. New Edge does business in Missouri under the duly-registered fictitious name "New Edge Networks." (See attached Exhibit B).

5. New Edge is a certificated provider of local exchange and interexchange telecommunications service in Missouri, having been certificated by the Commission to provide resold and facilities-based local exchange and interexchange services in Missouri by Order dated December 24, 1999, in Case No. TA-2000-0311.

6. New Edge is a national provider of secure multi-site managed data networks and dedicated Internet access. It has one of the nation's largest network footprints, with more than 850 carrier-class switches and Internet routers. As part of this network, New Edge has collocated multi-service switches in more than 580 incumbent local exchange carrier ("ILEC") central offices, and in many independent "carrier hotels," throughout the United States. New Edge has interconnection agreements ("ICAs") with the major ILECs (including SBC and Sprint in Missouri, approved by Orders dated December 14, 2004 and June 27, 2005, respectively, in Case Nos. TK-2005-0446 and TK-2005-0113), as well as many smaller independent local exchange carriers. These ICAs enable New Edge to collocate its multi-service switches in the ILEC central offices and provision services using unbundled network elements ("UNEs"). Where

UNEs are not available, New Edge purchases underlying network services from the ILECs' access tariffs, or through commercial agreements and special contracts with the ILECs and competitive carriers.

7. New Edge has a strong presence in small and midsize (i.e., Tier 2 and 3) markets in the U.S. and the capability of serving 100 percent of U.S. business addresses. It operates a carrier-class national backbone network based on Internet protocol ("IP") and Asynchronous Transfer Mode ("ATM") technology. New Edge is access technology agnostic, providing its products and services by seamlessly integrating a wide variety of last-mile broadband access services available through multiple carriers, technologies, and geographic regions. Technologies used to provide these services include DSL, frame relay, ATM, cable Internet access, and satellite.

8. New Edge's customers include telecommunications carriers, small to midsize businesses, large corporations, and their telecommuters anywhere. These customers buy a variety of wide area networking ("WAN") products from New Edge, including Managed Network Services, virtual private networks ("VPNs"), private networks, Managed VPN, frame relay, frame over DSL, ATM and private line. New Edge's Internet access solutions include xDSL services, DS1, DS3, OCx and Ethernet products. New Edge also offers wholesale xDSL, DS1 and IP transit solutions for ISPs and other data communications providers.

9. New Edge does not serve any residential customers in Missouri. New Edge has no pending action or final unsatisfied judgment or decisions against it from any state or federal agency or court which involve customer service or rates. None of New Edge's annual report or assessment fees are overdue in Missouri.

B. EARTHLINK

10. EarthLink, a publicly-traded Delaware corporation, has its principal place of business at 1375 Peachtree Street, Level A, Atlanta, GA 30309, and is authorized to transact business in Missouri as a foreign corporation. (See attached Exhibit C). 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, broadband or high-speed, and wireless Internet access and IP-enabled services; web hosting; and advertising and related services. EarthLink provides its broad range of services to more than five million customers through a nationwide network of dial-up points of presence, a nationwide broadband footprint and wireless technologies.

11. EarthLink's business strategy is to sustain and build upon its strong position in the U.S. Internet services market by focusing on high-growth opportunities such as broadband and value-priced narrowband access to generate organic subscriber growth; marketing high quality, differentiated products and services; improving operating margins to fund growth; and expanding into new growth markets.

12. As EarthLink does not provide telecommunications service in Missouri, it does not hold Commission certification. EarthLink has no pending action or final unsatisfied judgment or decisions against it from any state or federal agency or court which involve customer service or rates.

III. DESCRIPTION OF THE TRANSACTION

13. Pursuant to an Agreement and Plan of Merger executed on December 12, 2005, by New Edge Holding, MergerCo and EarthLink, MergerCo, a wholly-owned

subsidiary of EarthLink, will merge with New Edge Holding, the parent of New Edge, with New Edge Holding continuing as the surviving corporation. After the Transaction is effected, New Edge will still be an independent company and a wholly-owned subsidiary of New Edge Holding, which in turn will be a wholly-owned subsidiary of EarthLink. New Edge will continue to operate as an independent company under its current name as a wholly-owned indirect subsidiary of EarthLink, in substantially the same manner as it has in the past. Upon completion of the merger, EarthLink will control New Edge through the ownership of 100% of the outstanding common stock of New Edge Holding. Thus, after the Transaction, New Edge will have a different capital structure and a new controlling stockholder. A copy of the merger agreement is provided in EarthLink's Form 8-K, attached as Exhibit D.

IV. THE TRANSACTION IS IN THE PUBLIC INTEREST

14. The proposed Transaction is undoubtedly in the public interest, and is in no way detrimental to the public interest. The acquisition of New Edge by EarthLink will result in significant benefits for Missouri consumers, and will advance important state public policy goals. Most importantly, it will promote much-needed competition in the broadband marketplace in Missouri.

A. THE TRANSACTION WILL PROVIDE NUMEROUS PUBLIC INTEREST BENEFITS

15. The Applicants' assets and businesses are almost entirely complementary. The combination of New Edge's facilities-based network and its expertise in small and medium enterprise ("SME") and carrier sales with EarthLink's marketing staff and expertise, its corporate resources, and its strength in providing consumer-friendly Internet services, will create a stronger competitor in the residential and SME broadband market

in Missouri. In particular, the Transaction will increase competition in Tier 2 and 3 SME and residential markets, areas where competition has to date lagged behind that found in the state's larger urban centers.

16. The Applicants expect that the Transaction will result in several additional synergies and benefits:

- The Transaction provides both companies with significant new customer relationships and creates an opportunity for both companies to offer additional products and services to each other's customers.
- The Transaction provides both companies with greater capabilities to market and offer solutions to businesses and to differentiate themselves significantly in the marketplace.
- The merged company will be able to bring new services and products to the marketplace more quickly than either could do separately.

17. There are no potential harms to competition from the Transaction. There is no horizontal overlap between the Applicants' major lines of business, since EarthLink does not own any telecommunications network facilities. There is therefore no loss of actual or potential competition in any Missouri markets and no inconsistency with the state's pro-competitive goals. To the extent that there is any overlap between the Applicants' businesses, it could only possibly be in the provision of Internet access to SMEs. This is a market with literally thousands of competitors, and EarthLink and New Edge combined have a market share between 2 and 3 percent. Therefore, the merged company would have no incentive, and certainly no ability, to raise prices or restrict output. There is no possible vertical anti-competitive effect, either. There is no existing vertical relationship between EarthLink's and New Edge's businesses, and there is no appreciable prospect of any competitive harm resulting from the vertical integration of those businesses. Thus, there is no possible competitive harm of any type.

B. EFFECT ON OPERATIONS AND NOTICE TO CUSTOMERS

18. The Transaction will not have any negative effect on New Edge's Missouri operations or on the Missouri customers of New Edge, to whom it will be essentially transparent. After consummation of the Transaction, New Edge will continue to provide the same services to those customers at the same rates, terms and conditions as at present. The operations of New Edge will continue to be supervised by the same management, technical and customer service supervisors as at present. All services will continue to be provided to New Edge's customers without interruption; the Transaction will not result in discontinuance of the service of any customer in Missouri.

19. Because it is a stock transaction at the holding company level, the transfer of control of New Edge will not result in a change of carrier for any of New Edge's customers in Missouri. As such, the customer notice requirements of 4 CSR 240-3.520(G) do not apply to the proposed transaction.

C. NEW EDGE'S EXISTING MANAGERIAL, TECHNICAL AND FINANCIAL RESOURCES WILL BE AUGMENTED AFTER THE TRANSACTION

20. The proposed Transaction will also have no negative impact on the provision of safe, adequate and proper service to Missouri customers. To the contrary, the proposed transfer of control and related Transaction are expected to provide New Edge with access to additional capital that will enable it not only to ensure that its customers will continue to receive quality service on an uninterrupted basis, but to improve the quality of those services going forward. The Applicants anticipate that New Edge's cost of capital will decline after the Transaction.

21. Additionally, the expertise of EarthLink's management, marketing and customer service personnel will be available to improve New Edge's business services

after the Transaction closes. This will enable New Edge to provide better service to its customers and to become a stronger competitor in the Missouri marketplace. The combination of EarthLink's expertise and resources with New Edge's existing resources guarantees that the after the Transaction New Edge will have improved managerial, technical and financial resources that will allow it to provide improved and advanced service in Missouri.

D. IMPACT ON TAX REVENUES

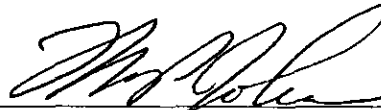
22. The Applicants do not anticipate that the proposed transaction will have any impact on the tax revenues of the Missouri taxing jurisdictions within which New Edge provides service.

CONCLUSION

23. The Commission should find that the proposed Transaction is in accordance with law and will serve the public interest in promoting competition among telecommunications carriers in Missouri. Applicants therefore request that the Commission approve the Transaction expeditiously.

24. Assuming approval is granted, Applicants will notify the Commission in writing of the closing of the Transaction and the consummation of the transfer of control.

Respectfully submitted,



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(360) 693-9997 fax

AFFIDAVIT OF SAMUEL R. DESIMONE, JR.

Comes now Samuel R. DeSimone, Jr., being of lawful age and duly sworn, and who swears and affirms as follows:

1. I have reviewed the attached application for approval of transfer of control of New Edge Network, Inc. to EarthLink, Inc., and that all statements made therein are true and correct to the best of my belief; and
2. I am the Executive Vice President, Secretary and General Counsel of EarthLink, Inc., and, as such, I am fully authorized by EarthLink to attest to the veracity of the statements made in the attached application.

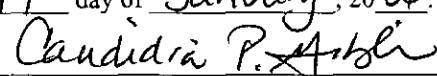


Samuel R. DeSimone, Jr.

State of GEORGIA

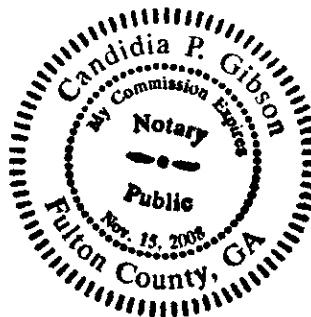
County of FULTON

Subscribed and sworn to or affirmed before me

This 17 day of January, 2006.


Notary Public

My commission expires 11/15/08



AFFIDAVIT OF PENNY H. BEWICK

Comes now Penny H. Bewick, being of lawful age and duly sworn, and who swears and affirms as follows:

1. I have reviewed the attached application for approval of transfer of control of New Edge Network, Inc. to EarthLink, Inc., and that all statements made therein are true and correct to the best of my belief; and
2. I am the Vice President of External Affairs for New Edge Networks, Inc., and, as such, I am fully authorized by New Edge Network to attest to the veracity of the statements made in the attached application.

Penny H. Bewick

Penny H. Bewick

State of WASHINGTON

County of CLACK

Subscribed and sworn to or affirmed before me

This 19th day of January, 2006
Kathleen Beigh Shotzky

Notary Public

My commission expires March 3, 2006



EXHIBITS

- A. New Edge Business Authorization**
- B. New Edge Fictitious Name Registration**
- C. EarthLink Business Authorization**
- D. Agreement between New Edge and EarthLink**