



PAETEC

NEWS RELEASE

Media Contact

Dan Smith
PAETEC
(469) 341-3129
daniel.smith@paetec.com

Investor Contact

Tom Morabito
PAETEC
(585) 340-5413
tom.morabito@paetec.com

**PAETEC Successfully Integrates McLeodUSA Facilities to Create
Unified National Data Network**

Milestone Will Increase Network Efficiency, Enhance Customer Experience

FAIRPORT, N.Y. -- (Sept. 10, 2008) -- PAETEC Holding Corp. (NASDAQ GS: PAET), which provides data, voice and Internet solutions to business-class customers nationwide, today announced the successful unification of the PAETEC and former McLeodUSA data networks. The achievement means that PAETEC now operates an integrated data network across the company's national footprint.

"The data network integration creates greater product flexibility for our customers and deeper levels of network visibility for the company," said PAETEC Chief Operating Officer Edward "EJ" Butler, Jr. "PAETEC began selling key products in the McLeodUSA footprint shortly after the merger closed. The integrated data network will be a cornerstone for our upcoming Unified Product Portfolio and customer-facing back-office systems."

The company expects to deploy a Unified Product Portfolio as well as common provisioning and customer-care platforms, and Network Operations Centers in early 2009.

PAETEC completed its acquisition of McLeodUSA on Feb. 8, 2008. The merger created a national network footprint with the addition of 26 of the top 100 US markets across the Midwest, Northwest and Southwest regions of the United States. The new markets for PAETEC include Cleveland, Dallas, Denver, Detroit, Houston, Minneapolis-St. Paul, Phoenix, Portland, St. Louis, and Seattle.

Other integration activities that PAETEC has previously achieved include the:

- Integration of McLeodUSA's Signaling System 7 (SS7) infrastructure to create a unified Signal Transfer Point (STP) backbone that spans from coast-to-coast.

- Consolidation of all Caller ID with Name (CNAM) and toll-free services, which creates network efficiencies and greater service consistency.
- Migration of McLeodUSA's Local Number Portability (LNP) services to PAETEC's Local Service Management System (LSMS). Taking control of this service internally enables the company to more rapidly migrate customers to PAETEC services.
- Conversion of former McLeodUSA employees to PAETEC's payroll and benefits policies and systems.

About PAETEC

PAETEC (NASDAQ GS: PAET) is personalizing communications for business-class customers across the United States. We offer a comprehensive suite of data, voice, and IP services, as well as enterprise communications management software, network security solutions, CPE, and managed services. For more information, visit www.paetec.com.

#