



PAETEC

NEWS RELEASE

FOR IMMEDIATE RELEASE

**New York State Office of the Chief Information Officer/Office For
Technology Selects PAETEC to Deliver Voice Services**

FAIRPORT, N.Y. – Sep. 2, 2009 – PAETEC Holding Corp. (NASDAQ GS: PAET), which provides data, voice, and Internet solutions to business-class customers nationwide, today announced that the New York State Office of the Chief Information Officer/Office for Technology (CIO/OFT) has selected PAETEC to deliver core voice services to the State agencies on the State’s network. The agreement will represent over six million minutes per month in voice services, distributed between local and long distance service.

“Out of the 42 states which we serve, New York State is the largest for PAETEC and home both to our corporate headquarters and approximately 1,000 of our employees,” said Kevin Errity, president of the east region for PAETEC. “We thank CIO/OFT for the careful consideration of the available carriers and for recognizing PAETEC’s unique set of personalized solutions and unmatched service, which has made us one of the strongest telecommunication providers in the nation.”

CIO/OFT provides statewide technology direction and centralized technology policies and services to New York State government entities. The agency’s voice and data telecommunication systems support over 90,000 users and 10,000

teleconferences per year. The local and long distance (toll) services provided from PAETEC are expected to save the state approximately \$370,000 annually for the next five years, representing a 20 percent cost savings.

“The need to increase government efficiency while reducing costs has come into increasing focus with the recent fiscal crisis,” said Dr. Melodie Mayberry-Stewart, New York State Chief Information Officer and Director of the Office for Technology. “PAETEC will enable the State of New York Office to demonstrate a significant cost savings while meeting the demands to deliver better core voice services to our customer agencies.”

In addition to its nationwide presence and corporate headquarters in the Rochester area, PAETEC has offices in Buffalo, Syracuse, Albany, Westchester, Hudson Valley, Manhattan and Long Island.

About PAETEC

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

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