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FIRST COMMUNICATIONS, INC.
("First Communications" or the "Company")

Merger of FirstSpeed, LLC with PowerGrid Communications, Inc.

Akron, OH- April 2, 2008: First Communications (AIM: FCOM), the US based integrated telecommunications company, today announces that its joint venture access Broadband over Power Lines (BPL) operation, FirstSpeed, LLC ("FirstSpeed") has merged with PowerGrid Communications, Inc. ("PowerGrid"), a Delaware based corporation, providing smart grid management and network solutions to the utility industry, and the surviving entity will be PowerGrid.

The current shareholders of FirstSpeed, LLC (including First Communications, Inc. as 50% shareholder) will receive 50% of the outstanding stock of the combined companies in exchange for the transfer of the stock of FirstSpeed together with a limited debt and equity investment as additional capitalization for the combined entity. The initial funds will be used for working capital and capital expenses associated with existing customer projects. The surviving entity, PowerGrid, will have three Directors to the Board selected by FirstSpeed, Ray Hexamer, Tony Banks and Jeff Eisenach and three Directors to the Board selected by PowerGrid, Chris Britton, Jeffrey Schumacher and Morris Sandler.

Ray Hexamer, Chief Executive Officer of FirstSpeed said:

"We are very excited to be partnering with PowerGrid as we combine FirstSpeed's communications, marketing and infrastructure background with PowerGrid's utility applications. PowerGrid's management have been pioneers in the industry and we look forward to them taking the lead on the further development of the business."

Chris Britton, Chief Executive Officer of PowerGrid said:

"We feel this merger is consistent with the business goals of PowerGrid Communications and FirstSpeed and accelerates the successful development and implementation of intelligent energy solutions to the utility industry. The combined Company's services will allow the power distribution grid to be monitored, controlled and managed, creating a Smart Grid with greater reliability, lower costs and greater efficiency in a period of energy scarcity. This combination will also strengthen our position with our existing customers as we look to expand our service portfolio."

About FirstSpeed and PowerGrid

FirstSpeed was primarily created to support the development and deployment of Broadband Over Power Line Products in partnership with utilities, including FirstEnergy Corp. FirstSpeed has entered into an agreement with FirstEnergy Corp. giving FirstSpeed the conditional right to deploy and operate Broadband Over Power Line equipment and to provide related retail BPL services utilizing FirstEnergy's distribution network.

PowerGrid has emerged as one of the premier developers of Smart Grid Energy Management networks and solutions. Drawing together some of the top talent and technology in the industry, PowerGrid delivers Smart Grid solutions that enable utility partners to increase reliability, improve efficiency and decrease both operating costs, distribution loads and carbon emissions in an era of scarce energy resources and regulatory uncertainty.

PowerGrid provides a full spectrum of network design, applications and solutions integration, operations and marketing services; Smart Grid applications and consumer services including Grid Management and Outage Detection, Pro-active Customer Notification, Renewable Energy Integration, Advanced Meter Integration, Substation and Distribution Automation, "Grid Eye" Network Management Oversight and Control, Retail Energy Load Reduction and Home Energy Management. For more information, visit the Company's web site at www.powergridcomm.com.

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