



# PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION  
445 TWELFTH STREET, S.W.  
WASHINGTON, D.C. 20554

DA 08-2681

News media information 202/418-0500 Fax-On-Demand 202/418-2830 Internet: <http://www.fcc.gov> <ftp.fcc.gov>

Released: December 9, 2008

## APPLICATIONS FILED FOR THE TRANSFER OF CONTROL OF EMBARQ CORPORATION TO CENTURYTEL, INC.

WC Docket No. 08-238

### PLEADING CYCLE ESTABLISHED

**Comments/Petitions to Deny Due: January 8, 2009**

**Reponses/Oppositions Due: January 23, 2009**

Embarq Corporation (Embarq) and CenturyTel, Inc. (CenturyTel) (together, Applicants) filed a series of applications pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 214, 310(d).<sup>1</sup> The Applicants seek Commission approval of the transfer of control of Embarq to CenturyTel.

Embarq, a Delaware holding company, owns subsidiaries that operate as incumbent local exchange carriers (incumbent LECs) in 18 states and provides local exchange services over nearly 5.9 million telephone access lines and broadband service to 1.4 million subscribers.<sup>2</sup> The company's operating subsidiaries offer consumers local and long distance phone service, high-speed Internet access, and satellite video from DISH network. For businesses, Embarq's subsidiaries offer local voice and data services, long distance services, business class high-speed Internet services, satellite video services from DIRECTV, enhanced data network services, voice and data communication equipment, and managed

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<sup>1</sup> See Embarq Corporation, Transferor, and CenturyTel, Inc., Transferee, Application for Transfer of Control of Domestic Authorizations Under Section 214 of the Communications Act, as Amended, WC Docket No. 08-238 (filed Nov. 26, 2008); ITC-T/C-20081126-00516, Embarq Communications, Inc. (ITC-214-20050816-00337); ITC-T/C-20081126-00517, Embarq Communications of Virginia, Inc. (ITC-214-20050816-00336); United Telephone Company of Indiana, File No. 0003657510; United Telephone Company of the Northwest, File No. 0003663154; Central Telephone Company of Texas, File No. 0003663160; United Telephone Southeast LLC, File No. 0003663165; United Telephone Company of the Carolinas LLC, File No. 0003663168; Embarq Florida, Inc., File No. 0003663173; Carolina Telephone and Telegraph Company LLC, File No. 0003663174; Embarq Missouri, Inc., File No. 0003663176; United Telephone Company of Kansas, File No. 0003663178; Central Telephone Company, File No. 0003663179; United Telephone Company of the West, File No. 0003663182; Embarq Minnesota, Inc., File No. 0003663183; United Telephone Company of Ohio, File No. 0003663187; The United Telephone Company of Pennsylvania LLC, File No. 0003663188; and Central Telephone Company of Virginia, File No. 0003663190.

<sup>2</sup> Embarq's subsidiaries provide service in the following states: Florida, Indiana, Kansas, Minnesota, Missouri, Nebraska, Nevada, New Jersey, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, Washington, and Wyoming. Embarq's subsidiary incumbent LECs and the states in which they operate are listed in Exhibit 3 of the application.

network services. Through its subsidiary, Embarq Payphone Services, Inc., Embarq offers payphone services in various parts of the United States.

CenturyTel, a Louisiana holding company, conducts its business operations principally through subsidiaries offering communications, high-speed Internet, and entertainment services in small-to-mid-size cities through its copper and fiber networks.<sup>3</sup> CenturyTel operates in 25 states and provides local exchange services over roughly two million telephone access lines and high-speed Internet connections to approximately 630,000 subscribers.<sup>4</sup> CenturyTel's offerings include long distance services, cable television services, satellite television services, Internet Protocol Television (IPTV) service, and wireless services. CenturyTel also provides services as a competitive LEC, along with other communications and business services. CenturyTel operates a fiber network that provides wholesale and retail fiber-based transport services to customers in the central United States. Cajun Acquisition Company (CAC), a Delaware corporation, is a direct wholly-owned subsidiary of CenturyTel created to facilitate the transaction's consummation.

On October 26, 2008, Embarq, CenturyTel, and CAC entered into an Agreement and Plan of Merger (Merger Agreement). In accordance with the terms of the Merger Agreement, Embarq and CAC will merge, with Embarq becoming the surviving corporation and CAC ceasing to exist.<sup>5</sup> The transaction will entail exchanging 1.37 shares of CenturyTel stock for every share of Embarq common stock. As a result of the transaction, Embarq will become a direct, wholly-owned subsidiary of CenturyTel.<sup>6</sup> Applicants state that CenturyTel plans to refinance certain indebtedness at closing, but no additional debt related to the merger is contemplated.

## SECTION 214 AUTHORIZATIONS

The following applications for consent to the transfer of control of section 214 authorizations to CenturyTel have been assigned the file numbers listed below.

### A. International

<u>File No.</u>	<u>Authorization Holder</u>	<u>Authorization Number</u>
ITC-T/C-20081126-00516	Embarq Communications, Inc.	ITC-214-20050816-00337
ITC-T/C-20081126-00517	Embarq Communications of Virginia, Inc.	ITC-214-20050816-00336

### B. Domestic

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<sup>3</sup> A list of CenturyTel subsidiaries with domestic 214 authority is attached as Exhibit 2 of the application.

<sup>4</sup> CenturyTel's subsidiaries provide service in the following states: Alabama, Arkansas, Colorado, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Tennessee, Texas, Washington, Wisconsin, and Wyoming.

<sup>5</sup> Embarq will be the surviving corporation but will adopt the By-Laws and Certificate of Incorporation of CAC.

<sup>6</sup> Applicants state that the stockholders of pre-transaction Embarq are expected to own approximately 66% of post-transaction CenturyTel, and the shareholders of pre-transaction CenturyTel are expected to own approximately 34% of post-transaction CenturyTel. The post-transaction CenturyTel board will be composed of eight CenturyTel-appointed directors and seven Embarq-appointed directors.

Applicants filed an application for consent to transfer control of Embarq to CenturyTel. Applicants assert that this transaction is entitled to presumptive streamlined treatment under the Commission's case-by-case approach.<sup>7</sup> In light of the multiple applications pending before the Commission with respect to this transaction and the public interest review associated with them, we conclude that Applicants' domestic transfer of control application is not subject to streamlined treatment.

## SECTION 310(D) APPLICATIONS

File No.	Licensee	Lead Call Sign
0003657510	United Telephone Company of Indiana	KN6109
0003663154	United Telephone Company of the Northwest	KOQ78
0003663160	Central Telephone Company of Texas	WLC623
0003663165	United Telephone Southeast LLC	KJH26
0003663168	United Telephone Company of the Carolinas LLC	KIC29
0003663173	Embarq Florida, Inc.	KIB95
0003663174	Carolina Telephone and Telegraph Company LLC	KD53122
0003663176	Embarq Missouri, Inc.	KVI22
0003663178	United Telephone Company of Kansas	WNYU738
0003663179	Central Telephone Company	KPY34
0003663182	United Telephone Company of the West	WBP56
0003663183	Embarq Minnesota, Inc.	KQ5115
0003663187	United Telephone Company of Ohio	KQH49
0003663188	The United Telephone Company of Pennsylvania LLC	KNBM625
0003663190	Central Telephone Company of Virginia	KZT930

## EX PARTE STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,<sup>8</sup> the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.<sup>9</sup>

We direct parties making oral *ex parte* presentations to the Commission's statement re-emphasizing the public's responsibility in permit-but-disclose proceedings. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.<sup>10</sup> More than a one- or two-sentence description of the views and arguments

<sup>7</sup> See *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517, 5535, para. 34 (2002).

<sup>8</sup> 47 C.F.R. § 1.1200(a).

<sup>9</sup> *Id.* § 1.1206.

<sup>10</sup> See *Commission Emphasizes the Public's Responsibilities in Permit-But-Disclose Proceedings*, Public Notice, 15 FCC Rcd 19945 (2000).

presented is generally required.<sup>11</sup> Other rules pertaining to oral and written presentations are set forth in section 1.1206(b) as well.<sup>12</sup> We urge parties to use the Electronic Comment Filing System (ECFS) to file *ex parte* submissions.

## GENERAL INFORMATION

The applications referenced herein have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies. Final action on these applications will not be taken earlier than thirty-one days following the date of this Public Notice.<sup>13</sup>

Interested parties must file comments or petitions to deny no later than **January 8, 2009**. Persons and entities that timely file comments or petitions to deny may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order (subject to the restrictions contained in the protective order) and seeking reconsideration of decisions. Responses or oppositions to comments and petitions must be filed no later than **January 23, 2009**. All filings concerning matters referenced in this Public Notice should refer to DA 08-2681 and WC Docket No. 08-238, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

Under the Commission's procedures for the submission of filings and other documents,<sup>14</sup> submissions in this matter may be filed electronically (*i.e.*, though ECFS) or by hand delivery to the Commission's Massachusetts Avenue location.

- **Electronic Filers:**<sup>15</sup> Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/>. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket number. Parties also may submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- **Paper Filers:** Parties who choose to file by paper must file an original and four copies of each filing.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by

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<sup>11</sup> See 47 C.F.R. § 1.1206(b)(2).

<sup>12</sup> *Id.* § 1.1206(b).

<sup>13</sup> See 47 U.S.C. § 309(b).

<sup>14</sup> See *Implementation of Interim Electronic Filing Procedures for Certain Commission Filings*, Order, 16 FCC Rcd 21483 (2001); see also *FCC Announces a New Filing Location for Paper Documents and a New Fax Number for General Correspondence*, Public Notice, 16 FCC Rcd 22165 (2001); *Reminder: Filing Locations for Paper Documents and Instructions for Mailing Electronic Media*, Public Notice, 18 FCC Rcd 16705 (2003).

<sup>15</sup> See *Electronic Filing of Documents in Rulemaking Proceedings*, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.

Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554.

One copy of each pleading must be delivered electronically, by e-mail or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to the Commission's duplicating contractor, Best Copy and Printing, Inc., at [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com) or 202 / 488-5563 (facsimile).

Additionally, filers must deliver courtesy copies by email or facsimile to the following Commission staff:

- David Krech, Policy Division, International Bureau, at [David.Krech@fcc.gov](mailto:David.Krech@fcc.gov) or 202 / 418-2824 (facsimile);
- Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, at [dennis.johnson@fcc.gov](mailto:dennis.johnson@fcc.gov) or 202 / 418-1413 (facsimile);
- Erin McGrath, Mobility Division, Wireless Telecommunications Bureau, at [erin.mcgrath@fcc.gov](mailto:erin.mcgrath@fcc.gov) or 202 / 418-7224 (facsimile); and
- Jim Bird, Office of General Counsel, at [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov) or 202 / 418-2822 (facsimile).

Copies of the Applications and any subsequently-filed documents in this matter may be obtained from Best Copy and Printing, Inc., in person at 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, via telephone at 202 / 488-5300, via facsimile at 202 / 488-5563, or via e-mail at [fcc@bcpiweb.com](mailto:fcc@bcpiweb.com). The Applications and any associated documents are also available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The Applications also are available electronically through the Commission's ECFS, which may be accessed on the Commission's Internet website at <http://www.fcc.gov>.

People with Disabilities: To request this Public Notice in accessible formats (computer diskette, large print, audio recording, and Braille) send an email to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202 / 418-0530 (voice), 202 / 418-0432 (tty).

For further information, contact Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, at 202 / 418-0809; David Krech, Policy Division, International Bureau, at 202 / 418-7443; or Erin McGrath, Mobility Division, Wireless Telecommunications Bureau, at 202 /418-2042.

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