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April 20, 2006

Beth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

APR 21 2006

PUBLIC SERVICE
COMMISSION

Dear Ms. O'Donnell:

On behalf of Embarq Communications, Inc. ("ECI") (f/k/a "Sprint Long Distance, Inc."), this is to advise the Commission of a proposed transfer of control of ECI from its current parent company, Sprint Nextel Corporation ("Sprint Nextel") to Embarq Corporation ("Embarq").¹ It is anticipated that this transfer of control, described in greater detail below, will take place on May 15, 2006.

Summary of the Transaction

Following the merger of Sprint Corporation and Nextel Communications, Inc. into Sprint Nextel Corporation, Sprint Nextel determined to separate its wireline local service operation into an independent, stand-alone operation.² As part of that transaction, a new holding company, Embarq Corporation, has been created and control of the Sprint Nextel operating companies serving local customers – essentially, Sprint Nextel's incumbent local exchange carrier ("ILEC") operations – will be transferred to that holding company. The transfer of control of ECI to Embarq is associated with, and an incidental aspect of, the primary transfer of control of the

¹ On April 14, 2006, Sprint Long Distance, Inc., sent a notice letter to this Commission regarding the name change to Embarq Communications, Inc. A copy of this letter is attached for your convenience.

² On December 15, 2004, Sprint Corporation and Nextel Communications, Inc. (Nextel) entered into a merger agreement pursuant to which, upon obtaining requisite Sprint and Nextel stockholder approval and satisfaction of the other conditions to the merger, Nextel would merge with and into a wholly owned subsidiary of Sprint. The conditions of the merger were satisfied and the merger closed on August 12, 2005. The corporate name was changed to "Sprint Nextel Corporation." In the merger agreement, Sprint and Nextel agreed to use their reasonable best efforts to separate the ILEC business of Sprint by means of a tax-free spin-off to the then-existing stockholders of Sprint Nextel.



Sprint Nextel ILECs (in other states) from Sprint Nextel to Embarq. ECI is being established to provide long distance service to Embarq's ILEC customers. Although it does not have ILEC operations in Kentucky, in some cases, Sprint Nextel ILECs in other states serve business customers with multi-state offices, some of which are in Kentucky, that require long distance services between or among the offices. These Sprint Nextel ILEC business customers with business locations in Kentucky will receive interexchange services from ECI.

Embarq will operate independently from Sprint Nextel, with its own management team and board of directors. While the proposed transaction will result in a change in the ultimate ownership of ECI, it will not affect the operations of ECI. ECI will retain its authorization to provide telecommunications services in Kentucky and will continue to have the same technical, financial and managerial ability to provide reliable services as it does today.

Mechanics of the Transaction

In order to accomplish this separation, control of Sprint Nextel's ILEC operations in its eighteen "in-region" states (which does not include Kentucky) and of ECI, will be transferred from Sprint Nextel to Embarq. Embarq will then transfer its stock in the ILEC subsidiaries and ECI to Sprint Nextel, which will distribute the shares to its existing shareholders. The result is that, as of the date of separation, Embarq will be 100% owned by Sprint Nextel shareholders. When the transaction is completed, Embarq will be a separately-traded, stand-alone company in which Sprint Nextel retains no ownership, and Embarq will be the sole owner of all of the stock of ECI and the ILEC operations.

The Parties to the Transaction

Sprint Nextel is a publicly-traded Kansas corporation with executive headquarters at 2001 Edmund Halley Drive, Reston, Virginia 20191 and operational headquarters at 6200 Sprint Parkway, Overland Park, Kansas 66251. Sprint Nextel is a global communications company providing wireless, long distance, and local communications services. Sprint Nextel's ILECs provide a full portfolio of communications services, including local, long distance, high-speed data, wireless and video services. Although Sprint Nextel has no ILEC operations in Kentucky, as of December 31, 2004, its ILEC operations served approximately 7.7 million local access lines in 18 states.

Embarq, a newly formed subsidiary of Sprint Nextel, is a Delaware corporation with its corporate headquarters in the Kansas City metropolitan area, at 5454 110th Street, Overland Park, Kansas 66211. When the transaction is consummated, Embarq will operate independently from Sprint Nextel and will have its own management team and board of directors. Upon the separation from Sprint Nextel, Embarq is expected to be a Fortune 500 company listed on the New York Stock Exchange. Embarq will have with approximately \$6 billion in annual revenues and will serve as the fifth largest local communications company in the United States based on the company's 7.4 million access lines as of September 30, 2005. The company will provide a



suite of communications services, consisting of local and long distance voice and data services, including high-speed Internet access.

ECI is a Delaware corporation with principal offices located at 6200 Sprint Parkway, Overland Park, Kansas 66251. ECI is currently a wholly-owned subsidiary of Sprint Nextel. On January 31, 2006, ECI filed an application for authority to provide intrastate interexchange services in Kentucky, which was approved on April 7, 2006.

Effect of the proposed transfer of control on Kentucky customers

The proposed transaction, which will be entirely transparent to customers, will result only in a change in the ultimate ownership of ECI – from Sprint Nextel to Embarq – and will not affect the operations of ECI. ECI will retain its authorization to provide telecommunications services in Kentucky, once granted. There will be no changes to the rates, terms and conditions or ECI's customers as a result of the transfer of control. Accordingly, the transfer of control will be transparent to customers.

Moreover, ECI will continue to have the same technical, financial, and managerial ability to provide reliable, high quality telephone service and customer care. Embarq is expected to be listed on the New York Stock Exchange, have approximately \$6 billion in annual revenues, rank among the Fortune 500, and be the country's fifth largest local communications company. A highly experienced management team will lead Embarq, maintaining the quality of management of ECI. The senior management team has an average tenure in the telecommunications industry of nearly 18 years, with approximately 170 years of combined Sprint experience. This seasoned team of telecommunications executives will ensure that ECI will be well-managed and provide quality service to the customers in Kentucky. In sum, as ECI's new parent company, Embarq will be focused solely on the needs of customers in its wireline markets and will have the management team, the financial wherewithal, and the commitment to invest in its network, employees and systems in order to ensure high quality service to the public.

Under KRS 278.020(4) and (5), IXC's and long distance resellers are required to seek prior approval for authority to transfer their operations through a transfer of stock. However, the Commission exempted such providers from the transfer requirements and only requires these carriers to provide notice to the Commission describing the transaction and to provide an adoption notice pursuant to KAR 5:011 for the tariff with one day's notice. *See In the Matter of Exemptions for Interexchange Carriers, Long-Distance Resellers, Operator Service Providers and COCOT Providers, Case No. 359, Order (June 21, 1966).* Based on these facts, there is no need for Commission approval of this transaction under Kentucky law and Commission regulations. Please note that an adoption notice is not required in this case because Embarq Communications, Inc. (the operating company) filed a complete tariff in its new name with the notice of name change sent on April 14, 2006.

Enclosed please find an original and five copies of this filing. Please date stamp one copy of this letter and return it to my attention in the enclosed, prepaid self-addressed Federal Express

Beth O'Donnell
April 20, 2006
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envelope. Should you have any questions regarding this matter, please contact me or Mark Trinchero at (503) 241-2300.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in cursive script that reads "Sarah K. Wallace". The signature is written in black ink and extends across the width of the page.

Sarah K. Wallace

SKW:djr



Davis Wright Tremaine LLP

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April 14, 2006

VIA UPS OVERNIGHT

Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602-0615

Re: Sprint Long Distance, Inc.

Dear Sir/Madam:

This is to advise that Sprint Long Distance, Inc., which was granted authority to operate as a reseller of intrastate, interexchange service in Kentucky on April 7, 2006, has changed its name to Embarq Communications, Inc. This is a name change only and does not otherwise affect the operations of the company. Enclosed are copies of the amended articles of incorporation issued by the Delaware Secretary of State, an amended authority to do business in Kentucky issued by the Kentucky Office of the Secretary of State, and a new tariff. The only change to this tariff is to reflect the company's new name and address; it is otherwise identical to the tariff currently on file. Also enclosed is a copy of the notice letter that was sent to Sprint Long Distance, Inc.'s customers in March 2006. Customers were also notified of the name change through bill inserts.

Embarq Communications, Inc., also provides the following information for the Commission's records:

1. Name, corporate address and registered agent:

Embarq Communications, Inc.
6200 Sprint Parkway
Overland Park, KS 66251
913-762-4120

Embarq will not operate under an assumed name and does not have a principal place of business in Kentucky.



2. Contact Information:

Consumer Inquiries and Complaints by the Public:

Dan F. Kerling
6360 Sprint Parkway
Mailstop: KSOPHE0210 – 2B270
Overland Park, Kansas 66251
913-762-4120 (phone)
913-762-0522 (fax)
1-800-877-3345 (toll-free)
dan.f.kerling@sprint.com

Commission Contact for resolving consumer complaints, responding to consumer inquires:

Linda K. Joseph, Legal Analyst
6450 Sprint Parkway
Mailstop: KSOPHN0214-2A668
Overland Park, KS 66251
913-315-9171 (phone)
913-523-0391 (fax)
linda.k.joseph@sprint.com

or

Dan F. Kerling
6360 Sprint Parkway
Mailstop: KSOPHE0210 – 2B270
Overland Park, Kansas 66251
913-762-4120 (phone)
913-762-0522 (fax)
1-800-877-3345 (toll-free)
dan.f.kerling@sprint.com

Commission Contact for answering matters concerning rates and price lists or tariffs:

Darlene Terry
Tariff Supervisor
6200 Sprint Parkway
Overland Park, KS 66251
913-315-9311
darlene.terry@sprint.com

Kentucky Public Service Commission

April 14, 2006

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Enclosed are an original and 11 copies of this filing. Please date stamp one copy of this letter and return it to my attention in the enclosed, prepaid, self-addressed Federal Express envelope. Should you have any questions regarding this matter, please contact the undersigned or Mark Trinchero at (503) 241-2300.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in cursive script that reads "Sarah K. Wallace".

Sarah K. Wallace

SKW:djr

Encl.

cc: Susan Hudson (KY PSC)
KY Department of Public Service