



Ernie Fletcher
Governor

LaJuana S. Wilcher, Secretary
Environmental and Public
Protection Cabinet

Christopher L. Lilly
Commissioner
Department of Public Protection

Commonwealth of Kentucky
**Environmental and Public Protection
Cabinet**

Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460

Mark David Goss
Chairman

Teresa Hill
Vice Chairman

Gregory Coker
Commissioner

NEWS RELEASE

Contact:
Andrew Melnykovich
(502) 564-3940 x208
(502) 330-5981 (cell)

PSC APPROVES ALLTEL LOCAL SERVICE SPIN-OFF *Company combining landline business with Valor Communications Group*

FRANKFORT, Ky. (May 23, 2006) – The Kentucky Public Service Commission (PSC) today approved the merger of Alltel Corp.'s Kentucky landline operations with VALOR Communications Group, Inc., as part of a transaction creating Windstream Communications.

After the spin-off of its landline operations, Alltel will become a wireless-only carrier.

In approving the transfer of control, the PSC determined that Windstream has the technical, managerial and financial ability to provide reasonable service to Alltel's Kentucky landline customers.

However, in an order issued today, the PSC placed certain conditions on the merger in order to ensure that it is in the public interest. Most of the conditions are intended to protect Kentucky ratepayers from bearing any of the costs or debt associated with the transaction.

The decision affects Alltel's two Kentucky subsidiaries, with more than 540,000 customers in 48 counties. Most are in Lexington and surrounding areas, but the company also serves Elizabethtown, Somerset, Ashland, Hazard and Shepherdsville.

After the merger is finalized, Alltel's two operating divisions in Kentucky will be known as Windstream Kentucky (Shepherdsville area) and Kentucky Windstream (all other areas).

The overall merger includes Alltel's landline operations in 15 states, as well as the company's competitive local telephone service and long-distance operations. Alltel's wireless operations will not be affected.

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Valor, headquartered in Irving, Texas, has about 530,000 landline customers in 260 mostly rural communities in Arkansas, Texas, Oklahoma and New Mexico. The merged company will have about 3.4 million customers. It will be headquartered in central Arkansas.

The merger is the third transfer of the Alltel landline system in Kentucky in the last seven years. Alltel acquired the system from Verizon in 2002. Verizon purchased the system from GTE in 1999.

In addition to the conditions related to the cost of the merger, other conditions placed by the PSC on the transaction include that:

- The headquarters of the Kentucky operating companies remain in Kentucky.
- The quality of service be maintained.
- Windstream continue to invest in deploying high-speed Internet service in its Kentucky service territory.

Today's order and other documents in the case are available on the PSC Web site, psc.ky.gov. The case number is 2005-00534.

The PSC is an agency within the Environmental and Public Protection Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in the Commonwealth of Kentucky and has approximately 110 employees.