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JUL 07 2009

PUBLIC SERVICE
COMMISSION

Via Hand Delivery

July 7, 2009

Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Notification Regarding Merger Of Embarq Corporation And CenturyTel, Inc.

Dear Mr. Derouen:

On January 8, 2009, we advised you regarding the planned merger between Embarq Corporation and CenturyTel, Inc. A copy of my January 8, 2009 letter is enclosed for your convenience. As explained in my letter, the planned merger is not subject to Commission approval.

We wanted to advise the Commission that the merger was approved by the FCC on June 25, 2009 as explained in the parties Joint Press Release, also enclosed. On July 1, 2009, Embarq and CenturyTel completed their merger.

I spoke to J.E.B. Pinney of the Commission Staff about this matter on a couple of occasions, including most recently on June 25, 2009, the day of the FCC's approval of the merger. As I explained to Mr. Pinney, who had already seen press reports of the FCC approval of the merger, my courtesy letter to the Commission providing formal notice of the FCC's approval and the completion of the merger would not occur until this week due to the Holiday and my vacation for most of last week.

Please do not hesitate to contact me if the Commission has any questions or needs any additional information regarding this matter.

Respectfully submitted,

EMBARQ CORPORATION

By: H.N. McTyeire, V
Holland N. McTyeire, V
Its Attorney

HNm/jh
Enclosures
cc: J.E.B. Pinney
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211 Sower Boulevard
Frankfort, Kentucky 40602-0615

Re: Notification Regarding Merger Of Embarq Corporation And CenturyTel, Inc.

Dear Mr. Derouen:

Our firm represents Embarq Corporation ("Embarq") in connection with a merger between Embarq and CenturyTel, Inc. ("CenturyTel"). Embarq Communications, Inc. ("ECI"), which is a wholly-owned subsidiary of Embarq, is authorized to offer resold intrastate interexchange telecommunications services in Kentucky.¹ Embarq Payphone Services, Inc., ("EPSI"), which is also a wholly-owned subsidiary of Embarq, is authorized to provide Customer-Owned Coin-Operated Telephones ("COCOT") in Kentucky.² CenturyTel provides telecommunications services in Kentucky through CenturyTel Fiber Company II, LLC and CenturyTel Long Distance LLC.³ Neither Embarq nor CenturyTel has ILEC operations in Kentucky. The purpose of this letter is to provide the Public Service Commission (the "Commission") with notification of the planned transaction.

The Transaction: The transaction involves a merger of entities at the parent company level. Under the terms of the merger agreement, Embarq and a wholly-owned subsidiary of CenturyTel will merge, with Embarq being the surviving corporation. Embarq then becomes a wholly-owned subsidiary of CenturyTel. The Embarq Kentucky operating entities will continue to provide telecommunications services. The transaction will not affect the rates, terms or

¹ See Utility ID No. 5173500.

² See Utility ID No. 5607800.

³ See Utility ID No. 5055110 and Utility ID No. 5144600, respectively.

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conditions under which the Embarq operating entities provide service in Kentucky.⁴ Neither ECI nor EPSI have any tariffs in Kentucky.⁵ There will be no transfer or pledge of Embarq's Kentucky assets or that of its operating entities in Kentucky in connection with the transaction. The transaction is not expected to affect the day-to-day operations of the Embarq operating entities. In sum, this transaction will be transparent to and have no impact on Embarq customers in Kentucky.⁶

Report of Transaction: Because the merger consists solely of the transfer of control of a long distance reseller and a COCOT operator, the Commission's prior approval of the transaction is not required under Kentucky law.⁷ Pursuant to the Commission precedent, it has been long established that non-ILEC providers may transfer assets, including a transfer of control, without prior Commission approval, and that only notice of the transaction is required.⁸ This letter is respectfully submitted by Embarq in connection with any requirement to provide notice of the pending transaction and to ensure the continuing accuracy of the Commission's records. The parties presently contemplate that the transaction will close, subject to any necessary regulatory and shareholder approvals, early in the second quarter of 2009.

Embarq respectfully requests that the Commission acknowledge receipt of this letter by providing me with a file-stamped copy of it.

⁴ In view of the current rapidly changing communications market, any service providers, including ECI and EPSI, must constantly review their pricing strategy and product mix to respond appropriately to marketplace demands. Although rates, terms and conditions will be the same immediately after the merger as they were immediately pre-merger, prices and product mixes necessarily will change over time as customer demand, technology, and business demands dictate. Obviously, either ECI or EPSI would make any such changes only in compliance with all applicable legal requirements.

⁵ See ECI's August 29, 2007 letter to the Commission.

⁶ ECI has less than 50 customers in Kentucky, presently. EPSI has payphones in 27 locations for about four customers in Kentucky.

⁷ The Commission has exempted acquisitions of "[interexchange carriers ("IXCs")], long-distance resellers, and operator service providers," as well as "CLECs" and "wireless carriers," from any approval requirements of KRS Chapter 278. See Order at 5-6, *Exemptions for Interexchange Carriers, Long-Distance Resellers, Operator Service Providers and Customer-Owned, Coin-Operated Telephones*, Administrative Case No. 359, 1996 Ky. PUC LEXIS 77 (June 21, 1996); Order at 2-3, *Exemptions for Providers of Local Exchange Service Other than Incumbent Local Exchange Carriers*, Administrative Case No. 370, 1998 Ky. PUC LEXIS 319 (Jan. 8, 1998). These utilities need only provide the Commission with a letter describing the transaction. *Id.* at 2.

⁸ *Id.*

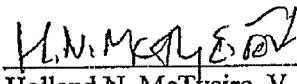
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Please feel free to contact the undersigned if you have any questions regarding this letter or require additional information concerning the transaction. Thank you for your consideration.

Respectfully submitted,

EMBARQ CORPORATION

By: 

Holland N. McTyeire, V
Its Attorney

HNM/jh
cc: J.E.B. Pinney

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For Immediate Release

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FCC APPROVES CENTURYTEL AND EMBARQ MERGER

Transaction Has Now Received All Necessary Approvals

MONROE, La. and OVERLAND PARK, Kan., June 25, 2009 -- CenturyTel, Inc. (NYSE: CTL) and Embarq Corporation (NYSE: EQ) today announced that CenturyTel's pending acquisition of EMBARQ has received approval from the Federal Communications Commission (FCC). The merger now has received all necessary approvals, and the companies expect the merger to be effective on July 1, 2009.

"The FCC's approval is a significant and exciting milestone toward completing the merger," said Glen F. Post III, CenturyTel's chairman and chief executive officer. "It has been a rigorous review process and we are pleased to have the FCC's approval and recognition that the combination of CenturyTel and EMBARQ offers many benefits to our customers and the communities we serve."

"We have committed to the FCC that we will remain focused on infrastructure development and broadband deployment after completion of the merger," said Tom Gerke, EMBARQ's chief executive officer. "Our combined company is committed to investing in our communities and providing our customers high-quality, reliable communications and expanded broadband services."

The FCC memorandum and order approving the merger can be found on the FCC website at: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-09-54A1.doc. CenturyTel and EMBARQ have already received all necessary approvals from the states in which CenturyTel and EMBARQ provide local service, as well as that of their respective shareholders, who overwhelmingly approved all proposals related to the merger on Jan. 27, 2009. On Nov. 24, 2008, the companies also received early termination of the waiting period required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

About CenturyTel

CenturyTel (NYSE: CTL) is a leading provider of communications, high-speed Internet and entertainment services in small-to-mid-size cities through our broadband and fiber transport

networks. Included in the S&P 500 Index, CenturyTel delivers advanced communications with a personal touch to customers in 25 states. Visit us at www.centurytel.com.

About EMBARQ

Embarq Corporation (NYSE: EQ), headquartered in Overland Park, Kansas, offers a complete suite of communications services. EMBARQ has operations in 18 states and is in the Fortune 500(R) list of America's largest corporations. For consumers, EMBARQ offers an innovative portfolio of services that includes reliable local and long distance home phone service, high-speed Internet, wireless, and satellite TV from DISH Network(R) -- all on one monthly bill. For businesses, EMBARQ has a comprehensive range of flexible and integrated services designed to help businesses of all sizes be more productive and communicate with their customers. This service portfolio includes local voice and data services, long distance, Business Class High Speed Internet, wireless, satellite TV from DIRECTV(R), enhanced data network services, voice and data communication equipment and managed network services. For more information, visit embarq.com.

Forward Looking Statements

Except for the historical and factual information contained herein, the matters set forth in this press release, including statements as to the expected benefits of the acquisition such as efficiencies, cost savings, enhanced revenues, growth potential, market profile and financial strength, and the competitive ability and position of the combined company, and other statements identified by words such as "estimates," "expects," "projects," "plans," and similar expressions are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including the possibility that the anticipated benefits from the acquisition cannot be fully realized or may take longer to realize than expected, the possibility that costs or difficulties related to the integration of EMBARQ operations into CenturyTel will be greater than expected, the ability of the combined company to retain and hire key personnel, the impact of regulatory, competitive and technological changes and other risk factors relating to our industry as detailed from time to time in each of CenturyTel's and EMBARQ's reports filed with the Securities and Exchange Commission. There can be no assurance regarding the timing or consummation of the merger. You should not place undue reliance on these forward-looking statements, which speak only as of the date hereof. Unless legally required, CenturyTel and EMBARQ undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.