

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

May 19, 2006

IN RE:

**JOINT PETITION OF SPRINT COMMUNICATIONS
COMPANY, L.P. AND SPRINT LONG DISTANCE,
INC. FOR TRANSFER OF CUSTOMER BASE**

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**DOCKET NO.
06-00039**

ORDER APPROVING CUSTOMER NOTIFICATION LETTER

This matter came before Chairman Ron Jones, Director Pat Miller and Director Sara Kyle of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 6, 2006 for consideration of the *Joint Application for Transfer of Customer Base* (“*Joint Application*”) filed by Sprint Communications Company L.P. (“Sprint LP”) and Sprint Long Distance, Inc. (“LTD Long Distance”) (together, the “Applicants”) on February 14, 2006 requesting approval of a transfer of the customer base pursuant to Authority Rule 1220-4-2-.56(2)(d).

JOINT APPLICATION

The *Joint Application*, filed on February 14, 2006, notified the Authority of the Applicants’ request for approval to transfer to LTD Long Distance all of Sprint LP’s residential long distance customers served by Sprint LP in the local exchange territory of United Telephone-Southeast, Inc. (“UTSE”) as well as certain business customers located in UTSE’s local exchange territory.¹

¹ The transfer includes those small business customers that are located in the local exchange territory of United Telephone-Southeast, Inc. as well as those large business customers that have a corporate or regional headquarters in the territory.

Sprint LP is a Delaware Limited Partnership with principal offices located in Overland Park, Kansas. Sprint LP is duly authorized by the Authority to provide competitive local exchange and interexchange telecommunications services in Tennessee. Sprint LP currently provides interexchange services on a facilities basis in all 50 states and internationally.

LTD Long Distance is a Delaware corporation with principal offices located in Overland Park, Kansas. LTD Long Distance is authorized as a provider of operator services and resold interexchange services in Tennessee pursuant to Authority Order in Docket No. 05-00229 issued on October 28, 2005.

The *Joint Application* indicates that, in accordance with an agreement entered into between the Applicants, Sprint LP will transfer its specified customer base to LTD Long Distance. Sprint LP will continue to provide interexchange services to residential and business customers throughout Tennessee and its other jurisdictions. Sprint LP will also continue to provide wholesale interexchange services so that companies like LTD Long Distance can meet its customer expectations.

The *Joint Application* asserts that LTD Long Distance has the requisite technical, financial, and managerial capabilities to acquire Sprint LP's customer assets and to ensure the seamless provision of telecommunications services. The *Joint Application* states that Sprint will file with the Authority the necessary tariff revisions to implement the transfer.

The Applicants state that pursuant to Authority Rule 1220-4-2-.56(2)(d)(2), no less than 30 days prior to the transfer of Sprint LP's customers to LTD Long Distance, the affected customers will be provided with notice of the change in long distance providers. The Applicants also maintain the transfer will be transparent to the affected customers and will not alter the manner or quality of service that Sprint LP's current interexchange customers enjoy.

In addition, the *Joint Application* states that LTD Long Distance agrees to provide the affected customers a thirty (30) day written notice of any rate increase that may affect their service up to ninety (90) days from the transfer of customers.

THE MARCH 6, 2006 AUTHORITY CONFERENCE

The Applicants request approval of the transfer of customer base pursuant to Authority Rule 1220-4-2-.56(2)(d). This Rule applies because the transaction involves the transfer of Sprint LP's competitive local exchange customers to LTD Long Distance and Authority Rule 1220-4-2-.56(2)(d) states that the telecommunications provider of a customer shall not be changed without the customer's authorization. Authority Rule 1220-4-2-.56(2)(d) provides as follows:

(d) In the case of a transfer of a customer base between two or more telecommunications service providers, the Authority, upon petition by the acquiring telecommunications service provider, may deem that sufficient notice has been given and approval received from the affected customers when the following criteria are met:

1. The acquiring telecommunications service provider shall provide the Authority a copy of the self-certification letter it shall file with the Federal Communications Commission ("FCC"), as required in CC Docket No. 00-257, certifying that the customer transfer is in compliance with all FCC regulations governing such transactions.

2. A notification letter, pre-approved by the Authority, shall be mailed by the current provider of telecommunications service to its customers describing the customer transfer and explaining that unless the customer selects another telecommunications service provider, the customers' local or long distance service will be transferred to the acquiring telecommunications service provider by a date specified in the notification letter. The notification letter shall be mailed by U.S. First Class Postage, with the logo or name of the current provider displayed on both the letterhead and the exterior envelope, no less than thirty (30) days prior to the actual customer transfer. For good cause shown, the Authority may waive any requirement of this part or order any requirement thereof to be fulfilled by the acquiring provider. Good cause includes, but is not limited to, evidence that the current provider is no longer providing service in Tennessee.

3. The acquiring telecommunications service provider agrees to pay any fees charged to the customer associated with changing service to the acquiring telecommunications service provider. The notification letter required in 1220-4-2-.56(2)(d)(2) shall inform the customer of this provision.

4. The acquiring telecommunications service provider agrees to provide to the affected customers a thirty (30) day written notice of any rate increase that may affect their service up to ninety (90) days from the date of the transfer of customers. The notification letter mentioned in 1220-4-2-.56(2)(d)(2) shall inform the customer of this provision.

At the March 6, 2006 Authority Conference, the panel found that this transaction is subject to approval pursuant to Authority Rule 1220-4-2-.56, and although the customer notification letters do not explicitly state that the acquiring provider agrees to pay any fees charged to the customer associated with changing service, the panel found that the language of the letters adequately conveys that customers will not incur charges as a result of the transfer.

Additionally, the panel found that the letters did not state that the acquiring carrier will provide to the effected customers a 30-day written notice of any rate increase that may affect their service up to 90 days from the date of the transfer, and the Applicants have not filed with the Authority their FCC self-certification letter. Based on these findings and the record in this matter, the panel voted unanimously to approve the customer notification contingent on the Applicants filing an amended letter that complies with Authority Rule 1220-4-2-.56(2)(d) and the FCC self-certification letter with the Authority.

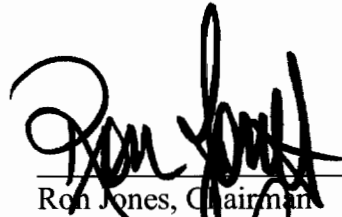
IT IS THEREFORE ORDERED THAT:

1. The customer notification is approved contingent on the Applicants filing a revised letter that states that the acquiring carrier will provide to the effective customers a 30-day written notice of any rate increase that may affect their service up to 90 days from the date of the

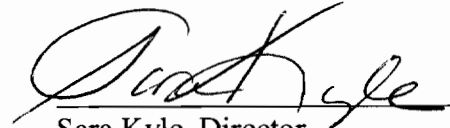
transfer and is otherwise found to be consistent with Authority Rule 1220-4-2-.56(2)(d) by the Authority's Legal Division.²

2. The Legal Division shall notify the companies in writing of its determination and such correspondence shall be filed in the docket file.

3. The Applicants shall file with the Authority the self-certification letter they file with the Federal Communications Commission.³



Ron Jones, Chairman

Pat Miller, Director

Sara Kyle, Director

² On March 17, 2006, the Applicants filed revised customer notification letters with the Authority which the Legal Division determined were consistent with Authority Rule 1220-4-2-.56(2)(d) and this Order.

³ The Applicants provided to the Authority on March 31, 2006 the self-certification letter they filed with the FCC.