

BASS, BERRY & SIMS PLC

A PROFESSIONAL LIMITED LIABILITY COMPANY
ATTORNEYS AT LAW

R. DALE GRIMES
TEL: (615) 742-6244
dgrimes@bassberry.com

315 DEADERICK STREET, SUITE 2700
NASHVILLE, TN 37238-3001
(615) 742-6200
www.bassberry.com

OTHER OFFICES

KNOXVILLE
MEMPHIS

February 6, 2009

Via Hand Delivery

Chairman Eddie Roberson
c/o Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

filed electronically in docket office on 02/06/09

**In Re: Joint Application of Embarq Corporation and CenturyTel, Inc. Regarding
Transfers of Control of United Telephone Southeast LLC d/b/a Embarq,
Embarq Communications, Inc. and Embarq Payphone Services, Inc.
Docket No. 08-00219**

Dear Chairman Roberson:

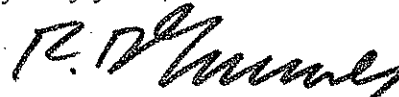
Enclosed please find an original and six (6) copies of the Joint Issues List of Embarq Corporation and CenturyTel, Inc. with regard to the above matter. This document also is being filed electronically today with the Tennessee Regulatory Authority Docket Manager, Sharla Dillon.

Please stamp two (2) copies of this document as "filed" and return them to me by way of our courier.

Should you have any questions concerning any of the enclosed, please do not hesitate to contact me.

With kindest regards, I remain

Very truly yours,



R. Dale Grimes

RDG/smb

Enclosures

Chairman Eddie Roberson
February 6, 2009
Page 2

cc: Hon, Gary Hotvedt, Hearing Officer
Charles B. Welch, Jr., Esq.
Samuel Cullari, Esq.
Michael H. Pryor, Esq.
William C. Bovender, Esq.
H. LaDon Baltimore, Esq.
Susan Berlin, Esq,
Henry Walker, Esq.

7507126.1

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

In Re:

**Joint Application of Embarq Corporation and
CenturyTel, Inc. Regarding Transfers of Control
of United Telephone Southeast LLC d/b/a Embarq,
Embarq Communications, Inc. and Embarq
Payphone Services, Inc.**

Docket No. 08-0219

APPLICANTS' ISSUES LIST

| Issue | Applicants' Position |
|--|---|
| Procedurally, are the Petitions to Intervene ripe for ruling? | Yes. The petitions have been appropriately addressed with an opportunity for responses and replies. No further written comment is necessary and the Hearing Officer should rule on the petitions at the February 9 th Status Conference after providing a brief opportunity to the parties to state their positions before the Hearing Officer. Ruling at the status conference is consistent with Chairman Roberson's guidance that the Hearing Officer "give great deference" to the Applicants' request for expedited consideration of their application so that final action can be accomplished by the second quarter of 2009. |
| Should the Comcast/NuVox/BES/DeltaCom petitions to intervene be granted? | No, this docket is not the appropriate forum to resolve these issues nor do the issues raised relate directly to the statutory criteria of whether the merger furthers the public interest. Both Embarq and CenturyTel currently comply fully with their contractual and legal interconnection obligations and there is no assertion from Comcast to the contrary. Those obligations will remain in place after the merger has closed, and if there is some future violation of those obligations, Comcast retains all of the remedies it currently has to address any such violation. Furthermore, terms of future interconnection agreements will be subject to negotiation and arbitration if the parties are unable to reach resolution, just as they are today. In short, there is an adequate and appropriate mechanism for Comcast to address what are now speculative |

| Issue | Applicants' Position |
|---|---|
| <p>If the Comcast/NuVox/BES/DeltaCom petitions to intervene are granted, how should their issues be resolved?</p> | <p>assertions concerning interconnection.</p> <p>The Authority should reject any attempt to impose conditions on the merger and should approve the transaction as proposed in furtherance of the public interest. If the Hearing Officer determines that an evidentiary hearing is required to resolve the issues, the Applicants expect to provide testimony demonstrating that their current interconnection practices fully comply with their contractual and legal obligations and will continue to do so after the merger has closed. The Applicants also expect to provide testimony addressing the adoption of "best practices" related to the provision of wholesale network services to competing providers, specifically addressing how integration teams are currently in the data gathering process to review systems and processes of the two companies in an effort to identify the best systems that can be adopted as we transition to a merged company.</p> |
| <p>Should the Electric Distributors' petition to intervene be granted?</p> | <p>No, this docket is not the appropriate forum to resolve these issues nor do the issues raised by the Electric Distributor's petition relate directly to the statutory criteria in this docket – whether the transfer of authority from Embarq to CenturyTel "furthers the public interest." Additionally, there is an issue as to whether the Authority has statutory jurisdiction over pole attachment agreements, including rates of municipal electric distributors and cooperatives, a key issue in any dispute over "joint use poles." In the past, municipal electric distributors and cooperatives have generally not supported legislative efforts to make them subject to the Authority's jurisdiction. However, if the Authority considers it appropriate, a separate proceeding to address the specific complaints of the Electric Distributors and the jurisdiction of the Authority could be convened. Finally, if the Electric Distributors contend that Embarq is violating the existing contract between the parties, then the Electric Distributors may invoke the specific contractual remedies available to each party before a court of law.</p> |
| <p>If the Electric Distributors' petition to intervene is granted, how should the Authority address the (1) operational issues and (2) monetary issues raised</p> | <p>The Applicants would respectfully suggest that if the TRA finds sufficient grounds to grant the Electric Distributors' intervention, then the TRA</p> |

| Issue | Applicants' Position |
|--|---|
| by the Electric Distributors? | <p>should limit its examination to the operational issues only and only those that the Electric Distributors allege are "public safety" issues. Applicants respectfully submit that the monetary issues are not relevant to the merger proceeding and are likely not within the statutory jurisdiction of the TRA. The parties are working to address the monetary issues but if the Electric Distributors contend that Embarq is violating the existing contract between the parties regarding the monetary issues, then the Electric Distributors may invoke the specific contractual remedies available to each party before a court of law to specifically address those monetary issues.</p> |
| <p>If the Electric Distributors' petition to intervene is granted, how should the Authority address the Electric Distributors' "operational" issues?</p> | <p>The parties have been meeting and working to resolve the operational issues identified by the Electric Distributors, without involvement of the Authority. In order to address the Electric Distributors' assertions and, more importantly, to resolve the operational issues as quickly as possible, Applicants have requested that the Electric Distributors provide a complete list of alleged violations. The Applicants propose that the Hearing Officer require that the Electric Distributors provide a complete list of alleged violations as soon as possible and no later than February 13th. Applicants would respond to each alleged violation by no later than February 20th. If issues remain, a joint list of operational issues should then be provided by February 25, with a request for an evidentiary hearing in accordance with the procedural schedule established by the Authority.</p> <p>If the Hearing Officer determines that an evidentiary hearing is necessary, the Applicants expect to provide testimony of Embarq witnesses who would testify to the aggressive efforts being made to address the issues raised by the Electric Distributors and the plan that Embarq has offered to the Electric Distributors to ensure that future issues are handled in an expeditious manner.</p> |

Respectfully submitted,



R. Dale Grimes
BASS, BERRY & SIMS PLC
315 Deaderick Street, Suite 2700
Nashville, Tennessee 37238-3001
(615) 742-6244
Email: dgrimes@bassberry.com
Tennessee B.P.R. No. 6223
Counsel for CenturyTel

Edward Phillips
14111 Capital Boulevard
Mailstop: NCWKFR0313
Wake Forest, NC 27587-5900
(919) 554-7870
Email: edward.phillips@embarq.com
Tennessee B.P.R. No. 016850
Counsel for Embarq

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been forwarded via first class U.S. Mail, postage prepaid, hand delivery, overnight delivery or electronic transmission on this the 6 day of February, 2009 to the following:

For Comcast:

Charles B. Welch, Jr.
Farris Mathews Bobango, PLC
618 Church Street, Suite 300
Nashville, TN 37219
email: CWelch@farrismathews.com

For Comcast:

Michael H. Pryor
Mintz, Levin, Cohen, Ferris Glovsky & Popeo,
P.C.
701 Pennsylvania Ave., N.W.
Suite 900
Washington, D.C. 20004
email: MHPryor@Mintz.com

For NuVox:

H. LaDon Baltimore
Farrar & Bates LLP
211 7th Avenue North, Suite 500
Nashville, TN 37219
email: don.baltimore@farrar-bates.com

*For Bristol Essential Services and
DeltaCom:*

Henry Walker
1600 Division Street, Suite 700
Nashville, TN 37203
email: HWalker@boultcummings.com

For Comcast:

Samuel Cullari
Comcast Cable Communications, LLC
One Comcast Center, 50th Floor
Philadelphia, PA 19103
email: Samuel_Cullari@Comcast.com

For NE TN TVA Distributors:

William C. Bovender
Hunter Smith and Davis LLP
1212 N. Eastman Road
P. O. Box 3740
Kingsport, TN 37664
email: Bovender@hsdlaw.com

For NuVox:

Susan Berlin
NuVox Communications, Inc.
Two North Main Street
Greenville, SC 29601
email: SBerlin@NuVox.com

