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10-00115

VIA ELECTRONIC FILING

Chairman Sara Kyle
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

Re: Notice of Indirect Transfer of Control of Qwest Communications Company, LLC
from Qwest Communications International, Inc. to CenturyLink

Dear Chairman Kyle:

I. Introduction

On behalf of Qwest Communications International, Inc. ("QCII") and Qwest Communications Company, LLC ("QCC") (QCII and QCC, collectively, "Qwest"), and CenturyLink, Inc., and its subsidiaries ("CenturyLink"), we are pleased to inform you that on April 21, 2010, Qwest and CenturyLink entered into an Agreement and Plan of Merger that will result in QCII becoming a wholly-owned subsidiary of CenturyLink ("Transaction"). Further, as part of the Transaction, QCII's sole regulated operating subsidiary in Tennessee, QCC, will become an indirect wholly-owned subsidiary of CenturyLink. As will be described in more detail below, it is a parent-level transaction that combines two leading communications companies with customer-focused, industry-leading capabilities, together with complementary networks and operating footprints. It results in a financially stronger company that can provide even greater potential for customers to enjoy a better overall customer service experience, the availability of new services, and the increased confidence and satisfaction from a provider that will be better positioned to meet their demands for the long-term.

At the same time, because this is a parent-level transaction only, with no change in the regulated entities that operate in Tennessee, the Tennessee Regulatory Authority ("Authority") retains exactly the same regulatory authority over QCC, and CenturyLink's Tennessee operating subsidiaries¹ that the Authority possesses immediately prior to the Transaction. In addition, the

¹ CenturyLink's Tennessee operating subsidiaries include the following: United Telephone Southeast LLC d/b/a CenturyLink; CenturyTel of Adamsville, Inc. d/b/a CenturyLink Adamsville; CenturyTel of Claiborne, Inc d/b/a CenturyLink Claiborne; CenturyTel of Ooltewah-Collegedale, Inc. d/b/a CenturyLink Ooltewah-Collegedale; Embarq Communications, Inc. d/b/a CenturyLink Communications; Embarq Payphone Services, Inc. d/b/a CenturyLink Payphone; CenturyTel Long Distance, LLC d/b/a CenturyLink Long Distance; CenturyTel Solutions, LLC d/b/a CenturyLink Solutions; CenturyTel Fiber Company II, LLC d/b/a LightCore, a CenturyLink company;

Transaction is transparent to customers because immediately following the Transaction, QCC and the CenturyLink Tennessee Operating Subsidiaries will continue to provide local exchange and long distance services to their respective customers as they do today. Further, the Transaction will not cause any changes to customer rates, terms and conditions of service.

As described further below, because QCC is operating pursuant to market regulation in Tennessee, CenturyLink and Qwest respectfully submit that prior approval of the Transaction by the Authority is not needed and this letter is being submitted for notification and informational purposes only. CenturyLink and Qwest also respectfully request that the Authority confirm this analysis that approval of the Transaction is not required. If the Authority disagrees with this conclusion, CenturyLink and Qwest respectfully request that the Authority contact us within the next thirty (30) days.

II. The Transaction

The merger is a straightforward tax free, stock-for-stock transaction with no new debt or refinancing required. Shareholders of QCII will receive 0.1664 shares of CenturyLink for each share of QCII common stock owned at closing. Upon closing, the shareholders of pre-merger CenturyLink will own approximately 50.5% of post-merger CenturyLink, and the shareholders of pre-merger QCII will own approximately 49.5% of post-merger CenturyLink. Following completion of the Transaction, four directors from the QCII Board will be added to the CenturyLink Board of Directors, including Edward A. Mueller, QCII's Chairman and Chief Executive Officer (CEO). These additions will increase the number of CenturyLink directors from 13 pre-Transaction to 17 post-Transaction.

As stated, the Transaction contemplates a parent-level transfer of control of QCII only. As depicted in the attached chart showing the pre- and post-Transaction corporate structure, QCII will become a wholly-owned, first tier subsidiary of CenturyLink, and QCC and the CenturyLink Tennessee Operating Subsidiaries will continue as separate certificated carriers with no change in corporate structure. Further, because this Transaction is a combination at the parent company level only, it is not a transaction in which local exchanges, companies, or assets are being sold, combined or transferred to a new provider, and each subsidiary will continue to have the requisite managerial, technical and financial capability to provide services to its respective customers.

The combined company's senior leadership team will consist of proven leaders with extensive experience in the telecommunications industry and a successful track record of integration. Glen F. Post, III, the current CEO and President of CenturyLink, will continue to be the CEO and President of the post-merger CenturyLink. R. Stewart Ewing, Jr., the current Chief Financial Officer (CFO) of CenturyLink, will continue to be the CFO of the post-merger CenturyLink. Karen A. Puckett, the current Chief Operating Officer (COO) of CenturyLink, will continue to be COO of post-merger CenturyLink. Finally, Christopher K. Ancell, currently the

Executive Vice President of Business Markets Group for Qwest, will be the President of the Business Markets Group for post-merger CenturyLink. Together, these leaders have among them nearly 100 years of experience in the telecommunications industry.

A. Description of CenturyLink

CenturyLink is a publicly traded Louisiana corporation with headquarters at 100 CenturyLink Drive, Monroe, Louisiana. CenturyLink is included in the Fortune 500's list of America's largest corporations. CenturyLink is a leading provider of high-quality voice and broadband services over its advanced communications networks to consumers and businesses in 33 states.² CenturyLink serves approximately 7 million access lines nationwide, 2.2 million broadband subscribers, and over 553,000 video subscribers.³ CenturyLink has a successful history of providing services to rural America and has evolved into a company that serves every segment of the consumer and business markets through a complete array of voice and data services.

In Tennessee, the CenturyLink Tennessee Operating Subsidiaries are certificated to provide local and interexchange telecommunications services in Tennessee and control of these entities will not be affected by the proposed Transaction. Likewise, the Transaction will not change how the CenturyLink Tennessee Operating Subsidiaries are regulated immediately following the closing.

B. Description of Qwest and Its Tennessee Regulated Entity

QCII is a publicly-traded Delaware corporation, with headquarters at 1801 California Street, Denver, Colorado. Through its operating subsidiaries, Qwest offers a complete suite of communications services to consumers and businesses, including local, long distance, high speed data services, and, through sales relationships with Verizon Wireless and DIRECTV, wireless and video products. QCII is in the Fortune 500's list of America's largest corporations. It has an industry-leading national fiber-optic network and world-class customer service and is the choice of 95% of Fortune 500 companies, offering a full suite of network, data and voice services for small and large businesses, government agencies, and wholesale customers. Through its subsidiary, Qwest Corporation, QCII provides incumbent local exchange services in 14 western and midwestern states, serving approximately 10.3 million local access lines.

In Tennessee, QCC provides long distance and competitive local exchange services by certificates issued in Docket No. 05-00019 on May 9, 2005, and in Docket No. 99-00922 on March 22, 2001, respectively. In addition to Tennessee, QCC provides facilities-based and

² In addition to Tennessee, CenturyLink is an incumbent local exchange provider in Louisiana, Washington, Oregon, Idaho, Montana, Wyoming, Nebraska, Minnesota, Iowa, New Mexico, Colorado, Nevada, Ohio, Indiana, Michigan, Illinois, Wisconsin, Pennsylvania, New Jersey, Virginia, North Carolina, South Carolina, Florida, Georgia, Alabama, Mississippi, Texas, Arkansas, Oklahoma, Missouri, Kansas, and California.

³ All customer or access line numbers are as of December 31, 2009.

resold interexchange and competitive local exchange operations nationwide.⁴ Earlier this year, QCC filed notice to become market regulated under T.C.A. § 65-5-109 as of March 31, 2010.⁵

III. The Transaction Will be Beneficial to Customers

The communications industry has changed dramatically in the last several years, and the industry continues to experience change at a frenetic pace. Competition, and particularly intermodal competition, is widespread with wireless and wireline carriers competing vigorously for customers. Local wireline carriers face increasing competition from other providers of voice services and from cable operators providing voice, video and data offerings. As a result of this robustly competitive market environment and the rapidly changing fundamentals of the wireline business, carriers such as Qwest and CenturyLink must adapt to compete more effectively. Wireline businesses now require greater strategic flexibility to bring new products and expanded services to the marketplace more quickly and to enhance customer service. These evolving market dynamics place unique pressures on companies such as Qwest and CenturyLink.

This Transaction offers the financial strength and flexibility for the operating subsidiaries of the post-Transaction CenturyLink to continue providing outstanding service and enhanced offerings to customers, while delivering returns to shareholders. For the twelve months ended December 31, 2009, the combined company would have had pro forma revenue of nearly \$20 billion, pro forma EBITDA of approximately \$8.2 billion, and pro forma free cash flow of approximately \$3.4 billion, excluding synergies. The combined company's pro forma net leverage would have been 2.2 times EBITDA for the 12 months ended December 31, 2009, including synergies on a full run-rate basis and excluding integration costs. The Transaction requires no new financing or refinancing and adds no new debt. These attributes help insure that CenturyLink will continue to have a sound capital structure and significant free cash flow generation that will provide the fiscal stability to pursue necessary strategies and to deliver industry leading products and services to customers. This financial strength and flexibility, the more diverse mix of product offerings, the increased scale and stronger product portfolio and the resulting fiber network combine to position the post-Transaction CenturyLink to better compete against cable companies and technology substitution within its local regions—and nationally—to meet the unique needs of business, wholesale, government and residential customers.

With CenturyLink's distinctive expertise in serving smaller, rural areas and Qwest's industry-leading national fiber-optic network, data centers, and enterprise business experience, the post-Transaction enterprise will be positioned to capitalize on its collective knowledge of its local customers' preferences and to deliver innovative technology and product offerings to both its urban and rural markets. CenturyLink has a local, community-based approach to serving its customers that focuses on allocating decision-making and accountability close to its customer

⁴ QCC is authorized to provide interexchange services in all states except Virginia and is authorized as a competitive local exchange carrier in the District of Columbia and all states except Alaska and Virginia. QCC has a separate Virginia subsidiary that provides services in Virginia.

⁵ See TRA Docket No. 10-00020.

base. CenturyLink intends to continue and extend its local market focus under the newly combined company. This operating model and targeted marketing coupled with Qwest's industry-leading network and strong business, government and wholesale focus will position the combined company to improve and expand deployment of innovative IP products and services to business customers, to expand broadband availability and speeds to consumers, to deploy additional fiber-to-the-cell capabilities, and to offer new video choices to better serve customers.

Qwest and CenturyLink understand that continuing to meet their respective customer needs is their top priority and that ensuring the continuation of high quality service and customer experience pre- and post-Transaction is vitally important. That focus does not change. With the added financial strength resulting from the Transaction, QCC and the CenturyLink Tennessee Operating Subsidiaries will have the financial stability and access to capital necessary to continue to invest in networks, systems and employees that provide high quality and reliable services in the ever-increasingly competitive telecommunications marketplace.

Lastly, CenturyLink has an established track record of successfully integrating companies, including its most recent acquisition of Embarq Corporation.⁶ CenturyLink employs a best-in-class view towards company integration, combining the finest talent and most efficient and successful practices of the two merging companies. In consideration of the talent pool of employees, services, innovation, and commitment to service quality that currently resides in both CenturyLink and Qwest, the combined and integrated company will have an augmented supply of human and technological resources to service rural and urban customers.

IV. Authority Approval of the Transaction Is Not Required

As stated previously, the Transaction will not change the regulatory jurisdiction that the Authority has over QCC and the CenturyLink Tennessee Operating Subsidiaries. Immediately following the Transaction, QCC and the CenturyLink Tennessee Operating Subsidiaries will continue to provide local exchange and long distance services to their respective customers as they do today. The Transaction will not cause any change in rates, terms and conditions of service, service quality obligations, and applicable orders, although those may be modified by future Authority and legislative decisions.⁷

As of March 31, 2010, QCC is operating pursuant to market regulation under T.C.A. § 65-5-109. Before passage of the Market Regulation Act of 2009, this Transaction would have been reviewed pursuant to T.C.A. § 65-4-113 because this is a transfer of control of QCC at the holding company level.⁸ Under T.C.A. § 65-4-113(a), a public utility must obtain Authority

⁶Previous to the Embarq acquisition, CenturyLink had executed on five other transactions wherein it acquired more than two million access lines, and fiber assets.

⁷ Future end user rate changes will not change as a result of the Transaction, though they may be modified from time to time by any future Authority or legislative actions.

⁸ See, e.g., Order Approving Transfer of Authority Issued in Docket No. 08-00219 on May 12, 2009, at p. 3. As specified in T.C.A. § 65-4-113(d), §§ 65-4-112 and -113 are mutually exclusive.

approval to transfer its authority to provide utility services.⁹ However, as a market-regulated company, QCC is "exempt from all Authority regulation" except for specifically enumerated instances in T.C.A. §§ 65-5-109(m) and (n) where Authority jurisdiction is preserved. T.C.A. § 65-4-113 is not one of the statutes listed under either T.C.A. §§ 65-5-109(m) and (n) that continues to apply to market-regulated companies. Thus, because QCC is a market-regulated company, the Authority lacks jurisdiction to review the indirect transfer of QCC to another entity. CenturyLink and Qwest respectfully request that the Authority confirm this analysis that approval of the Transaction is not required. If the Authority disagrees with this conclusion, CenturyLink and Qwest respectfully request that the Authority contact us within the next thirty (30) days.

* * * * *

Please find enclosed an original and four (4) copies of this filing. Kindly date-stamp and return the enclosed extra copy in the envelope provided. Also enclosed is a check in the amount of \$75.00 to cover the filing fee. Should you have any questions concerning this matter, please contact Jeanne W. Stockman at (919) 554-7621, Dale Grimes at (615) 742-6244, or Pamela A. Wescott at (615) 255-0155.

Sincerely,



Jeanne W. Stockman

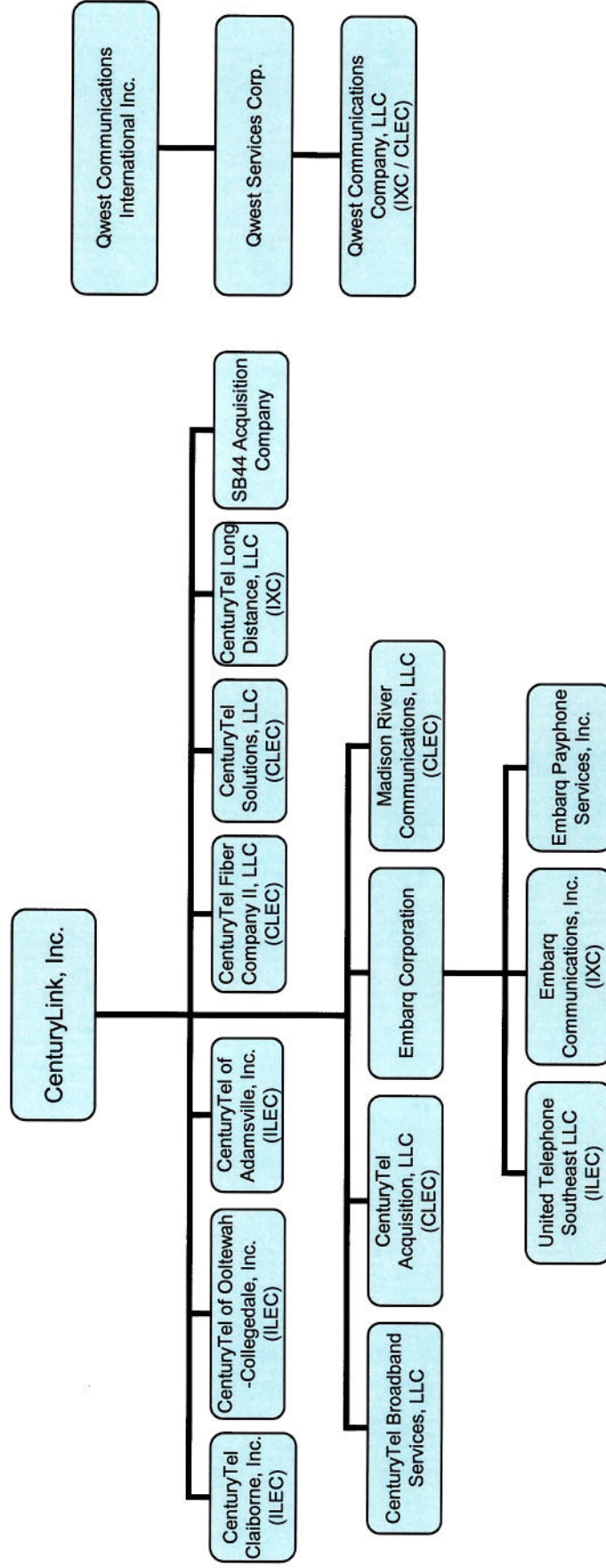
cc: Dale Grimes, Esquire
Pamela Wescott
Douglas Hsiao (Qwest)

⁹ See, e.g., Order Approving Transfer of Authority Issued in Docket No. 08-00219 on May 12, 2009, at p. 3.

TENNESSEE

Organizational Structure Diagrams

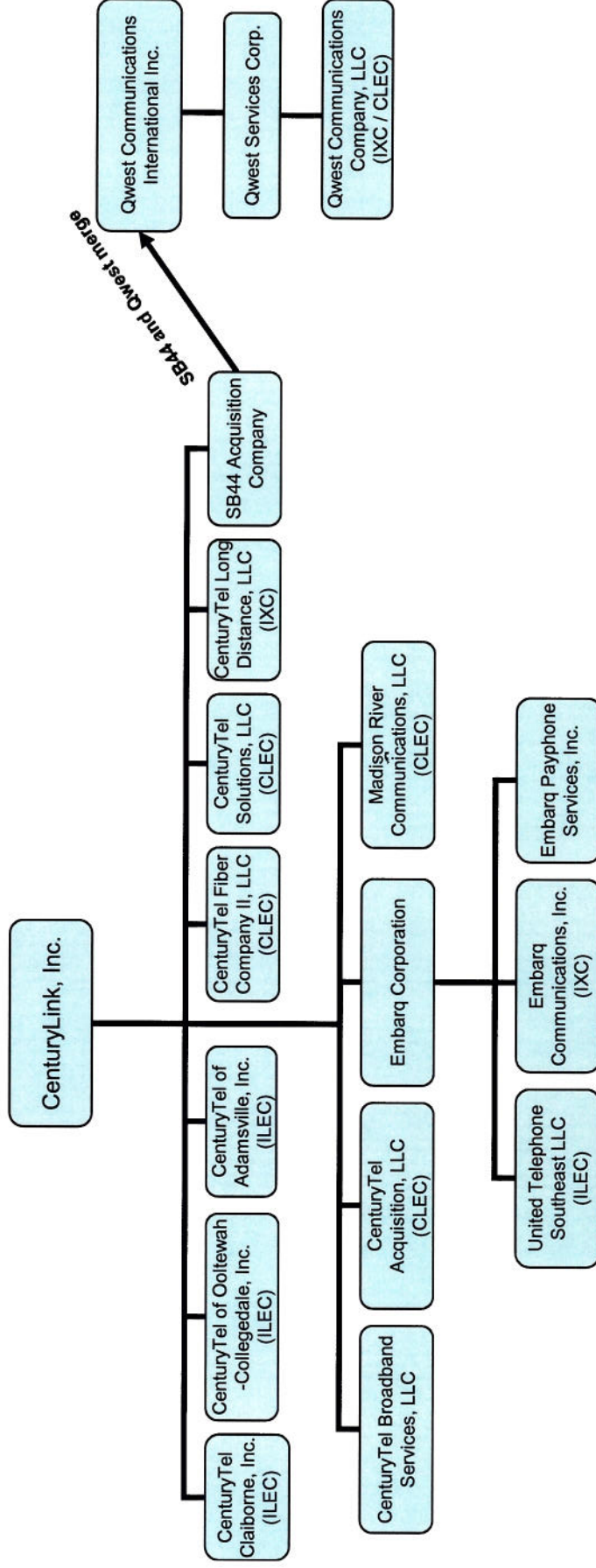
Pre-Merger



TENNESSEE

Organizational Structure Diagrams

Merger



Qwest Communications Int'l Inc. is the surviving entity and adopts:

SB44 Certificate of Incorporation

SB44 Bylaws

Qwest Communications Int'l Inc. becomes wholly-owned subsidiary of CenturyLink, Inc.

TENNESSEE Organizational Structure Diagrams

Post - Merger

