



August 13, 2012

2012 AUG 15 AM 9: 00 T.R.A. DOCKET ROOM

Mr. David Foster Chief, Utilities Division Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243-0505

RE: Ad Valorem Tax Equity Payments

TRA Docket No. 12-00079

CenturyTel of Adamsville, Claiborne, Ooltewah-Collegedale d/b/a CenturyLink United Telephone Southeast, LLC d/b/a CenturyLink

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Dear Mr. Foster:

The following information is being provided in accordance with your letter of July 24, 2012, and pursuant to the provisions of Tennessee Code Annotated § 67-6-222. The above-captioned companies have opted into retail pricing pursuant to Tennessee's Market Regulation Act. Accordingly, there is no longer any applicable Price Regulation Plan, as referenced in T.C.A. § 67-6-222. The above-captioned CenturyLink companies are no longer required to obtain TRA approval for retail business rates in Tennessee.

The above-named CenturyLink operating entities in Tennessee have complied with the requirements to evaluate the net proceeds of the actual amount of tax equity payments received in June 2012. There is a net shortfall for this period. Therefore, there is no flow through of estimated tax savings to business customers for the above-named CenturyLink companies for the upcoming period October 1, 2012 to September 30, 2013.

If you have any questions, please contact me at (615) 986-2727.

Respectfully,

Pam Wescott

State Government Relations

CenturyLink

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