

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) Application No. C-3474
Application of Sprint Nextel)
Corporation, Reston, Virginia,)
seeking approval of the)
transfer of control of United)
Telephone Company of the West,)
dba Sprint, St. Paul,) GRANTED
Minnesota, and Sprint Long)
Distance, Inc., Overland Park,)
Kansas, from Sprint Nextel)
Corporation to LTD Holding)
Company, Overland Park, Kansas.) Entered: November 1, 2005

BY THE COMMISSION:

On August 25, 2005, an application was filed by Sprint Nextel Corporation (Sprint Nextel), Overland Park, Kansas, requesting to transfer control of United Telephone Company of the West, dba Sprint (United), St. Paul, Minnesota, and Sprint Long Distance, Inc. (Sprint LD), Overland Park, Kansas, to LTD Holding Company. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 12, 2005. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N A N D F I N D I N G S

The Parties:

Sprint Nextel is a Kansas corporation with its headquarters in Overland Park, Kansas. Sprint Nextel is a global communications company providing wireless, long distance, and local communications services.

LTD Holding Company, a Delaware corporation, is a newly formed subsidiary of Sprint, which will become a separate entity. Upon the separation, LTD Holding Company will realize control of United and Sprint LD along with Sprint Nextel's other ILEC operations. At that time, LTD Holding Company will operate independently from Sprint and will have its own management team and board of directors. Upon separation from Sprint, LTD Holding Company will be the largest independent local telephone company in the United States.

United is now an indirect wholly owned subsidiary of Sprint Nextel. It is a Delaware corporation with headquarters in St. Paul, Minnesota. It was granted authority to provide local and long distance telecommunications services in the state of Nebraska pursuant to authority issued in Application C-1042.

Sprint LD is also a Delaware corporation. It was granted authority to provide local and long distance telecommunications services in the state of Nebraska pursuant to authority issued in Application C-3468.

The Transaction:

LTD Holding Company will acquire 100% of the stock of United and Sprint LD. Upon consummation of the agreement, United and Sprint LD will become direct, wholly owned subsidiaries of LTD Holding Company, which will become an independent entity from Sprint Nextel.

The proposed transaction will not result in any transfer or assignment of United or Sprint LD's operating authority or customers. Upon consummation of the transaction, United and Sprint LD will continue to provide services to customers under its existing name until LTD Holding Company chooses a new corporate name and brand and receives appropriate authority to do business under those names. Furthermore, United and Sprint LD will continue to conduct its operations in substantially the same manner in which those operations are currently conducted. The only change effected by the transfer is the direct and ultimate control of United and Sprint LD from Sprint Nextel to LTD Holding Company.

The parties submit that the public interest will be served because LTD Holding Company will operate by the same financial, managerial and technical standards as Sprint Nextel. In addition, the transaction will benefit competition in the telecommunications market by enabling LTD Holding Company to develop as an effective competitor in the state. Furthermore, the transaction will ensure that there is no disruption of service and will be entirely transparent to existing United and Sprint LD customers.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-3474 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 1st day of November, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Rod Johnson

Chairman *Gerald L. Vap*

Frank E. Landis

ATTEST:
And S. Pollak

//s// Rod Johnson
//s// Frank E. Landis
//s// Gerald L. Vap

Executive Director