

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED⁴

FEB 15 2006

Missouri Public
Service Commission

In the Matter of the Joint Application of)
GTE Midwest Incorporated and Spectra)
Communications Group LLC for Authority)
To Transfer and Acquire Part of GTE)
Midwest Incorporated's Franchise, Facilities)
Or System Located in the State of Missouri)
And for Issuance of Certificates of Service)
Authority to Spectra Communications)
Group LLC and for Authority for Spectra)
Communications Group LLC to Borrow)
An Amount not to Exceed \$250,000,000)
From CenturyTel, Inc. and in Connection)
Therewith to Execute a Telephone Loan)
Contract, Promissory Notes, and a)
Mortgage, Security Agreement and)
Financing Statement.)

Case No. TM-2000-182

SPECTRA COMMUNICATIONS GROUP, LLC
D/B/A CENTURYTEL'S NOTICE OF COMPLIANCE

COMES NOW Spectra Communications Group, LLC d/b/a CenturyTel
("Spectra") and for its Notice of Compliance respectfully states as follows:

1. Attached hereto and incorporated herein by reference as Exhibit A is a copy of correspondence submitted on behalf of Spectra to Mr. Robert Schallenberg, Director - Utility Services Division of the Staff of the Missouri Public Service Commission, advising the Staff that, in accordance with the Joint Recommendation¹ and Report and Order previously entered herein, the total capital structure of Spectra as of

¹ Section G of the Joint Recommendation states, in part, "Spectra agrees to achieve a capital structure of at least forty (40) percent equity to total capital (total capital is defined as the sum of short-term debt, long-term debt, preferred stock and common equity) within five (5) years of the closing date of the transaction. If such capital structure is not achieved within five (5) years, Spectra will make a filing with the Commission detailing why it has not achieved a forty (40) percent equity to total capital ratio and stating when and how it will achieve a forty (40) percent ratio." As noted in the correspondence, upon clarification concerning the equity components to be included in the achievement of a capital structure of at least forty (40) percent equity to total capital structure, Spectra converted \$74, 920,300 of preferred stock into common equity effective December 1, 2005.

December 1, 2005, is comprised of \$142,282,315 of long-term debt and \$116,542,122 of common equity, resulting in common equity comprising 45% of the total capital structure.

WHEREFORE, Spectra Communications Group, LLC d/b/a CenturyTel respectfully submits its Notice of Compliance and requests that this case again be closed.

Respectfully submitted,

/s/ Larry W. Dority

Larry W. Dority #25617
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101 Madison, Suite 400
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Attorneys for Spectra Communications
Group, LLC d/b/a CenturyTel

CERTIFICATE OF SERVICE

I do hereby certify that a true and correct copy of the foregoing document has been hand-delivered, transmitted by e-mail or mailed, First Class, postage prepaid, this 15th day of February, 2006, to:

Office of the Public Counsel
P.O. Box 7800
Jefferson City MO 65102

General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

/s/ Larry W. Dority

Larry W. Dority

220 Madison Street
Jefferson City, MO 65101
Tel 573 636 7196
Fax 573 636 6826



February 2, 2006

Mr. Robert Schallenberg, Director
Utility Services Division
Missouri Public Service Commission
Governor Office Building
200 Madison Street
Jefferson City, MO 65101

Re: Spectra Communications Group, LLC
Case No. TM-2000-182

Dear Mr. Schallenberg:

Referencing the meeting/conference call held on December 19, 2005 at your offices, clarification was provided regarding the Staff's perspective concerning the equity components to be included in the achievement of a capital structure of at least forty (40) percent equity to total capital, as addressed in the Joint Recommendation filed in the above-referenced case.¹ As a result of those discussions and in accordance with the Joint Recommendation, effective December 1, 2005, Spectra Communications Group, LLC converted \$74,920,300 of preferred stock into common equity. The total capital structure as of December 1, 2005, is comprised of \$142,282,315 of long-term debt and \$116,542,122 of common equity. The common equity is 45% of the total capital structure.

As also discussed during the meeting, in the intervening five-year period Spectra became a wholly-owned subsidiary of CenturyTel, Inc., further mitigating any risk in the capital structure.

A copy of this correspondence is being filed in Case No. TM-2000-182. If you have any questions or desire further information, please let me know. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Arthur P. Martinez". The signature is fluid and cursive, with a long horizontal stroke at the end.

Arthur P. Martinez
Director - Government Relations
(573) 636-8424

¹ Section G of the Joint Recommendation states, in part, "Spectra agrees to achieve a capital structure of at least forty (40) percent equity to total capital (total capital is defined as the sum of short-term debt, long-term debt, preferred stock and common equity) within five (5) years of the closing date of the transaction. If such capital structure is not achieved within five (5) years, Spectra will make a filing with the Commission detailing why it has not achieved a forty (40) percent equity to total capital ratio and stating when and how it will achieve a forty (40) percent ratio."