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PUBLIC SERVICE
COMMISSION

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

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MARK INACTIVE

PSC Docket No. _____

In the matter of the Request of)
Fair Financial L.L.C. d/b/a)
MidState Telecommunications)
For Cancellation of its Authority to provide)
Local Exchange Service on a resold basis to)
Residential pre-paid flat rate local exchange)
Customers throughout the State of Kentucky)

**REQUEST OF FAIR FINANCIAL L.L.C. d/b/a
MIDSTATE TELECOMMUNICATIONS FOR CANCELLATION**

INTRODUCTION

Pursuant to Kentucky Public Service Commission General Rules, Fair Financial L.L.C. d/b/a MidState Telecommunications ("Company") respectfully requests that the Commission cancel it's Authority to provide Resold, Prepaid Local Exchange Service to customers throughout the State of Kentucky on September 01, 2004.

BACKGROUND

The Commission granted the Company its Authority by approving its Tariff on February 17, 2000.

SERVICE DISCONTINUANCE INFORMATION

1. The Company will discontinue offering service in the State of Kentucky on September 01, 2004.
2. The Company provides only pre-paid flat rate local exchange residential service that is resold through BellSouth.
3. The Company uses BellSouth's LENS system to provision and disconnect its customers.
4. The Company assigns a PIC and LPIC of "NONE" and a toll restriction code of CREX1 so the customer will have no toll charges pending upon disconnection.
5. The Company does NOT place a "Local Service Provider Freeze" on the customer's line; therefore the customer can switch providers at any time.
6. The Company provides pre-paid service. The customer is not charged a deposit; therefore there are no deposits to be returned to the customer.
7. As of June 16, 2004 the Company has four (4) active customers in the State of Kentucky.
8. These customers are pre-paid flat rate residential local service only customers.
9. The Company will notify these four customers in writing that it is no longer going to provide service in the State of Kentucky. The written notification will be sent by US mail at least 60 days prior to the date that the Company will no longer serve the customer. The customer will be sent a "Discontinuance Notice" in a separate mailing and a copy of the Notice will be included in the customer's monthly bill. (See Attachment A)
10. This Notice shall include the following information for the customer:
 - The date the customer's service will be discontinued;
 - The reason that the Company will no longer provide them with service;
 - Clear instructions to choose a new service provider before the disconnection date;
 - The Company's toll free number that the customer may call with questions prior to the disconnection date;
 - Boldly printed deadline for the customer to act upon and a statement telling the customer that service will be disconnected if the customer does not choose a new provider before the deadline.
11. In the event that the customer does not pay his regular monthly bill due prior to the disconnection date the customer will be disconnected.

MidState Telecommunications

P. O. Box 552
Fulshear, Texas 77441
(800) 794-9711

July 01, 2004

Ms. David Parks
2335 Boddie road
Herndon, KY 42236

DISCONTINUANCE NOTICE

Mr. Washington:

This letter is to notify you that on September 01, 2004 MidState Telecommunications will no longer provide telephone service to you. Due to the limited number of customers in Kentucky it is no longer profitable for us to offer service in your area.

You **MUST** change to a new telephone service provider prior to September 01, 2004 or you telephone will be disconnected. You can choose any other telephone company that you want as long as you do so before September 01, 2004.

Your service with MidState is pre-paid monthly in advance; therefore you will not owe MidState anything on September 01, 2004. You will have bills that are due no later than July 15, 2004 and August 15, 2004. The August 15, 2004 bill will be prorated for service to September 01, 2004. If these bills are not paid on time your service will be disconnected unless you have switched to a new company.

You can switch to a new company before September 01, 2004 if you want to.

IMPORTANT DEADLINE

YOU MUST CHANGE TO A NEW TELEPHONE COMPANY BEFORE SEPTEMBER 01, 2004 OR YOUR PHONE WILL BE DISCONNECTED ON SEPTEMBER 01, 2004.

If you have questions concerning your service or changing to another company you may call us toll free at 800-794-9711 before September 01, 2004

Yours truly,
MidState Telecommunications


OATH

COUNTY OF FORT BEND

STATE OF TEXAS

Donald M. Estep being duly sworn, states that he files this cancellation request as the General Manager of FAIR FINANCIAL LLC d/b/a MidState Telecommunications and that in such capacity he is qualified and authorized to submit and verify such cancellation request; that he has carefully examined all the statements and matters contained in the request submitted, and that all such statements made and matters set forth herein are true and correct to the best of his knowledge, information and belief.

Donald M. Estep being duly sworn, states that customer discontinuance notices will be mailed by US mail no later than July 01, 2004.

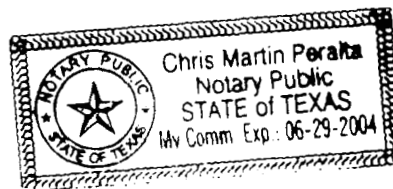


(Signature of Donald M Estep)

Subscribed and sworn to before me, a Notary Public in and for said County and State above named, this 16 day of June, 2004.



(Notary Public)
(Seal)



My Commission Expires 6/29/04