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March 3, 2003

**RECEIVED**

**MAR - 5 2003**

**PUBLIC SERVICE  
COMMISSION**

**BY HAND DELIVERY**

Ms. Marlene Dortch  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20054

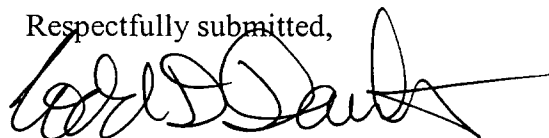
Re: KMC Telecom III LLC Section 63.71 Notification of Discontinuance of Service

Dear Ms. Dortch:

Enclosed for filing on behalf of KMC Telecom III LLC ("KMC") are an original and two copies of a Section 63.71 Application to Discontinue the Provision of Domestic Telecommunications Services to selected customers in Arkansas, Kentucky, Missouri, Nevada, New Hampshire, Oklahoma and West Virginia.

Also enclosed is a duplicate of this filing. Please date-stamp the duplicate and return it to the carrier. Please contact the undersigned at (202) 955-9788 if you have any questions or comments regarding this filing.

Respectfully submitted,



Todd D. Daubert

Attachment

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of )  
Section 63.71 Application of )  
 )  
KMC Telecom III LLC )  
 )  
For Authority Pursuant to Section 214 of the )  
Communications Act of 1934, as Amended, )  
To Discontinue the Provision of Domestic )  
Telecommunications Services in Arkansas, )  
Kentucky, Missouri, Nevada, New Hampshire, )  
Oklahoma, and West Virginia )

**SECTION 63.71 APPLICATION**

KMC Telecom III LLC (“KMC” or “Applicant”), by its attorneys, hereby seeks authorization pursuant to Section 214(a) of the Communications Act of 1934, as amended (the “Act”), 47 U.S.C. § 214, and Section 63.71 of the Commission’s Rules, 47 C.F.R. § 63.71, to discontinue the provision of domestic telecommunications service to customers in Arkansas, Kentucky, Missouri, Nevada, New Hampshire, Oklahoma and West Virginia (collectively, the “Affected States”).

KMC has limited operations in the Affected States, providing only resold long distance and toll free services to a small number of customers. KMC intends to discontinue the provision of these long distance services.

The following chart details the number of affected customers in each state.

<u>State</u>	<u># Customers</u>
Arkansas	8
Kentucky	2
Missouri	20
Nevada	2
New Hampshire	4
Oklahoma	2
West Virginia	7

KMC has targeted April 6, 2003 as the service discontinuance date for each of the Affected States and customers will be provided with a minimum of thirty (30) days to transition to another service provider. KMC will notify customers of the discontinuance on March 3, 2003, via direct mail.

KMC respectfully requests that the Commission issue its public notice of the proposed discontinuance as soon as possible, so that service may be discontinued in accordance with the projected termination date discussed above.

KMC provides the following information pursuant to Section 63.71 of the Commission's Rules:

1. Name and Address of the Carrier: KMC is located at 1545 Route 206, Suite 300, Bedminster, New Jersey 07921.
2. Date of Planned Service Discontinuance: Subject to final regulatory and other approvals, the anticipated date for KMC's discontinuance of service is on or after April 6, 2003.
3. Points of Geographic Areas of Service Affected: KMC will discontinue providing domestic telecommunications services to customers throughout KMC's service areas in Arkansas, Kentucky, Missouri, Nevada, New Hampshire, Oklahoma, and West Virginia.

4. Brief Description of Type of Service Affected: KMC intends to discontinue the provision of resold switched long distance and s toll free services

5. Brief Description of the Dates and Methods of Notice to All Affected Customers: Notices containing the information required by Section 63.71(a) of the Commission's Rules will be mailed to KMC's customers in the Affected States on March 3, 2003. The notices will advise customers of the proposed discontinuance of service by KMC and the need to arrange service from another carrier. A copy of the notice is appended hereto as Exhibit 1.

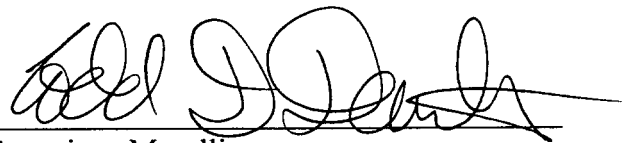
6. Whether the Carrier is Considered Dominant or Non-dominant with respect to the Services to be Discontinued: KMC is considered to be a non-dominant carrier with respect to the services to be discontinued.

7. Service of Application: A copy of this application is being served on the Governors and state public utility commissions of each state affected and on the Special Assistant for Telecommunications of the Secretary of Defense.

WHEREFORE, KMC Telecom III LLC respectfully requests that the Commission grant this Application to discontinue the services described herein. In consideration of this request, the Applicant submits that the public convenience and necessity will not be adversely affected by the discontinuance of service in the aforementioned states because other carriers are available to provide the same services and sufficient notice has been given for the customers to arrange for substitute service.

Respectfully submitted,

KMC Telecom III LLC



By: Genevieve Morelli  
Todd D. Daubert  
KELLEY DRYE & WARREN LLP  
1200 19<sup>th</sup> Street, N.W.  
Suite 500  
Washington, D.C. 20036  
(202) 955-9600 (tel)  
(202) 955-9792 (fax)

Its Counsel

Dated: March 3, 2003

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was mailed this 3rd day of March, 2003, to the persons on the attached list, via first-class mail, postage prepaid.

The Honorable Mike Huckabee  
Office of the Governor  
State Capitol  
Room 250  
Little Rock, AR 72201

Ms. Diana Wilson  
Commission Secretary  
Arkansas Public Service Commission  
1000 Center Street  
Little Rock, AR 72201

The Honorable Paul Patton  
Office of the Governor  
State Capitol  
700 Capitol Avenue  
Frankfort, KY 40601

Ms. Stephanie Bell  
Secretary of the Commission  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602-0615

The Honorable Bob Holden  
Office of the Governor  
Missouri Capitol Building  
Room 216  
Jefferson City, MO 65101

The Honorable Dale Hardy Roberts  
Secretary of Commission  
Missouri Public Service Commission  
Governor Office Building  
200 Madison Street  
Jefferson City, MO 65102-0360

The Honorable Kenny Guinn  
Office of the Governor  
State Capitol  
101 North Carson Street  
Carson City, NV 89701

Ms. Crystal Jackson  
Commission Secretary  
Nevada Public Utilities Commission  
1150 E. William Street  
Carson City, NV 89701

The Honorable Craig Benson  
Office of the Governor  
State House, Room 208  
107 N. Main Street  
Concord, NH 03301

Ms. Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
8 Old Suncook Road, Building No. 1  
Concord, NH 03301-7319

The Honorable Brad Henry  
Office of the Governor  
Governor's Office  
State Capitol Building, Suite 212  
Oklahoma City, OK 73105

Ms. Peggy Mitchell  
Commission Secretary  
Corporation Commission of Oklahoma  
2101 North Lincoln Boulevard  
Jim Thorpe Office Building  
Oklahoma City, OK 73105

The Honorable Bob Wise  
Office of the Governor  
State Capitol Complex  
Charleston, WV 25305-0370

Ms. Sandra Squire  
Executive Secretary  
West Virginia Public Service Commission  
201 Brooks Street  
Charleston, WV 25323

Secretary of Defense  
Attn: Special Assistant for Telecommunications  
Pentagon  
Washington, D.C. 20301

  
Beatriz Viera Zalom

DC01/SMITD/201533.1

Attachment 1

Customer Notice



Mr. KMC Customer  
1234 ABC Street  
This Town, State 20202

March 3, 2003

Dear KMC Telecom Customer,

As you know, the past couple of years have been a trying time for the telecommunications industry – especially for small competitive providers like KMC Telecom. Our founding objective, to become a local service provider delivering high quality, low cost state-of-the-art communication services to underserved business communities, has not changed.

Over the last few months, we have undertaken an internal review of our customer base; and in order to maintain the quality and scope of services to our customers who purchase a variety of services, we are forced to discontinue long distance service to those customers who do not also purchase KMC's local services.

The FCC will normally authorize this proposed discontinuance of service unless it is shown that customers would be unable to receive service or a reasonable substitute from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the §63.71 Application of KMC. Comments should include specific information about the impact of this proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

As such, KMC will ***discontinue your long distance service, as of April 6, 2003. You must find an alternative long distance carrier prior to this date or you may not have access to long distance.***

***KMC has identified an alternative carrier that offers high quality long distance services at competitive rates. The company is ACN Communications Services, Inc.***

ACN is a privately held company. Founded in 1993, it has grown from revenues of \$2 million in its first year, to \$270 million in 2002; and now ACN offers long distance, gas and electric service to customers throughout the United States, Canada and nine European countries. You may not recognize the ACN name, since ACN does not advertise, telemarket, or use other traditional methods of marketing. Instead, ACN markets through referrals, enabling the company to offer high quality service at the lowest cost to its customers.

You have the right to switch to any carrier of your choice. For simplicity and convenience, ***we have enclosed the necessary instructions, pre-completed forms and prepaid postage envelope to transition your service to ACN. Please return the completed forms immediately to avoid any lapse in service to:***

**KMC Telecom/ACN Transition  
PO Box 918  
Devon, PA 19333-0918**

Should you have any questions, please call the ACN transition team at **1-888-302-8769**.

While we sincerely appreciate your business; to remain successful, we must focus on key customers. We will continue to offer high quality voice and data services to our local business customers.

Respectfully,  
KMC Telecom

KMC Telecom  
1545 US Highway 206  
Bedminster, New Jersey 07921