

Hertz Technologies

I N C O R P O R A T E D

July 31, 2001

Stephanie Bell, Secretary
Kentucky Public Service Commission
PO Box 615
211 Sower Blvd.
Frankfort, KY 40602-0615

05101600

INACTIVE

Re: Discontinuance of InterLATA Telephone Service

Dear Ms. Bell:

Hertz Technologies, Inc. ("HTI") currently operates in Kentucky as a reseller of competitive interLATA/interexchange telephone toll service under a Certificate of Public Convenience and Necessity granted June 4, 1993 by Case Number 93-097. Due to the changing telecommunications business environment, HTI has decided to discontinue its common carrier telecommunications operations, effective September 30, 2001. Accordingly, we request that you withdraw/revoke our grant of operating authority and cancel any applicable tariffs we have on file.

HTI has, as of this date, mailed a copy of the enclosed notice to each of our 11 affected customers in Kentucky. This 60-day notice should afford each customer ample opportunity to find an alternative long-distance service provider of their choice. Because HTI is a "switchless" reseller that neither owns nor controls the physical facilities used to provide our services, no customer will be denied access to telephone service or facilities because of our discontinuance of service. Additionally, we provide no lifeline, 911, or local services. All operator and directory assistance services have been provided by underlying carriers and will continue to be available from them. We provide no prepaid services, nor do we maintain customer deposits. We therefore have no outstanding obligations to any customer. As is indicated in the attached notice, we have provided a toll free number through which our customers may contact us with questions.

Pursuant to 47 C.F.R. section 63.71, we enclose a copy of the application for discontinuance of service filed with the Federal Communications Commission (FCC). Under the FCC's rules, this application will be deemed automatically granted on the 31st day after the filing date absent Commission action.

Should you have any questions or require any further information, please contact:

Kentucky Public Service Commission
July 31, 2001
Page 2

Lance Highfill
Hertz Technologies, Inc.
5601 Northwest Expressway
Oklahoma City, OK 73132
Tel: (800) 654-3373

or our attorney: John W. Butler
Sher & Blackwell, LLP
1850 M Street, NW, Suite 900
Washington, DC 20036
Tel: (202) 463-2510
Fax: (202) 463-4950

Finally, we also enclose a copy of this filing that we request you date-stamp as received and return to us in the self-addressed, postage prepaid envelope provided for that purpose.

Thank you for your attention to this matter.

Sincerely,


Gary Orrell
President
Hertz Technologies, Inc.

IMPORTANT NOTICE

July 31, 2001

FROM: Hertz Technologies, Inc.
5601 Northwest Expressway
Oklahoma City, Oklahoma 73132

RE: NOTICE OF DISCONTINUANCE OF LONG DISTANCE SERVICE – THIS NOTICE REQUIRES ACTION ON YOUR PART

Dear Madam or Sir:

On August 1, 2001, Hertz Technologies, Inc. ("HTI") filed notices with the Federal Communications Commission and applicable state public utility regulatory bodies indicating HTI's intent to discontinue its operations as a provider of long distance telephone service, effective September 30, 2001. This action affects only long distance service (including intrastate, interstate, and international toll service); there is no impact on your local service.

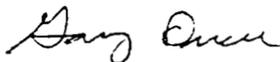
HTI is providing you with 60 days notice of our discontinuance of service in order to ensure that you will have ample time to make other arrangements for long distance service. Please note that your long distance service will not be transferred automatically to another carrier. In order for you to maintain uninterrupted long distance service, you must make arrangements with an alternative service provider well in advance of September 30, 2001.

Pursuant to 47 C.F.R. § 63.71, HTI provides the following notice regarding Federal Communications Commission procedures and your ability to submit comments with respect to HTI's application to discontinue service:

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 Section 63.71 Application of Hertz Technologies, Inc. Comments should include specific information about the impact of this proposed discontinuance upon you and your company, including any inability to acquire reasonable substitute service.

Should you have questions regarding this notice, please contact our customer service representatives at 1-800-654-3373. We at Hertz Technologies, Inc. thank you for allowing us to serve you over the years.

Sincerely,



Gary Orrell
President

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

Section 63.71 Application of
Hertz Technologies, Inc. for
Authority To Discontinue Domestic Service

and

Section 63.19 Notice of
Hertz Technologies, Inc.'s
Discontinuance of International Service

APPLICATION AND NOTICE

Hertz Technologies, Inc. ("HTI"), by and through its undersigned attorneys, hereby requests authority pursuant to 47 U.S.C. § 214(a) and 47 C.F.R. § 63.71 to discontinue its domestic telecommunications service. In addition, this filing includes, pursuant to 47 C.F.R. § 63.19, a copy of the discontinuance of service notice sent to HTI's customers. In support of its section 63.71 application, HTI provides the following information as required by 47 C.F.R. § 63.71(a) and (b):

A. Carrier Identity and Nature and Geographic Scope of Affected Service.

1. Name and address of the carrier:

Hertz Technologies, Inc.
5601 Northwest Expressway
Oklahoma City, Oklahoma 73132

2. Date of planned service discontinuance:

HTI plans to discontinue service as of September 30, 2001. Because HTI provides international as well as domestic services, and 47 C.F.R. §

63.19 requires 60 days notice of discontinuance of international services, HTI has chosen a discontinuance date designed both to comply with section 63.19 and to give ample time for customers to arrange for replacement service.

3. Geographic areas affected:

HTI offers service throughout the continental United States. Service will be discontinued throughout the geographic area in which HTI offers service. Although the geographic scope of HTI's offering is broad, HTI serves only approximately 2,500 customers, virtually all of which are businesses.

4. Description of service affected:

The services offered by HTI, and which will be discontinued, consist of intrastate, interstate, and international toll services. HTI is a "switchless" or "pure" reseller. As such, HTI does not own or operate any physical facilities, and its services are provided entirely over the networks of its underlying carriers. Accordingly, all of the facilities used to provide HTI's services will remain available, and all of the services offered by HTI will be available from HTI's underlying carriers and other competitive carriers.

B. Dates and Method of Notice to Customers.

Customers are being provided 60 days notice of the discontinuation through individual mailings to each customer. The notices are being

sent by U.S. mail to customers' current billing addresses. Notices are being mailed on July 31, 2001. The initial notice is being sent separately from the customer's invoice. HTI plans to send a reminder notice via bill insert in late August. A copy of the initial notice is attached hereto as Exhibit 1. Pursuant to 47 C.F.R. § 63.71(a), copies of this application and of the notice are being provided to the public utility commissions and governors of each state, as well as to the Secretary of Defense.

C. Non-dominant Status.

HTI is considered non-dominant with respect to all of its services, all of which are to be discontinued.

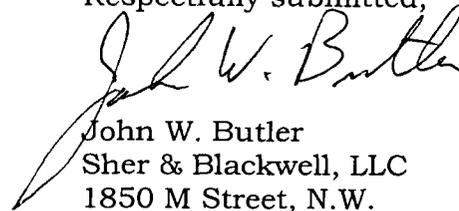
D. Other Information.

HTI provides only resold long distance toll services. HTI does not provide any pre-paid calling card services, nor does it require customer deposits. HTI does not provide any local services, so its discontinuance will not cause any customer to lose dial tone, 911 service, or any similar "lifeline" services. All of the services offered by HTI are available from other carriers at competitive rates. Accordingly, all customers should be able to find ready substitutes, and the public interest will in no way be impaired by HTI's discontinuance of service.

E. Conclusion.

For all of the reasons stated herein, Hertz Technologies, Inc. requests that the Commission allow its application to be granted automatically on the 31st day following its filing.

Respectfully submitted,



John W. Butler
Sher & Blackwell, LLC
1850 M Street, N.W.
Suite 900
Washington, D.C. 20036
Phone: (202) 463-2510
Fax: (202) 463-4950

Counsel for
Hertz Technologies, Inc.

Dated: July 31, 2001

IMPORTANT NOTICE

July 31, 2001

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5601 Northwest Expressway
Oklahoma City, Oklahoma 73132**

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Sincerely,

Gary Orrell
President

EXHIBIT 1