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February 10, 2012

VIA ELECTRONIC FILING

Hon. Susan Ackerman
Hon. Stephen Bloom
Hon. John Savage
Oregon Public Utility Commission
550 Capitol Street NE, Suite 215
Salem, OR 97308-6611

**Re: Docket UM 1437; Application of TracFone Wireless, Inc. for
Designation as an Eligible Telecommunications Carrier**

Dear Commissioners Ackerman, Bloom and Savage:

Our law firms jointly represent TracFone Wireless, Inc. ("TracFone") in the above-captioned proceeding. By this letter, we are respectfully asking that the Commission approve the settlement filed in this long-pending matter at the earliest opportunity. In support of this request, you should be aware of the following.

In August 2009, TracFone applied to the Commission for designation as an Eligible Telecommunications Carrier ("ETC") for the limited purpose of providing Lifeline service supported by the federal Universal Service Fund to low-income Oregon households. That application was the subject of extensive scrutiny by Commission Staff, the Citizens Utility Board ("CUB") and others. As a result of that scrutiny and other developments, TracFone substantially modified its proposed Lifeline offering and increased the Lifeline benefit which it proposes to make available to consumers from 68 minutes of free wireless airtime per month to 250 minutes of free wireless airtime per month (depending on which of three Lifeline plans consumers select). Those minutes may be used for calling from anywhere in the United States to anywhere in the United States -- local, long distance, intrastate or interstate. There are no toll charges and no roaming charges.

In addition, qualified Lifeline customers receive at no charge E911-compliant wireless handsets as well as important vertical features including call waiting, caller ID and voice mail.

Last spring, TracFone, Commission Staff, CUB, and the Office of Emergency Management embarked upon a series of negotiations. Those negotiations resulted in a Stipulation among the parties. That Stipulation was executed by the parties and filed in this docket on June 10, 2011. Supporting testimony was jointly filed on June 17, 2011. Since the Stipulation contemplated that certain Commission rules be waived, the Commission then commenced a rulemaking proceeding to promulgate amendments to its rules allowing for such waivers. The TracFone ETC matter was held in abeyance pending completion of the rulemaking. On September 8, 2011, the Commission issued Order 11-346 in Docket AR 554 wherein it adopted the needed rule amendments.

Following completion of the rulemaking process, TracFone submitted a series of compliance items required by the proposed Stipulation. The last of those compliance items was filed on December 19, 2011. In short, the record in this matter is complete, a Stipulation signed by all parties is before the Commission, necessary rules have been adopted to grant the waivers contemplated by the Stipulation, and all compliance items and supplemental information required by the proposed Stipulation have been submitted by TracFone, reviewed by Staff, and have been before the Commission for many weeks.

Commission approval of the Stipulation before it and designation of TracFone as an ETC pursuant to the terms of that Stipulation will bring to low-income Oregon households choices of Lifeline service in general and wireless Lifeline service in particular never before available in Oregon. Currently, TracFone is providing its SafeLink Wireless® Lifeline service as a designated ETC in more than 35 other states. More than 3.8 million customers are enrolled in the program and are enjoying the security and convenience of mobile telecommunications service which they could not otherwise afford. Consumers use TracFone's Lifeline service to stay connected with family and friends, employers and potential employers, government agencies and, perhaps most important, emergency services and health care providers.

As you may be aware, on January 31, 2012, the Federal Communications Commission ("FCC") adopted a report and order in which it reformed the Lifeline program in many important respects. Many of the FCC's Lifeline reforms are

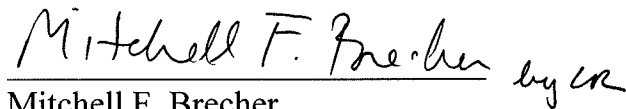
measures to preserve the availability of Lifeline support to those who need it while preventing waste, fraud, and abuse of Universal Service Fund resources. The terms of the Stipulation submitted in this proceeding are fully consistent with the FCC's requirements. Indeed, certain of the FCC's most important reforms were proposals made in that proceeding by TracFone. First among the goals articulated by the FCC in the Lifeline reform proceeding is "ensuring the availability of voice service for low-income Americans." Prompt approval of the Stipulation which has been before the Commission since June 2011 and designation of TracFone as an ETC for the purpose of providing Lifeline will help make that goal a reality to thousands of low-income Oregon households.

For these reasons, we respectfully ask that the Commission promptly approve the proposed Stipulation and designate TracFone as an ETC in accordance with the terms of that Stipulation.

Respectfully submitted,



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PERKINS COIE LLP



Mitchell F. Brecher
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c: Administrative Law Judge Allan Arlow
Chief Administrative Law Judge Michael Grant
All Parties of Record