

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 703

In the Matter of)	
)	
TOUCH 1 COMMUNICATIONS, INC.)	ORDER
)	
Petition for Waiver of Notice Requirement)	
of OAR 860-032-0020.)	

DISPOSITION: APPLICATION APPROVED

On April 18, 2007, Touch 1 Communications, Inc. (Touch 1 or Company) filed a petition with the Public Utility Commission of Oregon (Commission), requesting a waiver of the 90-day time period for customer notification of abandonment of service under OAR 860-032-0020(11)(a), and permission to notify its customers no less than 30 days before abandoning telecommunications service in Oregon.

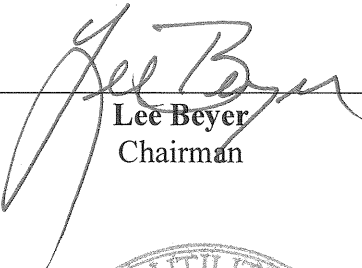
OAR 860-032-0020(11)(a) requires a provider that intends to abandon any or all services in Oregon to notify customers of its intent at least 90 days before abandoning the services. If the Commission grants Touch 1's petition for waiver of the 90-day notice requirement and permits a notice period of no less than 30 days, the Company will have met all applicable Commission notice requirements. A description of the filing is contained in the Staff Report, attached as Appendix A, and incorporated by reference.

At its Public Meeting on May 8, 2007, the Commission adopted Staff's Recommendation and approved Touch 1's petition for waiver of the notice requirement.

ORDER

IT IS ORDERED that Touch 1 Communications, Inc.'s application to waive the 90-day time period for customer notification of abandonment of services under OAR 860-032-0020(11)(a) is granted, and a notice period of no less than 30 days is permitted.

Made, entered, and effective MAY 15 2007.



Lee Beyer
Chairman



John Savage
Commissioner



Ray Baum
Commissioner



A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 8, 2007**

REGULAR _____ CONSENT X EFFECTIVE DATE _____ NA _____

DATE: April 30, 2007

TO: Public Utility Commission

FROM: Celeste Hari *CH*

THROUGH: *li* Lee Sparling, *OB* Dave Booth, and *KM* Kay Marinos

SUBJECT: TOUCH 1 COMMUNICATIONS INC.: (Docket No. UM 703) Petition for Waiver of Notice Requirement of OAR 860-032-0020.

STAFF RECOMMENDATION:

The Commission should grant the petition by Touch 1 Communications, Inc. (Touch 1) seeking a waiver of the 90-day time period for customer notification of abandonment of service under OAR 860-032-0020(11)(a) and permit a notice period of no less than 30 days.

DISCUSSION:

The Commission's abandonment of service rule for competitive telecommunications service providers is OAR 860-032-0020(11). On April 18, 2007, Touch 1 filed a request for waiver of OAR 860-032-0020(11)(a).

OAR 860-032-0020(11)(a) requires a competitive provider that intends to abandon (i.e., cease providing) any or all services in Oregon, to notify customers of its intent at least 90 days before abandoning the services. On April 24, 2006, Touch 1 filed a notice of abandonment of service in Oregon with the Commission. The company has 292 customers in Oregon. Touch 1 seeks permission to notify these customers no less than 30 days before abandoning telecommunications service in Oregon.

OAR 860-032-0020(b) requires the abandoning company to file notice with the Commission at the same time it mails notice to its customers. Touch 1 did comply with this requirement on April 24, 2007, when it mailed notice to its customers and to the Commission.

Touch 1 is in Chapter 7 bankruptcy and has entered into an Asset Purchase Agreement with another certificated competitive telecommunications company, Matrix Telecom, Inc.

Touch 1 Communications, Inc.
Docket UM 486
April 30, 2007
Page 2

(Matrix). The completion date of the agreement is set for June 4, 2007, as mandated by the bankruptcy court. Under the agreement, Matrix will receive all of Touch 1's customer base, rights and responsibilities, and other assets. The sale will cause no interruption of service to Touch 1's customer base nor will it affect the rates, terms or conditions of the service. Matrix will continue to provide service to Touch 1's customers using the Touch 1 name, possibly co-branded with Matrix, pursuant to Matrix's existing authority.

OAR 860-032-0020(11)(c) specifically allows a telecommunications services provider, such as Touch 1 to abandon service, but only if the exiting provider has complied with the Commission's customer notice requirements for abandonment of service. If the Commission grants Touch 1's petition for waiver of the 90-day notice requirement and permits a shorter notice period, the company will have met all applicable Commission notice requirements. Touch 1 could then proceed and abandon service effective June 4, 2007.

Waivers should not be granted routinely. However, in this case, a waiver of the 90-day customer notification requirement is needed to enable Touch 1 to complete its sale by June 4, 2007, the date mandated by the bankruptcy court.

PROPOSED COMMISSION MOTION:

Touch 1's petition for waiver of the 90-day time period for customer notification of abandonment of service under OAR 860-032-0020(11)(a) be granted.

Touch 1 Waiver Petition