

February 28, 2011

Mr. David Danner  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
Olympia, Washington 98504

RE: TracFone Wireless, Inc. - Designation as an Eligible Telecommunications Carrier, Docket UT-093012

Dear Mr. Danner:

The terms of the Commission's order approving the designation of TracFone Wireless, Inc. as an eligible telecommunications carrier include a requirement that TracFone "cooperate with the Commission and the Department of Social and Health Services (DSHS) to work out a procedure to verify TracFone Lifeline customers' eligibility." TracFone is pleased to report on its efforts in this area.

TracFone has reached an agreement with DSHS that permits the company to have access to client eligibility data via a web interface. Using this interface, called the Benefit Verification System (BVS), TracFone is able to query DSHS' records by inputting an applicant's name and client identification number or social security number. If the client is participating in an income-qualified assistance program, the system will confirm this participation.

TracFone has successfully tested the BVS using a sample of applications for its SafeLink Wireless™ Lifeline service in Washington. The company has now begun to use BVS to verify all applications that are based on programmatic eligibility.

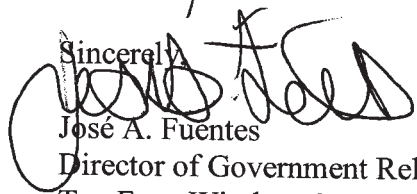
In its testing, TracFone encountered an issue regarding whether to consider an applicant eligible when the information in the lifeline application only partially matches the records of DSHS. This could include a difference in the applicant's first or last name or a difference in the applicant's address. TracFone has concluded that it should follow these procedures in the case of a partial match:

- If either the first or last name on the application does not match the first and last name listed in DSHS' records for that client ID number, TracFone will deem the application unverified and will reject it.
- If only the address on the application does not match the address listed in DSHS' records for that client ID number, TracFone will deem the application verified and will accept it.

In the absence of specific rules, TracFone believes that these procedures properly apply the requirement to verify applications. They ensure that the specific individual who receives a DSHS benefit is deemed eligible for lifeline assistance, even if that individual

has changed his or her place of residence. (TracFone has other procedures in place to comply with the federal requirement that no more than one individual per address receive lifeline assistance from the company.)

Please contact me if you have any questions about this update.

Sincerely,  
  
José A. Fuentes  
Director of Government Relations  
TracFone Wireless, Inc.