



GARY HERBERT.  
*Governor*

SPENCER C. COX  
*Lieutenant Governor*

May 9, 2015

State of Utah  
Department of Commerce  
Division of Public Utilities

FRANCINE GIANI  
*Executive Director*

THOMAS BRADY  
*Deputy Director*

CHRIS PARKER  
*Director, Division of Public Utilities*

**TO: PUBLIC SERVICE COMMISSION**

**FROM: DIVISION OF PUBLIC UTILITIES**

Chris Parker, Director  
Bill Duncan, Manager, Telecommunications and Water  
Paul M. Anderson, Utility Technical Consultant

**Re: Utah Docket No. 16-051-T01, In the Matter of the Petition of Beehive Telephone Co. Inc., for an Increase in Rates to the current Commission approved Affordable Base Rate**

**ISSUE:**

Beehive Telephone Company (Beehive) is requesting an increase in its basic business and residential telephone rates to the current Commission approved "Affordable Base Rate." Beehive's current monthly rate for Business (1FB) is \$26.00 which will increase by \$1.50 to \$27.50. The current monthly rate for Residence (1FR) is \$16.50 which will increase by \$1.50 to \$18.00.

**RECOMMENDATION:**

The FCC requires that the companies participating in the Connect America Fund (CAF), such as Beehive Telephone bring its rate levels to the CAF-mandated floor each year as a condition of continued participation. For 2016, the FCC rate floor is \$18.00 for residential subscribers.

Since the requested residential rate increase is mandated by the FCC for Beehive's continued CAF participation, the Division recommends that the Commission approve the new updated tariff sheet for Docket No. 16-051-T01 effective June 1, 2016 as requested.

Beehive does not currently receive support from the Utah Universal Service Fund.

**CC:** Jake Warner, Beehive Telephone Company-Utah  
Justin Jetter, Assistant Attorney General, Utah Attorney General's Office  
Marialie Martinez, Manager, Customer Service, Utah Division of Public Utilities  
Cheryl Murray, Office of Consumer Services  
Ray Hendershot, Beehive Telephone  
David R. Irvine, Attorney, Beehive Telephone