



State of Utah
Department of Commerce
Division of Public Utilities

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June 7, 2016

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. 16-054-T01, In the Matter of the Petition of Union Telephone Co., for an Increase in Rates to the current Commission approved Affordable Base Rate

ISSUE:

Union Telephone Company (Union) is requesting an increase in its basic business and residential telephone rates to the current Commission approved "Affordable Base Rate." Union's current monthly rate for Business is \$21.60 which will increase by \$5.90 to \$27.50. The current monthly rate for Residence is \$12.95 which will increase by \$5.05 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. 16-054-T01 effective June 1, 2016 as requested.

CC: Cris Reno, Union Telephone Company
Justin Jetter, Assistant Attorney General, Utah Attorney General's Office
Marialie Wright, Manager, Customer Service, Utah Division of Public Utilities
Cheryl Murray, Office of Consumer Services
Bruce S. Asay, Attorney, Union Telephone