



GARY HERBERT.
Governor

SPENCER C. COX
Lieutenant Governor

June 8, 2016

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. 16-054-T01, In the Matter of the Petition of Union Telephone Co., for an Increase in Rates to the current Commission approved Affordable Base Rate. 2nd Correction: Replaced “Beehive’s” with “Union’s” in last paragraph of previous memo on this Docket.

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 Union 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 **Union’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