



June 6, 2017

Utah Public Service Commission  
Heber M. Wells Building, 4th Floor  
160 East 300 South  
Salt Lake City, UT 84145

Re: Advice Letter - Beehive Telephone Company, Inc.  
Filing, Docket Nos. 17-051-02 RUS Loan Approval

To the Commission:

Beehive Telephone Company, Inc. ("Beehive") has been working with the Rural Utility Service ("RUS") of the Federal Government since 2014 to obtain a loan to primarily upgrade outside plant facilities to provide access to broadband services in the company's service area. The company's current facilities need to be upgraded to meet the FCC's goals in broadband services in rural areas. Copper outside plant facilities of the company have not been replaced or upgraded since 1986, when the original facilities were constructed, establishing service in the company's service area. Construction is expected to take place over a four-year period beginning in 2017 with completion in 2020.

RUS approved the loan in late April 2017 and authorized Interim financing in May 2017. Interim financing allows Beehive to begin pre-construction engineering and permitting while RUS continues to work out the funding details for the RUS loan. With the approval of the RUS loan, Beehive wanted to inform the UT Public Service Commission ("UT PSC") of its proposed capital expenditures because of the loan.

Attached are two confidential Exhibits that were provided to RUS with one exhibit showing the proposed plant additions from internal funds and RUS funds for the period 2016 to 2020. The second exhibit shows the retirements associated with construction using internal funds and RUS funds for the same period.

Beehive would like to obtain permission from the UT PSC for the loan and the use of the RUS funds to upgrade its facilities to provide better broadband service to its customers in its service area. This filing is made in accordance with UT Code Title 746-401-3.

If you have any questions concerning the above, please contact me at your convenience.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Ray Hendershot".

Ray Hendershot

Enclosure

cc: Bill Duncan, Division of Public Utilities  
Cheryl Murray, Office of Consumer Services

**CERTIFICATE OF SERVICE**

I hereby certify that on this 6th day of June, 2017, a true copy of the foregoing document was hand delivered to the following:

Utah Public Service Commission	psc@utah.gov
Bill Duncan, Division of Public Utilities	wduncan@utah.gov
Cheryl Murray, Office of Consumer Services	cmurray@utah.gov



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