

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
COLUMBINE TELEPHONE COMPANY, INC.) CASE NO. COL-T-09-01
DBA SILVER STAR COMMUNICATIONS)
FOR AN INVESTMENT TAX CREDIT FOR)
INSTALLING QUALIFYING BROADBAND) ORDER NO. 30902
EQUIPMENT)**

On July 29, 2009, the Commission received an Application from Columbine Telephone Company, Inc. dba Silver Star Communications (“Columbine” or “Company”), asking for approval of a broadband tax credit pursuant to Commission Order No. 28784 and *Idaho Code* § 63-3029I(4). In order to be eligible to obtain the tax credit, the taxpayer must first obtain an Order from the Commission “confirming that the installed equipment is qualified broadband equipment.” *Id.* “In the case of a telecommunications carrier, such qualifying equipment shall be necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i).

THE APPLICATION

Columbine indicates that it has installed equipment that provides Asymmetrical Digital Subscriber Line (ADSL), Symmetrical Digital Subscriber Line (SDSL) and Trunk Level 1 (T-1) services with transmission rates of 64 Kbps to 5 Mbps upstream and 256 Kbps to 20 Mbps downstream. The qualifying equipment was installed in Teton County. Columbine claims that it provides broadband service to 2,334 customers out of a possible 4,112 customers. The Company identified approximately \$1,875,000 of investment in qualifying broadband equipment for the 2008 calendar year.

STAFF REVIEW

Staff reviewed the list of proposed broadband equipment submitted by Columbine and found that the equipment identified meets the statutory criteria outlined in *Idaho Code* § 63-3029I(3)(b). Staff determined that Columbine’s broadband equipment is capable of transmitting signals at a rate of at least 200,000 bits per second to a subscriber and at least 125,000 bits per second from a subscriber. *Idaho Code* § 63-3029I(3)(b). Staff also determined that Columbine is a telecommunications carrier and its equipment is “necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i).

Therefore, Staff recommended that the Commission issue an Order approving the Application and that the approving Order, along with a copy of Columbine's Application, be forwarded to the Idaho State Tax Commission.

COMMISSION FINDINGS

Based upon our review of the Application and the recommendations of the Staff, we find that the Application for a qualifying broadband equipment Order should be granted. Columbine has adequately demonstrated that the equipment identified in its Application is qualifying broadband equipment subject to the tax credit. We further find that Columbine is a telecommunications carrier and, as presently configured, the installed equipment is an integral part of the Company's broadband network and that it is necessary to facilitate the delivery of broadband internet service to Idaho customers. *Id.* It is therefore appropriate for the Commission to issue this Order confirming that the equipment identified in Columbine's application is qualified broadband equipment.

ORDER

IT IS HEREBY ORDERED that the Application of Columbine Telephone Company, Inc. dba Silver Star Communications for an Order certifying that it has installed qualifying broadband equipment is granted.

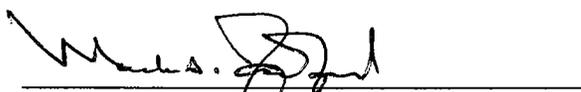
IT IS FURTHER ORDERED that a copy of this Order and a copy of Columbine's Application be served upon the Idaho State Tax Commission.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *Idaho Code* §§ 61-626, 63-3029I(4).

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17th
day of September 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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