

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF COLUMBINE TELEPHONE COMPANY,) CASE NO. COL-T-16-01
INC. FOR AN INVESTMENT TAX CREDIT)
FOR INSTALLING QUALIFYING) ORDER NO. 33733
BROADBAND EQUIPMENT)**

On December 21, 2016,¹ the Commission received an Application from Columbine Telephone Company, Inc. (“Columbine” or “Company”) seeking a Commission Order certifying that the Company has installed qualified broadband equipment in Idaho, pursuant to Commission Order No. 28784 and *Idaho Code* § 63-3029I(4), during the 2012, 2013, 2014, and 2015 calendar years.

THE APPLICATION

In its Application, Columbine stated that it installed equipment associated with Asymmetric Digital Subscriber Line (ADSL), Very High Speed Digital Subscriber Line (VDSL), and Fiber to the X (FTTX) services with transmission rates of 1 to 50 Mbps upstream and 1 to 50 Mbps downstream. *See* Application at 2. The Company also stated that more than 50% of its customers have access to its broadband network within its designated service area. *See* Amendment to Application at 2. The Company stated that it installed equipment that qualifies for the broadband tax credit in the following approximate amounts: \$945,000 in 2012; \$1,466,000 in 2013; \$1,755,000 in 2014; and \$3,755,000 in 2015. The Company provided exhibits that lists equipment it believed qualifies for the tax credit, stating that “the listed equipment shown on the exhibits to the application constitutes an integral part of the relevant broadband network, necessary to broadband services” *See* Amendment to Application at 2.

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 (bps) to a subscriber and at least 125,000 bps from a subscriber. *Idaho Code* § 63-3029I(3)(b). Staff also determined that the Company is a telecommunications carrier and its equipment is “necessary to the provision of broadband service

¹ The Company filed an amendment to its original Application on February 28, 2017.

and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i). Staff recommended that the Commission issue an Order approving the Application and forward the Order, along with a copy of Columbine’s Application, as amended, to the Idaho State Tax Commission.

COMMISSION FINDINGS

In order to be eligible to obtain the broadband tax credit, a taxpayer must first obtain an Order from the Commission “confirming that the installed equipment is qualified broadband equipment.” *Idaho Code* § 63-3029I(4). “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).

Based upon our review of the Application and the recommendation of Commission Staff, we find that Columbine’s Application requesting a qualified broadband equipment Order should be approved. Columbine has adequately demonstrated that the equipment identified in its Application qualifies as broadband equipment eligible for the tax credit. The Commission also finds 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. Therefore, the Commission certifies in this Order that the equipment identified in Columbine’s Application is qualified broadband equipment.

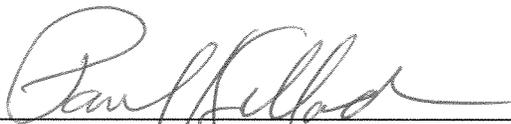
ORDER

IT IS HEREBY ORDERED that the Application of Columbine Telephone Company, Inc., seeking an Order certifying that it has installed qualified broadband equipment in Idaho during the 2012, 2013, 2014, and 2015 calendar years, is approved.

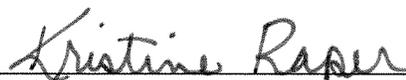
IT IS FURTHER ORDERED that a copy of this Order and a copy of Columbine’s Application shall be forwarded to the Idaho State Tax Commission.

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 ^{29th}
day of March 2017.



PAUL KJELLANDER, PRESIDENT



KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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