

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF FATBEAM, LLC FOR AN INVESTMENT) **CASE NO. FZ4-T-12-01**
TAX CREDIT FOR INSTALLING)
QUALIFIED BROADBAND EQUIPMENT) **ORDER NO. 32620**

On July 24, 2012, the Commission received an Application from Fatbeam, LLC (“Fatbeam” or “Company”) asking for approval of a broadband tax credit pursuant to Commission Order No. 28784 and *Idaho Code* § 63-3029I(4) for the 2011 calendar year.

THE APPLICATION

Fatbeam’s Application states that it has installed equipment associated with Ethernet and dark fiber access services with transmission rates of 2 Gbps. Fatbeam’s Application states that the Company’s broadband network served two Idaho customers and that the Company invested approximately \$650,000 in qualified broadband equipment in Kootenai County during the 2011 calendar year.

STAFF REVIEW AND RECOMMENDATION

Staff reviewed the list of proposed broadband equipment submitted by Fatbeam and found that the equipment identified meets the statutory criteria outlined in *Idaho Code* § 63-3029I(3)(b). Staff determined that Fatbeam’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 Fatbeam 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 Fatbeam’s Application, be forwarded to the Idaho State Tax Commission.

COMMISSION FINDINGS AND DECISION

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.” *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 recommendations of the Commission Staff, we find that Fatbeam’s Application requesting a qualified broadband equipment Order should be granted. Fatbeam has adequately demonstrated that the equipment identified in its Application qualifies as broadband equipment subject to the tax credit. We also find that Fatbeam 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. It is therefore appropriate for the Commission to issue this Order confirming that the equipment identified in Fatbeam’s Application is qualified broadband equipment.

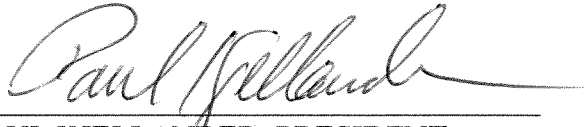
ORDER

IT IS HEREBY ORDERED that Fatbeam, LLC’s Application seeking an Order certifying that it has installed qualified broadband equipment in Idaho during the 2011 calendar year is granted.


IT IS FURTHER ORDERED that a copy of this Order and a copy of Fatbeam’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 15th
day of August 2012.



PAUL KJELLANDER, PRESIDENT




MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary