

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: DOUG COOLEY

DATE: MARCH 27, 2003

RE: DIGITAL EASY CHAIR'S APPLICATION FOR BROADBAND
EQUIPMENT TAX CREDIT - GNR-T-03-11.

BACKGROUND

On March 17, 2003, the Commission received an Application from WestCom, LLC, dba Digital Easy Chair to receive an investment tax credit for eligible broadband equipment pursuant to Order No. 28784 and *Idaho Code* § 63-3029I(4). To be eligible for the tax credit, the taxpayer must apply for and obtain from the Commission an Order confirming that installed equipment qualifies for the tax credit.

DISCUSSION

Digital Easy Chair stated that, during calendar year 2002, it installed an Internet switch, routers, servers, optical splitters, optical premises equipment for homes, power supply, and fiber optic cable to homes in the Bear Creek Subdivision in Meridian, Idaho and on Boeing Street in Boise, Idaho. The Bear Creek subdivision will have approximately 348 homes when fully developed. Digital Easy Chair has obtained a Certificate of Public Convenience and Necessity in Idaho and provides high-speed Internet access, E-mail, and community portal services to these homes at download and upload transmission rates of 256 kbps to 1.5 Mbps.

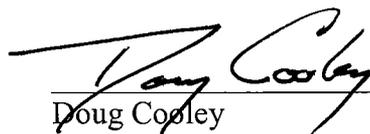
STAFF REVIEW

Staff has reviewed the list of proposed broadband equipment submitted by Digital Easy Chair and believes that the equipment identified qualifies for the investment tax credit

pursuant to *Idaho Code* § 63-3029I. Therefore, Staff recommends approval of the Company's Application and further recommends that the Commission forward the approving Order along with a copy of the original Application to the Idaho Tax Commission.

COMMISSION DECISION

Should the Commission approve Digital Easy Chair's Application for the broadband investment tax credit?



Doug Cooley

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