

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF MIDVALE TELEPHONE EXCHANGE)	CASE NO. MID-T-11-01
FOR AN INVESTMENT TAX CREDIT FOR)	
INSTALLING QUALIFYING BROADBAND)	ORDER NO. 32247
EQUIPMENT)	

On April 4, 2011, Midvale Telephone Exchange filed an Application requesting approval of equipment as eligible for a broadband tax credit pursuant to Order No. 28784 and *Idaho Code* § 63-3029I(4). To be eligible for the tax credit, the taxpayer must obtain an Order from the Commission confirming that the equipment has been installed and that it meets the definition of qualified broadband equipment set out in *Idaho Code* § 63-3029I(3)(b). Qualified broadband equipment must be 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. If installed by a telecommunications carrier, the qualified broadband equipment must also “be necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i). In this Order, we find that the Company’s investment meets the applicable standards.

THE APPLICATION

Midvale’s Application states that it installed Asymmetric Digital Subscriber Line (ADSL) and ADSL2+ services with advertised transmission rates of up to 10 Mbps. Midvale asserts 78% of its customers have access to the broadband services. The Application states that the Company invested approximately \$479,800 in 2008, \$404,200 in 2009, and \$434,100 in 2010 in qualifying broadband equipment.

STAFF REVIEW

To implement its responsibilities under *Idaho Code* § 63-3029I, the Commission issued Procedural Order No. 28784 in July 2001. This Order identifies information that must be included in an application for a broadband tax credit. Once the information is filed with the Commission, Staff reviews the application and submits a recommendation to the Commission. Staff has reviewed the list of proposed broadband equipment submitted by Midvale and believes that the equipment identified meets the statutory criteria. Staff therefore recommended approval

of the Application and further recommended that the Commission forward an approving Order along with a copy of the original Application 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. Midvale has adequately demonstrated that the equipment identified in its Application meets the statutory standards for qualifying broadband equipment subject to the tax credit. We further find that Midvale 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 Midvale's Application is qualified broadband equipment as defined in *Idaho Code* § 63-3029I.


ORDER


IT IS HEREBY ORDERED that Midvale Telephone Exchange's Application for an Order certifying that it installed qualifying broadband equipment during 2008, 2009, and 2010 is granted.

IT IS FURTHER ORDERED that a copy of this Order and a copy of Midvale'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).

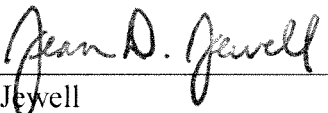
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 19th day of May 2011.


PAUL KJELLANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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