

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION	)	
OF POTLATCH TELEPHONE COMPANY,	)	CASE NO. POT-T-13-01
DBA TDS TELECOM, FOR AN	)	
INVESTMENT TAX CREDIT FOR	)	
INSTALLING QUALIFYING BROADBAND	)	ORDER NO. 32785
EQUIPMENT	)	
	)	

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On March 19, 2013, the Commission received an Application from Potlatch Telephone Company dba TDS Telecom (“TDS” or “Company”) requesting approval of a broadband tax credit pursuant to *Idaho Code* § 63-30291(3)(b) for the 2009-2012 calendar years.

### THE APPLICATION

In its Application, TDS states that it has installed Digital Subscriber Line (DSL) services with transmission rates of up to 24 Mbps in the Julietta, Kendrick and Troy exchanges. TDS asserts that approximately 77% of its customers in these exchanges can be served by the Company’s broadband network. The Company’s Application discloses an investment of approximately \$109,198 in qualifying broadband equipment for the following years: \$10,976 (2009); \$37,386 (2010); \$33,559 (2011) and \$27,277 (2012).

### STAFF REVIEW

Staff reviewed the list of proposed broadband equipment submitted by TDS and found that the equipment identified meets the statutory criteria outlined in *Idaho Code* § 63-30291(3)(b). Staff determined that TDS’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* § 63-30291(3)(b). Staff also determined that TDS 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* § 63-30291(3)(b)(i). Therefore, Staff recommended the Commission issue an Order approving the Application and that the approving Order, along with a copy of TDS’s Application, be forwarded to the Idaho State Tax Commission.

### COMMISSION FINDINGS

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 TDS’s Application requesting a qualified broadband equipment Order should be granted. TDS has adequately demonstrated that the equipment identified in its Application qualifies as broadband equipment subject to the tax credit. We also find that TDS 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 TDS’s Application is qualified broadband equipment.

### **ORDER**


IT IS HEREBY ORDERED that the Application of Potlatch Telephone Company dba TDS Telecom seeking an Order certifying that it has installed qualifying broadband equipment in Idaho during the 2009-2012 calendar years is granted.

IT IS FURTHER ORDERED that a copy of this Order and a copy of TDS’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 9<sup>th</sup>  
day of April 2013.

  
PAUL KJELLANDER, PRESIDENT

  
MACK A. REDFORD, COMMISSIONER

  
MARSHA H. SMITH, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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