

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION OF )          QWEST CORPORATION FOR AN )          INVESTMENT TAX CREDIT FOR )          INSTALLING QUALIFIED BROADBAND )          EQUIPMENT )</b>	<b>CASE NO. QWE-T-07-03</b>  <b>ORDER NO. 30295</b>
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On March 1, 2007, the Commission received an Application from Qwest Corporation asking for approval of equipment for the 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. 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 Qwest’s investment meets the applicable standards.

**THE APPLICATION**

Qwest’s Application identifies the Company’s broadband investments for the year 2005. The Application indicated Qwest had installed central office equipment and fiber cables to provide broadband services to Idaho customers. The Application included general broadband facilities, dedicated line facilities, and inter-office facilities. The Application included a signed affidavit indicating the submitted investments qualified for the broadband tax credit. The Application identified a net investment (new investment minus retirements) of just over \$8 million in 2005.

**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, the Staff reviews the application and submits a recommendation to the

Commission. Staff has reviewed the list of proposed broadband equipment submitted by Qwest 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**

Having reviewed Qwest's Application and Staff's recommendation, we find that the Application for a qualifying broadband equipment Order should be granted. The Company has demonstrated that it installed qualifying broadband equipment identified in its Application during 2005 in conformance with *Idaho Code* § 63-3029I. We further find that as configured, the installed equipment is an integral part of a broadband network necessary to deliver broadband services to Idaho customers. The Commission accordingly issues this Order confirming that Qwest Corporation has installed qualified broadband equipment as a precondition to seeking an Idaho broadband tax credit. The Commission makes no findings regarding the costs of the installed broadband equipment.

### **ORDER**

IT IS HEREBY ORDERED that Qwest Corporation's Application for an Order certifying that it has installed qualifying broadband equipment is granted.

IT IS FURTHER ORDERED that a copy of this Order and a copy of the 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. See *Idaho Code* §§ 61-626, 63-3029I(4).


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 11<sup>th</sup>  
day of April 2007.

  
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PAUL KJELLANDER, PRESIDENT

  
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MARSHA H. SMITH, COMMISSIONER

  
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MACK A. REDFORD, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

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