

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF QWEST CORPORATION FOR AN)	CASE NO. QWE-T-09-09
INVESTMENT TAX CREDIT FOR)	
INSTALLING QUALIFYING BROADBAND)	
EQUIPMENT)	ORDER NO. 30849
)	

On May 29, 2009, the Commission received an Application from Qwest Corporation ("Qwest") asking for approval of a broadband tax credit, pursuant to Commission Order No. 28784 and *Idaho Code* § 63-3029I(4), for the Company's broadband investments during calendar year 2007, as well as the 2007 retirements for 2003, 2004, 2005, and 2006 investments.

THE APPLICATION

Qwest's Application lists general broadband facilities, e.g., DSL and ATM services, dedicated line facilities and inter-office facilities as qualifying broadband equipment. The aforementioned services are capable of offering high-speed network access to customers at transmission rates ranging from 256 kilobits per second (Kbps) to more than 100 megabits per second (Mbps). Qwest submitted an employee affidavit affirming that the investments identified in its Application were for qualifying broadband equipment as the term is defined in *Idaho Code* § 63-3029I. Qwest identified a net investment of approximately \$7.3 million in 2007.

STAFF REVIEW

Staff reviewed the list of proposed broadband equipment submitted by Qwest and found that the equipment identified meets the statutory criteria outlined in *Idaho Code* § 63-3029I(3)(b). Staff determined that Qwest 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 Qwest'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 Staff, we find that the Application for a qualifying broadband equipment Order should be granted. Qwest has adequately demonstrated that the equipment identified in its Application is qualifying broadband equipment subject to the tax credit. We further find that Qwest 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 Qwest’s Application is qualifying 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 Qwest Corporation’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).

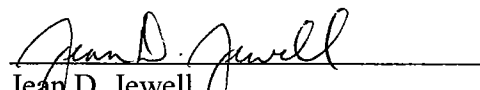
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 23rd
day of June 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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