

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF SILVER STAR)
TELEPHONE COMPANY, INC. DBA) CASE NO. SIL-T-11-01
SILVER STAR COMMUNICATIONS')
APPLICATION FOR AN INVESTMENT TAX)
CREDIT FOR INSTALLING QUALIFYING) ORDER NO. 32311
BROADBAND EQUIPMENT)**

On July 14, 2011, Silver Star Telephone Company, Inc. dba Silver Star Communications (the “Company”) applied to the Commission for an Order confirming that equipment the Company installed in 2010 is “qualified broadband equipment” under *Idaho Code* § 63-3029I (income tax credit for investment in broadband equipment). The Commission grants the Company’s Application and finds that the referenced equipment is “qualified broadband equipment.”

THE APPLICATION

The Company states that in 2010, it invested approximately \$284,100 to install qualifying broadband equipment in the Irwin and Wayan exchanges. The Company states the equipment is associated with Asymmetric Digital Subscriber Line (ADSL), Symmetrical Digital Subscriber Line (SDSL), and high speed data T-1 services with transmission rates of 256 Kbps to 5 Mbps upstream and 256 Kbps to 20 Mbps downstream. The Company states its broadband network can serve 211 customers.

STAFF COMMENTS

Staff reviewed the Company’s Application and equipment list and determined that the equipment is “qualified broadband equipment” under *Idaho Code* § 63-3029I. The statute defines “qualified broadband equipment” as equipment that “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* § 63-3029I(3)(b). Further, “[i]n 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). Staff determined that the Company’s equipment can transmit signals at a rate of at least 200,000 bps to a subscriber and at least 125,000 bps from a subscriber. Staff also found that the Company is a telecommunications carrier and that the listed equipment is necessary to the provision of

broadband service and an integral part of a broadband network. Accordingly, Staff recommended that the Commission issue an Order confirming the Company's listed equipment is "qualified broadband equipment," and that the Commission forward the approving Order, along with a copy of the Company's Application, to the Idaho State Tax Commission.

COMMISSION FINDINGS

Having reviewed the Company's Application and Staff's recommendations, the Commission finds that the Company's equipment is "qualified broadband equipment" subject to the tax credit under *Idaho Code* § 63-3029I. The Company is a telecommunications carrier. Further, the listed equipment (as presently configured) is an integral part of the Company's broadband network and is necessary to the provision of broadband service to Idaho customers. Accordingly, it is appropriate for the Commission to issue an Order confirming that the Company's equipment is "qualified broadband equipment."

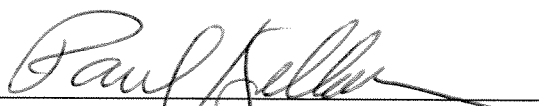
ORDER

IT IS HEREBY ORDERED that the Company's Application is granted. The Commission confirms that the equipment the Company installed in 2010 is "qualified broadband equipment" under *Idaho Code* § 63-3029I.

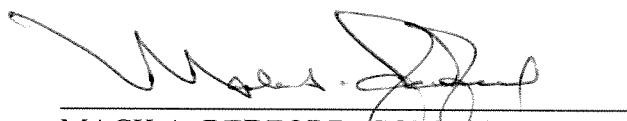
IT IS FURTHER ORDERED that a copy of this Order and a copy of the Company's Application be served upon the Idaho State Tax Commission.

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).

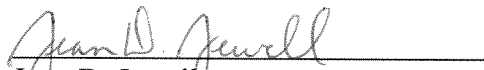
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 3rd
day of August 2011.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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