

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )**  
**OF CABLE ONE, INC. CONCERNING )** **CASE NO. GNR-T-03-25**  
**INVESTMENT FOR INSTALLING )**  
**QUALIFIED BROADBAND EQUIPMENT )**  
**TAX CREDIT. )** **ORDER NO. 29326**  
**)**

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On July 9, 2003, Cable One, Inc. filed an Application to receive an investment tax credit for installation of broadband equipment under *Idaho Code* § 63-30291. Pursuant to that section, an Idaho taxpayer may receive a tax credit for installing eligible equipment, which must be part of network facilities that are 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. In the case of a telecommunications carrier, the qualified broadband equipment also must “be necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-30291(3)(b)(i). A taxpayer may receive the credit only after obtaining from the Commission an Order confirming that the installed equipment qualifies under the statute. To facilitate its review under *Idaho Code* § 63-30291, the Commission issued Procedural Order No. 28784 in July 2001, identifying the information that applicants must provide to the Commission to determine whether the installed equipment qualifies for the tax credit.

Cable One’s Application states that during calendar year 2002 it installed coaxial cable and fiber optics as part of its “Hybrid Fiber Coax Network” (HFC) in the areas of Boise, Idaho Falls, Lewiston, Twin Falls and Pocatello. Cable One’s network provides high-speed data services using fiber optic receivers and transmitters, Motorola RF network amplifiers, signal equalizers, and couplers and taps. Cable One also included in its Application labor costs and supporting hardware such as connectors, conduit, splicing equipment and enclosure materials.

Cable One states that it offers high-speed Internet and broadband services to homes and businesses in Idaho at upstream and downstream transmission rates of 128 kilobits (kbps) to 1.5 mega bits per second (Mbps). Cable One’s network consists of approximately 2,447 miles of aerial coax, 1,877 miles of underground coax and 524 miles of fiber optic cable and passes by more than 290,000 Idaho homes and businesses.

Staff reviewed the Application filed by Cable One to confirm that the equipment is “necessary to the provision of broadband services and an integral part of a broadband network.” Staff stated the equipment installed by Cable One qualifies for the tax credit and recommended the Commission approve the Application.

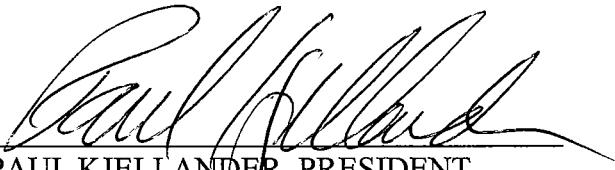
Having reviewed the Application filed by Cable One and Staff’s recommendation the Commission finds that the Company’s Application for a qualifying broadband equipment Order should be granted. The Company has adequately demonstrated that it installed the equipment identified in its Application during 2002 to conform with the requirements set forth in *Idaho Code* § 63-30291. The Commission further finds that as configured the installed equipment is an integral part of a broadband network necessary to deliver broadband services to Idaho customers. It is therefore appropriate for the Commission to issue this Order confirming that Cable One has installed qualified broadband equipment as a precondition to seeking an investment tax credit.

#### **ORDER**

IT IS HEREBY ORDERED that Cable One’s Application for an Order certifying that it has installed qualified broadband equipment is granted. The Commission Secretary will forward this Order along with the Application to the Idaho Tax Commission.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of 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.

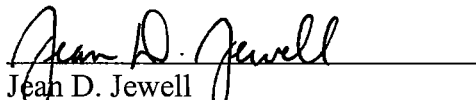
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25<sup>th</sup>  
day of August 2003.

  
PAUL KJELLANDER, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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