

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF CAMBRIDGE	)	
TELEPHONE CO., INC.'S APPLICATION	)	CASE NO. CAM-T-25-01
FOR THE 2023 BROADBAND EQUIPMENT	)	
TAX CREDIT	)	AMENDED
	)	ORDER NO. 36626
	)	

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On February 4, 2025, Cambridge Telephone Co., Inc. (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) for an order confirming that equipment it installed in 2023 is “qualified broadband equipment” under *Idaho Code* § 63-3029I (Income tax credit for investment in broadband equipment). With this Order, we confirm that the installed equipment is qualified broadband equipment under *Idaho Code* § 63-3029I.

### THE APPLICATION

The Company represented that the broadband services it offers to its customers are associated with Digital Subscriber Lines (“DSL”), wireless, and fiber to the home (“FTTH”) technologies. Application at 1. The Company stated that the services provided are carried out using Cisco, Optelian, and Brocade in the Company’s backbone network and digital loop carriers, including Calix. *Id.* The Company represented that it offers broadband services to its customers at transmission rates that range from 25 megabits per second to 1 gigabit per second for both upstream and downstream transmissions. *Id.* The Company stated that, during 2023, it lost 124 total internet customers (fixed wireless), bringing the total number of its customer base to 3,086, and 87% of its Idaho subscribers have access to its broadband network. *Id.* The Company represented that it invested \$4,488,676.47 in 2023 in qualifying broadband equipment. *Id.* at 7. The Company stated that all the purchased equipment listed is necessary to provide broadband service and is an integral part of its broadband network. *Id.* at 1.

### THE BROADBAND EQUIPMENT TAX CREDIT

In 2001, House Bill 377 was enacted authorizing income tax credit for the installation of qualifying broadband infrastructure in Idaho. *Idaho Code* § 63-3029B(3)(a)(ii). Section 63-3029I allows a taxpayer to receive an income tax credit for eligible broadband equipment installed during a calendar year. Qualified broadband equipment is defined as “those network facilities 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* § 63-329I(3)(b). If the equipment is installed by a telecommunications carrier, it must also be “necessary to the provision of broadband services and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i).

In furtherance of its statutory responsibility, the Commission issued Order No. 28784.<sup>1</sup> That Order specifies the information the taxpayer must include in the broadband tax credit application. In Case No. GNR-T-21-10, the Commission modified the informational requirements set forth by Order No. 28784. *See* Order No. 35297.

When the taxpayer applies, Commission Staff (“Staff”) reviews the application to determine whether the listed equipment meets the statutory definition of “qualified broadband equipment.” Order No. 35297. Staff then submits a recommendation to the Commission. If the Commission ultimately approves the application, then the Commission forwards it and the order to the Idaho State Tax Commission.

#### **STAFF REVIEW**

Staff reviewed the Company’s Application under *Idaho Code* § 63-3029I and Order No. 35297. Staff Memo at 2. Based on its review, Staff believed the listed equipment met the statutory criteria and is qualified broadband equipment that was eligible for the tax credit. *Id.* Staff recommended the Commission: (1) issue an order confirming that the Company’s equipment is qualified broadband equipment, and (2) forward copies of the Application and the order to the Idaho State Tax Commission. *Id.*

#### **COMMISSION FINDINGS**

Having reviewed the Company’s Application and Staff’s recommendation, the Commission finds that the Company’s equipment identified in Case No. CAM-T-25-01 is qualified broadband equipment eligible for the income tax credit under *Idaho Code* § 63-3029I. The Commission makes no findings regarding the costs of the installed broadband equipment or other expenses.

#### **ORDER**

IT IS HEREBY ORDERED that the Company’s Application is granted.

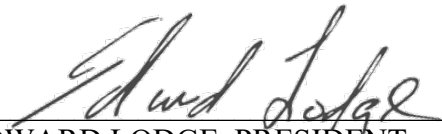
IT IS FURTHER ORDERED that a copy of this Order and a copy of the Application be served on the Idaho State Tax Commission.

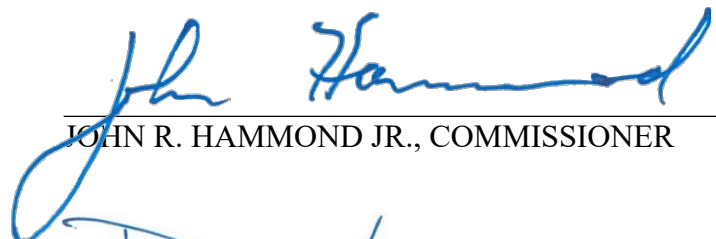
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<sup>1</sup> The Commission issued Order No. 28784 pursuant to *Idaho Code* § 63-3029I(4), which empowers the Commission to “issue procedural orders necessary to implement” the statute.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding 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 and 62-619.*

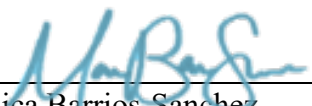
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 9<sup>th</sup> day of July 2025.

  
EDWARD LODGE, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
DAYN HARDIE, COMMISSIONER

ATTEST:

  
Monica Barrios-Sanchez  
Commission Secretary

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