

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF DIRECT ) CASE NO. DCM-T-25-01  
COMMUNICATIONS ROCKLAND INC.'S )  
APPLICATION FOR THE 2024 BROADBAND )  
EQUIPMENT TAX CREDIT ) ORDER NO. 36669  
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On April 14, 2025, Direct Communications Rockland, Inc., an Idaho corporation (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) for an order confirming that equipment the Company installed in 2024 is “qualified broadband equipment” under *Idaho Code* § 63-3029I (Income tax credit for investment in broadband equipment) (“Application”). With this Order, we confirm that the installed equipment is “qualified broadband equipment” under *Idaho Code* § 63-3029I.

### THE BROADBAND EQUIPMENT TAX CREDIT

In 2001, the Idaho Legislature enacted House Bill 377 authorizing an income tax credit for the installation of qualifying broadband infrastructure in Idaho. *Idaho Code* § 63-3029B. 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 two hundred thousand (200,000) bits per second [(“bps”)] to a subscriber and at least one hundred twenty-five thousand (125,000) [bps] from a subscriber.” *Idaho Code* § 63-3029I(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).

To be eligible for the income tax credit, the taxpayer must obtain an order from the Commission confirming that the installed equipment meets the statutory definition of qualified broadband equipment. Commission Order No. 35297; *Idaho Code* § 63-3029I(4). Once the Commission has determined the installed equipment is eligible for the income tax credit, the Commission will issue an order granting the application, and the Commission will forward the order and application to the Idaho Tax Commission.

## THE APPLICATION

The Company represented that it is a provider of basic local exchange services, broadband telecommunications services, and other telecommunications services in Idaho. Application at 1. The Company stated that the services it offers include Digital Subscriber Line and Ethernet technologies, which the Company stated are delivered using both fiber and copper wireline methods. Application at Exhibit A.

The Company disclosed that it provides broadband services to its customers at transmission rates of 25,000,000 bps to subscribers and 3,000,000 bps from subscribers. *Id.* The Company stated that during 2024, it served 12,443 broadband customers, with 65% of these customers located in the Company's regulated service areas and 35% in non-regulated service areas. *Id.*

The Company provided a description of its 2024 investments that the Company believed constituted "qualified broadband equipment" within the meaning of *Idaho Code* § 63-3029I(3)(b). *Id.* The Company reported investing \$7,246,517.31 in qualifying broadband equipment in 2024. *Id.*

## STAFF REVIEW

Commission Staff ("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 that the listed equipment met the statutory criteria and was 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 recommendations, we find that the Company's equipment identified in Case No. DCM-T-25-01 is qualified broadband equipment eligible for the 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 for an order confirming that equipment it installed in 2024 is qualified broadband equipment 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.

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 regarding any matter decided herein. 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 11<sup>th</sup> day of July, 2025.

  
EDWARD LODGE, COMMISSIONER

  
JOHN R. HAMMOND JR., COMMISSIONER

  
DAYN HARDIE, COMMISSIONER

ATTEST:

  
Monica Barrios-Sanchez  
Commission Secretary

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