

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF BLACKFOOT) CASE NO. FRC-T-24-01
COMMUNICATIONS, INC. D/B/A)
FREMONT COMMUNICATIONS’S) ORDER NO. 36414
APPLICATION FOR APPROVAL OF THE)
IDAHO BROADBAND EQUIPMENT TAX)
CREDIT FOR THE YEAR 2023)
)

On October 2, 2024, Blackfoot Communications Inc. dba Fremont Communications (“Company”), filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting a Commission order determining that the equipment identified in the Application, installed during the calendar year 2023, constituted qualified broadband equipment eligible for the income tax credit authorized in *Idaho Code* § 63-3029I.

The Company represented that it is a telecommunication carrier that offers broadband services to its customers that include Asymmetric Digital Subscriber Line (“ADSL”), Very-high-bit-rate Digital Subscriber Line (“VDSL”), Broadband Ethernet, and Wavelength services. The Company stated that its broadband services are offered using fiber optic cables with non-loaded copper distribution, fiber optic transport electronics, fiber optic backbone, and distribution cable.

The Company represented that the data transmission rate offered to customers ranges from 256,000 bits per second up to 1,000,000,000 bits per second from a subscriber, and 768,000 bits per second up to 1,000,000,000 bits per second to a subscriber. The Company stated that those transmission rates exceed the minimum statutory speed requirements under *Idaho Code* § 63-3029I. The Company also represented that it provides broadband services to 97 out of 128 possible customers, which is 76% of possible subscribers served in Idaho, and that in 2023 the Company invested approximately \$57,422.35 in qualifying broadband equipment that the Company claims is integral to its broadband network.

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 seconds (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).

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 forward the order along with the original application to the Idaho State Tax Commission.

STAFF REVIEW

Staff reviewed the Company’s Application under *Idaho Code* § 63-3029I and Order No. 35297. 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. 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.

COMMISSION FINDINGS

Having reviewed the Company’s Application and Staff’s recommendation, the Commission finds that the Company’s equipment identified in Case No. FRC-T-24-01 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

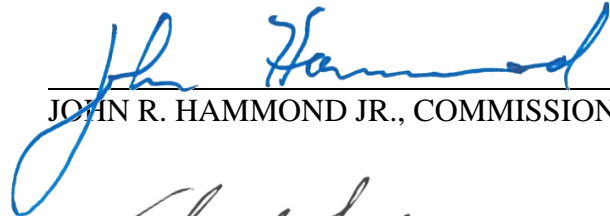
IT IS HEREBY ORDERED that the Company’s Application is granted.

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

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 9th day of December 2024.


ERIC ANDERSON, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


EDWARD LODGE, COMMISSIONER

ATTEST:


Monica Barros-Sanchez
Commission Secretary

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