

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF FATBEAM, LLC’S) CASE NO. FZ4-T-24-01
APPLICATION FOR APPROVAL OF THE)
IDAHO BROADBAND EQUIPMENT TAX) ORDER NO. 36354
CREDIT FOR THE TAX YEAR 2023)
)

On July 29, 2024, Fatbeam, LLC (“Company”), filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting a Commission order determining that the equipment identified in the Application constituted qualified broadband equipment eligible for the income tax credit authorized in *Idaho Code* § 63-3029I. On August 13, 2024, the Company submitted an Addendum to its Application, revising its assets list in compliance with Commission Order No. 35297.

The Company represented that the broadband services it offers to its customers are associated with fiber optic Wide Area Network and wireless services, and that the Company operates a 100G backbone network that feeds the broadband equipment throughout the state of Idaho. The Company stated that the customers are fed via direct access fiber, fiber to the home (“FTTH”), fixed microwave, or broadband radio setups.

The Company stated that it has a transmission rate that ranges from 5G down / 5G up, to 30G down / 5G up on broadband wireless, up to 1.4G sync on fixed microwave, 1G sync on FTTH, and beyond with direct fiber. The Company represented that these rates exceed the minimum statutory speed requirements under *Idaho Code* § 63-3029I.

The Company also represented that in 2023 the Company served 2,000 Idaho residential customers and 299 Idaho non-residential customers, and that the Company invested approximately \$10,869,234.54 in qualifying broadband equipment that 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 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 was 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. FZ4-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.

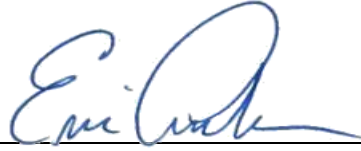
ORDER

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

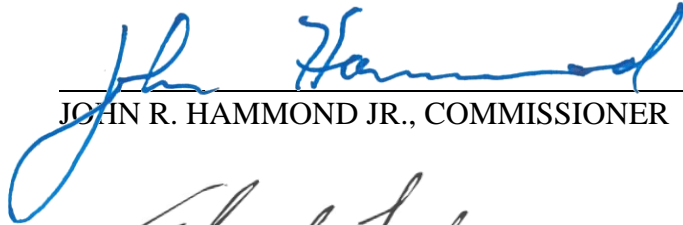
IT IS FURTHER ORDERED that a copy of this order and a copy of the Application be served on the Idaho State Tax Commission.

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 15th day of October 2024.



ERIC ANDERSON, PRESIDENT

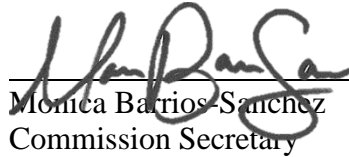


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez
Commission Secretary

I:\Legal\TELECOM\FZ4T2401_FO_cb.docx