

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. GNR-T-20-03**  
**OF RANDOM INVESTMENTS, LLC, FOR A )**  
**2017 INVESTMENT TAX CREDIT FOR )**  
**INSTALLING QUALIFIED BROADBAND ) ORDER NO. 34585**  
**EQUIPMENT )**  
**)**

---

On January 28, 2020, Random Investments, LLC, (“Random” or “Company”) applied to the Idaho Public Utilities Commission (“Commission”) for an order confirming that equipment the Company installed in 2017 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**

In the Application, Random states that it is a real estate holding company. *Application* at 1. The Company avers it owns vertical assets (towers) it leases to related parties, Tekfinity, LLC and Tek-Hut, Inc., which provide fixed and wireless broadband internet to customers in Southern Idaho. *Id.* The Company asserts that its related parties service approximately 2,500 customers in Idaho. Random asserts it invested approximately \$62,861.42 in 2017 in qualifying broadband equipment that it confirms is integral to the broadband network.

**THE BROADBAND EQUIPMENT TAX CREDIT**

*Idaho Code* § 63-3029I allows a taxpayer to receive an income tax credit for having installed qualified broadband equipment during a calendar year. Before the taxpayer is eligible for the tax credit, the taxpayer must first apply to the Commission for an order confirming that the installed equipment is “qualified broadband equipment” as defined in the statute. *Idaho Code* § 63-3029I(4). The statute defines “qualified broadband equipment” as equipment that: (1) qualifies for the *Idaho Code* § 63-3029B capital investment credit that “is capable of transmitting signals at a rate of at least [200,000 bps] to a subscriber and at least [125,000 bps] from a subscriber” (*Idaho Code* § 63-3029I(3)(b)); and (2) is “primarily used to provide services in Idaho to Idaho public subscribers.” *See Idaho Code* § 63-3029I(3)(b)(vii). Further, in “the case of a telecommunications carrier, such qualifying equipment shall be necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i).

In furtherance of its statutory responsibility, the Commission has issued Order No. 28784.<sup>1</sup> That order specifies the information the taxpayer must include in the broadband tax credit application. When the taxpayer files the application, the Commission Staff (“Staff”) reviews it to determine whether the listed equipment meets the statutory definition of “qualified broadband equipment.” 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 has reviewed and audited the list of proposed broadband equipment and believes the identified equipment qualifies for the investment tax credit pursuant to procedural Order No. 28784 and Idaho Code § 63-3029I(3)(b). Staff recommends that the Commission issue an Order confirming the equipment is qualified broadband equipment and forward the approving Order along with a copy of the original Application to the Idaho Tax Commission.

### **COMMISSION FINDINGS**

Having reviewed the Company’s Application and Staff’s recommendation, we find that the Company’s equipment identified in Case No. GNR-T-20-03 is “qualified broadband equipment” eligible for the tax credit under *Idaho Code* § 63-3029I. Accordingly, it is appropriate for the Commission to issue an order confirming that the Company’s equipment is “qualified broadband equipment.” 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 the Company installed in 2017 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 with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for

---


<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.

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 12<sup>th</sup> day of March 2020.

  
\_\_\_\_\_  
PAUL KJELLANDER, PRESIDENT

  
\_\_\_\_\_  
KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Diane M. Hanian  
Commission Secretary

I:\Legal\TELEPHONE\GNR-T-20-03\GNRT2003\_final\_jrh.docx