Office of the Secretary
Service Date
November 19, 2025

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF POTLATCH TELEPHONE COMPANY d/b/a TDS TELECOM'S APPLICATION FOR THE 2024 BROADBAND EQUIPMENT TAX CREDIT	)))))	**CASE NO. POT-T-25-01** **ORDER NO. 36850**

On August 15, 2025, Potlatch Telephone Company dba TDS Telecom ("Company") applied to the Idaho Public Utilities Commission ("Commission") for an order confirming that equipment the Company installed during 2024 is "qualified broadband equipment" under *Idaho Code* § 63-3029I (Income tax credit for investment in broadband equipment) ("Application").

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 investment tax credit for eligible broadband equipment installed during a calendar year.

Qualified broadband equipment is defined as equipment "capable of transmitting signals at a rate of at least two hundred thousand (200,000) bits per second to a subscriber and at least one hundred twenty-five thousand (125,000) bits per second 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). The equipment must be primarily used to provide services to subscribers in Idaho to qualify for the credit. *Idaho Code* § 63-3029I(3)(b)(vii).

To be eligible for the tax credit, the taxpayer must obtain from the Idaho Public Utilities Commission ("Commission") an order confirming that the installed equipment meets the statutory definition of qualified broadband equipment. Commission Order No. 35297 and *Idaho Code* § 63-3029I(4). Prior to making such a determination, the Commission requires applicants to submit "a specific list of the equipment or types of equipment that the applicant is requesting that the Commission determine is 'qualified broadband equipment' as defined in *Idaho Code* § 63-3029I(3)(b)," and to "[l]ist the brand, manufacturer, model numbers of the installed equipment, number of items, and total cost." Order No. 35297, Attachment A. Once the Commission has determined that the installed equipment is eligible for the broadband equipment tax credit, an order along with the original Application is forwarded to the Idaho Tax Commission.

THE APPLICATION

Commission Staff ("Staff") reviewed the documentation submitted in the Application and identified several line items that are not qualified broadband equipment as set forth in *Idaho Code* § 63-3029I(3)(b). Staff contacted the Company, which corrected the tables in an amended application it filed on October 21, 2025 ("Amended Application").

In the Application (in sections unchanged by the Amended Application), the Company stated that it provides Digital Subscriber Line (DSL) services and Fiber To The Home (FTTH) in Idaho. Application at 1. The Company disclosed that it provides broadband services to its customers at transmission rates of a minimum of 1,000,000 bits per second to subscribers and 256,000 bits per second from subscribers. *Id.* at 2. These rates exceed the minimum statutory speed requirements as set forth in *Idaho Code* § 63-3029I. The Company confirmed that during 2024, 100% of customers accessing the broadband network located in the Company's regulated service areas were served and that customers located outside of Idaho received no benefit from the installed equipment. *Id.*

In an attachment to the Amended Application, the Company reported investing $273,540.30 in qualifying broadband equipment in 2024, which would amount to a 3% broadband tax credit of $8,206.21. 2024 Potlatch Investment Revised 102125 Confidential at 1.

STAFF REVIEW

Staff reviewed the Company's list of claimed broadband equipment included in the Amended Application. Staff Memo at 2. Staff believed the identified equipment qualifies for the investment tax credit pursuant to Commission Order No. 35297 and *Idaho Code* § 63-3029I(3)(b). *Id.* Staff recommended that the Commission issue an order confirming that the equipment listed in the Amended Application is qualified broadband equipment and forward the approving order, along with a copy of the Application and Amended Application, to the Idaho Tax Commission. *Id.* at 2–3.

COMMISSION FINDINGS

Having reviewed the Company's Application and Staff's recommendations, the Commission finds that the equipment identified in the Company's Amended Application for Case No. POT-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 Amended 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 copies of the Application and Amended 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 19th day of November 2025.

EDWARD LODGE, COMMISSIONER

JOHN R. HAMMOND JR., COMMISSIONER

DAYN HARDIE, COMMISSIONER

ATTEST:

Laura Calderon Robles
Interim Commission Secretary

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