

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF TDS METROCOM) **CASE NO. TML-T-22-02**
LLC’S 2021 BROADBAND EQUIPMENT)
TAX CREDIT) **ORDER NO. 35556**
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)

On July 12, 2022, TDS Metrocom, LLC (“TDS Metrocom” or “Company”), applied to the Idaho Public Utilities Commission (“Commission”) for an order approving equipment for the broadband tax credit, installed during the calendar year January 1, 2021 - December 31, 2021, as qualifying broadband equipment.

In the Application, the Company represented that it was building a fiber-to-the-premise (FTTP) network, also called Fiber to the home (FTTH) network, which is the installation and use of optical fiber from a central point directly to individual buildings such as residences, apartment buildings, and businesses to provide high-speed internet access. The Company disclosed that it offered products capable of providing up to 1Gbps symmetrical service, and that the lowest transmission speed rate offered to customers as of December 31, 2021, was 300/300 Mbps. The Company represented that those rates exceeded the minimum statutory speed requirements under Idaho Code § 63-3029I. The Company also represented that 27,047 customers had access to its broadband network in its service areas; and that it invested \$16,573,344.98 in 2021 in qualifying broadband equipment, and that the broadband equipment was 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 investment 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 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 and *Idaho Code* § 63-3029I(4). Once the Commission has determined 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.

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 issue an order confirming that the Company's equipment was "qualified broadband equipment," and forward copies of the Application and order to the Idaho State 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. TML-T-22-02 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 it installed in 2021 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 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 11th day of October 2022.



ERIC ANDERSON, PRESIDENT

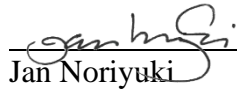


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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