

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE**

IN THE MATTER OF THE APPLICATION)
OF VERIZON DELAWARE LLC FOR ITS)
ANNUAL PRICE CAP FORMULA IN) PSC DOCKET NO. 15-0791
ACCORDANCE WITH 26 *DEL. C.* §707(b))
(FILED MARCH 18, 2015))

ORDER NO. 8749

This 16th day of June, 2015, the Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, on July 15, 2013, Verizon Delaware LLC ("Verizon") elected under 26 *Del. C.* §704(a) to have its rates and prices for telecommunication services governed by the Telecommunications Technology Investment Act (i.e., Subchapter VII-A of Title 26 of the Delaware Code); and

WHEREAS, a telecommunications provider which has made an election under 26 *Del. C.* §704(a) is required by 26 *Del. Admin. C.* §§4005-3.1 and 3.2 to submit to the Commission and interested parties no later than March 31st of each year a Price Index Report ("PI Filing"); and

WHEREAS, based on discussions Verizon had with the Commission Staff ("Staff"), on March 18, 2015, Verizon filed, in the form of a letter, its annual price index report/price cap filing for the year 2015 (the "2015 PI Filing"). This letter explained that inflation remained positive, so any calculations under the "Price Cap Formula" would yield a rate increase in switched access rates. Nevertheless, Verizon cannot implement any switched access rate increase because Delaware and federal laws do not permit such an increase. See 26 *Del. C.* §707(c)(1) ("A service provider may not increase switched access

rates unless required to maintain parity with its interstate switched access rates");¹ and

WHEREAS, Verizon published notice of the 2015 PI Filing in the Delaware State News and The News Journal on May 7, 2015. Staff has not received any public comments in response to the publications or the 2015 PI Filing; and

WHEREAS, the Commission Staff has reviewed Verizon's 2015 PI Filing for compliance with Delaware laws and regulations and has submitted to the Commission a memorandum discussing such filing;

NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE VOTE OF NOT FEWER THAN THREE COMMISSIONERS:

1. The Commission has considered Verizon's 2015 PI Filing and, pursuant to 26 *Del. Admin. C.* §4001-3.2,² approves the 2015 PI Filing as submitted on March 18, 2015.
2. The Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

¹ See also Connect America Fund; a National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers; Developing a Unified Intercarrier Compensation Regime, etc., WC Docket No. 10-90, Report and Order and Further Proposed Rulemaking (Nov. 18, 2011), ¶801, Figure 9 (for price cap carriers like Verizon, "[a]ll intercarrier switched access rate elements, including interstate and intrastate originating and terminating rates and reciprocal compensation rates are capped.")

² Under 26 *Del. Admin. C.* 4005-3.2, the Commission will, to the extent possible, approve or adjust the PI Report no later than 120 days after such filing.

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary