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October 31, 2025

PUBLIC VERSION

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
Post Office Box 3265
Harrisburg, Pennsylvania 17105-3265

Re: Verizon Pennsylvania LLC's 2026 PCO Filing

Dear Secretary Homsher:

Verizon Pennsylvania LLC ("Verizon PA") hereby submits its 2026 Price Change Opportunity ("PCO") filing, which includes **Proprietary** information. A public version of the filing is also included. Per the price cap mechanism in the company's Chapter 30 plan, Verizon PA's 2026 PCO is \$1,420,000.

To implement its PCO, Verizon PA plans to increase rates for the following noncompetitive services: Residence and Business Dial Tone Line.

Tariff Sheet Changes:

Pa. P.U.C. No. 180A
Section 1, 20th Revised Sheet 16, Canceling 19th Revised Sheet 16
Section 2, 22nd Revised Sheet 8, Canceling 21st Revised Sheet 8

Pa. P.U.C. No. 182
Section 1, 23rd Revised Sheet 7, Canceling 22nd Revised Sheet 7
Section 2, 18th Revised Sheet 7, Canceling 17th Revised Sheet 7

Pa. P.U.C. No. 182A
Section 1, 21st Revised Sheet 8A, Canceling 20th Revised Sheet 8A
Section 2, 20th Revised Sheet 7, Canceling 19th Revised Sheet 7

Pa. P.U.C. No. 185B

Section 1, 21st Revised Sheet 6A, Canceling 20th Revised Sheet 6A

Section 2, 18th Revised Sheet 7, Canceling 17th Revised Sheet 7

Pa. P.U.C. No. 185C

Section 1, 23rd Revised Sheet 10, Canceling 22nd Revised Sheet 10

Section 2, 20th Revised Sheet 7, Canceling 19th Revised Sheet 7

The rate changes are due to become effective January 1, 2026. This material will appear on the Verizon PA website. The electronic version, to the best of my knowledge, will be an accurate representation of the content of this filing. Should you have any questions regarding this filing, please feel free to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "S. D. P.", is written over a light gray rectangular background.

Attachments

cc: Office of Consumer Advocate
Office of Small Business Advocate

Verizon Pennsylvania LLC
2026 PCO FILING
Executive Summary

The inflation rate for the twelve months ending March 31, 2025 has resulted in a positive 2026 Price Change Opportunity (“PCO”) filing for Verizon Pennsylvania LLC (“Verizon PA”). Per the price stability mechanism in the company’s Chapter 30 plan, Verizon PA’s 2026 PCO is \$1,420,000. See Proprietary Attachment A for the 2026 PCO calculation.

Reclass: The Residence Exchange, Business Exchange and Billing Services revenues in the base calculation have been adjusted to reflect the Commission’s decision in Verizon’s Reclass case (Docket Nos. P-2014-2446303 & P-2014-2446304).

Business Exchange Revenue: The noncompetitive revenue base for the PCO includes revenues for Business Exchange service consistent with the Commission’s September 25, 2008 order on the Joint Settlement Petition (Docket No. P-00930715F1000). See Proprietary Attachment A, page 2.

Line True-Up Adjustment: The 2026 PCO includes a true-up adjustment for the 2025 PCO. As set forth in Verizon PA’s alternative regulation plan, the adjustment is based on the difference between what Verizon PA projected to collect in the first year of implementation of the 2025 PCO using historical lines versus what it would have collected if actual line counts from the mid-point of the first year of implementation had been used. The \$1,420,000 PCO Total includes an adjustment of \$115,000 for this true-up. See Proprietary Attachment B for the calculation of the true-up adjustment.

Rate Increases: Verizon PA will use this filing to increase Residence and Business Dial Tone Line. Rate changes are scheduled to become effective on January 1, 2026. Copies of the bill messages that will be sent to customers in November 2025 are attached. See Proprietary Attachment C for the Rate Changes and Revenue Impact.

2003 PCO and the PA Universal Service Fund: The rate changes total \$1,251,300 on an annual basis. Of the residual \$168,700, the amount of \$43,283 will be netted against the remaining liability of the 2003 PCO, which will reduce the remaining liability of the 2003 PCO to \$0. Per the Commission’s order in Docket Nos. P-00930715 and P-0001854 entered October 11, 2005, Verizon PA requests permission to continue in 2026 to use the on-going value of its 2003 PCO to support the company’s payments to the state universal service fund. See Proprietary Attachment D for the 2003 PCO Liability calculations. Going forward, the remaining liability of the 2003 PCO is reduced to \$0 and the 2003 PCO is retired from Verizon PA’s bank, so Verizon PA will not be making this request in future PCO filings.

Banking for Future Use: Of the residual \$168,700 left after the rate increases, the amount of \$125,417 will be banked for future use. See Attachment D.

This filing complies with the safety, adequacy, reliability, and privacy considerations required.

**Verizon Pennsylvania LLC
2026 PCO FILING
Customer Notices Scheduled for November 2025**

RESIDENCE

If approved by the Pennsylvania Public Utility Commission, the monthly price for Dial Tone Service provided on a month-to-month basis will increase by \$0.25, on or after January 1, 2026. There is no price increase for customers who purchase this service as part of a package, bundle or term agreement. Verizon offers many options to meet your phone, Internet and television needs. Visit verizon.com or call us at 1.800.Verizon (1.800.837.4966).

BUSINESS

On or after January 1, 2026, the monthly rates for select business services will increase as listed below. These pricing changes do not apply to services included in a bundle or package.

- Business Exchange Service-Dial Tone Line, Multi-Line and Individual, will increase by \$2.00 for all Cells (1-4)

If any of these increases apply to you, you may contact the Business Office before the new monthly rates go into effect to determine options.

VERIZON PENNSYLVANIA LLC

EXCHANGE TARIFF – PENNSYLVANIA EXCHANGES TARIFF

ISSUED OCTOBER 31, 2025

EFFECTIVE JANUARY 1, 2026

By Jacqueline McGirr
Associate Director, State & Local Government Affairs
One Verizon Way, Basking Ridge, NJ 07920

NOTICE

This revision increases rates as a result of the 2026 Price Change Opportunity (PCO) filing.

Pa. P.U.C. No. 180A

Section 1, 20th Revised Sheet 16, Canceling 19th Revised Sheet 16

Section 2, 22nd Revised Sheet 8, Canceling 21st Revised Sheet 8

LOCAL GENERAL TARIFF
RESIDENCE EXCHANGE SERVICE

C. RATES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

c. Exchange Service Dial Tone Line and Local Usage Option Rate Schedule

RESIDENCE	<u>Monthly Rate</u>		
	<u>By Cell</u>		
	<u>3</u>	<u>4</u>	
<u>Dial Tone Line</u> ¹			
Individual	\$10.08	\$10.08	(I)

¹ The Residence Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature. For each residence DTL(s) not equipped with Touch Tone service (rotary service) as of the effective date of this tariff (May 1, 1997), a DTL monthly rate reduction of \$.93 will apply per DTL. This reduction will apply as long as such DTL(s) remain equipped as rotary service or until the DTL(s) is disconnected or moved to another location. Any DTL(s) added to an existing customers service or new DTL service as of the effective date of this tariff (May 1, 1997) will not receive the DTL monthly rate reduction of \$.93. The DTL Customer of Record is responsible for the installation, maintenance and compatibility of any and all customer provided equipment (CPE) associated with the residence DTL(s).

LOCAL GENERAL TARIFF
BUSINESS EXCHANGE SERVICE

C. RATES AND CHARGES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

c. Dial Tone Line¹ and Usage Package Rates

<u>BUSINESS</u>	<u>Monthly Rates</u>		
	<u>By Cell</u>		
	<u>3</u>	<u>4</u>	
Dial Tone Line - Multi-Line Subscriber ²			
Multi-line, each	\$27.00	\$27.00	(I)
Dial Tone Line - Individual Line Subscriber ²			
Individual Line	27.00	27.00	(I)

<u>Usage Packages³</u>	<u>Monthly Rate</u>		
	<u>By Weighted Line Rate Group</u>		
	<u>A</u>	<u>D</u>	<u>F</u>
Extended Area Unlimited	NA	\$21.15	\$24.65
Local Area Unlimited	15.20	19.05	21.60
Local Area Valu-Pak ⁴	9.20	13.80	13.80
Local Area Standard	6.90	6.90	6.90

	<u>Monthly Rate</u>		
	<u>By Weighted Line Rate Group</u>		
	<u>A</u>	<u>D</u>	<u>F</u>
Local Area Val-Pak Option	\$12.00	\$18.00	\$18.00
Local Area Standard	8.00	8.00	8.00

¹ The Business Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature.

² See Section 47 of the Product Guide for Competitive Services (FBA Tariff No. 500) available at www.verizon.com/tariffs under Pennsylvania Non-Tariff Documents for Business DTL Term Plan Option.

³ Available as specified preceding.

⁴ Valu-Pak Usage Option Rate Group is the same as the Local Area Unlimited Usage Package Rate Group for the Exchange Area.

VERIZON PENNSYLVANIA LLC

PHILADELPHIA EXCHANGE AREAS TARIFF

ISSUED OCTOBER 31, 2025

EFFECTIVE JANUARY 1, 2026

By Jacqueline McGirr
Associate Director, State & Local Government Affairs
One Verizon Way, Basking Ridge, NJ 07920

NOTICE

This revision increases rates as a result of the 2026 Price Change Opportunity (PCO) filing.

Pa. P.U.C. No. 182

Section 1, 23rd Revised Sheet 7, Canceling 22nd Revised Sheet 7

Section 2, 18th Revised Sheet 7, Canceling 17th Revised Sheet 7

LOCAL GENERAL TARIFF
RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

a. Dial Tone Line Rates (Cont'd)

The Dial Tone Line rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the central office designation associated with the customer's local serving office.

b. Local Usage Option Rates

Residence customers choose one of the following usage options:

- Local Area Unlimited Usage Option
- Local Area Standard Usage Option
- Budget Usage Option

A customer's Local Usage Option rate is based upon the option chosen.

2. EXCHANGE SERVICE DIAL TONE LINE AND LOCAL USAGE OPTION RATE SCHEDULE

RESIDENCE

	<u>Monthly Rate</u>		
	<u>By Cell</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line</u> ¹			
Individual	\$10.08	\$10.08	(I)
 <u>Usage Packages</u>		<u>Monthly Rate</u>	<u>Monthly Allowance</u>
Metropolitan Area Unlimited Option ²		\$21.00	-
Local Area Unlimited Option		8.87	-
Local Area Standard Usage Option		2.62	\$4.00
Budget Usage Option		-	0.25

NOTE:

(1) The Residence Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature. For each residence DTL(s) not equipped with Touch Tone service (rotary service) as of the effective date of this tariff (May 1, 1997), a DTL monthly rate reduction of \$.93 will apply per DTL. This reduction will apply as long as such DTL(s) remain equipped as rotary service or until the DTL(s) is disconnected or moved to another location. Any DTL(s) added to an existing customers service or new DTL service as of the effective date of this tariff (May 1, 1997) will not receive the DTL monthly rate reduction of \$.93. The DTL Customer of Record is responsible for the installation, maintenance and compatibility of any and all customer provided equipment (CPE) associated with the residence DTL(s).

² Effective June 17, 2013, Metropolitan Area Unlimited Option is grandfathered and no longer available to new customers. Metropolitan Area Unlimited Option is still available for resale until February 15, 2014, on which date the foregoing terms shall be effective for resale.

LOCAL GENERAL TARIFF
BUSINESS EXCHANGE SERVICE

D. RATES AND CHARGES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

b. Local Usage Option Rates (Cont'd)

Business customers choose one of the following usage options:

- Local Area Business Valu-Pak Usage Option
- Local Area Standard Usage Package
- Budget Usage Option

A customer's Local Usage rate is based upon the option chosen.

The Local Usage option rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the Foreign Area designation associated with the foreign office.

2. EXCHANGE SERVICE DIAL TONE LINE¹ AND USAGE RATE SCHEDULE

BUSINESS

	<u>Monthly Rate</u>		
	<u>By Cell</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line - Multi-Line Subscriber²</u>			
Multi-line, each	\$24.75	\$24.75	(I)
<u>Dial Tone Line- Individual Line Subscriber²</u>			
Individual line	24.75	24.75	(I)
<u>Usage Packages</u>	<u>Monthly Rate</u>	<u>Monthly Allowance</u>	
Local Area Valu-Pak Option	\$18.40	\$24.00	
Local Area Standard	6.90	8.00	

¹ The Business Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature.

² See Section 47 of the Product Guide for Competitive Services (FBA Tariff No. 500) available at www.verizon.com/tariffs under Pennsylvania Non-Tariff Documents for Business DTL Term Plan Option.

VERIZON PENNSYLVANIA LLC

PHILADELPHIA SUBURBAN EXCHANGE AREAS TARIFF

ISSUED OCTOBER 31, 2025

EFFECTIVE JANUARY 1, 2026

By Jacqueline McGirr
Associate Director, State & Local Government Affairs
One Verizon Way, Basking Ridge, NJ 07920

NOTICE

This revision increases rates as a result of the 2026 Price Change Opportunity (PCO) filing.

Pa. P.U.C. No. 182A

Section 1, 21st Revised Sheet 8A, Canceling 20th Revised Sheet 8A

Section 2, 20th Revised Sheet 7, Canceling 19th Revised Sheet 7

LOCAL GENERAL TARIFF
RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

3. EXCHANGE SERVICE DIAL TONE LINE AND LOCAL USAGE OPTION RATE SCHEDULE

RESIDENCE

Monthly Rate
By Cell
3

Dial Tone Line¹

Individual \$10.08 (I)

Usage Packages

Monthly Rate

Monthly Allowance

Metropolitan Area Unlimited Option ²	\$26.00	-
Local Area Unlimited Option	6.87	-
Local Area Standard Usage Option	2.62	\$4.00
Budget Usage Option	-	0.25

¹ The Residence Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature. For each residence DTL(s) not equipped with Touch Tone service (rotary service) as of the effective date of this tariff (May 1, 1997), a DTL monthly rate reduction of \$.93 will apply per DTL. This reduction will apply as long as such DTL(s) remain equipped as rotary service or until the DTL(s) is disconnected or moved to another location. Any DTL(s) added to an existing customers service or new DTL service as of the effective date of this tariff (May 1, 1997) will not receive the DTL monthly rate reduction of \$.93. The DTL Customer of Record is responsible for the installation, maintenance and compatibility of any and all customer provided equipment (CPE) associated with the residence DTL(s).

² Effective June 17, 2013, Metropolitan Area Unlimited Option is grandfathered and no longer available to new customers. Metropolitan Area Unlimited Option is still available for resale until February 15, 2014, on which date the foregoing terms shall be effective for resale.

LOCAL GENERAL TARIFF
BUSINESS EXCHANGE SERVICE

D. RATES AND CHARGES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

b. Local Usage Rates (Cont'd)

A customer's Local Usage rate is based upon the option chosen.

The Local Usage option rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the Exchange Area designation(s) associated with the foreign office.

2. DIAL TONE LINE (DTL) CELLS

All of the Philadelphia Suburban Exchange Area is in Dial Tone Line Cell 3.

3. EXCHANGE SERVICE DIAL TONE LINE¹ AND USAGE RATE SCHEDULE

<u>BUSINESS</u>	<u>Monthly Rate</u> <u>By Cell</u> <u>3</u>	
<u>Dial Tone Line- Multi-Line Subscriber²</u>		
Multi-line, each	\$27.00	(I)
<u>Dial Tone Line- Individual Line Subscriber²</u>		
Individual line	27.00	(I)
<u>Usage Packages</u> <u>Allowance</u>	<u>Monthly Rate</u>	<u>Monthly</u>
Local Area Unlimited ³	\$25.15	-
Local Area Valu-Pak Option	18.40	\$24.00
Local Area Standard Option	6.90	8.00

¹ The Business Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature.

² See Pa. Section 47 of the Product Guide for Competitive Services (FBA Tariff No. 500) available at www.verizon.com/tariffs under Pennsylvania Non-Tariff Documents for DTL Term Plan Option.

³ Effective November 15, 1981, this service is grandfathered and available to existing customers who continue such service at their present locations.

VERIZON PENNSYLVANIA LLC

PITTSBURG EXCHANGE AREAS TARIFF

ISSUED OCTOBER 31, 2025

EFFECTIVE JANUARY 1, 2026

By Jacqueline McGirr
Associate Director, State & Local Government Affairs
One Verizon Way, Basking Ridge, NJ 07920

NOTICE

This revision increases rates as a result of the 2026 Price Change Opportunity (PCO) filing.

Pa. P.U.C. No. 185B

Section 1, 21st Revised Sheet 6A, Canceling 20th Revised Sheet 6A

Section 2, 18th Revised Sheet 7, Canceling 17th Revised Sheet 7

LOCAL GENERAL TARIFF
RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

3. EXCHANGE SERVICE DIAL TONE LINE AND LOCAL USAGE OPTION RATE SCHEDULE

RESIDENCE

	<u>Monthly Rate</u>		
	<u>By Cell</u>		
	<u>1</u>	<u>2</u>	
 <u>Dial Tone Line</u> ¹			
Individual	\$10.08	\$10.08	(I)
 <u>Usage Packages</u>			
	<u>Monthly Rate</u>		<u>Monthly Allowance</u>
Metropolitan Area Unlimited Option ²	\$21.00		-
Local Area Unlimited Option	8.87		-
Local Area Standard Usage Option	2.62		\$4.00
Budget Usage Option	-		0.25

¹ The Residence Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature. For each residence DTL(s) not equipped with Touch Tone service (rotary service) as of the effective date of this tariff (May 1, 1997), a DTL monthly rate reduction of \$.93 will apply per DTL. This reduction will apply as long as such DTL(s) remain equipped as rotary service or until the DTL(s) is disconnected or moved to another location. Any DTL(s) added to an existing customers service or new DTL service as of the effective date of this tariff (May 1, 1997) will not receive the DTL monthly rate reduction of \$.93. The DTL Customer of Record is responsible for the installation, maintenance and compatibility of any and all customer provided equipment (CPE) associated with the residence DTL(s).

² Effective June 17, 2013, Metropolitan Area Unlimited Option is grandfathered and no longer available to new customers. Metropolitan Area Unlimited Option is still available for resale until February 15, 2014, on which date the foregoing terms shall be effective for resale.

LOCAL GENERAL TARIFF
BUSINESS EXCHANGE SERVICE

D. RATES AND CHARGES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

b. Local Usage Option Rates

Business customers choose one of the following usage options:

- Local Area Business Valu-Pak Usage Option
- Local Area Standard Usage Package
- Budget Usage Option

A customer's Local Usage rate is based upon the option chosen and the Usage Rate Group.

The Local Usage option rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the Exchange Area designation associated with the foreign office.

2. EXCHANGE SERVICE DIAL TONE LINE¹ AND USAGE RATE SCHEDULE

BUSINESS

	<u>Monthly Rate</u>		
	<u>By Cell</u>		
	<u>1</u>	<u>2</u>	
<u>Dial Tone Line - Multi-Line Subscriber²</u>			
Multi-line, each	\$24.75	\$24.75	(I)
<u>Dial Tone Line - Individual Line Subscriber²</u>			
Individual line	24.75	24.75	(I)
<u>Usage Packages</u>	<u>Monthly Rate</u>	<u>Monthly Allowance</u>	
Local Area Valu-Pak Option	\$18.40	\$24.00	
Local Area Standard	6.90	8.00	

¹ The Business Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature.

² See Section 47 of the Product Guide for Competitive Services (FBA Tariff No. 500) available at www.verizon.com/tariffs under Pennsylvania Non-Tariff Documents for Business DTL Term Plan Option.

VERIZON PENNSYLVANIA LLC

PITTSBURG SUBURBAN EXCHANGE AREAS TARIFF

ISSUED OCTOBER 31, 2025

EFFECTIVE JANUARY 1, 2026

By Jacqueline McGirr
Associate Director, State & Local Government Affairs
One Verizon Way, Basking Ridge, NJ 07920

NOTICE

This revision increases rates as a result of the 2026 Price Change Opportunity (PCO) filing.

Pa. P.U.C. No. 185C

Section 1, 23rd Revised Sheet 10, Canceling 22nd Revised Sheet 10

Section 2, 20th Revised Sheet 7, Canceling 19th Revised Sheet 7

LOCAL GENERAL TARIFF
RESIDENCE EXCHANGE SERVICE

D. RATES (Cont'd)

3. EXCHANGE SERVICE DIAL TONE LINE AND USAGE RATE SCHEDULE

RESIDENCE

Monthly Rate
By Cell
3

Dial Tone Line¹

Individual \$10.08 (I)

Usage Packages

Monthly Rate

Monthly Allowance

Metropolitan Area Unlimited Option ²	\$26.00	-
Local Area Unlimited Option	6.87	-
Local Area Standard Usage Option	2.62	\$4.00
Budget Usage Option	-	0.25

Hometown-Plus Usage Option ²

Monthly Rate

- Home Exchange plus one Toll Exchange	\$5.50
- Home Exchange plus two Toll Exchanges	7.65
- Home Exchange plus one Local and one Toll Exchange	7.65

¹ The Residence Dial Tone Line (DTL) monthly rate includes the Touch Tone Service feature. For each residence DTL(s) not equipped with Touch Tone service (rotary service) as of the effective date of this tariff (May 1, 1997), a DTL monthly rate reduction of \$.93 will apply per DTL. This reduction will apply as long as such DTL(s) remain equipped as rotary service or until the DTL(s) is disconnected or moved to another location. Any DTL(s) added to an existing customers service or new DTL service as of the effective date of this tariff (May 1, 1997) will not receive the DTL monthly rate reduction of \$.93. The DTL Customer of Record is responsible for the installation, maintenance and compatibility of any and all customer provided equipment (CPE) associated with the residence DTL(s).

² Effective June 17, 2013, Metropolitan Area Unlimited Option and Hometown-Plus Usage Option are grandfathered and no longer available to new customers. Metropolitan Area Unlimited Option and Hometown-Plus Usage Option are still available for resale until February 15, 2014 on which date the foregoing terms shall be effective for resale.

LOCAL GENERAL TARIFF
BUSINESS EXCHANGE SERVICE

D. RATES AND CHARGES (Cont'd)

1. EXCHANGE SERVICE RATE COMPONENTS (Cont'd)

b. Local Usage Option Rates

Business customers choose one of the following usage options:

- Local Area Unlimited Usage Package¹
- Local Area Business Value-Pak Usage Option
- Local Area Standard Usage Package
- Budget Usage Option

A customer's Local Usage rate is based upon the option chosen and the Usage Rate Group.

The Local Usage option rate for customers with Foreign Exchange Service or Foreign Central Office Service is the same as for the Exchange Area designation(s) associated with the foreign office.

2. DIAL TONE LINE (DTL) CELLS

All of the Pittsburgh Suburban Exchange Area is in Dial Tone Line Cell 3.

3. EXCHANGE SERVICE DIAL TONE LINE² AND USAGE RATE SCHEDULE

BUSINESS

	<u>Monthly Rate</u>	
	<u>By Cell</u>	
	<u>3</u>	
Dial Tone Line - Multi-Line Subscriber ³		
Multi-line, each	\$27.00	(I)
Dial Tone Line Individual Line Subscriber ³		
Individual line	27.00	(I)

¹ Effective November 15, 1981, this service is grandfathered and available only to existing customers while they continue such service at their present locations.
² The Business Dial tone Line (DTL) monthly rate includes the Touch Tone Service feature.
³ See Section 47 of the Product Guide for Competitive Services (FBA Tariff No. 500) available at www.verizon.com/tariffs under Pennsylvania Non-Tariff Documents.

Verizon Pennsylvania LLC
2026 PCO Filing
PCO Calculation

A. The Price Stability Mechanism Formula¹ is:

Price Change Opportunity (PCO) = Revenue x (GDP-PI less 0.50%); where,

- PCO = Authorized annual decrease or increase to be implemented through tariff rate changes for noncompetitive services.
- Revenue = Intrastate noncompetitive service revenue amount billed by Verizon for the twelve month period corresponding to the twelve month period in the annual change in the GDP-PI.
- GDP-PI = The percentage annual change in the Gross Domestic Product Fixed Weight Price Index based upon the most recent quarterly release of the U.S. Department of Commerce.

B. Percentage Annual Change in GDP-PI:

The percentage annual change in GDP-PI was calculated by taking the percentage change in the GDP-PI between the quarters ending March 31, 2023 and March 31, 2024, as follows:

<u>Quarter Ended</u>	<u>GDP-PI²</u>
3/31/24	125.518
3/31/25	129.283

$$\text{Percentage annual GDP-PI change} = \frac{129.283 - 125.518}{125.518} = 3.00\%$$

C. Calculation of 2026 Price Change Opportunity:

The PSM formula was calculated as follows:

$$\begin{aligned} \text{PCO} &= \text{Revenue}^3 \times (\text{GDP-PI less } 0.50\%) \\ \text{PCO} &= \$52,182,550 \times 3.0\% \text{ less } 0.50\% \\ \text{PCO} &= \$1,305,000 \end{aligned}$$

Unadjusted PCO	\$1,305,000
Line True-Up Adjustment (see Attachment B)	\$115,000
Final 2026 PCO	<u>\$1,420,000</u>

¹ VZ PA's Chapter 30 Plan dated 12/14/11 at 4-6

² [U.S. Bureau of Economic Analysis "FWPI-1. Fixed-Weighted Price Indexes"](#)

³ See "D. Intrastate Noncompetitive Services Revenue" on Attachment A, Page 2

Verizon Pennsylvania LLC
2026 PCO Filing
PCO Calculation

**D. Intrastate Noncompetitive Services Revenue
Details of 12 Months Revenue (4/24- 3/25):**

Service Category	Revenue
Exchange Services - Residence	
Exchange Services - Business	
Switched Access	
Billing (Late Payment/Return Check Fee)	
Premises Transport	
Special Access	
Total Noncompetitive Revenue	<u><u>\$52,182,550</u></u>

E. Maximum Per Line Rate Increase Allowed for Residence Exchange

Residence Exchange Revenue	A		
PCO Formula	B	3.0% - 0.50%	
PCO Increase for Res Exchange	$C = A \times B$		
Residence Lines March 2025	D		NonCompetitive
PCO/Line/Month	$E = C/D/12$		
PCO + 20%	$F = E \times 1.20$		
 Maximum Residence Increase			
		\$0.29	

Verizon Pennsylvania LLC
2026 PCO Filing
Line True-Up Adjustment

	Dial Tone Line Rate Increase	Lines	Revenue (Rounded)
From VZ PA's 2025 PCO	A	B	C = A x B x 12
Residence			
As Filed - Based on actual lines from March 2024	\$0.25		
True-up - Based on actual lines from June 2025	\$0.25		
Revenue Shortfall			<u>\$0</u>
Business			
Cell 1			
As Filed - Based on actual lines from March 2024	\$1.25		
True-up - Based on actual lines from June 2025	\$1.25		
Revenue Shortfall			<u>\$0</u>
Cell 2			
As Filed - Based on actual lines from March 2024	\$1.25		
True-up - Based on actual lines from June 2025	\$1.25		
Revenue Shortfall			<u>\$0</u>
Cells 3 & 4			
As Filed - Based on actual lines from March 2024	\$1.25		
True-up - Based on actual lines from June 2025	\$1.25		
Revenue Shortfall			<u>\$0</u>
VZ PA Line True-up Adjustment			<u><u>\$115,000</u></u>

**Verizon Pennsylvania LLC
2026 PCO Filing
Rate Changes & Revenue Impacts**

**EXPURGATED
Attachment C
Rate Changes**

	<u>Old Rate</u> <i>(Monthly)</i>	<u>New Rate</u> <i>(Monthly)</i>	<u>Increase</u> <i>(Monthly)</i>	<u>March 2025</u> <u>Units</u> <i>(Monthly)</i>	<u>Revenue</u> <i>(Annual)</i>
2026 PCO					\$1,420,000
Rate Increases:					
<u>RESIDENCE</u>					
Dial Tone Line	\$9.83	\$10.08	\$0.25		
Residence Total					
<u>BUSINESS</u>					
Dial Tone Line					
Cell 1	\$22.75	\$24.75	\$2.00		
Cell 2	\$22.75	\$24.75	\$2.00		
Cells 3 & 4	\$25.00	\$27.00	\$2.00		
Business Total					
Sum of Rate Increases					\$1,251,300
Remainder to be banked for future use					\$168,700
Remainder - Credit against 2003 PCO Liability					\$43,283
Prior Banked Amount <i>(see 2025 PCO Filing, Att. C)</i>					\$0
New Cumulative Banked Amount					\$125,417

Verizon Pennsylvania LLC
2026 PCO Filing
2003 PCO Liability

Remaining Value of 2003 PCO after 2025 PCO	-	\$43,283
2025 USF Assessment		\$6,166,515
Gap		<u>\$6,123,232</u>
Portion of VZ PA's 2026 PCO used to offset USF	\$43,283	(See Att. C)
Remaining Value of 2003 PCO after 2026 PCO		\$0

VZ PA Bank for Future Use

Remainder of 2026 PCO Not Used for Rate Increases	\$168,700
Portion of VZ PA's 2026 PCO used to offset USF	\$43,283
Portion of VZ PA's 2026 PCO Banked for Future Use	\$125,417