

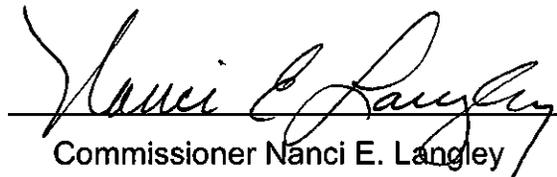
Concurring Opinion of Commissioner Langley

I join in the majority opinion because under the Commission's rules, single-piece bound printed matter had not been identified by the Postal Service or the Commission as a separate product.

I am mindful, however, that a central regulatory facet of the PAEA, upon which mailers rely, is the Consumer Price Index rate cap. The Postal Service, as guided by the Commission's regulations, holds substantial authority and discretion to adjust rates within that rate cap constraint as applied at the class level. However, individual rate changes within a class are factored into the calculation. Rule 3010.23(d). Unless these rules are followed, the reliability of the cap calculation is jeopardized. As the majority opinion notes, "... questions now exist regarding the Service's compliance with the rate cap for Package Services and the accuracy of the banked rate authority" Order at 14.

Through its action, the Postal Service has effectively denied mailers the opportunity to comment on the merits of a classification change. In addition, the Service implemented a classification change without notifying the Commission in advance. The Postal Service, in this case, prevented an accurate calculation of the true impact of the rate change in this case, thereby creating the possibility of an unwarranted banked amount.

The CPI rate cap can fulfill its key function as an important consumer protection mechanism by governing the extent of increases from year to year on market dominant products only if the cap is applied accurately. I look forward to working with my fellow Commissioners in protecting the value and integrity of the rate cap within the framework of the PAEA.



Commissioner Nanci E. Langley