

UNITED STATES OF AMERICA
POSTAL RATE COMMISSION

Before:

Chairman Omas,
Vice Chairman Covington,
Commissioner Goldway,
and Commissioner Hammond

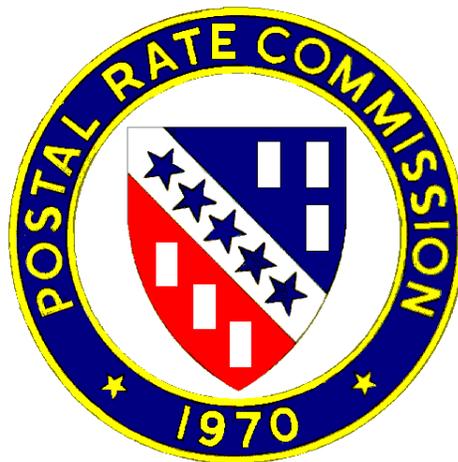
Experimental Parcel Return Services

Docket No. MC2003-2

OPINION AND RECOMMENDED DECISION

APPROVING

STIPULATION AND AGREEMENT



Washington, DC 20268-0001
August 26, 2003

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I. INTRODUCTION AND SUMMARY

On July 28, 2003, the Postal Service filed a stipulation and agreement (settlement) resolving all issues in this proceeding. The settlement, which is supported by 14 participants and unopposed by the remaining three, differs from the Postal Service's Request in certain respects. Specifically, the settlement includes a more comprehensive data collection plan, incorporates Domestic Mail Classification Schedule (DMCS) language changes to better reflect the permit holders' responsibility for pickup and payment, and expresses the Postal Service's intent to work cooperatively with interested mailers concerning possible enhancements to the proposed service.

The Commission adopts the unopposed settlement as the basis for its opinion and recommended decision approving the Postal Service's Request for experimental Parcel Return Services (PRS), establishing rate categories, rates, and fees for certain parcels returned from customers to retailers as either Parcel Post or Bound Printed Matter (BPM) mail. Under the terms of the settlement, the experimental changes to the DMCS will expire two years after implementation unless prior to that the Postal Service requests that PRS be made a permanent mail classification change.

On the record developed in this proceeding, PRS holds the promise of benefiting consumers, retailers, and the Postal Service without disadvantaging competitors. PRS will provide consumers with a convenient return option. Retailers (or their agents) will realize increased efficiency by dropping off and picking up parcels concurrently and by paying reduced rates reflecting estimated cost differences. PRS is predicated on workshare principles, enabling the Postal Service to realize increased efficiency as well as the possibility of increased volumes. The proposed rates, which are based on analyses of costs incurred and avoided by the proposed service, provide a reasonable estimate of the former while passing through substantially less than 100 percent of the estimated cost differences. In sum, the experiment, as embodied in the settlement, satisfies the criteria of the Postal Reorganization Act, 39 U.S.C. §§ 101 *et seq.*

The Commission's rules concerning proposed experimental changes, 39 C.F.R. §§ 3001.67-67d, are designed to facilitate prompt consideration of experiments by limiting issues, encouraging less formal procedures to resolve issues, and addressing data collection requirements. Settlements are encouraged. On balance, the proposed experimental PRS is well conceived and well supported by the record. Significantly, the information to be collected and analyzed during the two-year experiment is designed to provide a basis to assess actual PRS operations and, ultimately, whether the results warrant seeking a permanent classification change.

The Commission commends the Postal Service for the proposal and its prompt and thorough responses to discovery requests. The signatories to the settlement are also to be commended. The settlement, which is broadly supported by participants with diverse interests, represents an improvement over the initial request, avoids the risks and costs of litigation, enables the experiment to begin in a timely fashion, and serves the administrative process well.

II. PROCEDURAL HISTORY

On May 28, 2003, the Postal Service filed a request seeking a recommended decision approving an experimental change in the DMCS to establish rate categories, including rates and fees, for certain parcels and bound printed matter that are returns from customers to merchants.¹ The Request, which included six attachments, was filed pursuant to Chapter 36 of the Postal Reorganization Act, 39 U.S.C. § 3601 *et seq.*² In support of its Request, the Postal Service filed the testimony of witnesses Gullo (USPS-T-1), Eggleston (USPS-T-2), Kiefer (USPS-T-3), and Wittnebel (USPS-T-4).

By designating its proposal as experimental, the Postal Service seeks consideration of its Request under Rules 67-67d. The Postal Service suggests that these rules are appropriate as they contemplate review of proposed experimental classifications in the absence of historical data that normally underlie requests for permanent classification changes. While acknowledging that it lacks data about the potential response to the experiment, the Postal Service states that it intends to gather more complete data during the proposed term of the experiment. It says this effort may support a request for a permanent classification.³ The Service proposes that the experimental classification be in effect for two years, but also seeks approval of a provision that would allow for a brief extension if permanent classification authority is sought while the experiment is pending. The Postal Service proposes to limit the number of participants to 20 in the first year of the experiment, enlarging it by 10 in the second year.⁴ Finally, the Postal Service asserts the expedition allowed under the

¹ Request of the United States Postal Service for a Recommended Decision on Experimental Parcel Return Services, Docket No. MC2003-2, May 28, 2003 (Request).

² Among the attachments to the Request are: Attachment A which contains the proposed classification schedule provisions, Attachment B which sets forth the proposed rate and fee schedules, and Attachment F which addresses compliance with the Commission's filing requirements.

³ Request at 3-4.

⁴ See USPS-T-1 at 16.

experimental rules is appropriate in the interest of putting the proposed services into effect in time for the 2003 holiday mailing season.⁵

Simultaneously with its Request, the Postal Service moved for expedited consideration of its proposal, including establishment of settlement procedures,⁶ and a conditional motion for waiver of certain filing requirements.⁷

In Order No. 1373, issued June 3, 2003, the Commission noticed the Postal Service's request and established various procedural dates governing the preliminary stages of the proceeding, *e.g.*, for interventions, responses to the Postal Service's motion for waiver, and prehearing conference.⁸ Fifteen parties intervened; none requested a hearing. Although it denied, in part, the Postal Service's Request for Expedition, the Commission indicated that it would conduct this proceeding with dispatch.⁹ In response to representations that the proposal was widely supported and would not adversely affect competitors or other mailers, the Commission authorized settlement negotiations and appointed Postal Service counsel as settlement coordinator.¹⁰

A settlement conference was convened June 24, 2003. At the June 25, 2003 prehearing conference, counsel for the Postal Service reported that participants made substantial progress towards settlement. In light of this progress, the Postal Service

⁵ Request at 5.

⁶ United States Postal Service Request for Expedition and Establishment of Settlement Procedures, May 28, 2003 (Request for Expedition).

⁷ Statement of the United States Postal Service Concerning Compliance with Filing Requirements and Conditional Motion for Waiver, May 28, 2003 (Conditional Motion).

⁸ PRC Order No. 1373, June 3, 2003, at 10. The due date established for responding to the Postal Service's Conditional Motion was June 27, 2003. No participant responded. The Postal Service's Conditional Motion for waiver is granted.

⁹ *Id.* at 7-8.

¹⁰ In connection with the June 18, 2003 due date for interventions, the Commission directed prospective intervenors to indicate whether they requested a hearing and to specify any genuine issues of material fact. No participant requested a hearing.

suggested a procedural schedule in anticipation of filing a settlement. It proposed that discovery end July 3, 2003 and that the stipulation and agreement be filed July 28, 2003. In response to an inquiry from the Chairman, no participant thought it would be necessary to hold evidentiary hearings in this proceeding. Tr. 1 at 9.

Given the representations regarding settlement, the Commission adopted the procedural dates suggested by the Postal Service, supplemented by additional dates to round out the procedural schedule.¹¹ These additional dates included, for example, due dates for filing initial and reply comments as well as for designating testimony and written cross-examination.¹²

The Postal Service filed the stipulation and agreement July 28, 2003, accompanied by a motion that it form the basis of the Commission's recommended decision.¹³ Of the 17 participants, 14 are signatories to the settlement, with three unopposed.¹⁴

The American Postal Workers Union, AFL-CIO, (APWU), OCA, and the Postal Service filed initial comments in support of the settlement.¹⁵ No reply comments were filed.

¹¹ PRC Order No. 1378, June 27, 2003.

¹² The Office of Consumer Advocate (OCA) submitted designations of written cross-examination of each Postal Service witness. See Office of Consumer Advocate Designation of Written Cross-Examination of United States Postal Service Witness John Gullo, July 28, 2003; Office of Consumer Advocate Designation of Written Cross-Examination of United States Postal Service Witness Jennifer Eggleston, July 28, 2003; Office of Consumer Advocate Designation of Written Cross-Examination of United States Postal Service Witness James Kiefer, July 28, 2003; and Office of Consumer Advocate Designation of Written Cross-Examination of United States Postal Service Witness Jonathan E. Wittnebel July 28, 2003. See *also* PRC Order No. 1381, August 19, 2003.

¹³ Motion of the United States Postal Service for Consideration of the Stipulation and Agreement as the Basis for Recommended Decision, July 28, 2003.

¹⁴ See Comments of the United States Postal Service in Support of Settlement, August 4, 2003 (Postal Service Initial Comments).

¹⁵ American Postal Workers Union, AFL-CIO Comments in Support of the Stipulation and Agreement, August 4, 2003 (APWU Initial Comments); Office of the Consumer Advocate Comments on Stipulation and Agreement, August 4, 2003 (OCA Initial Comments); and Postal Service Initial Comments.

III. SUMMARY OF PROPOSAL AND TESTIMONY

A. Experimental Parcel Return Services

The proposed experimental bulk parcel return service is available to merchandise returned as either Parcel Post or Bound Printed Matter mail. Collectively, the experimental changes are referred to as Parcel Return Services, comprised of Parcel Select Return Service (PSRS) and Bound Printed Matter Return Service (BPMRS). Witness Kiefer sponsors the proposed rates and classifications. The proposed rates are based on estimated cost differences for returned parcels retrieved in bulk by shippers (or their agents) at designated delivery units or bulk mail centers.

PSRS adds two rate categories to the Parcel Post subclass, Parcel Select Return Delivery Unit (RDU) and Parcel Select Return Bulk Mail Center (RBMC). The proposed RDU rate for mail retrieved in bulk at delivery units is a flat \$2.00 per parcel. The proposed RBMC rates for parcels retrieved in bulk at the BMC identified on the label affixed to the return parcel range between \$0.86 and \$1.51 below the non-workshared rates for regular-sized parcels.¹⁶

BPMRS adds one rate category to the BPM subclass, Bound Printed Matter Bulk Mail Center (RBMC). Similar to Parcel Select Return Service, the RBMC rate is applicable to BPM parcels retrieved in bulk at the BMC identified on the label affixed to the return parcel.¹⁷ The proposed rates are \$0.24 below the non-workshared BPM rates.¹⁸ PRS shippers (permit holders) must also pay annual permit and accounting fees.¹⁹

¹⁶ Nonmachinable RBMC Parcel Post mail is subject to non-machinable surcharges. See proposed DMCS § 521.7.

¹⁷ Tr. 2 at 243 (AAP/USPS-T3-1).

¹⁸ BPM mailers are eligible for RDU service and rates if they so choose.

¹⁹ See DMCS Fee Schedule 1000 and § 3050.

B. Testimony

The Postal Service's request is supported by the testimony of four witnesses: John Gullo (USPS-T-1), Jennifer Eggleston (USPS-T-2), James Kiefer (USP-T-3) and Jonathan Wittnebel (USPS-T-4).

Witness Gullo. Witness Gullo describes the development of Parcel Return Services, including markets to be served, labeling requirements, and system requirements.²⁰ In addition, witness Gullo outlines a data collection plan, proposing that the following information would be reported to the Commission every six months: volume (by destination office and weight and zone), pickup frequency by facility type, number and types of facilities used as pickup locations, and an evaluation whether the process flows match those used to estimate costs.²¹

Witness Gullo also discusses limitations associated with the experiment. During the first year, the Postal Service proposes to limit the number of participants to 20 to avoid any disruption to existing operations. An additional 10 participants would be allowed during the second year.²² Finally, Gullo notes that the Postal Service proposes to restrict the RDU option to "early bird" DDU offices, which includes all level 22 and above offices.²³

Witness Eggleston. Witness Eggleston provides the cost data supporting PRS rates proposed by witness Kiefer. To estimate the costs of providing Parcel Return Services, she analyzes the following six cost categories: acceptance, mail processing,

²⁰ See USPS-T-1 at 1-14.

²¹ *Id.* at 15.

²² *Id.* at 16. If more than 20 applications are received, Gullo indicates that remaining applicants would be selected based on criteria, such as size of network and relative logistics experience, to achieve a diverse group of participants. *Ibid.* The Postal Service does not expect that it will reach the participation limits cited by witness Gullo. See Tr. 2 at 253 (APWU/USPS-T3-4).

²³ The Postal Service proposes to limit the availability of RDU service during the experiment to approximately 6,500 of the largest offices. The Postal Service is in the process of compiling a list of early bird offices. At a minimum, they must be open to accept DDU mail from 5 a.m. to 7 a.m. and from 10 a.m. to 4 p.m. Tr. 2 at 264 (OCA/USPS-T3-7), 254 (APWU/USPS-T3-6), and 75 (OCA/USPS-T1-34).

storage, transportation, scanning, and postage due. Her methodology is based on cost differences between Parcel Select Return Services (PSRS) and an existing product, Intra-BMC Parcel Post, used as a benchmark.²⁴ Cost differences are estimated separately for RDU and RBMC and for machinable, nonmachinable, and oversized pieces.

As a general matter, the cost data utilized are sourced to the most recent omnibus rate case, Docket No. R2001-1. Based on her analysis, she estimates the test year unit cost differences for RBMC and RDU relative to the Intra-BMC benchmark are as follows:

	<u>RBMC</u>	<u>RDU</u>
machinable	(\$1.057)	(\$2.672)
nonmachinable	(\$3.872)	(\$7.820)
oversized	(\$11.309)	(\$21.689)

Witness Kiefer. Witness Kiefer proposes rates for Parcel Return Services. In addition, he provides support for the designation of the proposed classifications as experimental as well as addressing the relevant statutory criteria.²⁵

For Parcel Select Return Service, he proposes a flat rate of \$2.00 per parcel for returns retrieved in bulk at delivery units (RDU). The proposed rates for PSRS RBMC are \$0.86 to \$1.51 below the rates for non-workshared regular-sized parcels. The proposed rates for BPM Return Service are \$0.24 below the non-workshared rates.

To develop PSRS rates for regular-sized RDU parcels, Kiefer relies on Eggleston's estimated transportation and non-transportation cost savings. He calculated the average per-piece savings for regular-sized RDU parcels employing average cubic feet per-piece estimates for machinable and nonmachinable pieces

²⁴ USPS-T-2 at 1-2. Eggleston notes that local zone Intra-BMC Parcel Post serves as the benchmark for RDU. The local zone is distinguishable from non-local Intra-BMC in that it excludes transportation costs. *Id.* at 2, n.1.

²⁵ USPS-T-3 at 14-18.

developed by Eggleston. The proposed PSRS RDU \$2.00 flat rate reflects a passthrough of 62 percent of the average estimated cost savings per piece.²⁶

Kiefer's proposed rates for PSRS RBMC parcels also rely on estimates provided by Eggleston, including transportation and non-transportation cost savings, and machinable and nonmachinable processing cost savings. He calculates savings separately for parcels weighing 35 pounds or less (light to medium weight pieces) and those weighing over 35 pounds (heavier pieces). Proposed rates for light to medium weight pieces were developed by subtracting the average savings for those pieces²⁷ from their respective benchmark rates.²⁸ To develop rates for heavier weight RBMC parcels, Kiefer added a per pound increment (\$0.02/piece) to the same differential he applied to light to medium weight pieces.²⁹ The proposed PSRS RBMC rates reflect a passthrough of 67 percent of the average estimated savings.³⁰

Kiefer's passthrough percentage for proposed PSRS RBMC and RDU rates departs from the traditional concept of workshare passthroughs. His "composite" passthrough reflects a comparison of total estimated revenue reductions with total estimated cost differences.³¹ The comparison yields a single weighted average passthrough representing a composite of both avoided costs, *e.g.*, mail processing, and incurred costs, *e.g.*, postage due and scanning, across each zone and/or weight cell.

²⁶ *Id.* at 7-8; *see also id.* at WP-PRS-7.

²⁷ Comprised of \$0.83/piece plus \$0.03 barcode discount.

²⁸ *Id.* at 9. Nonmachinable RBMC pieces weighing less than 35 pounds would be subject to the current non-machinable surcharge of \$1.35. In addition, RBMC parcels would also be subject to the current balloon rate, if applicable. *Ibid.*

²⁹ The differential applied is \$0.83/piece since parcels in excess of 35 pounds are not eligible for barcode discounts.

³⁰ *Id.* at 9-10; *see also id.* at Attachment D and WP-PRS-8. Kiefer also develops proposed rates, reflecting a passthrough of 75 percent, for oversized RDU and RBMC parcels. *Id.* at WP-PRS-9; *see also* Tr. 2 at 272 (OCA/USPS-T3-14).

³¹ *See* USPS-T3 at WP-PRS-13.

Kiefer proposes a discount of \$0.24 per piece for BPMRS RBMC parcels. Because there are no cost studies that specifically estimate savings for BPM returns, Kiefer could not provide cost savings, cost savings passthrough, or per-piece savings for BPMRS mail.³² Kiefer employs a conservative approach to estimate BPM savings, reflecting 20 percent of the PSRS RBMC savings estimated by Eggleston. To the resulting \$0.21, he adds the \$0.03 barcode discount to yield the proposed discount.³³

Witness Kiefer also proposes that to be eligible for PRS, users pay a permit fee, \$150 annually, and an accounting fee, \$475 annually. Holders of the PRS permit may use either PSRS or BPMRS rates. In addition, the accounting fee may be applied to both services if only one account is used.

Kiefer also addresses the financial impact of the PRS proposal. The size of the parcel return market is uncertain. Based on discussions with mailers, Kiefer estimates the total market to be about 300 million pieces, with PSRS capturing four percent.³⁴ Based on these assumptions, he projects a net contribution of approximately \$2.1 million for RDU and \$4.4 for RBMC. Kiefer estimates BPMRS volumes at 7.5 million.³⁵ He concludes that the revenue impacts of providing PRS service are small relative to Parcel Post and BPM revenues.³⁶

Witness Wittnebel. Witness Wittnebel, Vice President for Postal Affairs for Newgistics Inc., provides perspective on how returns are currently processed, addressing logistical issues confronting consumers as well as retailers' efforts to

³² Tr. 2 at 248 (AAP/USPS-T3-6).

³³ *Id.* at 11 and WP-PRS-11.

³⁴ Tr. 2 at 268-69 (OCA/USPS-T3-10 and 11).

³⁵ USPS-T-3 at 11-12 and WP-PRS-13.

³⁶ *Id.* at 12.

simplify the process.³⁷ Wittnebel endorses the proposed PRS as beneficial to consumers and the Postal Service. He concludes that PRS will provide consumers with a more convenient means to return merchandise while generating additional parcel volumes for the Postal Service. He also notes the cost savings that inure to the Postal Service under the proposal.³⁸

C. DMCS Language

The experimental Parcel Return Services would add several new parallel provisions to § 521 (Parcel Post) and § 522 (Bound Printed Matter) of the Package Services Classification Schedule. These sections describe the duration of the experiment (§ 521.11 and § 522.11), identify the new rate categories (§§ 521.27 and 28 and § 522.27), limit the ancillary services for such mail (§ 560),³⁹ and require an annual payment of permit and accounting fees (§§ 585.1 and 585.2).

In addition, the general definitions, terms and conditions provisions are amended in two respects. New § 2010e adds PRS and BPMRS as modes of delivery. New § 3050 includes PRS and BPMRS as an authorized means for paying postage. The language in this provision differs slightly from that initially proposed to clarify the party actually paying for and receiving delivery. Specifically, “retrieved by the permit holder” replaces “delivered to the addressee” and “paid by the permit holder” replaces “paid by the addressee.”

D. Data Collection Plan

As part of its initial proposal, the Postal Service proposed to collect and report certain information to the Commission every six months. This would include volume by

³⁷ USPS-T-4 at 1-2.

³⁸ *Id.* at 3-5.

³⁹ Conforming language is also added to various special services classification schedules.

RDU and RBMC and by weight and zone (as possible), pickup frequency by facility type, number and types of facilities used, and an evaluation of whether the process flows matched those used to estimate costs.⁴⁰ This data collection plan is apparently intended to satisfy Rule 67c of the Commission's rules.

The settlement includes a revised data collection plan.⁴¹ Under the revised plan, the Postal Service will collect and report data to the Commission on a semi-annual and annual basis. In addition to the information included in the Postal Service's initial plan, the data to be reported semi-annually will provide a separate breakdown for PRS Parcel Select and BPM and will include, among other things, RBMC volumes by size, *i.e.*, machinable, nonmachinable, and oversized, volumes addressed to an RDU but returned to an RBMC by type of parcel (as above), the number of shippers participating in BPM PRS, and the number of shippers participating in PSRS, identified by service received, *i.e.*, solely RBMC, solely RDU, or both.

Information to be reported annually will require the Postal Service to review and comment on the underlying data. This would include, for example, reviewing and commenting on (a) actual sampling operations for manifest review as compared to planned operations, (b) the accuracy of the estimated average number pieces per manifest, and (c) the accuracy of various estimates to compute cost savings, *e.g.*, estimated units per hour to sort parcels for RBMC and RDU returns. In addition, Attachment C to the settlement specifies the periods to be covered by the reports.

⁴⁰ USPS-T-1 at 15.

⁴¹ See Attachment C to the settlement.

IV. SUMMARY OF STIPULATION AND AGREEMENT

There are 14 signatories to the settlement: AOL Time Warner Inc., APWU, Association for Postal Commerce, Association of American Publishers, Bookspan, Continuity Shippers Association, the Direct Marketing Association, Inc., Magazine Publishers of America, Inc., Mail Order Association of America, OCA, Parcel Shippers Association, Pitney Bowes Inc., United Parcel Service, and the Postal Service. No party opposes the settlement.

The stipulation and agreement is similar to that employed in previous proceedings. Section I provides brief background information concerning the proceeding. Section II sets forth the terms and conditions of the settlement, which are briefly summarized below.

Paragraph 1 states that the stipulation and agreement represents a negotiated settlement of all issues raised in the instant proceeding.

Paragraph 2 contains the signatories' stipulation that, for purposes of this proceeding only, certain identified materials provide substantial evidence supporting and justifying a Recommended Decision recommending experimental Parcel Return Services. These materials include the direct testimony and materials filed in support of the Postal Service's Request, designated written cross-examination and responses to inquiries from the Commission, and the data collection plan set forth in the settlement.

Paragraph 3 provides that, on the basis of the record identified in Paragraph 2, the signatories agree, for purposes of this proceeding only, that the experimental DMCS and Rate and Fee Schedule changes are in accord with the policies of title 39, United States Code, noting, in particular, 39 U.S.C. §§ 3622 and 3623.

Paragraph 4 sets forth the Postal Service's undertaking to work with interested mailers to pursue possible enhancements to the proposed Parcel Return Services, and further that based on experience with the experiment as currently designed, it will continue to examine the possibility of proposing a discount for parcels retrieved by mailers at a BMC other than the one serving the consumer's delivery address.

Paragraph 5 indicates that the stipulation and agreement is offered in total and final settlement of this proceeding. It also provides that, with certain exceptions, the signatories will file no further pleadings or testimony in this proceeding.⁴²

Paragraph 6 reserves the right of each signatory to withdraw from the stipulation and agreement under certain circumstances, specifies procedures for doing so, and indicates the effect of such elections.

Paragraph 7 states that the stipulation and agreement applies only to this proceeding. It also provides that the signatories shall not be considered as necessarily agreeing with or conceding the applicability of any ratemaking, classification, or rate design principle, any terms or conditions of service, any method of cost of service determination, the validity or use of any data relied upon by the Postal Service in this docket for any other purpose or in any other classification or ratemaking proceeding, or the application of any rule or interpretation of law, that may underlie, or be thought to underlie, the settlement agreement.

Paragraph 8 limits the precedential effect of the settlement. More specifically, it provides that, other than in proceedings involving honoring or enforcing the settlement, the signatories shall not be bound or prejudiced by the stipulation and agreement, nor shall any participant rely for any purpose on the fact that another participant signed or did not oppose the stipulation and agreement. Further the signatories agree that, to the extent matters in this docket have not actually been litigated, resolution of matters by stipulation and agreement in this proceeding will not be entitled to precedential effect in any other proceeding.

Paragraph 9 sets forth the signatories' request that the Commission promptly issue its recommended decision adopting the experimental DMCS and rate and fee schedules attached to the stipulation and agreement.

⁴² The exceptions include, for example, pleadings or testimony requested by the Commission, and pleadings, testimony, or comments filed in support of the settlement.

Paragraph 10 indicates that the stipulation and agreement represents the entire agreement of the signatories, superseding any understandings or representations not contained in it.

V. FINDINGS AND CONCLUSIONS

The Postal Service's request was filed pursuant to the Commission's Rules 67-67d involving experimental classification changes. Under those rules, a final determination regarding the appropriateness of the experimental designation is deferred until participants have had an adequate opportunity to comment. The Commission set June 18, 2003 as the due date for comments.⁴³ None was filed. The Commission concludes that the proposed experiment satisfies Rule 67(b), considering the novelty and magnitude of the proposed change, its data generation characteristics, and duration.

PRS is novel in several ways. It expands workshare principles to merchandise returns. The rate structure is also unique. RDU returns represent the only flat-rate Package Services product offered by the Postal Service. RBMC returns will require the use of reverse manifests by shippers.⁴⁴

The experiment will have a limited impact on the Postal Service and competitors. Estimated annual volumes are less than 20 million, a small fraction of Parcel Post and BPM volumes. Likewise, the revenue effects are limited relative to the relevant subclass revenues. In addition, given the estimated volumes, the impact on competitors providing ground transportation services is expected to be limited.⁴⁵

The settlement incorporates a detailed data collection plan, representing a marked improvement over the one initially proposed, that will provide useful data, on a semi-annual and annual basis, to evaluate the efficacy of the experiment. In addition, under the plan the Postal Service will review and comment on various aspects of the

⁴³ PRC Order No. 1373, June 3, 2003 at 6.

⁴⁴ USPS-T-3 at 14.

⁴⁵ No participant has claimed that the proposal will have an adverse effect on competitors or other mailers.

experiment. These efforts should provide worthwhile analytical tools for evaluating the experiment. The participants are commended for fashioning the plan.

The proposed duration of the experiment also satisfies Rule 67(b). It is slated to run for two years with the possibility for extension if the Postal Service requests to make it a permanent classification change prior to expiration of the experiment.⁴⁶

The proposed experimental PRS classification is consistent with the relevant statutory criteria, including the criteria enumerated in § 3623(c) of the Postal Reorganization Act.⁴⁷ The experimental services will enable consumers to return merchandise more simply, reducing their transaction costs. Merchants will have a more efficient and a less costly means of collecting returns. The Postal Service will offer an expanded parcel product line at rates that reflect estimated cost differences. Thus, the experimental services satisfy criteria 2 and 5, reflecting desirability of special classifications. PRS also expands services available under Parcel Post and BPM subclasses, classifications that do not require an extremely high degree of reliability and speed of delivery. (Criterion 4.) In addition, the Commission finds the proposed classification changes to be fair and equitable. The experimental services provide benefits to mail users, both consumers and merchants, and the Postal Service without unfairly disadvantaging competitors. (Criterion 1.)

Finally, the proposed services are experimental, to run, initially, for two years. The data collection plan is an integral component to the experiment. The data to be collected and reviewed will permit analyses of the experiment and form the basis of any request for a permanent classification. Based on its review of the record, the

⁴⁶ See DMCS §§ 521.11 and 522.11.

⁴⁷ The six factors listed in § 3623(c) are: (1) the establishment and maintenance of a fair and equitable classification schedule for all mail; (2) the relative value to the people of the kinds of mail matter entered into the postal system and the desirability and justification for special classifications and services of mail; (3) the importance of providing classifications with an extremely high degree of reliability and speed of delivery; (4) the importance of providing classifications which do not require an extremely high degree of reliability and speed of delivery; (5) the desirability of special classifications from the point of view of both the user and of the Postal Service; and (6) such other factors as the Commission may deem appropriate.

Commission concludes that the proposed experiment is well supported by the Postal Service's direct case, including responses to discovery. As noted, the request satisfies the Commission's rules regarding experimental changes. The settlement is broadly supported and unopposed.⁴⁸ These factors weighed on the Commission's consideration of the proposal. (Criterion 6.)

The Commission has also reviewed the proposed experimental rates and finds that they satisfy § 3622(b) and, in particular, subsection (b)(3).

In sum, the Commission finds that the record provides substantial evidence in support of the proposed experimental Parcel Return Services and further that the settlement provides a reasonable basis for the Recommended Decision in this proceeding. Accordingly, the Commission recommends to the Governors of the Postal Service that the DMCS be amended as set forth in Appendices One and Two of the accompanying Recommended Decision.⁴⁹

⁴⁸ In its comments in support of the settlement, APWU expresses concerns about the data underlying the proposed rates. It cites the relatively modest passthroughs as significant in its decision to become a signatory to the settlement. APWU Comments at 1. As these comments recognize, reliance on data from Docket No. R2001-1 may become problematic with the passage of time.

⁴⁹ Appendix Two contains minor wording changes to proposed sections 521.11b and 522.11b to reflect those sections that would be deleted, in whole or in part, if Parcel Return Services were terminated.

POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

George Omas, Chairman;
Dana B. Covington, Sr., Vice Chairman;
Ruth Y. Goldway; and Tony Hammond

Experimental Parcel Return Services

Docket No. MC2003-2

RECOMMENDED DECISION

(Issued August 26, 2003)

The Commission, having considered the Postal Service Request, and the Stipulation and Agreement filed and entered into the record of this proceeding, has issued its Opinion thereon. Based on that Opinion, which is attached hereto and made a part hereof,

IT IS ORDERED:

1. The Postal Service's July 28, 2003 motion for consideration of stipulation and agreement is granted. The stipulation and agreement filed by the Postal Service is accepted as set forth in the foregoing Opinion.

2. The Commission's Opinion and Recommended Decision shall be transmitted to the Governors of the Postal Service and the Governors shall thereby be advised that the proposed rates and fees (set forth in Appendix One) and the proposed amendments to the DMCS (set forth in Appendix Two) are in accordance with the policies of title 39, United States Code, and the factors set forth in §§ 3622(b) and 3623(c) thereof; and they are hereby recommended to the Governors for approval.

By the Commission.

(S E A L)



Steven W. Williams, Secretary

RECOMMENDED CHANGES IN CLASSIFICATION SCHEDULES

The following material represents changes to the Domestic Mail Classification Schedule recommended by the Postal Rate Commission in response to the Postal Service's Docket No. MC2003-2 Request. Revisions are underlined. Pertinent existing provisions are either included for clarification or their absence is indicated by the use of asterisks.

* * * * *

**PACKAGE SERVICES
CLASSIFICATION SCHEDULE**

521.11 Duration of Parcel Select Return Services

- a. The provisions of the sections listed in (b) below, which pertain to Parcel Select Return Services, will expire the later of:
 - i. two years after the implementation date specified by the Postal Service Board of Governors, or
 - ii. if, by the expiration date specified in (i), a proposal to make Parcel Return Services permanent is pending before the Postal Rate Commission, the later of
 - (A) three months after the Commission takes action on such proposal under section 3624 of Title 39, or
 - (B) — if applicable — on the implementation date for permanent Parcel Return Services.

- b. The sections that will expire, as set forth in a. above, include sections 521.27, 521.28, 521.7c, 585, 2010e, and 3050 in their entirety, and language referencing sections 521.27, 521.28, or 521.11 in the following sections: 521.21, 560, 570 (reference to schedules 521.2F and 521.2G), 932.22b, 943.221b, 944.21c, 945.221c, 948.21, 949.21, 951.21, 952.21b, and 2032.

521.2 Description of Rate Categories

521.21 Inter-BMC Rate Category. The inter-BMC rate category applies to all Parcel Post subclass mail not mailed under sections 521.22, 521.23, 521.24, 521.25, 521.26, 521.27, or 521.28.

* * *

521.27 Parcel Select Return Service—Return Delivery Unit (RDU) Rate Category. The Parcel Select Return Service—RDU rate category applies to merchandise returned as Parcel Post subclass mail prepared as specified by the Postal Service; entered as specified by the Postal Service; and retrieved in bulk at a designated delivery unit, or other equivalent facility, as specified by the Postal Service.

521.28 **Parcel Select Return Service—Return BMC (RBMC) Rate Category.**
The Parcel Select Return Service—RBMC rate category applies to merchandise returned as Parcel Post subclass mail prepared as specified by the Postal Service; entered as specified by the Postal Service; and retrieved in bulk at a bulk mail center, or other equivalent facility, as specified by the Postal Service.

* * *

521.7 **Nonmachinable Surcharges**

* * *

c. Parcel Select Return Service—RBMC Parcel Post mail that does not meet machinability criteria specified by the Postal Service is subject to a nonmachinable surcharge.

* * *

522.11 **Duration Of Bound Printed Matter Return Service**

a. The provisions of the sections listed in (b) below, which pertain to Bound Printed Matter Return Service, will expire the later of:

i. two years after the implementation date specified by the Postal Service Board of Governors, or

ii. if, by the expiration date specified in (i), a proposal to make Parcel Return Services permanent is pending before the Postal Rate Commission, the later of

(A) three months after the Commission takes action on such proposal under section 3624 of Title 39, or

(B) — if applicable — on the implementation date for permanent Parcel Return Services.

b. The sections that will expire, as set forth in a. above, include sections 522.27, 585, 2010e, and 3050 in their entirety, and language referencing section 522.27 or 522.11 in the following sections: 560, 570 (reference to schedule 522E), 932.22b, 943.221b, 944.21c, 945.221c, 948.21, 949.21, 951.21, 952.21b, and 2032.

* * *

522.2 **Description of Rate Categories**

* * *

522.27 **Bound Printed Matter Return Service—Return BMC (RBMC) Rate Category.** The Bound Printed Matter Return Service—RBMC rate category applies to merchandise returned as Bound Printed Matter subclass mail prepared as specified by the Postal Service; entered as specified by the Postal Service; and retrieved in bulk at a bulk mail center, or other equivalent facility, as specified by the Postal Service. The flats differential described in section 522.4 does not apply to Bound Printed Matter Return Service mail.

* * *

560 **ANCILLARY SERVICES**

Package Services mail, except Parcel Post or Bound Printed Matter subclass mail entered under sections 521.27, 521.28, or 522.27, will receive the following services upon payment of the appropriate fees:

Service	Schedule
a. Address correction	911
b. Certificates of mailing	947
c. COD	944
d. Insurance	943
e. Special handling	952
f. Return receipt (merchandise only)	945
g. Merchandise return	932
h. Delivery Confirmation (limited to parcel-shaped Package Services Mail)	948
i. Shipper Paid Forwarding	936
j. Signature Confirmation (limited to parcel-shaped Package Services Mail)	949
k. Parcel Airlift	951

Insurance, special handling, and COD services may not be used selectively for individual pieces in a multi-piece Package Services mailing unless specific methods approved by the Postal Service for determining and verifying postage are followed.

570 RATES AND FEES

The rates and fees for Package Services Mail are set forth as follows:

Service	Schedule
a. Parcel Post subclass	
Inter-BMC	521.2A
Intra-BMC	521.2B
Parcel Select	
Destination BMC	521.2C
Destination SCF	521.2D
Destination Delivery Unit	521.2E
<u>Parcel Select Return Services</u>	
<u>Return Delivery Unit</u>	<u>521.2F</u>
<u>Return BMC</u>	<u>521.2G</u>
b. Bound Printed Matter subclass	
Single-Piece	522A
Basic Presort and Carrier Route	522B
Destination Entry Basic Presort	522C
Destination Entry Carrier Route Presort	522D
<u>Bound Printed Matter Return Service</u>	
<u>Return BMC</u>	<u>522E</u>
c. Media Mail subclass	523
d. Library Mail subclass	524
e. Fees	1000

580 AUTHORIZATIONS AND LICENSES

* * *

585 Parcel Return Services

585.1 A permit fee as set forth in Schedule 1000 must be paid once each 12-month period by mailers utilizing Parcel Select Return Service or Bound Printed Matter Return Service. In addition, the permit holder must pay the

accounting fee specified in Fee Schedule 1000 once each 12-month period for each advance deposit account. These fees apply to either return service.

585.2 The Parcel Return Services permit may be canceled for failure to maintain sufficient funds in a trust account to cover postage and fees on returned parcels, for distributing labels that do not conform to Postal Service specifications, or for other reasons specified by the Postal Service.

* * *

SPECIAL SERVICES
CLASSIFICATION SCHEDULE

* * *

932 **MERCHANDISE RETURN SERVICE**

* * *

932.22 Merchandise Return service is available for the return of any parcel under the following classification schedules:

- a. First-Class Mail
- b. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

943 **INSURANCE**

* * *

943.221 General Insurance is available for mail sent under the following classification schedules:

- a. First-Class Mail, if containing matter that may be mailed as Standard Mail or Package Services;
- b. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27;

- c. Regular and Nonprofit subclasses of Standard Mail, for Bulk Insurance only, for mail subject to residual shape surcharge.

* * *

944 **COLLECT ON DELIVERY**

* * *

944.21 COD service is available for collection of \$1,000 or less upon the delivery of postage prepaid mail sent under the following classification schedules:

- a. Express Mail;
- b. First-Class Mail;
- c. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

945 **RETURN RECEIPT**

* * *

945.221 Return Receipt for Merchandise is available for merchandise sent under the following sections or classification schedules:

- a. Priority Mail;
- b. Standard Mail pieces subject to the residual shape surcharge;
- c. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

948 **DELIVERY CONFIRMATION**

* * *

948.21 Delivery Confirmation service is available for First-Class Letters and Sealed Parcels subclass mail that is parcel-shaped, as specified by the Postal Service; Priority Mail; Standard Mail, in the Regular and Nonprofit

subclasses, that is subject to the residual shape surcharge; and Package Services mail that is parcel-shaped, as specified by the Postal Service, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

949 **SIGNATURE CONFIRMATION**

* * *

949.21 Signature Confirmation is available for Letters and Sealed Parcels subclass mail that is parcel-shaped, as specified by the Postal Service; Priority Mail; and Package Services mail that is parcel-shaped, as specified by the Postal Service, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

951 **PARCEL AIRLIFT (PAL)**

* * *

951.21 Parcel Airlift service is available for mail sent under the Package Services Classification Schedule, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

952 **SPECIAL HANDLING**

* * *

952.21 Special Handling service is available for mail sent under the following classification schedules:

- a. First-Class Mail;
- b. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

2000 **DELIVERY OF MAIL**

2010 **Delivery Services**

The Postal Service provides the following modes of delivery:

- a. Caller service. The fees for caller service are set forth in Fee Schedule 921.
- b. Carrier delivery service.
- c. General delivery.
- d. Post office box service. The fees for post office box service are set forth in Fee Schedule 921.
- e. Parcel Select Return Service and Bound Printed Matter Return Service delivery, subject to expiration under the conditions set forth in sections 521.11 and 522.11.

* * *

2032 **Return**

Return is the delivery of undeliverable-as-addressed mail to the sender. Parcel Select Return Service mail and Bound Printed Matter Return Service mail do not constitute returned mail within the meaning of this section, subject to expiration under the conditions set forth in sections 521.11 and 522.11.

* * *

3000 **POSTAGE AND PREPARATION**

* * *

3050 Parcel Select Return Service and Bound Printed Matter Return Service Postage

Parcel Select Return Service and Bound Printed Matter Return Service mail that is entered under section 521.27, 521.28, or 522.27 may be retrieved by the permit holder prior to payment of postage. Postage on mail in these categories will be determined and paid by the permit holder following receipt, in a manner and within a time specified by the Postal

Service. This section is subject to expiration under the conditions set forth in sections 521.11 and 522.11.

Docket No. MC2003-2

RECOMMENDED CHANGES IN RATE SCHEDULES

The following material represents the rate schedule recommendations of the Postal Rate Commission in response to the Postal Service's Docket No. MC2003-2 Request.

**PACKAGE SERVICES
RATE SCHEDULE 521.2F**

**PARCEL POST
PARCEL SELECT RETURN SERVICES
RETURN DELIVERY UNIT RATE CATEGORY**

Weight (lbs.)	Rate	Weight (lbs.)	Rate
1	\$2.00	36	\$2.00
2	2.00	37	2.00
3	2.00	38	2.00
4	2.00	39	2.00
5	2.00	40	2.00
6	2.00	41	2.00
7	2.00	42	2.00
8	2.00	43	2.00
9	2.00	44	2.00
10	2.00	45	2.00
11	2.00	46	2.00
12	2.00	47	2.00
13	2.00	48	2.00
14	2.00	49	2.00
15	2.00	50	2.00
16	2.00	51	2.00
17	2.00	52	2.00
18	2.00	53	2.00
19	2.00	54	2.00
20	2.00	55	2.00
21	2.00	56	2.00
22	2.00	57	2.00
23	2.00	58	2.00
24	2.00	59	2.00
25	2.00	60	2.00
26	2.00	61	2.00
27	2.00	62	2.00
28	2.00	63	2.00
29	2.00	64	2.00
30	2.00	65	2.00
31	2.00	66	2.00
32	2.00	67	2.00
33	2.00	68	2.00
34	2.00	69	2.00
35	2.00	70	2.00
		Oversized	7.51

Schedule 521.2F Notes

1. Regardless of weight, any parcel that measures more than 108 inches (but not more than 130 inches) in combined length and girth must pay the oversized rate.

**PACKAGE SERVICES
RATE SCHEDULE 521.2G**

**PARCEL POST
PARCEL SELECT RETURN SERVICES
RETURN BMC RATE CATEGORY
MACHINABLE PIECES**

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$2.10	\$2.13	\$2.19	\$2.28
2	2.67	2.70	2.77	2.88
3	3.22	3.25	3.34	3.46
4	3.42	3.76	3.86	4.00
5	3.59	4.16	4.29	4.49
6	3.75	4.52	4.65	4.94
7	3.90	4.83	4.98	5.35
8	4.47	5.12	5.28	5.74
9	4.60	5.36	5.59	6.09
10	4.77	5.67	5.88	6.42
11	4.90	5.88	6.14	6.72
12	5.05	6.08	6.40	7.01
13	5.18	6.24	6.64	7.27
14	5.30	6.36	6.89	7.52
15	5.41	6.53	7.10	7.76
16	5.52	6.70	7.30	7.98
17	5.65	6.86	7.52	8.19
18	5.74	7.01	7.71	8.38
19	5.86	7.16	7.89	8.57
20	5.96	7.30	8.05	8.74
21	6.05	7.44	8.20	8.91
22	6.16	7.56	8.34	9.06
23	6.24	7.72	8.48	9.21
24	6.33	7.84	8.60	9.36
25	6.41	7.96	8.72	9.49
26	6.51	8.07	8.85	9.62
27	6.59	8.20	8.96	9.74
28	6.66	8.32	9.05	9.86
29	6.75	8.44	9.16	9.97
30	6.83	8.54	9.26	10.07
31	6.91	8.62	9.35	10.18
32	7.00	8.74	9.45	10.27
33	7.06	8.84	9.53	10.37
34	7.14	8.92	9.61	10.45
35	7.20	9.03	9.69	10.54

Schedule 521.2G Notes

1. Parcels that weigh less than 15 pounds but measure more than 84 inches in combined length and girth are charged the applicable rate for a 15-pound parcel.

**PACKAGE SERVICES
RATE SCHEDULE 521.2G (continued)**

**PARCEL POST
PARCEL SELECT RETURN SERVICES
RETURN BMC RATE CATEGORY
NONMACHINABLE PIECES**

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$3.45	\$3.48	\$3.54	\$3.63	36	\$8.65	\$10.49	\$11.14	\$12.00
2	4.02	4.05	4.12	4.23	37	8.72	10.56	11.20	12.06
3	4.57	4.60	4.69	4.81	38	8.76	10.63	11.25	12.11
4	4.77	5.11	5.21	5.35	39	8.82	10.71	11.29	12.16
5	4.94	5.51	5.64	5.84	40	8.85	10.76	11.33	12.21
6	5.10	5.87	6.00	6.29	41	8.92	10.85	11.37	12.26
7	5.25	6.18	6.33	6.70	42	8.95	10.90	11.42	12.30
8	5.82	6.47	6.63	7.09	43	8.99	10.96	11.46	12.33
9	5.95	6.71	6.94	7.44	44	9.04	11.02	11.50	12.36
10	6.12	7.02	7.23	7.77	45	9.07	11.07	11.64	12.39
11	6.25	7.23	7.49	8.07	46	9.14	11.14	11.67	12.42
12	6.40	7.43	7.75	8.36	47	9.19	11.18	11.70	12.45
13	6.53	7.59	7.99	8.62	48	9.22	11.25	11.72	12.48
14	6.65	7.71	8.24	8.87	49	9.27	11.30	11.75	12.51
15	6.76	7.88	8.45	9.11	50	9.28	11.35	11.77	12.54
16	6.87	8.05	8.65	9.33	51	9.35	11.39	11.80	12.57
17	7.00	8.21	8.87	9.54	52	9.39	11.47	11.82	12.60
18	7.09	8.36	9.06	9.73	53	9.40	11.50	11.83	12.63
19	7.21	8.51	9.24	9.92	54	9.44	11.52	11.86	12.66
20	7.31	8.65	9.40	10.09	55	9.48	11.54	11.89	12.69
21	7.40	8.79	9.55	10.26	56	9.52	11.56	11.91	12.72
22	7.51	8.91	9.69	10.41	57	9.57	11.56	11.91	12.75
23	7.59	9.07	9.83	10.56	58	9.60	11.58	11.93	12.78
24	7.68	9.19	9.95	10.71	59	9.63	11.59	11.95	12.81
25	7.76	9.31	10.07	10.84	60	9.68	11.60	11.95	12.84
26	7.86	9.42	10.20	10.97	61	9.72	11.61	11.97	12.87
27	7.94	9.55	10.31	11.09	62	9.75	11.62	12.01	12.90
28	8.01	9.67	10.40	11.21	63	9.78	11.62	12.06	12.93
29	8.10	9.79	10.51	11.32	64	9.82	11.62	12.09	12.96
30	8.18	9.89	10.61	11.42	65	9.85	11.64	12.13	12.99
31	8.26	9.97	10.70	11.53	66	9.90	11.64	12.18	13.02
32	8.35	10.09	10.80	11.62	67	9.94	11.65	12.23	13.05
33	8.41	10.19	10.88	11.72	68	9.94	11.65	12.25	13.08
34	8.49	10.27	10.96	11.80	69	9.99	11.65	12.30	13.11
35	8.55	10.38	11.04	11.89	70	10.02	11.65	12.34	13.14
					Oversized	25.99	26.31	27.00	28.05

Schedule 521.2G (continued) Notes

1. Parcels that weigh less than 15 pounds but measure more than 84 inches in combined length and girth are charged the applicable rate for a 15-pound parcel. Regardless of weight, any parcel that measures more than 108 inches (but not more than 130 inches) in combined length and girth must pay the oversized rate.

**PACKAGE SERVICES
RATE SCHEDULE 522E**

**BOUND PRINTED MATTER
BPM RETURN SERVICE
RETURN BMC RATE CATEGORY**

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1.0	\$1.63	\$1.68	\$1.72	\$1.80
1.5	1.63	1.68	1.72	1.80
2.0	1.70	1.76	1.82	1.92
2.5	1.77	1.85	1.92	2.05
3.0	1.84	1.93	2.02	2.17
3.5	1.91	2.02	2.12	2.30
4.0	1.98	2.10	2.22	2.42
4.5	2.05	2.19	2.32	2.55
5.0	2.12	2.27	2.42	2.67
6.0	2.26	2.44	2.62	2.92
7.0	2.40	2.61	2.82	3.17
8.0	2.54	2.78	3.02	3.42
9.0	2.68	2.95	3.22	3.67
10.0	2.82	3.12	3.42	3.92
11.0	2.96	3.29	3.62	4.17
12.0	3.10	3.46	3.82	4.42
13.0	3.24	3.63	4.02	4.67
14.0	3.38	3.80	4.22	4.92
15.0	3.52	3.97	4.42	5.17

FEE SCHEDULE 1000**MISCELLANEOUS FEES**

Description	Fee
First-Class Presorted Mailing Fee (per year)	\$150.00
Standard Mail Mailing Fee (per year)	150.00
Periodicals	
A. Original Entry	375.00
B. Additional Entry	60.00
C. Re-entry	40.00
D. Registration for News Agents	40.00
Parcel Select Mailing Fee (per year)	150.00
Bound Printed Matter: Destination Entry Mailing Fee (per year)	150.00
Media Mail Presorted Mailing Fee (per year)	150.00
Library Mail Presorted Mailing Fee (per year)	150.00
Authorization to Use Permit Imprint (one-time only)	150.00
Accounting Fee (per year)	475.00
Permit Fee (per year)	150.00
Parcel Return Services Accounting Fee (per year)	475.00
Parcel Return Services Permit Fee (per year)	150.00

PARTICIPANTS AND COUNSEL

(Italicized boldface type indicates that participants signed the Stipulation and Agreement underlying the Commission's recommendation)

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