

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Rate Adjustment Due to Extraordinary or  
Exceptional Circumstances

Docket No. R2010-4

PRESIDING OFFICER'S RULING SCHEDULING  
TECHNICAL CONFERENCE

(Issued July 14, 2010)

On July 8, 2010, the Commission issued Order No. 485 in this docket,<sup>1</sup> which included a procedural schedule. The schedule includes three dates set aside for technical conferences, the first of which is Monday, July 19, 2010. This notice identifies issues that will be discussed during this initial technical conference. The Postal Service should provide appropriate personnel capable of answering questions regarding the following topics.

Appended to the Statement of Stephen J. Masse are several attachments which provide information regarding the forecasting volumes, revenues, and costs for FY 2010, FY 2011 Before Rates, and FY 2011 After Rates. Additionally, there are two after rates scenarios, one assuming implementation of the proposed rates on October 1, 2010, and the other assuming the implementation of the proposed rates on January 2, 2010. These attachments are supported by three public library references filed by the Postal Service:

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<sup>1</sup> Notice and Order Concerning Rate Adjustment for Extraordinary or Exceptional Circumstances, July 8, 2010 (Order No. 485).

USPS-R2010-4/6 Product Cost & Contribution Estimation Model (Public Version);

USPS-R2010-4/7 Cost Factor Development (Public Version); and

USPS-R2010-4/8 Revenue and Volume Forecast Materials (Public Version).

Additionally, the Postal Service filed three non-public versions of the library references listed above. These library references are:

USPS-R2010-4/NP1 Product Cost & Contribution Estimate Model (Non-Public Version);

USPS-R2010-4/NP2 Cost Factor Development (Non-Public Version); and

USPS-R2010-4/NP3 Revenue and Volume Forecast Materials (Non-Public Version).

As it is these forecasts of costs, revenues, and volumes which support Postal Service arguments regarding the need for an exigent rate increase, an opportunity to clarify and fully understand these forecasts is required. At the technical conference scheduled for Monday, July 19, 2010, the Postal Service should be prepared to respond to questions from interested persons regarding the cost, volume, and revenue forecasts as presented in the 12 attachments to witness Masse's statement and also the library references supporting the 12 attachments. The Commission expects to pose questions regarding the cash flow statement forecasts in Attachment 4, and the cost effect changes highlighted in Attachments 6 through 8, which are produced by the Product Cost & Contribution Model (Library References USPS-R2010-4/6 and USPS-R2010-4/NP1) and the Cost Factor Development (Library References USPS-R2010-4/7 and USPS-R2010-4/NP2).

Ruth Y. Goldway  
Presiding Officer