

March 2, 2009

The Honorable John E. Potter
Postmaster General, U.S. Postal Service
475 L'Enfant Plaza, SW
Washington, DC 20260-0010

Re: Docket Number R2009-2

Dear Postmaster General:

I am writing to express great concern regarding the pending increases in parcel post rates which are to be enacted May 11th, 2009. The mail price adjustment drastically increases the bypass mail rate which our Alaskan citizens rely on for supplies, food, and other basic necessities. The state of Alaska must oppose any parcel post rate increase at this time.

Alaska has over 258 airports serving as the primary mode of transportation, and the only means of access for over 160 remote and isolated communities. Our rural residents have been besieged by a poor subsistence harvest and high energy prices compounded by an exceptionally cold winter. Although it may not be the intent, the new 4th class mail rate structure will raise the already high cost of living further and effectively cripple the already fragile bypass mail system. Residents of the most remote parts of our state are struggling with high fuel prices and the ability to provide food for their families. This postal rate increase has an exponentially greater impact on Alaskans than those in other states due to the reliance of Alaskans' on the bypass mail system for food and supplies. Please take this into account before making any final decision on increasing Parcel Post rates that are utilized under the essential Bypass mail system.

The state of Alaska is not unsympathetic to the need for the Postal Service to reduce costs. However, the reasons, intent, and facts expressly found by Congress justifying the original program continue to this day and have not changed. Congress found that few of Alaska's communities were connected by roads and that the federal government's ownership of two thirds of Alaska's landmass made it difficult for the state to build new roads connecting it's isolated communities. The parcel post rates enabled residents to receive the majority of their supplies affordably by air via bypass mail system. While my administration is working on improving the state's transportation infrastructure, large projects, like the road to Nome, will be costlier to build and take a longer amount of time due to federal ownership of large tracts of land and permitting requirements. Congress found that as long as the current Alaska community access situation exists, it was in the best interests of the USPS, Alaska, and the United States to continue the bypass mail

program. Continuing the program is only meaningful if the rates are low enough to be used by a large number of the persons intended to be served.

I respectfully ask that your office work with my staff, the Alaska Congressional Delegation and stakeholders in the delivery system to identify ways to help mitigate such a sudden and negative impact on our rural residents. From briefings, I understand that within your own agency there may be an existing administrative solution—and that is to allow bypass mail to be tendered at the 70 pound rate. While it will still result in a dramatic and burdensome cost increase for those Alaskan's relying on the bypass mail system, this action would at least help lower the impact to residents. This coupled with adoption and implementation of other recommendations that could be developed by a joint Postal Service and shippers work group, should identify options to provide necessary relief for the impacts of any postal rate increase your agency feels it must impose.

I would like to thank the USPS for working with carriers and shippers on a joint workgroup to develop ways to reduce mail cost and meet the goals of the original bypass mail system. Please do not hesitate to contact my office if we can provide assistance or further information on behalf of Alaska,

Sincerely,

Sarah Palin
Governor

cc:

Honorable Lisa Murkowski, Senator, United States Senate
Honorable Mark Begich, Senator, United States Senate
Honorable Don Young, Representative, United States House of Representatives
Leo von Scheben, P.E., L.S., M.B.A., Commissioner, Alaska DOT&PF