

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

Before Commissioners:

Robert G. Taub, Acting Chairman;
Mark Acton, Vice Chairman;
Tony Hammond; and
Nanci E. Langley

Competitive Products Price Changes
Rates of General Applicability

Docket No. CP2018-8

NOTICE AND ORDER CONCERNING CHANGES IN RATES OF GENERAL
APPLICABILITY FOR COMPETITIVE PRODUCTS

(Issued October 10, 2017)

I. INTRODUCTION AND OVERVIEW

On October 6, 2017, the Postal Service filed notice with the Commission concerning changes in rates of general applicability for competitive products.¹ The Postal Service represents that, as required by 39 CFR 3015.2(b), the Notice includes an explanation and justification for the changes, the effective date, and a schedule of the

¹ Notice of Changes in Rates of General Applicability for Competitive Products Established in Governors' Decision Nos. 16-8 and 16-10, October 6, 2017 (Notice). Pursuant to 39 U.S.C. 3632(b)(2), the Postal Service is obligated to publish the Governors' Decisions and record of proceedings in the *Federal Register* at least 30 days before the effective date of the new rates.

changed rates. See Notice at 1. The changes are scheduled to take effect on January 21, 2018. *Id.*

Attached to the Notice are Governors' Decisions Nos. 16-10 and 16-8, which state the new prices are in accordance with 39 U.S.C. 3632 and 3633 and 39 CFR 3015.2.² The Governors' Decisions provide an analysis of the competitive products' price changes intended to demonstrate that the changes comply with 39 U.S.C. 3633 and 39 CFR part 3015.³ The attachment to the Governors' Decisions sets forth the price changes and includes draft Mail Classification Schedule (MCS) language for competitive products of general applicability.

The Governors' Decisions include two additional attachments:

- A partially redacted table showing FY 2017 projected volumes, revenues, attributable costs, contribution, and cost coverage for each product, assuming implementation of the new prices on January 21, 2018.
- A partially redacted table showing FY 2017 projected volumes, revenues, attributable costs, contribution, and cost coverage for each product, assuming a hypothetical implementation of the new prices on October 1, 2017.

The Notice also includes an application for non-public treatment of the attributable costs, contribution, and cost coverage data in the unredacted version of the annex to the Governors' Decisions, as well as the supporting materials for the data.

Planned price adjustments. The Governors' Decisions include an overview of the Postal Service's planned price changes, which is summarized in the table below.

² Notice, Decision of the Governors of the United States Postal Service on Changes in Rates of General Applicability for Competitive Products (Governors' Decision No. 16-8), November 14, 2016 (Governors' Decision No. 16-8); Notice, Decision of the Governors of the United States Postal Service on Changes in Rates of General Applicability for Competitive Products (Governors' Decision No. 16-10), December 5, 2016 (Governors' Decision No. 16-10) (collectively, Governors' Decisions).

³ Governors' Decision No. 16-8 at 1; Governors' Decision No. 16-10 at 1.

Table I-1
Proposed Price Changes

Product Name	Average Price Increase (percent)
Domestic Competitive Products	
Priority Mail Express	3.9
Retail	3.9
Commercial Base	3.7
Commercial Plus	3.7
Priority Mail	3.9
Retail	0.8
Commercial Base	6.2
Commercial Plus	6.1
Parcel Select	
Traditional	4.9
Lightweight	7.0
Parcel Return Service	4.9
Return Sectional Center Facility	5.2
Return Delivery Unit	4.6
First-Class Package Service	
Commercial	3.9
Retail	14.5
Retail Ground	3.9
Domestic Extra Services	
Premium Forwarding Service Enrollment Fee	3.9
Adult Signature Service	
Basic	3.4
Person-Specific	3.3
Competitive Post Office Box	6.5
Package Intercept Service	3.9
International Competitive Products	
Global Express Guaranteed	3.9
Priority Mail Express International	3.9
Priority Mail International	3.9
International Priority Airmail	3.9
International Priority Airmail M-Bags	3.9
International Surface Air Lift	3.9
International Surface Air Lift M-Bags	3.9
Airmail M-Bags	3.9
First-Class Package International Service	3.9
International Ancillary Services and Special Services	
International Ancillary Services	3.9

Source: See Governors' Decision No. 16-8 at 2-5; Governors' Decision No. 16-10 at 1; Mail Classification Schedule sections 2105.6, 2110.6, 2115.6, 2125.6, 2135.6, 2305.6, 2315.6, 2335.6, and 2510.9.6.

II. INITIAL ADMINISTRATIVE ACTIONS

The Commission establishes Docket No. CP2018-8 to consider the Postal Service's Notice. Interested persons may express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3015, and 39 CFR 3020 subparts B and E. Comments are due no later than October 24, 2017. For specific details of the planned price changes, interested persons are encouraged to review the Notice, which is available on the Commission's website, www.prc.gov.

Pursuant to 39 U.S.C. 505, Curtis E. Kidd is appointed to serve as Public Representative to represent the interests of the general public in this docket.

III. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. CP2018-8 to provide interested persons an opportunity to express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3015, and 39 CFR 3020 subparts B and E.
2. Comments are due no later than October 24, 2017.
3. The Commission appoints Curtis E. Kidd to serve as Public Representative to represent the interests of the general public in this proceeding.

4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Stacy L. Ruble
Secretary