

ORDER NO. 4997

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

Before Commissioners:

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

Competitive Product Prices
Inbound Letter Post Small Packets
and Bulky Letters

Docket No. CP2019-83

NOTICE AND ORDER INITIATING DOCKET AND SCHEDULING
TECHNICAL CONFERENCE

(Issued February 5, 2019)

I. INTRODUCTION

The Commission establishes Docket No. CP2019-83 as a follow up to a Postal Service request to transfer Inbound Letter Post small packets and bulky letters from the market dominant Inbound Letter Post product to the competitive product list,¹ and the

¹ Docket No MC2019-17, USPS Request to Transfer Inbound Letter Post Small Packets and Bulky Letters, and Inbound Registered Service Associated with Such Items, to the Competitive Product List, November 16, 2018, at 1, 12-13; see Attachment B. (Docket No. MC2019-17 Request). The Postal Service also requested to transfer registered mail services associated with Inbound Letter Post small packets and bulky letters from the market dominant to competitive products list. Docket No. MC2019-17 Request at 1. In its transfer request, the Postal Service explained that it had not yet determined new rates for the transferred Inbound Letter Post Small Packets and Bulky Letters product or for Inbound Competitive Registered Mail services. *Id.* at 9.

Commission's conditional approval of that transfer "pending the proposal, review, approval, and implementation of new prices."²

The Commission notes that President Donald J. Trump has outlined policies that should inform the Postal Service when establishing these new prices.³ Specifically, the Presidential Memorandum stated that it is the policy of the executive branch to support "a system of unrestricted and undistorted competition between United States and foreign merchants. Such efforts include: (i) ensuring that rates charged for delivery of foreign-origin mail containing goods do not favor foreign mailers over domestic mailers; [and] (ii) setting rates charged for delivery of foreign-origin mail in a manner that does not favor postal operators over non-postal operators[.]" Presidential Memorandum, section 2(d).

II. COMMISSION ACTION

To discuss the methodology the Postal Service intends to use to set prices for Inbound Letter Post Small Packets and Bulky Letters and Inbound Competitive Registered Mail services, the Commission will host an off-the-record technical conference on February 15, 2019, at 10:00 a.m. in the Commission's hearing room, which will be open to members of the public. In particular, the Postal Service should be prepared to discuss whether these prices will be of general or limited applicability (and if limited applicability, what limitations would apply) and the methodology it plans to use to establish prices that are consistent with the requirements of 39 U.S.C. § 3633(a) and with consideration for the policies outlined in the Presidential Memorandum.

If the Postal Service foresees the need to rely upon information it would otherwise identify as non-public pursuant to 39 U.S.C. § 504(g), it should notify the

² Docket No. MC2019-17, Order Conditionally Approving Transfer, January 9, 2019, at 22-23 (Order No. 4980). Order No. 4980 also conditionally approved the transfer of associated registered mail services from the market dominant to the competitive product list. *Id.*

³ Presidential Memorandum for the Secretary of State, Secretary of the Treasury, Secretary of Homeland Security, Postmaster General, and Chairman of the Postal Regulatory Commission, August 23, 2018 (Presidential Memorandum), available at: <https://www.whitehouse.gov/presidentialactions/presidential-memorandum-secretary-state-secretary-treasury-secretary-homeland-securitypostmaster-general-chairman-postal-regulatory-commission/>.

Commission of its intent no later than February 11, 2019, and describe the nature of such information.

Pursuant to 39 U.S.C. § 505, Kenneth E. Richardson is designated as officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

III. ORDERING PARAGRAPHS

It is ordered:

1. Docket No. CP2019-83 is established for the purpose of consideration of new prices for the Inbound Letter Post Small Packet and Bulky Letter product and for Inbound Competitive Registered Mail services.
2. A technical conference will be held in the Commission's hearing room at 10:00 A.M. on February 15, 2019, where the Postal Service will outline the methodology it intends to use to establish prices for the Inbound Letter Post Small Packet and Bulky Letter product and for Inbound Competitive Registered Mail services, and be available to answer questions.
3. The Postal Service shall notify the Commission no later than February 11, 2019, if it foresees the need to rely upon information it would otherwise provide under seal pursuant to 39 U.S.C. § 504(g). This notification should describe the nature of such information.
4. Pursuant to 39 U.S.C. § 505, Kenneth E. Richardson is designated to represent the interests of the general public (Public Representative) in this docket.

By the Commission.

Stacy L. Ruble
Secretary