

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

Transfer of Inbound Letter Post Small
Packets to the Competitive Product List

Docket No. MC2019-17

Competitive Product Prices
Inbound E-Format Letter Post

Docket No. CP2019-155

**PUBLIC REPRESENTATIVE COMMENTS ON
PRELIMINARY DETERMINATION TO UNSEAL SELF-DECLARED RATES FOR
INBOUND LETTER POST SMALL PACKETS AND BULKY LETTERS**
(January 30, 2020)

Introduction

On January 23, 2020, In accordance with 39 U.S.C. § 504(g)(3) and 39 C.F.R. § 3007.103(c), the Commission provided notice of its preliminary determination that it is not appropriate to accord non-public treatment to the self-declared rates for Inbound Letter Post Small Packets and Bulky Letters and that these rates should be unsealed.¹ The Commission has allowed any interested person to file a response to the Notice. Notice at 18.

Background

On October 29, 2019, the Postal Service provided notice of specific per-item and per-kilogram self-declared prices that it intends to implement for Inbound Letter Post Small Packets and Bulky Letters on July 1, 2020. *Id.* at 1. The Postal Service filed these rates under seal and requested that the Commission accord these rates non-public treatment. *Id.* at 1-2.

¹ Notice of a Preliminary Determination to Unseal Self-Declared Rates for Inbound Letter Post Small Packets and Bulky Letters, January 23, 2020. (Notice)

Comments

In deciding whether to use the rates for Inbound Letter Post Small Packets and Bulky Letters, the Commission must “balance the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets.” 39 U.S.C. § 504(g)(3)(A) Although the Public Representative makes no recommendation as to how the Commission should decide the fate of Inbound Letter Post Small Packets and Bulky Letters rates, she urges the Commission to consider the impact of public disclosure not just on the Postal Service but on the other designated operators of the Universal Postal Union (UPU).

While the Postal Service generates revenue from Inbound Letter Post Small Packets and Bulky Letters, the prices it sets for Inbound Letter Post Small Packets and Bulky Letters represent prices the Postal Service charges foreign posts for delivery within the United States. The prices it sets for Inbound Letter Post Small Packets and Bulky Letters have no direct effect on mail volume as the prices customers see are those set by the foreign post, not the Postal Service. The Postal Service essentially acts as a vendor, paid by the foreign post for delivery.

In general, posts view agreements with vendors as commercially sensitive information. As a number of designated operators compete for the mail that is sent to the United States as Inbound Letter Post Small Packets and Bulky Letters, revealing the prices they pay for delivery in the U.S. may cause them commercial harm. Unsealing Inbound Letter Post Small Packets and Bulky Letters rates is akin to releasing the terms of a transportation agreement between a post and a trucking company.

The Commission should consider whether it should unilaterally release information that foreign posts might consider commercially sensitive, or whether it is possible to work with the Department of State to propose UPU regulations requiring such rates to be made public. If the United States proposed to make these rates public through the UPU, all member countries would have the opportunity to weigh in on the decision which will affect all of them.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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