



December 31, 2020

Hon. Erica A. Barker, Secretary  
Postal Regulatory Commission  
901 New York Avenue NW, Suite 200  
Washington, D.C. 20268-0001

Dear Ms. Barker,

On behalf of the United States Postal Service, I am submitting calculations of future density rate authority and retirement rate authority to become available upon the Commission's determination pursuant to the final rule issued on November 30, 2020 (Order No. 5763, Docket No. RM2017-3). These calculations are presented in the attached Microsoft Excel file and are based on data submitted with the Postal Service's Annual Compliance Report (ACR), filed on December 29, 2020.

In addition, as the ACR makes evident, revenues did not cover attributable costs for two mail classes in FY2020: Periodicals and Package Services.

Finally, at page 196 of Order No. 5763, in discussing the rate authority to be made available for non-compensatory classes, the Commission "require[s] the Postal Service to file a notice by December 31, 2020, of its intent to use this available authority." As a general matter, the Postal Service intends to utilize the additional pricing flexibility granted by the Commission in Order No. 5763, although precise decisions regarding the use of the new authorities, and in what amounts, will be made by the Governors. Such decisions will be made once the rate authorities are made "available" following the formal determination and announcement by the Commission. See Order No. 5763, att. at 24, 29, 39.

With kind regards,

/s/ Richard T. Cooper

Richard T. Cooper  
Managing Counsel  
Corporate & Postal Business Law

Enclosure

cc: Ms. Taylor

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