

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

Before Commissioners:

Michael Kubayanda, Chairman;
Ashley E. Poling, Vice Chairwoman;
Mark Acton;
Ann C. Fisher; and
Robert G. Taub

Outbound Single-Piece First-Class
Package International Service

Docket No. MC2021-91

NOTICE AND ORDER CONCERNING CLASSIFICATION CHANGES TO OUTBOUND
SINGLE-PIECE FIRST-CLASS PACKAGE INTERNATIONAL SERVICE

(Issued May 18, 2021)

I. INTRODUCTION

On May 13, 2021, the Postal Service filed a request with the Commission pursuant to 39 CFR 3040.180 to make changes to the classification of Outbound Single-Piece First-Class Package International Service (FCPIS).¹ In support of its Request, the Postal Service filed the following documents:

- Attachment 1 to the Request—Decision of the Governors of the United States Postal Service on Mail Classification Schedule Changes Related to

¹ Request of the United States Postal Service for Classification Changes Concerning Outbound Single-Piece First-Class Package International Service, May 13, 2021 (Request). The Postal Service filed errata to the Request on May 14, 2021. Notice of Errata to Request of the United States Postal Service for Classification Changes Concerning Outbound Single-Piece First-Class Package International Service, May 14, 2021 (Errata).

the Outbound Commercial Provider Initiative, May 6, 2021 (Governors' Decision No. 21-4) and Draft Mail Classification Schedule (MCS) language; and

- Attachment 1 to the Errata—Certification of Governors' Vote on Governors' Decision No. 21-4.

The Postal Service describes the proposed classification changes as necessary to facilitate the implementation of the Outbound Commercial Provider Initiative (OCPI) which would offer delivery of outbound international service in foreign countries through use of a commercial delivery supplier in lieu of the destination country postal operator. Request at 2-3. The Postal Service states that OCPI will be offered with Priority Mail Express International (PMEI), Priority Mail International (PMI), and FCPIS. *Id.* at 2. The Postal Service asserts that the existing classification language for PMEI and PMI is sufficiently broad to enable implementation of OCPI, and thus its Request only seeks changes to the classification language for FCPIS. *Id.* at 2-3. The Postal Service notes that the requested MCS revisions do not require implementation of OCPI. *Id.* at 3. Specifically, the requested MCS revisions are:

- Removal from MCS section 2335.1a of the provision that FCPIS be subject to the provisions of the Universal Postal Convention;
- Deletion from MCS section 2335.1a of the phrase “that are not entered as Priority Mail International”; and
- Revision to MCS section 2335.1c to state “Outbound Single-Piece First-Class Package International Service pieces that are undeliverable-as-addressed may be forwarded if applicable or returned to the sender.”

Id.

In support of the Request, the Postal Service notes that OCPI is intended primarily to take advantage of advantageous rates negotiated with commercial suppliers, and thus these classification changes should not result in any violation of the standards of 39 U.S.C. 3633 and 39 CFR part 3035. Request at 4-5. The Postal

Service notes, however, that in some cases the use of OCPI suppliers may be desirable to ensure stable and consistent service abroad, rather than exclusively as a cost-saving measure. See *id.* The Postal Service states that because OCPI is in its preliminary stages and it has yet to be determined whether OCPI will be offered in conjunction with FCPIIS, it is not possible at this time to generate detailed financial workpapers showing the impact of OCPI on the cost coverage of FCPIIS. *Id.* at 5.

The Postal Service describes the impact of the proposed changes on the users of FCPIIS as positive by permitting the Postal Service to use OCPI providers to remain competitive in cross-border shipping, enabling continuity of service where issues arise with foreign postal operators, and providing the possibility of offering additional services or improved service performance. *Id.* at 6. The Postal Service also notes how the use of OCPI providers may result in differences in the handling of FCPIIS pieces that are undeliverable as addressed. *Id.* at 7. The Postal Service describes competitors as affected by the Postal Service's implementation of OCPI, but notes that by relying on commercial customs practices in the destination country, shipments delivered by an OCPI provider would be subject to same practices as shipments originating with competing private sector entities. *Id.* at 6.

II. COMMISSION ACTION

The Commission establishes Docket No. MC2021-91 to consider the Postal Service's proposals described in its Request. Interested persons may submit comments on whether the Request is consistent with the policies of 39 CFR 3040.180. Comments are due by May 25, 2021.

The Request and related filings are available on the Commission's website (<http://www.prc.gov>). The Commission encourages interested persons to review the Request for further details.

The Commission appoints Gregory Stanton to serve as Public Representative in this proceeding.

III. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. MC2021-91 for consideration of the matters raised by the Request of the United States Postal Service for Classification Changes Concerning Outbound Single-Piece First-Class Package International Service, filed May 13, 2021.
2. Pursuant to 39 U.S.C. 505, Gregory Stanton is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
3. Comments by interested persons are due by May 25, 2021.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Erica A. Barker
Secretary