

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

Before Commissioners:

George Omas, Chairman;
Dawn A. Tisdale, Vice Chairman;
Tony Hammond; and
Ruth Y. Goldway

NOTICE OF PUBLIC BRIEFING

(Issued January 12, 2006)

At the request of the Commission, Frank Wolak, Professor of Economics at Stanford University, has written an academic paper discussing the economic and regulatory issues raised by the policy of exclusively demand-based or “value” pricing. This is a pricing concept that the Postal Service introduced in Docket No. MC2004-5 in support of its proposal to charge mailers a fee for attaching Repositionable Notes (RPNs) to their mail. The Commission’s Opinion in that docket provisionally recommended that the Postal Service be allowed to charge such fees. In doing so, it recognized that this pricing concept was new in the Commission’s experience and potentially far-reaching in its implications for postal rate regulation. Anticipating future requests by the Postal Service for approval of permanent rates based on the concept of “value pricing,” the Commission’s Opinion announced its intention to sponsor an academic paper evaluating the economic and regulatory issues that “value pricing” raises in the context of postal regulation. Professor Wolak’s paper fulfills that intention.

Professor Wolak’s paper is entitled *Pricing Repositionable Notes (RPNs) for Use in Postal Delivery Services: an Economic Analysis*. It is available on the Commission’s website, www.prc.gov, in the “Speeches and Papers” folder. Professor Wolak will present an oral briefing on his paper on January 30, 2006, at 10:30 a.m., in the Commission hearing room, 901 New York Avenue, N.W., Suite 200, Washington, D.C.

Steven W. Williams
Secretary