

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

Before Commissioners:

Dan G. Blair, Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton;  
Ruth Y. Goldway; and  
Tony L. Hammond

Competitive Products Price Changes  
Rates of General Applicability

Docket No. CP2009-23

NOTICE AND ORDER CONCERNING  
CHANGES IN RATES OF GENERAL APPLICABILITY  
FOR COMPETITIVE PRODUCTS

(Issued February 11, 2009)

On February 10, 2009, the Postal Service filed a notice with the Commission concerning changes in rates of general applicability for competitive products.<sup>1</sup> The Filing also includes related mail classification changes. As required by the Commission's rules, 39 CFR 3015.2(b), the Filing includes an explanation and justification for the changes, the effective date, and a schedule of the changed rates. The price changes are scheduled to become effective May 11, 2009.

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<sup>1</sup> See Notice of the United States Postal Service of Changes in Rates of General Applicability for Competitive Products Established in Governors' Decision No. 09-01, February 10, 2009 (Filing). The Filing is available on the Commission's website, [www.prc.gov](http://www.prc.gov), under Daily Listings for February 10, 2009. Pursuant to 39 U.S.C. 3632(b)(2), the Postal Service is obligated to publish the Governors' Decision and record of proceedings in the *Federal Register* at least 30 days before the effective date of the new rates or classes.

Attached to the Filing is the Governors' Decision evaluating the new prices and classification changes in accordance with 39 U.S.C. 3632-33 and 39 CFR 3015.2.

The Governors' Decision includes two Attachments. Attachment A provides an analysis of the competitive products' price and classification changes intended to demonstrate that the changes comply with section 3633(a) of title 39 and the Commission's rules.<sup>2</sup> 39 CFR 3015.7(c).

Attachment B to the Governors' Decision sets forth the price changes and related product description changes to be incorporated into the draft Mail Classification Schedule. Selected highlights of the price and classification changes follow.

*Parcel Select.* Overall, Parcel Select product prices increase by approximately .5 of 1 percent. There are three categories within Parcel Select not included in the January 2009 competitive products' price increase for shipping services: Origin Bulk Mail Center (BMC) Presort, and Barcoded Inter-BMC and Intra-BMC which have pricing categories based on market dominant Single-Piece Parcel Post prices. The price changes in these categories will be concurrent with the market dominant price changes also effective on May 11, 2009. The price charts within the two presorted categories have minor changes to demonstrate the discount for barcoding. The nonpresort categories Barcoded Inter-BMC and Intra-BMC are now one category Barcoded Nonpresort.

*Premium Forwarding Service.* Premium Forwarding Service prices will increase by 20.2 percent overall. The Premium Forwarding Service enrollment price will increase from \$10.00 to \$15.00, and the weekly reshipment price will increase from \$11.95 to \$13.95.

*International Priority Airmail (IPA) and International Surface Air Lift (ISAL).* Noncontractual International Priority Mail will have a price increase of 20.8 percent and noncontractual International Surface Air Lift will increase by 2.4 percent. The noncontractual pricing is being changed to align it with First-Class Mail International

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<sup>2</sup> Page 3 of Attachment A to the Governors' Decision was filed publicly in redacted form. The unredacted version of page 3 was filed under seal in the nonpublic annex.

letter prices that will change in May 2009. Structural changes are also being made, including adding new country-specific price groups; and pricing will be distinguished by presort level (Direct Country, Mixed Country, and Worldwide Non-presort). Additionally, Worldwide Non-presort, previously applicable only to IPA, will also be applicable to ISAL. Also, mixed country sacks will only be applicable to dropshipped items, and the minimum volume per mailing for IPA is raised to 50 pounds. The noncontractual price increases will result in increases in the rates charged to customers that have executed customized agreements with the Postal Service.

*International Ancillary Services.* Prices for International Ancillary Services will increase on average by 6.1 percent. Prices for International Certificate of Mailing increase 6.7 percent, for International Registered Mail 6.5 percent, for International Restricted Delivery 4.7 percent, and for International Return Receipt 4.5 percent.

Details of these changes may be found in Attachment B to the Filing.

The establishment of rates of general applicability for competitive products and the associated mail classification changes effect a change in the Mail Classification Schedule. As such, pursuant to subpart E of part 3020 of its rules, 39 CFR 3020.90 *et seq.*, the Commission provides notice of the Postal Service's Filing. Interested persons may express views and offer comments on whether the planned changes are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642 and 39 CFR part 3015 and 39 CFR 3020 subpart B. Comments are due no later than February 24, 2009.

Pursuant to 39 U.S.C. 505, Kenneth E. Richardson is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in the above-captioned docket.

*It is Ordered:*

1. The Commission establishes Docket No. CP2009-23 to provide interested persons an opportunity to express views and offer comments on whether the planned changes are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642 and 39 CFR part 3015 and 39 CFR 3020 subpart B.
2. Comments on the Filing are due no later than February 24, 2009.
3. The Commission appoints Kenneth E. Richardson as Public Representative to represent the interests of the general public in this proceeding.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Steven W. Williams  
Secretary