

ORDER NO. 183

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 Product Prices
Priority Mail International
International Mail Rate Categories

Docket No. MC2009-16

NOTICE AND ORDER CONCERNING
PRIORITY MAIL INTERNATIONAL
CLASSIFICATION CHANGE

(Issued February 19, 2009)

On February 13, 2009, the Postal Service filed a notice of classification change which affects the availability of Priority Mail International to three destination countries (Ascension Island, Falkland Islands, and Democratic People's Republic of (North) Korea).¹ Priority Mail International is a competitive product of general applicability.

The Notice was filed pursuant to 39 CFR 3020.90 and 3020.91 governing requests initiated by the Postal Service to change the Mail Classification Schedule. These rules were established to provide a streamlined approach to allow minor

¹ Notice of the United States Postal Service of Classification Change, February 13, 2009; United States Postal Service Notice of Errata to Notice of Classification Change, February 18, 2009 (together referred to as the Notice).

corrections, and to keep the Mail Classification Schedule up to date for changes that do not rise to the level of invoking other statutory requirements or Commission rules. Under these rules, review by the Commission is limited. See 39 CFR 3090.93.

In this light, the Postal Service's filing could be interpreted as a minor revision to the Mail Classification Schedule, which merely extends the availability of an existing service at established rates to three additional countries. Because no supporting data are provided, it could also be inferred that the changes have no cost or revenue impact on the underlying product.

On the other hand, the classification changes could be interpreted as establishing new rates for a product to three countries where it previously was not offered. This interpretation views the changes as more than a simple correction to the Mail Classification Schedule, but rather as a change in rates triggering the filing requirements of 39 CFR 3015.² In this instance, the Commission finds this interpretation to be more appropriate.³

Since this is a case of first impression, the Postal Service will not be required to re-file its Notice under a "CP" designation. However, all future competitive product classification changes of this nature must be filed as CP dockets pursuant to 39 CFR 3015.

With respect to the instant filing, the Postal Service is required to provide supplemental information demonstrating that the underlying product continues to meet the requirements of 39 U.S.C. 3633. Furthermore, the Postal Service shall indicate which of the Priority Mail International items (flat rate envelope, flat rate boxes, or parcels) will be available in each of the three identified countries. This information shall be filed by February 24, 2009.

² An analogy can be found in the filing of a shell classification for a competitive international negotiated service agreement product. Adding an additional specific agreement to the shell classification triggers the requirements of 39 CFR 3015.

³ The cost and revenue impact may turn out to be minimal in this instance. However, it would be unwise to establish procedural precedent for filings of this nature based on conjecture.

The Commission appoints Paul L. Harrington to serve as Public Representative in this docket.

Interested persons may submit comments on whether the Postal Service's filing in the captioned docket is consistent with the policies of 39 U.S.C. 3632, 3633, or 3642 and 39 CFR part 3015. Comments are due no later than February 27, 2009.

It is Ordered:

1. The Commission establishes Docket No. MC2009-16 to consider the Postal Service's Notice concerning expanding the availability of Priority Mail International to three additional destination countries.
2. The Postal Service shall file the supplemental information identified in the body of this Order by February 24, 2009.
3. Pursuant to 39 U.S.C. 505, Paul L. Harrington is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.
4. Comments by interested persons in this proceeding are due no later than February 27, 2009.
5. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Steven W. Williams
Secretary