

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

NOTICE OF PRICE ADJUSTMENT

Docket No. R2009-2

NOTICE OF THE UNITED STATES POSTAL SERVICE  
OF FILING AMENDED NOTICE OF  
MARKET DOMINANT PRICE ADJUSTMENT  
(March 26, 2009)

In accordance with 39 CFR § 3010.13(e), the Postal Service is hereby filing an amended notice of its market dominant price adjustment. In its Order Reviewing Postal Service Market Dominant Price Adjustments, the Commission concluded that “until the Postal Service can provide an adequate justification for separate mailing agent rates for Gold and Platinum tier Confirm service, those rates must be removed from Confirm, and both mail owners and mailing agents must be charged the same rates.” Order No. 191 at 72 (March 16, 2009). In response, the Postal Service plans to apply to all Confirm subscribers the prices that were proposed for mail owners. This change will reduce annual Confirm revenue by about \$3.4 million. This change also simplifies the Mail Classification Schedule changes for Confirm service, as shown in Appendix A.

The Commission asked that the Postal Service “recalculate the overall adjustment for Special Services and the banked residual cap amount.” *Id.* As shown in the spreadsheet “Recalc of Specserv Cap.xls” associated with this filing, the banked amount for Special Services increases from 0.027 percent to 0.137 percent.

The Postal Service also intends to postpone the implementation date of the Move Update Non-Compliance charge for Standard Mail pieces, from May 11, 2009, to January 4, 2010. This new charge will be applied to Standard Mail that fails to comply with the Move Update standards. Delayed implementation will provide our Standard Mail customers with additional feedback from new postage verification systems. This change will reduce Standard Mail revenue over the rest of 2009 by about \$4.5 million, and decrease the percent increase for Standard Mail from 3.781 percent to 3.759 percent. The calculations are shown in the spreadsheet "Recalc of Standard Mail Cap.xls" associated with this filing, as described in the new worksheet "3.26.09 Changes."

The Postal Service will provide notice to its customers of these changes through various communication channels, including the *DMM Advisory* and *PCC Insider*.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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## APPENDIX A – Revised Changes to MCS Section 1530

### 1530 Confirm Service

#### 1530.1 Description

- a. Confirm service permits subscribing customers to obtain electronic information regarding when and where mailpieces undergo barcode scans in mail processing operations. Destination Confirm is for a subscriber's outgoing mail; Origin Confirm is for reply mail incoming to a customer. Scan information is not guaranteed for every piece of qualifying mail.
- b. Confirm service provides information for automation-compatible letter-size and flat-size First-Class Mail, Priority Mail, Standard Mail, Periodicals, and Package Services pieces.
- c. Confirm service is available to subscribers authorized by the Postal Service. Authorization requires that a customer demonstrate the capabilities of producing mailpieces with Confirm-compatible barcodes.
- d. ~~Subscribers~~ Mailers may purchase Confirm service by subscribing to Bronze, Silver, Gold, or Platinum subscription levels, based on subscription duration and number of scans.
  - The Bronze subscription has a term of one year with the use of one identification code and up to 200,000 scans.
  - The Silver subscription has a term of three months and includes the use of one identification (ID) code and up to 15 million scans.
  - The Gold subscription has a term of twelve months and includes the use of one ID code and up to 50 million scans.
  - The Platinum subscription has a term of twelve months and includes the use of three ID codes and unlimited scans.

At any level, subscribers may license the use of additional ID codes for a term of three months or until expiration of the subscription, whichever occurs first.

**1530.2 Prices**

	<b>(\$)</b>
<u>Bronze</u>	
<u>Subscription (12 months)</u>	1,000.00
<u>Additional Scans (block of 10,000)</u>	250.00
Silver	
Subscription (3 months)	2,000.00
Additional Scans (block of 2 million)	500.00
Gold	
Subscription (12 months)	7,500.00
Additional Scans (block of 6 million)	800.00
Platinum	
Subscription (12 months)	25,000.00
Additional ID Codes	
Annual	2,500.00
Quarterly	900.00