

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

Before Commissioners:

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

Modification of Analytical Principles in  
Periodic Reporting  
(Proposals Twenty-Two through Twenty-Five)

Docket No. RM2010-4

NOTICE OF PROPOSED RULEMAKING ON ANALYTICAL  
PRINCIPLES USED IN PERIODIC REPORTING  
(PROPOSALS TWENTY-TWO THROUGH TWENTY-FIVE)

(Issued October 29, 2009)

On October 23, 2009, the Postal Service filed a petition to initiate an informal rulemaking proceeding to consider changes in the analytical methods approved for use in periodic reporting.<sup>1</sup> Proposal Twenty-Two proposes to calculate incremental costs for competitive products using the incremental cost model developed by witness Bradley and implemented by witness Kay in Docket No. R2000-1. In the attachment addressing Proposal Twenty-Two that accompanies the Petition, the Postal Service explains this methodology and how it applies to the current product structure.

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<sup>1</sup> Petition of the United States Postal Service Requesting Initiation of a Proceeding to Consider Proposed Changes in Analytic Principles (Proposals Twenty-two – Twenty-five), October 23, 2009 (Petition).

Proposal Twenty-Three would remove an inconsistency between domestic and international mail with respect to the treatment of window service costs. Proposal Twenty-Four would change the format, but not the methodology, used to prepare the unit cost detail chart that was most recently presented in library reference USPS-FY08-NP30 in Docket No. ACR2008. Proposal Twenty-Five consists of three proposed modifications to the Flats Costs Models that were previously presented in library reference USPS-FY08-NP11 in Docket No. ACR2008.

The attachments to the Postal Service's Petition explain each proposal in more detail, including its background, objective, rationale, and estimated impact. The Petition, including the attachments, are available for review on the Commission's website [www.prc.gov](http://www.prc.gov).

Comments on Proposal Twenty-Two are due no later than November 30, 2009. Comments on Proposals Twenty-Three through Twenty-Five are due no later than November 16, 2009.

Pursuant to 39 U.S.C. 505, Diane Monaco is appointed to serve as the officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

*It is ordered:*

1. The Petition of the United States Postal Service Requesting Initiation of a Proceeding to Consider Proposed Changes in Analytic Principles (Proposals Twenty-two -Twenty-five), filed October 23, 2009, is granted.
2. The Commission established Docket No. RM2010-4 to consider the matters raised by the Postal Service's Petition.

3. Interested persons may submit comments on Proposal Twenty-Two no later than November 30, 2009, and on Proposals Twenty-Three through Twenty-Five no later than November 16, 2009.
4. The Commission will determine the need for reply comments after review of the initial comments.
5. Diane Monaco is designated to serve as the Public Representative representing the interests of the general public.
6. The Secretary shall arrange for publication of this Notice in the *Federal Register*.

By the Commission.

Shoshana M. Grove  
Secretary