

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

Classification and Price Adjustments  
for First-Class Mail and Standard Mail  
Incentives

Docket No. R2011-1

ORDER CONCERNING COMMENTS DUE NOVEMBER 22, 2010

(Issued November 17, 2010)

In Order No. 577, the Commission provided notice of the Postal Service rate filing and afforded interested persons an opportunity to comment on “whether the planned changes are consistent with the policies of 39 U.S.C. 3622 and the Commission’s applicable regulations.”<sup>1</sup> Comments are due November 22, 2010. *Id.*

Chairman’s Information Request No. 1, issued November 10, 2010, sought to clarify the Postal Service filing regarding compliance with the Commission’s regulations concerning calculation of the annual limitation (39 CFR 3010.21), and both new (39 CFR 3010.14(b)(4))

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<sup>1</sup> Notice and Order of Market Dominant Price Adjustments and Classification Changes, November 4, 2010, at 6 (Order No. 577).

and unused rate adjustment authority (39 CFR 3010.26).<sup>2</sup> These questions sought information required by the Commission's rules and invited the Postal Service to revise its filing, as appropriate.

The Postal Service Response to CHIR No. 1 states that it is uncertain how the rules defining the price cap should be applied.<sup>3</sup> It does provide, among other things, a calculation of the annual CPI-U limitation. *Id.* at 4. Based on its answers, the Postal Service concludes that no "revision to its November 2, 2010 Notice in this docket is appropriate." *Id.* at 4, 8.

In its Response, the Postal Service references letters between the Postal Service's Managing Counsel, Pricing & Product Development and the Commission's General Counsel, and a related response by the Affordable Mail Alliance addressing calculation of the annual limitation and Type 1-A and Type 1-B rate filings. *Id.* at 1. Those documents also are cited in a recent Postal Service request for clarification of the Commission's rules relating to calculation of unused rate adjustment authority under the price cap for market dominant products, 39 CFR 3010.26(c)(1)-(3).<sup>4</sup>

The date for comments in this proceeding is extended until November 24, 2010. Interested persons are encouraged to comment on the Postal Service Response and, in the context of the Postal Service's filing in this proceeding, comment on the appropriate application of the Commission's rules under 39 CFR 3010 subpart C.

Shoshana M. Grove  
Secretary

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<sup>2</sup> Chairman's Information Request No. 1, November 10, 2010 (CHIR No. 1).

<sup>3</sup> Responses of the United States Postal Service to Questions 1-3 of Chairman's Information Request No. 1, November 16, 2010, at 1 (Response).

<sup>4</sup> Docket No. RM2011-2, Petition for Rulemaking Regarding the Calculation of Unused Rate Adjustment Authority, November 10, 2010.