



UNITED STATES
POSTAL SERVICE

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POSTAL REGULATORY
COMMISSION

Hon. Shoshana M. Grove, Secretary
Postal Regulatory Commission
901 New York Avenue NW, Suite 200
Washington, D.C. 20268-0001

Dear Ms. Grove:

In connection with the Commission's rules pertaining to periodic reports, I have enclosed copies of the reports of Revenue, Pieces and Weight (RPW) by rate category and special service for Quarters 1-4 of Fiscal Year (FY) 2010, and a summary annual RPW report for FY 2010. Each of these reports consists of two parts:

1. Mailing Services (Market Dominant Products), Revenue, Pieces and Weight by Classes of Mail and Special Services for [Quarters 1, 2, 3, 4, annual Summary], Fiscal Year 2010, Compared with the Corresponding Period of Fiscal Year 2009, **Public Report**; and
2. Shipping Services (Competitive Products), Revenue, Pieces and Weight by Classes of Mail and Special Services for [Quarters 1, 2, 3, 4, annual Summary], Fiscal Year 2010, Compared with the Corresponding Period of Fiscal Year 2009, **Public Report**.

For purposes of comparison, the reports for Quarters 1, 2, and 3 included here have been revised. Revisions include changes reflecting the following: (1) new postal and non-postal services reporting; (2) the introduction of the approved methodological change for non-PostalOne! office reporting; and (3) some other changes, as described below. In these reports, the information presented for the corresponding FY2009 periods was presented in each quarter and for the fiscal year in accordance with the changes described above, so that comparisons of FY 2010 to the previous year will reflect a consistent methodology. The presentation of this information for FY 2009 does not represent a change in the reports for FY 2009 that were previously filed. The following describes in more detail the revisions to the FY 2010 reports.

New Postal and non-Postal Services: New competitive postal services categories were included in the revised reports for Quarters 1, 2, and 3, and the reports for Quarter 4 and Fiscal Year 2010 for Greeting Cards and Stationary, Shipping and Mailing Supplies, and Address Management

Services.¹ Official License Retail Products as a non-Postal Service was added in the competitive services section of the RPW reports as well. Revenues for these new postal services and non-postal services, which had previously been reported in market dominant Other Mailing Services revenue, were transferred into this competitive section of the RPW reports. In addition, new Address Management Services were included in Other Domestic Special Services of the market dominant section of the RPW reports. These revenues were also removed from previously reported market dominant Other Mailing Services revenue.

Non-PostalOne! Office reporting: Per Postal Regulatory Commission (PRC) Order No. 354, the model results for non-PostalOne! office revenue were incorporated into the reports for revised Quarters 1, 2 and 3, and the Quarter 4 and FY2010 reports.

Free Military Mail reporting: Per PRC Order No. 339 for Proposal 17, revenue, volume and weight for Free Military Mail are revised for Quarters 1, 2, and 3, and Quarter 4 and FY2010. Free Military revenue is reported in Other Mailing Services revenue, volume and weight in Free Mail in the RPW reports.

Customized Postage: Customized postage is now reported separately. Reports for Quarters 1, 2 and 3 were revised, and the Quarter 4 and FY2010 RPW reports include customized revenue in market dominant Other Domestic Special Services. These revenues were previously reported in market dominant Other Mailing Services revenue.

Competitive Post Office Box reporting: A new competitive products "Other Domestic Special Services" category was created in the revised Quarters 1, 2, and 3 reports and in the Quarter 4 and the FY2010 RPW reports. Competitive post office box rent revenue is now reported in this category. These revenues were previously included in market dominant post office box rents.

I have enclosed a disk with machine-readable versions, consisting of one Excel file for each report containing both parts of these public reports. These electronic files may be posted on the internet.

As with prior reports in the recent past, I have included with the public versions of the RPW reports for Quarters 1-4, and the summary annual report for FY 2010, restricted versions that disaggregate the international and domestic data pertaining to competitive products (**Restricted Report**). These alternative,

¹ Note that beginning with FY2011 Address Management Services name will be changed to Address Enhancement Services to better match the Mail Classification Schedule.

restricted versions follow the adopted format used in the public reports, and provide the Commission with additional, disaggregated data for the confidential categories. The restricted reports are being provided on computer disk and in hard copy, and should not be made public. They have been marked as restricted and confidential.

Similar to prior quarterly reports, the Restricted Reports (Part 2 of the reports for Quarters 1-4, and the summary annual report for FY 2010) do not redact information from the non-public versions of the reports, but present statistics in aggregated categories. In the new format, however, the categories have been expanded. The public versions in the old format limited the statistics to one category for "Total Shipping Services Mail" and one category for "Total Shipping Services Services." The new format presents aggregations by individual product category. This change results in new line items for "Total Express Mail," "Total Priority Mail," "Total Parcel Select Mail," and "Total Parcel Return Service Mail."

The Postal Service believes that the material contained in the Restricted Reports that is not included in the public versions consists of information that would not be subject to mandatory disclosure pursuant to the Freedom of Information Act and Title 39, United States Code. This letter incorporates by reference Attachment 2 of my letter dated September 29, 2009: "Application of the United States Postal Service for Non-Public Treatment of Materials." Pursuant to 39 C.F.R. § 3007.21, this document describes the information in the restricted versions that has been aggregated in the public versions, and presents the statutory basis for the Postal Service's request for confidentiality, as well as a description of the harm that would result from disclosure

If you have any questions regarding the changes described above or the reports for Quarters 1-4, or the summary report, for FY 2010, do not hesitate to call.

Sincerely,



Daniel J. Foucheaux, Jr.
Chief Counsel, Pricing and
Product Support

Enclosures

cc: Ms. Taylor