

ORDER NO. 784

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

Before Commissioners:

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

Competitive Product Prices
Inbound International Expedited Services 2
(MC2009-10)

Docket No. CP2011-66

NOTICE AND ORDER CONCERNING FILING OF CHANGES IN RATES
FOR INBOUND INTERNATIONAL EXPEDITED SERVICES 2

(Issued July 29, 2011)

I. INTRODUCTION

On July 28, 2011, the Postal Service filed a notice announcing changes in rates not of general applicability for Inbound International Expedited Services 2 effective January 1, 2012.¹ The Postal Service incorporates by reference a listing of countries in each pricing tier and the description of Inbound International Expedited Services 2 contained in the supporting documentation filed in Docket Nos. MC2009-10, CP2009-12 and CP2009-57. *Id.* at 2 and n.4. The following four documents are attached to the Notice: (1) an application for non-public treatment of specific materials; (2) redacted

¹ Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability and Application for Non-Public Treatment of Material Filed Under Seal, July 28, 2011 (Notice).

Governors' Decision No. 08-20 establishing the Inbound Express Mail International (EMS) classification along with a certified statement establishing compliance with 39 U.S.C. 3633; (3) a redacted copy of the 2012 rates; and (4) a certified statement required by 39 CFR 3015.5(c)(2).

I. BACKGROUND

The Notice states that in Docket No. MC2009-10, the Governors established prices and classifications not of general applicability for Inbound Express Mail International. *Id.* at 1. In Order No. 162, the Commission added Inbound International Expedited Service 2 to the competitive product list as a new product under Express Mail, Inbound International Expedited Services.² The rates took effect on January 1, 2009. In Order No. 281, the Commission accepted the change in rates not of general applicability for Inbound International Expedited Services 2 effective January 1, 2010.³ The Commission also directed the Postal Service to provide the 2010 EMS Pay-for-Performance Plan as approved by the EMS Cooperative of the Universal Postal Union (UPU). On February 17, 2010, the Postal Service provided the requested information.⁴ In Order No. 523, the Commission accepted the change in rates not of general applicability for Inbound International Expedited Services 2 effective January 1, 2011.⁵ The Postal Service also provided a copy of the 2011 EMS Pay-for-Performance Plan as directed by the Commission.⁶

² See Docket Nos. MC2009-10 and CP2009-12, Order Adding Inbound International Expedited Services 2 to Competitive Product List, December 31, 2008 (Order No.162).

³ See Docket No. CP2009-57, Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, August 19, 2009 (Order No. 281).

⁴ See Docket No. CP2009-57, Response of the United States Postal Service to Order No. 281, Notice of Filing Requested Materials, and Application for Non-Public Treatment of Materials Filed Under Seal, February 17, 2010.

⁵ See Docket No. CP2010-90, Order Concerning Filing of Changes in Rates for Inbound International Expedited Services 2, August 23, 2010 (Order No. 523).

⁶ See Docket No. CP2010-90, Response of the United States Postal Service to Order No. 515, August 19, 2010.

In accordance with the provisions of the EMS Cooperative of the UPU, rates for the delivery of inbound Express Mail International must be communicated to the UPU by August 31 of the year before which they are to take effect. As a member of the EMS Cooperative, the Postal Service may not change its rates for the coming year after August 31.

The Postal Service indicates that it proposes no changes to the classification of Inbound International Expedited Services 2 included with its Notice. Notice at 2. It acknowledges that it incorporates by reference the explanations of the Inbound International Expedited Services 2 contained in its Request in Docket Nos. MC2009-10 and CP2009-12 and other materials filed in Docket No. CP2009-57. In Docket No. CP2009-57, the Postal Service explained that, “the two-tiered rate structure for Inbound Expedited Services exists as a result of the EMS Cooperative’s expectation that all of its members will participate in the Pay-for-Performance Plan.” *Id.*

The Postal Service asserts that its filing demonstrates compliance with 39 U.S.C. 3633. *Id.* at 3.

II. SUPPLEMENTAL INFORMATION

Pursuant to 39 CFR 3015.6, the Commission requests the Postal Service to provide the following supplemental information by August 8, 2011:

- The Postal Service’s EMS Cooperative Report Cards, including performance measurements, for calendar year 2010.

III. NOTICE OF FILING

The Commission establishes Docket No. CP2011-66 for consideration of matters related to the issues identified in the Postal Service’s Notice.

Interested persons may submit comments on whether the Postal Service’s contract is consistent with the policies of 39 U.S.C. 3632, 3633 or 3642. Comments are due no later than August 11, 2011. The public portions of these filings can be accessed via the Commission’s website (www.prc.gov).

The Commission appoints James F. Callow as Public Representative in this proceeding.

IV. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. CP2011-66 for consideration of the issues raised in this docket.
2. Comments by interested persons in these proceedings are due no later than August 11, 2011.
3. Pursuant to 39 U.S.C. 505, James F. Callow is appointed to serve as officer of the Commission (Public Representative) to represent the interest of the general public in these proceedings.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*

By the Commission.

Shoshana M. Grove
Secretary