

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

NOTICE OF PRICE ADJUSTMENT

Docket No. R2013-1

UNITED STATES POSTAL SERVICE RESPONSE
TO ORDER NO. 1541
(November 26, 2012)

I. Introduction

The United States Postal Service hereby provides its response to Order No. 1541, which was issued on November 16, 2012. In that Order, the Commission found that the Postal Service's planned price adjustments for First-Class Mail, Special Services, Package Services, and Periodicals (identified in the United States Postal Service Notice of Market Dominant Price Adjustment, filed October 11, 2012) are consistent with 39 U.S.C. §§ 3622(d), 3622(e), and 3626, and may be put into effect as planned.¹ However, the Commission also found that the planned price adjustments for Standard Mail Flats failed to satisfy the Commission's directives in the FY 2010 Annual Compliance Determination (ACD).² In that directive the Commission ordered the Postal Service to use a combination of cost reductions and above-average price

¹ Docket No. R2013-1, Order No. 1541: On Price Adjustments for Market-Dominant Products and Related Mail Classification Changes ("Order No. 1541"), at 81 (November 16, 2012).

² *Id.*

adjustment to improve Flats' cost coverage.³ Accordingly, the Commission remanded the planned Standard Mail price adjustments to allow the Postal Service to submit amendments that achieve compliance with the FY 2010 ACD directive, the PAEA, and other applicable regulations.⁴ The Postal Service has provided its response (including revised price adjustments for Standard Mail Flats) below.

Although the Postal Service was able to accomplish the Commission's directive to raise prices for Standard Flats without violating the cap or introducing offsetting price reductions for other products, the Postal Service nevertheless believes that the Commission overstepped its authority in Order No. 1541, for the reasons that are more fully articulated below. As Commissioner Taub aptly noted in dissent, "the approach of the Commission is a step back in time towards its ratemaking role that was abolished with the former Postal Rate Commission."⁵ Moreover, under the PAEA, "the authority to establish reasonable and equitable classes of mail and rates of postage is vested primarily with the Postal Service."⁶ In Order No. 1541 the Commission assumed its former role, but under the PAEA the Postal Service is responsible for selecting the set of rates which, in its judgment, is most consistent with its statutory mission. The Postal Service performed that responsibility through its original rate proposal.

While the Ordering Paragraphs were limited to the Standard Mail Flats rates issue, the Commission also requested that the Postal Service provide a few additional items in its response to Order No. 1541. In particular, the Commission requested: 1)

³ Docket No. ACR2010, Annual Compliance Determination Report Fiscal Year 2010 ("ACR FY2010"), at 106 (March 29, 2011). These directives were further clarified and reaffirmed in Order Nos. 1427 and 1472.

⁴ Order No. 1541, at 81.

⁵ Docket No. R2013-1, Order No. 1541: Dissent in Part of Commissioner Taub, at 3 (November 16, 2012).

⁶ *Id.* At 4.

that the Postal Service explain why varying the Commercial and Nonprofit Standard Mail presort discounts is consistent with the PAEA and not contrary to *National Easter Seal Society v. USPS*, 656 F.2d 754 (D.C. Cir. 1981);⁷ 2) that the Postal Service provide any necessary updates to workshare discounts included in Attachment B of its Notice;⁸ and 3) that the Postal Service provide information responsive to CHIR No. 1, question 5 concerning the High Density Plus price category.⁹ The Postal Service discusses these items below.

Attached to this pleading the Postal Service has also provided updated MCS pages (Attachment A) with the new prices for Standard Mail Flats, an update to three pages of the Workshare Analysis (Attachment B), and a supplemental response to CHIR No. 1, question 5 (Attachment C).

II. Revised Standard Mail Flats Prices

In response to Order No. 1541, the Postal Service is filing revised prices for Standard Mail Flats with this pleading in Attachment A. These revised prices reflect an average price increase of 2.617 for the Flats product, which is appreciably greater than the revised average price increase for the Standard Mail class (2.569 percent) and the CPI-U price cap (2.570 percent). No other Standard Mail prices were changed as a result of the Standard Mail Flats revisions.

To achieve the above-average price increase for the Flats product, two primary changes were made. First, utilizing a suggestion made by the Commission,¹⁰ the Postal

⁷ *Id.* at 51. The Commission also provided the Postal Service with the option of revising the discounts, but the Postal Service decided to justify the existing discounts instead.

⁸ *Id.* at 48.

⁹ *Id.* at 48, n. 65.

¹⁰ Order No. 1541, at 49, n. 66. In this footnote the Commission also suggested that “unused rate adjustment authority from Docket No. R2008-1 (0.062 percentage points) and Docket No. R2009-2 (0.041 percentage points) could be used pursuant to 39 U.S.C. 3622(d)(2)(C)(iii).” However, the Postal Service

Service reduced the prebarcoding discount between automation and non-automation Flats from 7.5 cents to 5.5 cents. Second, as noted by the Commission in Order 1541, the Postal Service used the correct avoided cost of 4.6 cents for Automation 3-Digit Flats.¹¹ As a result of these changes, some rate cells would have received a price decrease. In order to mitigate this deviation from the desired overall price increase, a number of minor mechanical adjustments were also made. The Postal Service's workpapers are filed with this pleading as excel workbook "CAPCALC-STD-R2013 Order 1541.xls."

The Commission's FY 2010 ACD Order also requested that the Postal Service provide "an explanation of how the proposed prices will move the Flats cost coverage toward 100 percent."¹² However, given the short amount of time the Postal Service had to prepare its revised rate adjustments, and obtain Governors' approval, it has not been able to assess the full impact of the revised price increase on Standard Mail Flats' projected cost coverage. Consequently, the Postal Service cannot provide a comprehensive explanation for why the revised price adjustment will move Flats toward 100 percent cost coverage. Though the Postal Service has not been able to project the effects of the revised price increase on Standard Mail Flats' cost coverage, the revised price proposal is largely based on Commission recommendations.¹³ Additionally, the Postal Service estimates that the revised price adjustment could raise over four million

chose not to access this unused authority, because it is uncertain as to the consistency of the statement made in Footnote 66 with the Commission's prior guidance in Order No. 606 (Docket No. R2011-1). In this Order concerning the revised Standard Mail Flats rates, the Postal Service respectfully requests that the Commission clarify how banked rate adjustment authority from Docket Nos. R2008-1 and R2009-2 may be used by the Postal Service. Such an explanation will facilitate the Postal Service's use of unused rate adjustment authority in subsequent rate adjustments.

¹¹ Order No. 1541, at 52, n. 69.

¹² ACR FY2010, at 107.

¹³ See Order No. 1541, at 49, n. 66.

dollars in additional revenue from Standard Mail Flats. All else equal, the change may have a slight positive effect on Standard Mail Flats' cost coverage.

Although the Postal Service is complying with the Commission's directive by proposing an above-average price increase for Standard Mail Flats, the Postal Service reiterates its belief that the Commission has overstepped its authority in Order No. 1541. As accurately stated in Commissioner Taub's dissent,¹⁴ the intent of the Congress in passing the PAEA was to afford the Postal Service true pricing flexibility, unencumbered by the Commission's own vestigial views on pricing strategy. The Commission's Order here ignores that Congressional intent. Under the PAEA, the Postal Service is primarily responsible for setting prices. Here, the Postal Service proposed prices which it believed reflected an appropriate balance between the need to improve cost coverage for Standard Mail Flats pursuant to the Commission's prior Order, and the need for the Postal Service to increase contribution in order to remain economically viable. The Postal Service fully complied with the Commission's directives concerning the pricing of Standard Mail Flats, and its statutory obligations, and the Commission therefore exceeded its authority when it declined to fully approve the price proposal of the Postal Service.

Moreover, as stated above, the Postal Service is uncertain whether increasing the prices for Standard Mail Flats will either improve the product's cost coverage or make a positive contribution to the Postal Service's finances. Indeed, in Docket No. R2006-1, the last omnibus rate case prior to the enactment of the PAEA, the Commission raised prices for Standard Flats by as much as 41.1 percent to address

¹⁴ Docket No. R2013-1, Order No. 1541: Dissent in Part of Commissioner Taub, at 3-7 (November 16, 2012).

cost differences based on shape between letters and flats.¹⁵ In spite of this increase, Flats' persistent cost coverage problem has remained. Manifestly, simply raising prices is not a panacea guaranteed to "fix" underwater products, especially those in systemic decline.

III. Justification of Nonprofit Discounts

At page 51 of Order No. 1541, the Commission requested that the Postal Service explain why varying the Commercial and Nonprofit Standard Mail presort discounts is consistent with the PAEA and not contrary to *National Easter Seal Society v. USPS*, 656 F.2d 754 (D.C. Cir. 1981). In *National Easter Seal Society*, the Court considered whether it would be discriminatory for the Postal Service to phase in a Nonprofit discount over time while immediately instituting the corresponding Commercial discount. The Court did not hold that phasing in the Nonprofit discount in such a situation would necessarily be discriminatory. *National Easter Seal Society*, 656 F.2d at 762 ("We do not hold that the Governors do not have the authority, implicit in their general ratemaking power, [...] to implement the phasing schedule adopted here"). Rather, the Court simply required that the Postal Service have a reasonable ground for the phased in schedule.

The varying presort discounts among Commercial and Nonprofit Standard Mail arise from the complex task of designing rates that comply with 39 U.S.C. § 3626(a)(6). Section 3626(a)(6) requires that the average revenue per piece from Nonprofit products equal, as nearly as practicable, 60 percent of the average revenue per piece from the corresponding Commercial products. The Postal Service's primary goal in setting

¹⁵ Docket No. R2006-1, Decision of the Governors of the United States Postal Service on Docket No. R2006-1 , at 9 (March 19, 2007).

Nonprofit rates, then, is to achieve the 60 percent benchmark, and the statute's inclusion of "as nearly as practicable" recognizes the complexity of this task. Often, this complexity precludes the Postal Service from making Nonprofit presort discounts identical to Commercial presort discounts without setting the Nonprofit base rate higher than would be most efficient or otherwise preferable from a policy perspective.

Indeed, identical presort discounts could lead to users of certain Nonprofit base rates paying considerably more than 60 percent of the corresponding Commercial base rates, while users of the Nonprofit presort rates would pay considerably less than 60 percent. One might argue, in such a situation, that the Postal Service would be discriminating between regular Nonprofit mailers and presort Nonprofit mailers. In reality, the PAEA's overriding mandate of Nonprofit rates resulting in 60 percent of the revenue per piece of Commercial rates necessarily results in some variance both from the Commercial presort rate structure and among the per piece revenues at each level of the Nonprofit rate structures.

As a result, in both previous rate cases and the current docket, some Nonprofit discounts have varied from the corresponding Commercial presort discounts.¹⁶ For example, the Flats 5-Digit Automation Nonprofit discount has varied from the corresponding Commercial discount in Docket Nos. R2011-2, R2012-3, and R2013-1. To the extent that there is a High Density Letters discount, moreover, the Nonprofit

¹⁶ Note that, because of the statutory requirement that "postage on Periodicals Nonprofit mailings be as nearly as practicable 5 percent lower than the postage for a corresponding regular-rate category mailing," all of the Periodicals Nonprofit discounts have been, in effect, set 5 percent lower than the corresponding Commercial discounts. 39 U.S.C. § 3626(a)(4)(A). For example, if the Commercial postage is 50 cents minus a 10 cent discount, resulting in 40 cents, the comparable Nonprofit postage would be 38 cents, reflecting a Nonprofit base price of 47.5 cents and a Nonprofit discount of 9.5 cents.

discount has varied from the Commercial discount in Docket Nos. R2008-1, R2011-2, R2012-3, and R2013-1.

Consistent with the Commission's request that the "Postal Service's Attachment B workpapers must calculate passthroughs for each discount it offers," the Postal Service is filing with this pleading updated pages from Attachment B for Flats, High Density and Saturation Letters, and High Density and Saturation Flats/Parcels. Order No. 1541 at 48. The Postal Service shows the different Nonprofit discounts on a separate line when they differ from the Commercial discounts, along with the other discounts in the relevant category. The passthroughs for the Nonprofit discounts are all at 100 percent or below, and can be justified the same way as the corresponding Commercial discounts.

IV. Supplemental Response to CHIR No. 1, Question 5.

On page 48, note 65, of Order 1541, the Commission stated that "Notwithstanding its assertion that it no longer believes that the proposed High-Density Plus price tier should be added as a workshare discount, the Postal Service must provide the information requested in CHIR No. 1, question 5 in response to this Order." In compliance with this directive, the Postal Service has provided a supplemental response to CHIR No. 1, question 5. This response is included with this pleading at Attachment C.

V. Conclusion

As explained above, the Postal Service believes that the above-average (2.617 percent) price increase for Standard Mail Flats complies with Order No. 1541 and the Commission's directive in the FY 2012 ACD. Accordingly, the Postal Service

respectfully requests that the Commission expeditiously approve the revised rates for Standard Mail Flats and all other Standard Mail products.¹⁷

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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

John F. Rosato
David H. Rubin

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2986, Fax -6187
November 26, 2012

¹⁷ Both the Postal Service and mailers need as much time as possible to make system adjustments so that implementation on January 27, 2013, is possible.

1225 Flats

* * * * *

1225.6 Prices

Automation Flats (3.3 ounces or less)

Entry Point	Commercial				Nonprofit			
	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	0.362	0.455	0.501	0.511	0.216	0.306	0.352	0.362
DNDC	0.329	0.422	0.468	0.478	0.183	0.273	0.319	0.329
DSCF	0.319	0.412	0.458	n/a	0.173	0.263	0.309	n/a

Automation Flats (greater than 3.3 ounces)

Charges are computed by multiplying the number of pieces in the mailing by the applicable per piece price, multiplying the number of pounds of the mailing by the applicable per pound price, and adding both totals.

a. Per Piece

	Commercial				Nonprofit			
	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Per Piece	0.207	0.300	0.346	0.356	0.082	0.172	0.218	0.228

b. Per Pound

Entry Point	Commercial				Nonprofit			
	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	0.751	0.751	0.751	0.751	0.648	0.648	0.648	0.648
DNDC	0.590	0.590	0.590	0.590	0.487	0.487	0.487	0.487
DSCF	0.542	0.542	0.542	n/a	0.439	0.439	0.439	n/a

Nonautomation Flats (3.3 ounces or less)

Entry Point	Commercial				Nonprofit			
	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	0.401	0.479	0.529	0.566	0.258	0.336	0.380	0.417
DNDC	0.368	0.446	0.496	0.533	0.225	0.303	0.347	0.384
DSCF	0.358	0.436	0.486	n/a	0.215	0.293	0.337	n/a

Nonautomation Flats (greater than 3.3 ounces)

Charges are computed by multiplying the number of pieces in the mailing by the applicable per piece price, multiplying the number of pounds of the mailing by the applicable per pound price, and adding both totals.

a. Per Piece

	Commercial				Nonprofit			
	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Per Piece	0.246	0.324	0.374	0.411	0.124	0.202	0.246	0.283

b. Per Pound

Entry Point	Commercial				Nonprofit			
	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	0.751	0.751	0.751	0.751	0.648	0.648	0.648	0.648
DNDC	0.590	0.590	0.590	0.590	0.487	0.487	0.487	0.487
DSCF	0.542	0.542	0.542	n/a	0.439	0.439	0.439	n/a

ATTACHMENT B

Workshare Discounts and Benchmarks--Standard Mail Flats (Commercial and Nonprofit)

Type of Worksharing	Benchmark	Discount ^[1]	Avoided Cost ^[2]	Passthrough
Commercial Standard Mail Flats--Automation				
Presorting (dollars / piece)				
Automation ADC Flats	Automation Mixed ADC Flats	\$0.010	\$0.010	100.0%
Automation 3-digit Flats	Automation ADC Flats	\$0.046	\$0.046	100.0%
Automation 5-digit Flats	Automation 3-digit Flats	\$0.093	\$0.117	79.5%
Commercial and Nonprofit Pre-barcoding (dollars / piece)				
Automation Mixed ADC Flats	Nonautomation Mixed ADC Flats	\$0.055	\$0.023	239.1%
Standard Mail Flats--Nonautomation				
Presorting (dollars / piece)				
Nonautomation ADC Flats	Nonautomation Mixed ADC Flats	\$0.037	\$0.050	74.0%
Nonautomation 3-digit Flats	Nonautomation ADC Flats	\$0.050	\$0.054	92.6%
Nonautomation 5-digit Flats	Nonautomation 3-digit Flats	\$0.078	\$0.078	100.0%
Commercial and Nonprofit Standard Mail Flats				
Drop Ship (dollars / pound)				
DNDC Flats	Origin Flats	\$0.161	\$0.228	70.6%
DSCF Flats	Origin Flats	\$0.209	\$0.264	79.2%
<hr/>				
Nonprofit Standard Mail Flats--Automation				
Presorting (dollars / piece)				
Automation ADC Flats	Automation Mixed ADC Flats	\$0.010	\$0.010	100.0%
Automation 3-digit Flats	Automation ADC Flats	\$0.046	\$0.046	100.0%
Automation 5-digit Flats	Automation 3-digit Flats	\$0.090	\$0.117	76.9%
Standard Mail Flats--Nonautomation				
Presorting (dollars / piece)				
Nonautomation ADC Flats	Nonautomation Mixed ADC Flats	\$0.037	\$0.050	74.0%
Nonautomation 3-digit Flats	Nonautomation ADC Flats	\$0.044	\$0.054	81.5%
Nonautomation 5-digit Flats	Nonautomation 3-digit Flats	\$0.078	\$0.078	100.0%

Notes

[1] Source of Discounts: Docket No. R2013-1, Notice of Market-Dominant Price Adjustment, Attachment A, Schedule 1225

[2] Avoided Cost--Source: PRC ACD FY2011, Table VII-16 at p. 124
CRA Adj Unit Costs page (for presorting); Presort Levels Held Const page (for pre-barcoding)

ATTACHMENT B

Workshare Discounts and Benchmarks--Standard Mail High Density and Saturation Letters (Commercial and Nonprofit)

Type of Worksharing	Benchmark	Discount ^[1]	Avoided Cost ^[2]	Passthrough
Commercial Standard Mail HD / Saturation Letters				
Presorting (dollars / piece)				
High Density Letters	Carrier Route Letters	\$0.077	\$0.381	20.2%
Commercial and Nonprofit Drop Ship (dollars / pound)				
DNDC Letters	Origin Letters	\$0.161	\$0.317	50.8%
DSCF Letters	Origin Letters	\$0.209	\$0.377	55.4%
<hr/>				
Nonprofit Standard Mail HD / Saturation Letters				
Presorting (dollars / piece)				
High Density Letters	Carrier Route Letters	\$0.074	\$0.381	19.4%

Notes

- [1] Source of Discounts: Docket No. R2013-1, Notice of Market-Dominant Price Adjustment, Attachment A, Schedules 1205, 1215
- [2] Avoided Cost--Source: PRC ACD FY2011, Table VII-15 (p. 123)

ATTACHMENT B

Workshare Discounts and Benchmarks--Standard Mail High Density and Saturation Flats and Parcels (Commercial and Nonprofit)

Type of Worksharing	Benchmark	Discount ^[1]	Avoided Cost ^[2]	Passthrough
Commercial Standard Mail HD / Saturation Flats and Parcels				
Presorting (dollars / piece)				
High Density Flats	Carrier Route Flats	\$0.051	\$0.058	87.9%
^[3] High Density Parcels	Carrier Route Parcels			
Commercial and Nonprofit Drop Ship (dollars / pound)				
DNDC Flats	Origin Flats	\$0.161	\$0.228	70.6%
DSCF Flats	Origin Flats	\$0.209	\$0.264	79.2%
DDU Flats	Origin Flats	\$0.252	\$0.304	82.9%
^[4] DNDC Parcels	Origin Parcels			
DSCF Parcels	Origin Parcels			
DDU Parcels	Origin Parcels			
<hr/>				
Nonprofit Standard Mail HD / Saturation Flats and Parcels				
Presorting (dollars / piece)				
High Density Flats	Carrier Route Flats	\$0.049	\$0.058	84.5%
^[3] High Density Parcels	Carrier Route Parcels			

Notes

- [1] Source of Discounts: Docket No. R2013-1, Notice of Market-Dominant Price Adjustment, Attachment A, Schedules 1210, 1215;
- [2] Avoided Cost--Source: PRC ACD FY2011, Table VII-15 at p. 123
- [3] Due to the introduction of Simple Samples, High Density Parcels has been eliminated as a price category
- [4] There are no discounts related to dropship in the new Simple Samples price structure for Saturation Parcels. Rows 13, and 20-22 no longer apply, and will be deleted in future filings.

SUPPLEMENTAL RESPONSE OF UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1,
IN RESPONSE TO ORDER NO. 1541

5. The Postal Service proposes a new workshare discount called High Density Plus. Notice at 26.
 - a. Pursuant to 39 CFR 3010.14(c), please provide:
 - i. A statement explaining reasons for establishing the discount;
 - ii. All data, economic analyses, and other information relied on to justify the discount; and
 - iii. A certification based on comprehensive, competent analyses that the discount will not adversely affect either the rates or the service levels of users of postal services who do not take advantage of the discount.
 - b. Please provide an explanation of why Carrier Route is the appropriate benchmark for High Density Plus. Please identify the type of mail likely to convert to High Density Plus in the response.
 - c. Please indicate when the Postal Service will propose a methodology to calculate a unit cost avoidance for High Density Plus.

RESPONSE:

- a.
 - i. The High Density Plus rate category was established to encourage additional volume by offering a lower per-piece price when there are more than 300 pieces per route. In addition, the large disparity between the 125 piece High Density requirement and the Saturation requirements of at least 90 percent residential addresses or 75 percent or more of the total addresses presents an opportunity for another tier to encourage customers to add pieces per route, or merely to offer more gradation in the price structure. The new tier of at least 300 pieces represents approximately 50 percent route coverage on the average route. Now, customers will receive progressive rate breaks for (a) 125 pieces (approximately 25 percent of the route), (b) 300 pieces (50 percent of the route) and (c) Saturation (90 percent or 75 percent of the route).

SUPPLEMENTAL RESPONSE OF UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1,
IN RESPONSE TO ORDER NO. 1541

- ii-iii. The High Density Plus tier for Letters and Flats was developed through many discussions with mailing industry leaders over the past several years. The Postal Service believes that some High Density mailers will increase volume enough to qualify for High Density Plus.

The Postal Service does not plan to change the service level for customers who do not qualify for High Density Plus. Mailers who remain at the High Density level will face a below-average increase of about 1.3 percent, so they are not adversely affected by the introduction of High Density Plus.

- b. The Postal Service identified Carrier Route as the benchmark in its original Attachment B in error. The Postal Service does not view Carrier Route as a worksharing "benchmark", since High Density Plus mailings do not involve work avoided by the Postal Service because of mailer activity, that is, "worksharing."
- c. By not defining the new category as "worksharing", there is no benchmark upon which to calculate a "cost avoidance". However, to the extent High Density Plus is to have a relationship with another price category, the relationship can be viewed as similar to the existing "High Density vs. Carrier Route" relationship. This would implicitly assume that there are insignificant cost differences between High Density and High Density Plus. In any event, although the Postal Service does not view High Density Plus as "worksharing", it will participate in the Commission's separate docket to consider the issue further to resolve the issues rather than in this time-limited rate request. See Order No. 1541 at 57. Based on the outcome of that docket, the Postal Service will provide necessary cost information in future Annual Compliance Reports.