

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

MODIFICATION OF MAIL CLASSIFICATION SCHEDULE  
REGARDING FIRST-CLASS MAIL SINGLE-PIECE  
RESIDUAL PRICE TABLE

Docket No. MC2013-30

**OPPOSITION OF THE**  
**ASSOCIATION FOR MAIL ELECTRONIC ENHANCEMENT**  
(January 17, 2013)

The Association for Mail Electronic Enhancement (AMEE) joins NPPC, MMA, and other Industry associations in submitting this opposition to the Postal Service proposal to Amend the Mail Classification Schedule to rates on mailers of 2-ounce residual letters. AMEE's member companies represent mailers, associations, and supporting vendors who have a primary interest in increasing the value and utility of First Class Mail and are engaged in developing and/or promoting technology in the area of mail electronic enhancement.

The subject proposal could impose a substantial rate increase on mailers, and the Commission should reject the proposal as an improper rate increase and as inconsistent with Order No. 1541.

NPPC has provided an excellent summary of issue background, and like much like the rest of the industry, AMEE members supported "second-ounce free". However, during the last year mailers and the Postal Service mutually identified the treatment and pricing of residual second-ounce letters as a problem that required correction.

The Postal Service addressed that issue in its October rate adjustment, however, it chose not to extend “second ounce free” to residual pieces, as had been widely recommended through industry comment. Instead, it announced a new, higher “blended” rate for Single-Piece Residual Machinable Letters at 48 cents for both one-ounce and two-ounce letters, which would allow it “to recover the lost additional ounce revenue while making it easy for the mailers to pay accurate postage.”

As filed, the proposal was clear. Residual pieces from a “second-ounce free” presort mailing would pay 48 cents per piece, without mailers having to “go through the trouble of separating the 1 and 2 ounce pieces.” Mailers of one-ounce only pieces could mail them as residual pieces at 48 cents or, separate and mail the 1 ounce pieces separately. Now, just days before the new rate is scheduled to take effect, the Postal Service is trying to increase rates for 2-ounce letters through a “minor” classification change. Notwithstanding the plain language in its October *Notice*, the Postal Service now wants to retract its previous description of the new price – in which it said that the “new price will be 48 cents for up to 2 ounces”

AMEE requests the Commission to reject the Postal Service proposal since its new language is inconsistent with the USPS October filing and such a change is not “just and reasonable”. AMEE members cannot be expected to revise their systems less than two weeks before the new price takes effect.

In addition, AMEE believes the Postal Service’s “classification” change is a rate increase on two-ounce Residual letters from 48 cents to 66 cents compared to the

language approved by the Commission. The Postal Service has also failed give the minimum required 45-day notice for price changes.

In the end AMEE members will again develop workaround plans to solve problems created by the Postal Service's bewildering lack of understanding regarding mailer business practices. While the original intent of the Postal Service may have been to assist mailers, the result of its short-sighted, inflexible communications and technical solutioning will likely accelerate the reduction of mail volume and revenue.

As consistently demonstrated in the past, AMEE members will continue to offer their industry knowledge and willingness to engage in meaningful two-way communications with the Postal Service. Hopefully, a lesson may have been learned. We urge the Commission to reject the Postal Service's "classification" change and reaffirm that under the prices scheduled to take effect on January 27:

- The price for mixed one- and two-ounce mixed residual letters is 48 cents.
- The price for two-ounce residual letters is 48 cents.

Respectively submitted:

Association for Mail Electronic Enhancement

John A. Sexton, President

[John.sexton@pbpresortservices.com](mailto:John.sexton@pbpresortservices.com)

202-270-6550

